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November 7, 1983

Special Report

Media Outlook: What lies ahead in trends, costs and competition

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Book Bonanza

'Potboiler' novels: The marketing of sex, scandal and seduction

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Monty Python star

John Cleese takes to tv advertising with a comic vengeance

— International section

An Ad Age survey

Which celebrity presenters get the best audience recall?

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NEWSPAPER

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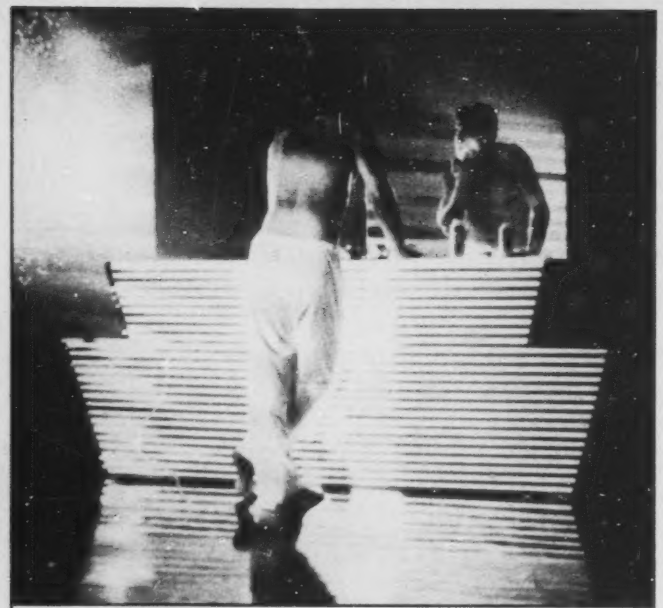

Modernistic look is featured in new Foamy gel tv spots.

Gillette's Foamy starting to gel

By GAY JERVEY

Gillette Co. tonight will break a $5 million tv advertising campaign for its new Foamy gel designed to bring a little sophisticated sex appeal to shaving ads.

The Boston-based company hopes that its new entry—which comes from the personal care division (AA, Aug. 1)—will not only hone in on S.C. Johnson & Son's category pioneer and leader Edge, but also attract new users to gels.

The introductory Marschalk Co.-created commercials use a steely, fashionable sell. The slickly packaged product rolls across corrugated steel. A man is alone with his mirror, strobe lights and Foamy gel. Splashing water dances slowly across his 5 o'clock shadow. On goes the gel.

These fast-paced segues are accompanied by synthesized music that Andrew Langer, Marschalk's president and top creative executive, compares with the instrumental theme to the movie, "The Good, the Bad and the Ugly." The pitch is: "Introducing new Gillette

(Continued on Page 90)

Competitors study plans to battle PCjr

By ROBERT RAISSMAN

IBM's PCjr has yet to reach retail shelves, but the computer giant's newest baby already is muscling the competition and giving the home computer industry time to pause and reflect on what the future holds.

IBM has taken the wraps off the product but elected to keep it off the market until the first quarter of '84, giving hardware and software marketers a number of questions to ponder, including:

- Did IBM forego having PCjr on the market for Christmas to stall home computer-buying decisions, thus tying up the competition?
- What effect will the introduction have on software marketers, and which ones will benefit?
- Is there a chance that PCjr could take market share away from IBM's Personal Computer?

Timing continues to play a key role in the PCjr saga. An IBM spokesman said any ad campaign would reflect the timetable created for bringing the unit to market: Introduction last week, delivery of demos in December and delivery to customers during the first quarter of 1984.

Initial publicity releases indicate PCjr will be promoted for offices as well as home and classroom use.

However, sources said that the PCjr ad agency, Lord, Geller, Federico, Einstein, has not been told when to break the campaign.

The competition is anxiously awaiting that moment as they plot their own counterattacks.

Apple Computer executives were not talking, and Coleco executives were too busy worrying about the fate of their Adam—shipped three weeks ago—and would not comment on the introduction.

PCjr magazines sprout—Page 90.

Both companies are seen as the most direct competition to PCjr.

An Atari spokesman said PCjr would not compete directly with the company's two home computers because they are lower-priced. Atari already has postponed the introduction of two higher-price home computers.

David Harris, Commodore International vp, said his

(Continued from Page 90)

Holds slim lead over ABC in 5-week average

CBS ratings top another week

By JAMES P. FORKAN

New York—CBS-TV remained the ratings front-runner as the new fall season began its sixth week, a season in which the new series again are proving to be chumps rather than champs.

Only three new shows contributed to CBS' leadership; three other series entering their second seasons also assisted. The freshman and sophomore crop at ABC and NBC were less influential.

Among the tv newcomers, only three series are above the 30-share mark (CBS' "AfterMASH" and "Scarecrow & Mrs. King" and ABC's "Hotel"), whereas 17 entrants had 25 or less shares after five full weeks.

CBS' fourth weekly victory of the season once again was described by CBS executives as a "decisive" margin—1.3 rating points ahead of ABC's 16.6 average and 2.9 points ahead of NBC's 15.0. In winning Monday, Thursday and Friday and tying ABC on both Saturday (usually an ABC night) and Sunday, CBS consolidated its season-to-date lead; ABC, which snared Wednesday but lost Tuesday to NBC in the latest week, took the season lead only briefly when the World Series lifted its Nielsens.

In the five-week averages, CBS (with a 17.9) held a three-tenths-point lead over ABC; the gap between CBS and NBC was 2.6 points. CBS was 1% off its five-week pace of a year ago (18.0) and NBC was down 8% (from 16.7), while ABC jumped 8% from 16.3; the World Series figured in those changes, NBC having had that baseball event a year ago. NBC, however, pointed out that, excluding baseball, its five-week average rose 6% to 15.4, as ABC also gained 6% to 16.9.

The fifth week also found homes using television levels at 62.7, up from 60.9 during the comparable week a year ago, network researchers noted.

The season-long averages for newcomers were, in some cases, slightly misleading, because they

(Continued on Page 91)

highlights

Monday, November 7, 1983

Paul Foley, retired chairman of Interpublic, is dead at age 69. *See Page 6.*

Ally & Gargano's decision to go public could make it the smallest U.S. agency to be publicly held. *See Page 10.*

The U.S. Postal Service jolted bulk mailers last week with its announcement of across-the-board rate hikes it seeks for next fall. *See Page 12.*

Quaker Oats is revamping strategy for its Gatorade drink business by expanding it geographically and demographically. *See Page 20.*

New product development is increasingly attracting the interest of chief executive officers, an ANA workshop was told, but there is still work to be done by top management. *See Page 28.*

The Manchester *Union Leader* is maintaining its unflinchingly conservative presence under the widow of the late publisher, William Loeb. *See Page 36.*

Fast-food restaurant chains are experiencing a surge in sales due to new-product introductions and a healthier economy. *See Page 40.*

Chrysler Corp. will turn to Japan for additional small cars if General Motors brings in imports through its pending deal with Toyota. *See Page 42.*

Advideo Journal is continuing to make headway by "slivercasting" programing aimed at smaller, specialized audiences. *See Page 44.*

Off-price retailing appears in yet another form, catalog mailings from a new Zayre division. *See Page 58.*

Nuvatec has unveiled an interactive video system that applies videogame technology to traditional point-of-purchase display. *See Page 60.*

Esquire goes for the gold with an elaborate bash celebrating its 50th anniversary and a record issue. *See Page 73.*

CORPORATE CLOSEUP

Castle & Cooke Foods, under the leadership of former Coca-Cola Co. vice-chairman Ian Wilson, is moving away from being production-oriented and supply-driven and toward becoming a marketing-oriented company. *See Page 4.*

INTERNATIONAL

Leo Burnett Co. is considering setting up more "second agencies" internationally to attract creative people. Burnett's first such agency was set up last year in Germany. *See Page 50.*

Famous Amos chocolate chip cookies will be making their debut in Hong Kong this month, with a new campaign created by Synergie Communications, a Kenyon & Eckhardt affiliate. *See Page 50.*

Foot-dragging in the U.S. is darkening the future of direct broadcast satellites worldwide, according to some participants at an international telecommunications conference. *See Page 52.*

VIDEOTECH

Warwick Advertising has completed an agency consumer survey that finds consumers are indifferent or unhappy with cable tv. *See Page 66.*

Hearst/ABC Video, the owner of ARTS cable channel, is soliciting financial aid from system affiliates to keep the unprofitable cultural network alive. *See Page 67.*

MAGAZINE

Racy novels about sex and scandal make megabucks, and their publishers are spending megabucks to market them. *See Page M-4.*

Media outlook: Media buyers are working in an atmosphere of caution, but a good sign is that rate increases should be the lowest in recent years. *See Page M-9.*

Some marketers choose sales promotion because its advantages often overshadow the attraction of advertising. *See Page M-52.*

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Swift eyes split 30s for 2 foods

By JANET NEIMAN

Chicago—In time for the Thanksgiving holiday, Swift & Co. will break a new campaign this week for Butterball turkeys—the first effort from Grey Advertising, New York, which took over the business in August of last year.

"America's first turkey," is the theme of the advertising.

The company also is considering using split 30-second spots for its Soup Starter line and Peter Pan peanut butter.

The 15-second Soup Starter segments would use new advertising for the line that began last week, paired with new commercials of the same length for Swift's Peter Pan.

"Depending on what you want to communicate, different commercial lengths can be appropriate," a Swift marketing official said.

Using split 30s "really is not unlike what happened in magazines in the last 20 years," he continued. "It used to be you could only buy full pages or half-pages. Finally somebody decided to give the consumer what he needed. This is an evolutionary thing."

He refers to the fact that magazines today sell various sizes and

(Continued on Page 90)

Agency media heads approach '84 with caution

By Herbert Zeltner

The media outlook for 1984 can best be summed up in one word—"caution." And caution to a surprising degree in view of the brightening economic scene for business in general.

At least this is the belief of seven top agency media executives as they survey budgets and strategies for the coming year. Combined, these seven (*see accompanying listing*) are responsible for watching over media investments totaling well over $5 billion. Thus, their views on emerging trends, new alternatives, difficulties and pressures are important in sketching the national media scene in coming months.

In commenting on next year's media budgets, those willing to estimate totals for established brands see increases restricted pretty much to the 4% to 8% range—either "holding" or not much above an anticipated 5% to 6% rate of inflation.

Advertisers are looking to establish strong profit records and will be slow to loosen their purse strings, according to our panelists.

Herbert Zeltner is chairman of the Advertising Age *Editorial Sounding Board.*

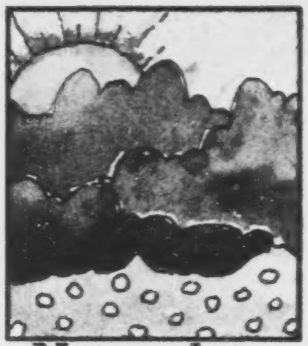
Why this somewhat surprising lag? One member of our panel, Gerald Moody of Ross Roy, sums up the feeling of the group: "There's simply no enthusiasm for the solidity of this economic upturn."

Several others support his view, suggesting there's a great deal of client caution in moving out more aggressively, at least as far as advertising investments are concerned. Additionally, they see new product introductions and rollouts as moving very, very slowly.

One media director notes that he has seldom seen clients as "tight-fisted" as they are this budget and planning season. He believes advertisers are looking to establish strong profit records right now as conditions improve. They don't want to spend all the money saved through cost cutbacks and productivity improvements forced on them by the difficult business conditions of the past two years.

Cable tv

Robert Geis of Wells, Rich, Greene sees, as an outgrowth of this conservative advertising investment climate, many headaches ahead for mass, general audience advertisers. With expensive, broad-brush media losing some of their traditional popularity—and with continuing fractionalization in all categories into narrower alternatives—cost-conscious advertisers and agencies will be facing the loss of some economies of scale. As a result, costs per thousand are likely to be noticeably higher than ever before.


Network tv

Although the media executives in our panel are pleased with the rapidly growing number of smaller, more-specialized media choices available, they register frustration and reflect client irritation about the erosion of efficiency involved in this shift.

The group is just about unanimous in believing that 1984 media plans will be more complex and detailed than ever before—with more emphasis on targeting particular geographic markets and concentrating weight in more precise demographic subsegments. While certainly not a new trend, moves in this direction seem to be more wide-ranging and intense than before. This emphasis is bound to affect all media categories—and most product sectors—in significant ways.

Next year's cost increases may average only 6%

By Robert J. Coen

The era of annual double-digit price increases for the major media has finally ended.

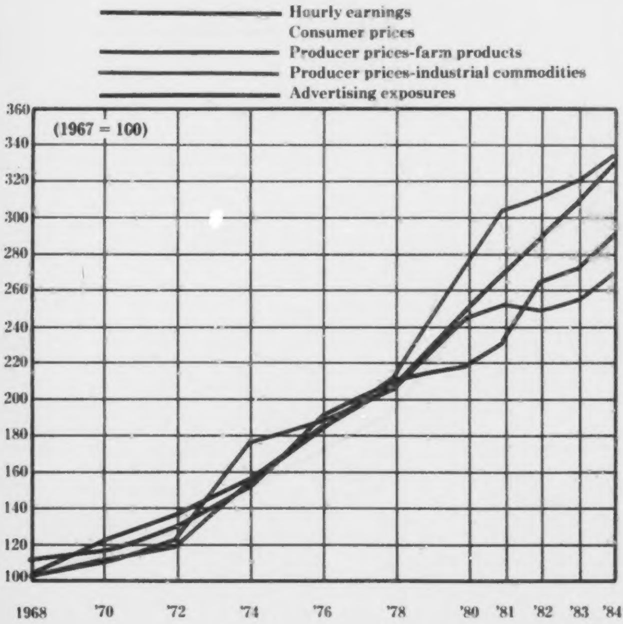
The increase in unit costs in 1983 is less than 10% for all media except two minor ones. The media unit cost index for direct mail, which is reported for the first time this year, actually posted a decline.

Robert J. Coen is senior vp-director of media research, McCann-Erickson, New York. He often writes about media costs for Advertising Age.

The composite media unit cost rise for 1984 is projected at a rate of approximately 6%, which is much smaller than the increase of nearly 12% last year.

From 1976 to this year most major media were able to pass along higher operating costs in the form of higher prices. But now this practice is being challenged by marketers, which have been forced to drastically modify their own pricing policies.

Various cost indexes



*Estimated
Source: McCann-Erickson

As the inflation rate has moderated, many industries have experienced sharp drops in their annual price rises. There have been price rollbacks in some areas of the economy and even givebacks by some labor unions. Buyers of time and space, therefore, do not look kindly toward any medium announcing a percentage increase that is double or triple the recent changes in the consumer price index (CPI).

Media cost indexes

The three accompanying charts and one of the two data tables are in the index format. The year 1967 is used as the index base year of 100 because it is still the most commonly used by the government for a multitude of economic indicators, such as the CPI.

For more than three decades, McCann-Erickson has tracked media unit costs, audience delivery and the changes in cost-per-thousand. This year for the first time, we have included price trend data for advertising messages distributed by mail—the direct mail medium. The direct mail index reflects the trend in postage costs for mailing third-class advertising mail in bulk with maximum presort discounts.

The McCann-Erickson annual advertising expenditure reports have been one of the main sources for developing the indexes because the yearly change in expenditures is often a function of the change in the price of time and space, combined with the change in the volume of units purchased. Synthesis of data from different sources is necessary when actual prices are not publicly known.

Each of the major media has experienced a different price trend in the past, and each faces a different set of future conditions. These trends and the possible projections for each medium are as follows:

Forecasts indicate that the composite media unit price jumps in 1984 will be the lowest in many years, in part because of the slowing rate of inflation.

Newspapers

Newspaper advertising rates now are about 3⅓ times higher than in 1967. We expect a significant increase again in 1984 with rates for many papers getting to a level nearly four times higher than 1967.

Over the years, newspapers have been plagued by soaring costs for labor, paper and distribution. Circulation growth slowed, and the papers were not able to raise the price per copy as much as their rising costs would justify without risking a serious loss in readership and influence. As a result of these conditions, in many markets newspaper advertising rates rose at a much faster rate than most other marketing costs, and the retailers and key manufacturers are reexamining their scheduling practices.

In 1982, newspaper ad revenue growth was stunted by large declines in classified and retail linage, and sizable rate increases for 1983 were announced as compensation in case the trend continued. But now newspapers are faced with reactions from many key advertising clients, and, therefore, rate increases should gradually moderate.

In 1984 we expect the U.S. inflation rate to be very close to 5%, yet many newspapers will still be tempted to impose double-digit rate increases for next year.

However, we believe newspapers in many markets are reexamining rate strategies. They finally are becoming aware of the lower inflation rate, a growing number of disgruntled customers and the threat from the direct mail medium. In 1984 the cost of newspaper advertising linage is expected to rise by about 8% in most major markets.

Magazines

Magazine advertising rates traditionally have increased more slowly than those of other media. Individual magazines usually find themselves competing with several others for the ad dollars directed to the market segment they are edited to serve. The competition is intense, and the magazine that raises prices too fast is likely to lose important page volume. Many magazines also are able to pass along a sizable share of their cost to their readers without risking too much in circula-

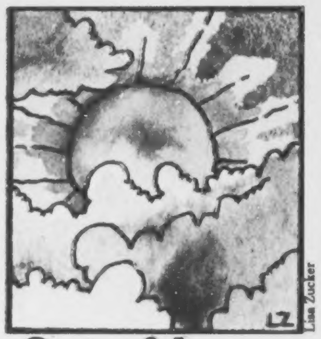
At a glance: Media forecasts

Radio

Magazines

Newspapers

Direct mail



Lisa Zucker

Out-of-home

This over-all view became even sharper as each major media form was checked with these experts.

Television

Every media director to whom we spoke underscores the point that usable tv alternatives continue to multiply. Cable is now available in more than 40% of U.S. tv homes and, although cable programing services are in flux, advertiser-supported cable "avails" are continuing to increase in significance.

But there is a big change in attitudes toward the established networks this year. Marcella Rosen of N W Ayer terms it a period of "network recovery," not too surprising in her view because they were expected to fight back strenuously from the setbacks and competitive pressures of recent years. The network share erosion characteristic of the past few seasons seems to have slowed markedly—a pattern pointed out by Jay Schoenfeld of Backer & Spielvogel and confirmed by others. In a sense, this offers a reprieve for the networks, as well as other traditional tv outlets—at least through 1984.

Helping strengthen the networks' hand in the coming year is the scheduling of extensive air time for the Olympics, as well as the political conventions and the presidential campaign.

Further accenting the positive, the group agrees it is unlikely we'll see a repetition of the turmoil and aggravation of 1976, when prices escalated because large amounts of commercial inventory were unavailable. With many more alternative ways to get tv exposure now possible—and with independents showing a great deal more skill in counterprograming—these agency media heads don't foresee a seriously damaging dislocation in the tv buying marketplace for 1984. But a cloud still remains on the supply-demand front in that network costs are expected to go up significantly. Estimates center on the 15% area—and in view of the tightness of budgets, there is noticeable concern that the networks and key stations in major markets might be unrealistically short-sighted as a result.

But despite pricing irritation, another positive point is seen for traditional broadcast tv in the year ahead: A marked improvement in programing stability, a point volunteered by all but one of our panel. Led in no small measure by NBC's continued commitment to better-quality programing, there's an expectation that the new season will be more predictable and steady, improving the buying atmosphere considerably over the churning seen in the advertising market in recent seasons.

But all is not sunny and upbeat on the tv front. There's a widespread concern among our panel not only about cost escalation, but also with a resurgence of clutter as a serious headache for planners and advertisers. With deregulation sweeping the industry and with the demise of the National Assn. of Broadcasters' Code, there's renewed interest in 15-second and other short length commercials.

Combined with the moves of networks and stations to schedule additional commercial time, there's a feeling that viewer irritation, inattention and "tune-out" will increase. Six of the seven media executives made comments about "zapping"—viewers using their remote control buttons to change channels or turn the set off if they get annoyed with commercial breaks. A recent Nielsen study minimizing the importance of tune-out, while a reassurance to some, doesn't ease a great deal of anxiety about deterioration in actual exposure and attentiveness.

To several of our experts—particularly Allen Banks of Dancer Fitzgerald Sample and Joseph Ostrow of Young & Rubicam—this intensifies the need for modifications in traditional audience research measurements. A majority of the panel note growing interest in the "people meter" concept, a device used in Britain that permits individual viewers to log in their presence before the tv set. Whether improved devices will permit more accurate and reliable measures of actual individual viewer availability or not, the pressure is clearly on established broadcast rating services to track actual viewing, says Gerald Moody.

> **Although our panel members are bullish about radio, their doubts about the medium include its instability and audience tracking problems.**

Also noted was strong growth in worthwhile syndication availabilities. Agencies and advertisers seem to be moving more actively into either the actual creation and financing of programing for placement on individual stations or in supporting a variety of ad hoc networks offering programs of their choice.

With the proliferation of choices in cable, pay, satellite and other electronic forms, the tv media market continues to be in flux. More experiments are noted with "crossover" programing—the adaptation of established consumer magazine material to selective cable audiences to custom-tailor new programing efforts. The accelerating moves of major media corporations into other forms—publishers into broadcasting and tv and radio interests into print—suggests much more activity in synergistic approaches.

Thus, 1984 shapes up as a particularly interesting year for tv, a category whipsawed by opposing forces.

Jay Schoenfeld sums up the crosscurrents for major national advertisers in this medium: "There doesn't seem to be a better alternative to network television—right now."

Radio

The panel members are bullish about radio as far as national advertising is concerned in 1984. Several point out that more of their major clients are using the medium to provide weight in field tests in such markets as Kansas City, San Diego, Phoenix and Albany, N.Y.

A more widespread reason for growing client interest in radio is not so much its limited role, but because it is an attractive corrective to media problems seen

(Continued on Page M-22)

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tion losses.

These factors explain why magazine rate increases in 1983 are smaller than those of most other media and why rates will only rise 7% in 1984. This increase is still slightly ahead of the general inflation rate, but the difference is smaller than all other media.

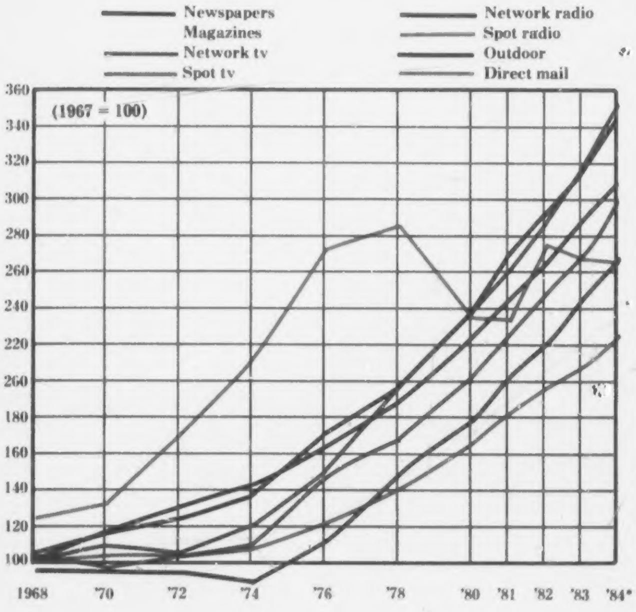
Network tv

Because the number of network time slots is practically fixed while the demand has been rising, it is not surprising that the unit cost index for network tv reached 365 in 1982 when the consumer price index was only up to 289. It has been a seller's market for years, but audiences also have grown so that the high price levels are not unexpected. When audience growth is factored in, the index of cost per thousand for the networks is reduced to a level more in line with the consumer price index in 1982.

This year the tv networks are not realizing any audience growth, while inflation, as measured by the CPI, has moderated to just 3.3%. Annual network tv price increases finally have fallen below the double-digit levels of recent years,

(Continued on Page M-20)

Media cost per thousand indexes



*Estimated
Source: McCann-Erickson

Our panel members

This is the fifth year that Advertising Age Magazine has carried the results of discussions between Herbert Zeltner, chairman of the ADVERTISNG AGE Editorial Sounding Board, and a panel of media experts on the subject of the media outlook for the upcoming year.

This year's panel, made up of seven advertising agencies' top media executives, participated by means of extended one-on-one discussions with Mr. Zeltner. These are the members of the panel:

- **Allen Banks**, executive vp-media director, Dancer Fitzgerald Sample, New York (assisted by Betsy Frank, vp-associate research director).
- **Robert Geis**, senior vp-corporate media director, Wells, Rich, Greene, New York.
- **Kenneth Lane**, senior vp-media service division, Leo Burnett USA, Chicago.
- **Gerald Moody**, senior vp-director of marketing services, Ross Roy, Detroit.
- **Joseph Ostrow**, executive vp-director of communication services, Young & Rubicam, New York.
- **Marcella Rosen**, senior vp-media director, N W Ayer, New York.
- **Jay Schoenfeld**, senior vp-media director, Backer & Spielvogel, New York.

Costs

(Continued from Page M-11)

but this has resulted mainly because of a significant shift of some buying demand from the networks to nonnetwork syndicated programs.

Buyer resistance and the uncovering of additional alternatives is holding the network tv unit increase to approximately 8% for this year.

Next year, the national elections and the Olympics will cause network prices to rise more than they would in a year when these events are not present. Thus, despite buyer resistance and an expected inflation rate of about 5%, the cost of network tv time is likely to rise at the double-digit pace of 10% in 1984. But in the following years we expect a return to more moderate price increases.

Spot tv

Price trends in the spot or non-network sector of the tv medium are influenced by many of the same factors that effect network tv prices.

Double-digit annual price increases for spot tv announcements had been customary up to this year, when moderation returned. For 1983 as a whole, we expect the increase to average about 8%.

In 1984 the spot tv sector also will enjoy the extraordinary demand because of the elections and Olympics, and the moderation in spot rate growth also will be temporarily interrupted with a 10% price increase. In 1985 and for the rest of this decade, we expect to see spot price growth closer in line with the annual inflation rates ranging from 6% to 8%.

Radio

Less than 10% of all radio advertising dollars are spent on the regular national radio networks, but demand for network time has been accelerating, and a growing amount of affiliate time is being turned over to the networks. This expanding demand explains why the network radio cost increase of 12% this year was the highest for all media. We believe another relatively large increase of 9% could occur in 1984.

Cost trends for the nonnetwork or spot segment of radio are heavily influenced by local business conditions, and price indexes are lower than those for the networks.

Many local retailers suffered business losses during the 1982 recession and, although conditions have improved, they are still reluctant to expand their promotional activities. For these reasons, spot radio rate increases in 1982 and 1983 have been lower than most of the other mass media. In 1984 extra political advertising and expanded promotional activity by retailers are expected to prompt a surge in demand for radio time and an accompanying rate rise of about 9%.

Although the energy-related costs of doing business have leveled off, outdoor advertising has continued with annual double-digit rate increases.

Outdoor

When inflation exploded in the mid-1970s, the outdoor plant operators cited the greatly increased lighting, labor and fuel costs for their trucks as justification for very large rate increases. For nearly a decade, many plants have imposed double-digit price increases as standard operating procedure.

For the last few years many of the energy-related costs of doing business have leveled off, but many outdoor plants still had double digit rate rises in 1983.

A number of key users of the outdoor medium are reacting strongly, and it is unlikely that they will raise their budgets to accommodate such increases indefinitely. The price increases in the future should be more in line with those of the other media, although next year's election activity may hold the moderation off until 1985.

Direct mail

From 1967 to 1978, the cost index for this medium rose faster than all the others, and growth in the number of pieces of regular third class mail slowed perceptively. But in 1979 the U.S. Postal Service initiated discounts for presorting and the cost for using the mail as an advertising medium dropped, while those for other media continued to spiral upward and eventually exceed direct mail.

The index for direct mail continued to decline through 1981, but then a sharp increase in the rate structure occurred so that the index for 1982 rose nearly 18%. However, in 1983, new discounts caused a 4% decline in unit costs.

The Postal Service has had a surplus for two years, and no significant rate increases are anticipated until possibly late in 1984, when rising operating expenses may threaten a return to deficits. But even if this does occur, the higher discounts approved this year will probably offset any increase with the result that the net change will be zero for the year.

Summary

Price changes for each medium have differed, but they all generally correlate with inflation and the short-term shifts in media supply and demand.

The annual price rises for most major media have finally moved down into the single-digit range this year. But this is to be expected because this year's general inflation rate of about 4% is the lowest in more than a decade.

Next year the downward drift in the size of the price increases will be temporarily stalled because of the Olympics and the election campaigns. But the interruption will only be temporary. For the second half of this decade, annual inflation rates should be between 5% and 6%.

We expect advertising usage to outpace the economy, and above-average demand for time and space is likely to result in media price rises somewhat above the inflation rate. However, a growing number of new media options will arrive through new publications, the mail, more independent tv stations and cable tv. The expanded alternatives will help to keep annual media price growth within a point or two of inflation rates.

Average annual price increases

Prices	1979	1980	1981	1982	1983
Consumer prices	+11.3%	+13.5%	+10.4%	+ 6.1%	+ 2.3%
Gnp deflator	+ 8.6	+ 9.2	+ 9.4	+ 6.0	+ 4.5
Media cpms					
Network tv	+11.2%	+ 8.7%	+ 9.7%	+11.9%	+ 9.0%
Spot tv	+ 9.6	+ 9.8	+10.9	+11.2	+ 8.0
Magazines	+ 9.0	+ 9.5	+ 8.7	+ 9.0	+ 8.0
Newspapers	+ 9.2	+10.3	+11.9	+ 9.6	+ 9.0

Source: McCann-Erickson

Media cpm trends (1967 = 100)*

	1980	1981	1982	1983	1984**
Newspapers	235	263	288	314	340
Magazines	173	188	205	221	236
Network tv	238	261	292	318	350
Spot tv	201	223	248	268	298
Network radio	178	202	220	244	264
Spot Radio	164	182	195	207	222
Outdoor	222	242	262	286	309
Direct mail	235	234	275	265	264
Composite	217	231	261	272	288

*1967 used as base year (100) for measuring all media
**Estimated
Source: McCann-Erickson

Media unit cost trends (1967 = 100)*

	1980	1981	1982	1983	1984**
Newspapers	249	279	308	336	363
Magazines	183	201	219	237	253
Network tv	302	329	365	394	434
Spot tv	255	286	317	342	377
Network radio	214	244	268	300	327
Spot Radio	192	215	232	248	268
Outdoor	275	303	330	363	396
Direct mail	235	234	275	265	264
Composite	242	264	295	313	336

*1967 used as base year (100) for measuring all media
**Estimated
Source: McCann-Erickson

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MEDIA OUTLOOK

'Launch fever' still lives in the magazine game

Look for a bundle of new publications to debut in 1984

By Stuart J. Elliott

The magazine industry was so busy bringing out new products this year that it's surprising no slick public relations campaign has yet surfaced touting "launch fever." And by all indications, next year will be more of the same.

What follows is a look back at the major magazine startups of 1983, with a look ahead at next year.

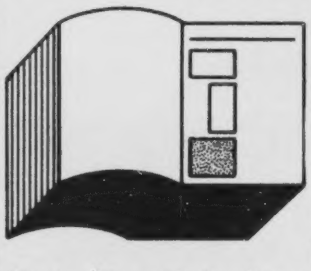
- *TV-Cable Week*: "It's the first thing that hits anyone's mind when you ask about the new magazines of '83," says Page Thompson, senior vp-media director, New York division, Needham, Harper & Steers. "Everyone looks at it and says, 'Oh, God.'"

The rise and fall of the Time Inc. weekly, which lasted five months and lost $47 million, "is a shame," says David Lehmkuhl, vp-group media director, N W Ayer, "but in a lot of ways, it's good. It shows that to launch a new magazine is a herculean chore, and that no matter how much money you put behind it, if the public doesn't want it, you aren't going to be a success. The buyer has the final say, not the agency, not the client, not even the guy who puts out the magazine. If you're not pleasing the reader, you're dead."

- *Vanity Fair*: "I happen to be one of those people who believe *Vanity Fair* is going to be successful," says Gladys Oshins, associate media director, Della Femina, Travisano & Partners.

The Conde Nast monthly made its debut—or return, if you consider its first incarnation—last March. "The recent changes made in editorial are a great improvement," says Ms. Oshins, referring to the new regime of editor-in-chief Leo Lerman, the replacement for the first editor-in-chief, Richard Locke, who was fired.

Mr. Lehmkuhl echoes her thoughts. "I think it's great and is going to be a huge success," he says, "because it is simply filling a void. The audience to whom it's aimed is an ideal audience for any quality goods." While he also agrees the magazine has improved, "it was not that bad at first," he contends. "I think the 'shaky start' was more critical than real. It was not really shaky, if you read the first three issues."



"To launch a new magazine is a herculean chore, and no matter how much money you put behind it, if the public doesn't want it, you aren't going to be a success."

But to Mr. Thompson, *Vanity Fair* "is a really tough call right now. To keep the audience coming back, you need a clearly defined position.

"Like it or not, the advertising community looks at publications and often visualizes the positioning. I think *Vanity Fair* is still searching for it. That kind of publication needs time—I'm not talking two years, I'm talking a long time."

- *House & Garden*: Another Conde Nast venture, technically not a launch because the magazine is a longtime title. With the January issue it was revamped into a more upscale publication to challenge Knapp Communications' *Architectural Digest*.

"Certainly the marketplace can be served by more than just *Architectural Digest*," says Ms. Oshins. "It looks like it's going to be successful." The new *House & Garden* "is a very classy-looking publication," says Mr. Thompson. "I think they really have something, though they have to fine-tune it."

William Bondlow, *House & Garden's* publisher, asks rhetorically, "Is there really room for another upscale magazine? The circulations of *House & Garden*, *Architectural Digest*, *Connoisseur* and *Town & Country* don't begin to approach the 5 million homes with $50,000-plus household income, a figure that's growing. So there *is* room for expansion."

As each issue of the remade *House & Garden* comes out, "the total package looks better and better," says Mr. Bondlow. "It's shaking out very, very well." While total ad pages this year won't equal the 965 sold in 1982, when the magazine was for more of a general audience, display pages will top 800, he says, compared with the 722 display pages carried in 1982.

- *M*: The Fairchild Publications monthly, meant to capture an audience of older, more affluent men, made its debut with an October issue. "I was a bit surprised it was as fashion-oriented as it is," says Ms. Oshins. "If it's tailored to the older man, and it continues to be fashion and so-

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Stuart J. Elliott is a reporter in the New York bureau of ADVERTISING AGE.

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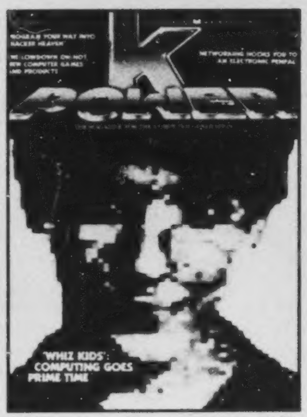
PREMIER ISSUE

Vanity Fair: *Opinions about its future vary among agency people.*

HOUSE & GARDE

House & Garden: *Revamped into a more upscale publication in '83.*



K-Power: *Computer publication for young people due out in'84.*

Family Computing: *Part of the "tidal wave" of computer books.*

SPORTSTYLE
PREMIER ISSUE
PERSONAL TRAINERS

Sportstyle: *The Fairchild publication has called it quits.*

cially directed, they may have a problem. I'm not sure the older male audience is that interested in fashion; it's different among younger men."

While *M* needs to find "the right mailing list and subscribers," says Mr. Lehmkuhl, "they certainly have a package to take out and sell. It's neat and well done. If John Fairchild can't put out a fashion book, who the hell can? It could be another *Vogue*."

• *Sportstyle*: This monthly for enthusiasts of active sports, also from Fairchild, came out in March. The ad community seemed less than enthused with it, however, and there were changes in editorial and cuts in rate base and ad rates. "I don't really hold out too much hope," Ms. Oshins said in October. "I don't really know what they're trying to accomplish."

Mr. Lehmkuhl "liked where it was when it came out," he says, "and I am getting a lot less enthralled with it. I, in fact, subscribed to it, and now I regret paying the 12 bucks."

***One new entry, XL,* a general interest men's monthly, is available only in 7-Eleven stores. Another, *Sportstyle,* lasted less than one year before ceasing publication.**

Apparently other readers and advertisers had similar feelings. Fairchild recently announced that *Sportstyle* would cease publication after the December issue, a victim of the magazine wars after less than one year in the marketplace.

• *XL*: Introduced in August by Power Publishing, *XL* is a general interest men's monthly that, to paraphrase the late-night tv pitch, is not available at all stores. In fact, it's only on sale at Southland Corp. 7-Elevens. The goal is to replicate the success enjoyed by the women's service magazines sold mostly at supermarkets, *Family Circle* and *Woman's Day*. "It's a fascinating concept," says Mr. Thompson.

• Computer magazines: A veritable tidal wave of new titles is pouring from this category, including several Ziff-Davis Publications titles spun off from *PC*; David Bunnell's *PC World*; Scholastic's *Family Computing*, *Teaching & Computers* and *Electronic Learning*; *Personal Software*; *Enter* and *Microkids*.

"There are new ones every other day," says Mr. Thompson. "A lot of these people thought, 'This is a new area,' and they all jumped in. But it's going to shake out, like the computer industry."

This is "one category where there could really be survival of the fittest," says Mr. Lehmkuhl. "The ones with the most money can hang on and, if you can hang on, three-quarters will fall by the wayside."

One of those hoping on land among the other one-quarter is Eileen Markowitz, general manager of the Ziff-Davis consumer computers and electronics mag-

(Continued on Page M-40)

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Can *Inside Sports* make it this time around?

By Neesa Sweet

Has *Inside Sports* been born again? That's what the tag line on the ads for *Inside Sports* magazine is saying these days. The question is, can Norm Jacobs of Century Publishing of Evanston, Ill., succeed where the Washington Post Co. and Active Markets already have failed?

In 1979, the Post Co. started *Inside Sports* as a more in-depth publication than Time Inc.'s *Sports Illustrated.* Last year, publication ceased, and the national press was treated to the spectacle of more than 60 employes, originally hired by the Post Co. and Bellevue, Wash.-based Active Markets, refusing to leave a Manhattan bank unless their paychecks were cashed first.

That's hardly the stuff of glory. But, despite that, says Mr. Jacobs, when he looked at the magazine's history, what he actually found was a success story. It all depends, he suggests, on your interpretation of failure.

Inside Sports was launched by the Post Co. as a magazine that would look at sports as a culture. Using high-quality writers and graphics, it was to go beyond scores and game analysis to the life styles of the people involved.

In 1979, a total of 125,000 copies of a test issue were placed on newstands in the East with a cover price of $2, and 80% were sold. The magazine's rate base was set at 550,000 and in December, 1980, the Audit Bureau of Circulations audit placed circulation at 450,000. Ultimately, circulation grew to 541,000, but that number fell 9,000 short of the announced advertising rate base.

"For any other company, that would have been a success story," says Mr. Jacobs. "But *Newsweek* [which the Post Co. owns] felt that they could sell a million or more copies on the newsstand.

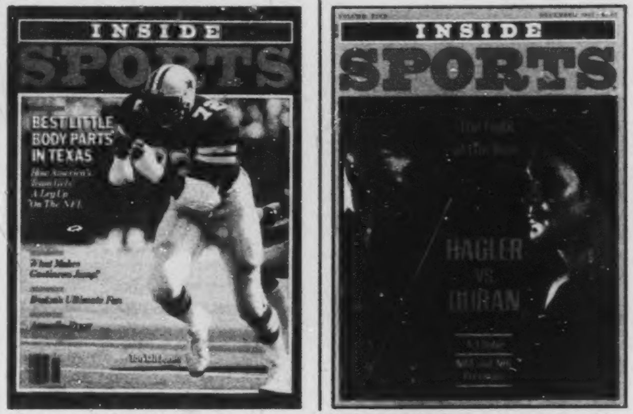
"The original goal was to compete directly with *Sports Illustrated*, and they geared up their entire operation to that size publication. They had to switch horses in midstream and start developing subscriptions."

The rate base failure was a big disappointment. And then the Washington Post Co. took a close look at *Inside Sports* and decided to fold the magazine or sell it.

At this point, Active Markets, which published an athletic magazine for high school students, decided to negotiate and buy the magazine.

It was backed by venture capital, and it published its first issue in January, 1982.

According to Mr. Jacobs, Active Markets took over the entire staff, which was still housed in *Newsweek* offices, and, in addition, it started building its own staff in Bellevue, Wash.



Century Publishing, the publisher of the reborn **Inside Sports,** *(right) has kept the appearance similar to when the magazine was part of the Washington Post Co. or Active Markets (left) stables.*

But the advertising community pulled back on its schedules, and the money Active Markets had budgeted suddenly wasn't enough.

By fall of 1982, it ran out of funds and had to shut down. That was when all those people went to the bank.

"When we learned the magazine had folded, we called Active Markets to see if we could buy their subscription files," says Mr. Jacobs. "At first we didn't hear from them. But in January, their Midwest manager called me. Apparently, they'd been running all over the country trying to sell the title, the magazine

Neesa Sweet is a Chicago-based free lance writer.

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After a long-awaited update, Belden Associates, of Dallas, has begun a continuing market study of the 8-county Bangor (ME) RTZ and Bangor Daily News readership. We're proud to report the following results:

NEWS Readership	Percent of 8 counties
Adult Daily Readership	54%
Adult Weekend Readership	63%
Adult Male Daily Readership	55%
Adult Female Daily Readership	53%
Adult Daily Readership 25-49	51%
Adult Daily Readership $25,000+	65%

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Source: Bangor Continuing Market Study, Belden Associates, March-May, 1983.

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Launches

(Continued from Page M-39)

azine division. "There will be a number of successful microcomputer manufacturers," she says, "and there will always be a need and interest on the part of the readers for magazines dedicated to their particular computers." The Ziff-Davis formula is to segment the market by manufacturer, producing publications such as *PC*, specifically for International Business Machines Corp.'s Personal Computer, and then segment the market within those segments, producing *PC* spinoffs such as *PC Tech Journal* and *PC Week.*

Another entrant who wants to be among the survivors in this category is Shirrel Rhoades, vp-publisher of Scholastic's *Family Computing.* "It's very clear Scholastic is committed to the computer and its impact on education and family life," he says. The company's lineup—three

Advertising revenue

Ranks 1982	1981	Market name	Ad Rev. ($000)
1	1	Weeklies	1,702,762
2	4	Newsmagazines	698,477
3	2	Affluence	698,276
4	3	Women's Service	628,926
5	5	Business General	353,405
6	8	Women's Lifestyle	323,614
7	6	Home Service	295,316
8	7	Sunday Syndicated	258,676
9	9	Sports	257,915
10	10	General Interest Literature	224,711
11	11	City Regional	177,480
12	12	Women's Fashion	144,782
13	13	Men's Lifestyle	132,536
14	14	Men's Entertainment	107,009
15	15	General Interest Humanities	83,680
16	17	Automotive	72,891
17	16	Men's Service	68,709
18	18	Outdoor	68,033
19	19	Sciences (General)	59,529
20	*n.i.	Computers: Personal & Home	47,433
21	20	Black Ethnic	44,875
22	26	Personal Finance	43,869
23	22	Culinary	38,508
24	23	Youth	38,106
25	25	Travel	36,226
26	*n.i.	Health & Fitness	34,134
27	21	Women's Special Interest	31,010
28	28	Bridal	30,350
29	24	Inflight	30,065
30	29	Business Financial	29,052
31	30	Lifestyle Self Sufficiency	18,822
32	31	Business Professional Svcs.	17,480
33	*n.i.	Maturity	11,360

Figures are for calendar 1982 *n.i. = not included in the last Folio 400

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and the company without much success."

So Mr. Jacobs took a look at the offer. And this, he says, led him to a discovery. "When I started to look at the property, what I really found was a success story," he notes.

"That seems strange in that the company was in the throes of bankruptcy, but I saw that *Inside Sports* had sold more copies on the newsstands than any other sports magazine in history, including *Sports Illustrated*, *Sport*, *Baseball Digest* or anything else. The articles were personal, in-depth and by major writers. Graphically, it was a fine publication. In addition, *Newsweek* had already invested some $25 million and had developed a brand name awareness. My decision to buy the company was influenced by this investment in quality."

Why does Mr. Jacobs think he can make a success of the venture when the other two companies couldn't?

"For one thing, *Newsweek* had very high sights and switched management in midstream. Any other publisher would have been delighted with the progress made in a year and a half," Mr. Jacobs says. Active Markets, he believes, was undercapitalized.

As for Century Publishing, *Inside Sports* fits right in to its plans.

"We publish seven national sports magazines—vertical magazines, each covering just one sport—with a [combined] paid circulation of 877,000," says Mr. Jacobs. "For the last several years, we've thought of starting a broad-based general interest sports magazine to complement our lineup."

Mr. Jacobs did not rehire the 60-plus people who had worked for the old *Inside Sports*. Instead he opened New York and Los Angeles sales offices and added a few support staff in Evanston. Free lancers, many who contributed to *Inside Sports* previously, are writing most of the magazine.

According to Mr. Jacobs, there is very little difference in the look and content of the new book.

"We purposely wanted to keep everything much the same," he says. "We did research, talked to newsstand distributors, retailers, editors, readers, advertising and marketing people and found that everyone loved the magazine. So the logo is the same, the departments are intact and the design is the same as before."

"We offered free ads to advertisers on a month-for-month basis," says Mr. Jacobs. "Any advertisers running ads in the four issues which are coming out in 1983 would have free space if they agreed to run the same space in 1984 on a paid basis. To participate in the program, advertisers had to agree to come in at least the first two issues.

"We utilize that plan to overcome the 'what makes you think you can do it when *Newsweek* couldn't do it?' objection. What we're saying is that you don't have to risk your money in determining whether we can do it or not. If we're not around in 1984, there won't be any liability."

Mr. Jacobs has guaranteed a conservative rate base of 200,000 and says he already has 30,000 subscribers in place. Advertisers for the October issue included Adidas, Nautilus, Northwestern Mutual Life Insurance, Mennen and J.C.Penney.

magazines launched this year, at least two due out next—"sounds pretty ambitious," he says, "but if it's crazy, it's smart crazy."

And what of next year? "There will always be more launches," says Ms. Oshins, "particularly in the special interest areas in the upper end of the scale, delivering smaller circulation bases. From where I sit, it seems the magazine industry, which had a good '83, will continue to have a good '84." NH&S, according to Mr. Thompson, is "looking at expanding a lot of our clients into magazines" next year.

These are among the publications scheduled to be launched in 1984:

- *Adam Family Computing*, from Scholastic, due in January or February, tied to Coleco's new Adam computer system.
- *Art & Antiques*, from Allison Publications, due in February, actually a relaunch of a trade magazine that will be reborn as an upscale general interest consumer publication.
- *Chocolatier*, from Haymarket Ltd., due in January, for chocolate lovers.
- *K-Power*, from Scholastic, due in January, for teens and preteens proficient in computer usage.
- *Home Computer Review*, from Viare Publishing, due in February, for prospective buyers of home computers.
- *New England Monthly*, from New England Monthly Inc., due in April, for residents and devotees of that region.
- *PC Home Computing*, from Ziff-Davis, due in January, another spinoff from *PC*, aimed at home users of the IBM Personal Computer.

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Why marketers like the sales promotion gambit

Its advantages often overshadow the attraction of advertising

By Don E. Schultz

Over the past few years, there has been increasing concern among advertising managers and agencies, and increasing glee among sales promotion managers and organizations, over the shift of funds from media advertising to sales promotion activities. Where 15 to 20 years ago advertising accounted for the lion's share of most national marketers' budgets, sales promotion now is commonly the dominant force. The graph below illustrates the share of advertising and sales promotion investment by U.S. marketers.

While much attention has been given to the shift, seemingly little has been done to discover why this change has occurred and even less to whether the trend is likely to continue. This reallocation of funds is an important issue for all marketers but particularly those who are or have been committed to investing the majority of their funds in traditional media advertising. By taking a look at what is driving the growth of sales promotion, perhaps it will give marketers some view of what is likely to happen.

In fact, it may well be that manufacturer-originated advertising has reached its high-water mark and will continue to decline as a percentage of total marketing investment for the rest of the century.

There appear to be some definite reasons marketers shifted from media advertising to sales promotion in the 1970s. There are some even more compelling reasons why that shift will probably continue. In fact, it may well be that manufacturer-originated media advertising has reached its high-water mark and will continue to decline as a percentage of total marketing investment for the rest of this century.

Why the shift in the 1970s

The shift in emphasis from advertising to sales promotion seems really to have started in the early to mid-1970s. The factors that contributed to this reallocation of funds were:

• **Increase in short-term marketing management view.** Management's approach to marketing almost dictated the shift in emphasis from media advertising to sales promotion during the past decade. From the time right after World War II up until the early 1980s, the American market grew almost constantly. Management became accustomed to that and assumed it would continue indefinitely. As a result, most management and particularly most marketing reward systems were predicated on continuing growth and prosperity.

Pay scales and promotions were based on sales volume increases not only for the coming year but even for the next quarter. Management developed an increasingly short-term view of success, and that view permeated the entire organization. In marketing, the product or brand manager's basic job became "make the figures and get promoted." Top management's view didn't seem to be that much different because everyone assumed a naturally expanding marketplace in the future.

With this short-term managerial view, sales promotion naturally became a favored technique in the marketing mix. Because the definition of sales promotion is a "short-term incentive to purchase," it filled all the fast-track manager's needs. It was easy to implement; it got immediate response, particularly with the trade, and most of all, it was measurable and visible when compared with traditional ad campaigns.

Where often advertising took time to build and the results weren't always clear, the product manager could quickly see the results of sales promotion and those results could be measured in cases, dollars, return on investment and the like. Sales promotion seems to have been ready-made for the manager with a short-range view. It was and still is being used in exactly that same way.

• **More parity products.** In the 1970s, fewer and fewer really new products came to market. Most established brands were at parity with competition. Product managers found it harder and harder to differentiate their brands in the marketplace. With no visible or inherent difference in the product to advertise, even the advertising began to look the same. The easy way for brand managers to differentiate their products was through sales promotion. The marketing credo became: "If you can't improve or differentiate the product, differentiate it with sales promotion."

For example, the promotional message to the consumer, as well as the trade, became "now our brand has a premium" or "look for our coupon" or "enter our sweepstakes." Sales promotion offered the volume-hungry product manager a quick and easy fix in the marketplace for a product that was just about the same as everyone else's. And many product managers took advantage of the techniques available, commonly shifting money from advertising to sales promotion. From there, the practice simply grew.

Where often advertising took time to build and the results weren't always clear, the results of sales promotions could be measured in cases, dollars, return on investment and the like.

• **Sales force pressure.** One of the outgrowths of management's short-term view was to put increased pressure on the sales force to move these parity products in greater volume, particularly to the trade. The sales force's natural response was to request greater and greater trade incentives, commonly in the form of price concessions. Because of almost constantly escalating product costs as a result of inflation, marketing management's answer was to manipulate the product price through sales promotion techniques, rather than through actual price list changes. These sales promotion programs took many forms: Off-invoice allowances; bill-backs; volume, stocking and display allowances; trade coupons, and rebates all became common tactics in the brand manager's promotional program.

• **Consumers and the economy.** One of the most obvious factors influencing the increased use of sales promotion, although not necessarily the most dominant, was the economic situation from the mid-1970s through today. As consumers became hard-pressed financially because of inflation, a stagnant economy and unemployment, they naturally sought out and used the various price-reducing sales promotion programs that were being offered by product manufacturers. These helped them cope economically. As marketers saw sales promotion give them big sales boosts, compared with the results they received from advertising, they naturally increased the use of sales promotion. Thus, the consumer sales promotion spiral grew.

Similar to the situation with the trade, the easiest way to get more sales promotion money was to take funds already allocated for advertising and simply shift them to sales promotion. The result? More money in consumer promotion and less money in consumer media advertising.

The future

Some of the four factors listed above will likely diminish in importance as decision points in the future. Already, inflation, particularly in the U.S., seems to be under control. There is also some evidence that marketing management, at least at the upper levels, may well have learned its lesson on "sales at any price." The era of parity products and particularly pressure from the sales force, however, is far from over. In addition, there are four other factors that will continue to encourage marketing management to invest a larger share of the over-all promotional budget in sales promotion in the next decade or so.

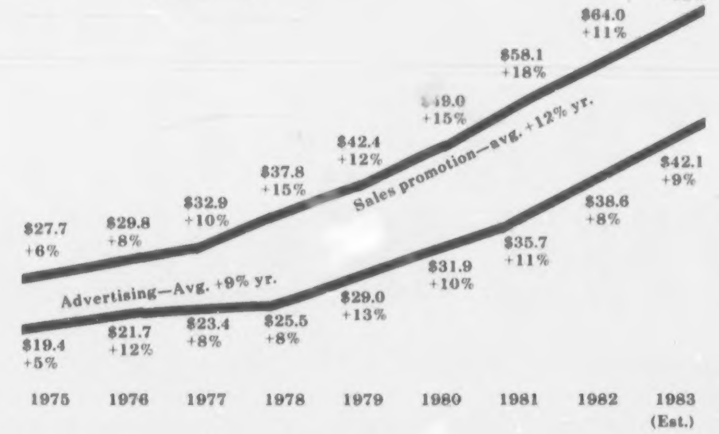
• **Increasing trade concentration.** The increasing concentration of the retail trade into a few dominant chains and buying groups will likely force manufacturers to increase their investment in sales promotion. There is little question that marketplace control has shifted from the manufacturer to the retailer. This is clearly evident in the consumer's shift in allegiance from national brands to private labels and generics over the past few years. It's becoming more obvious that the consumer puts most of his or her faith in Kroger or Safeway or Walgreens or Osco rather than in General Foods or General Mills or Pillsbury or other manufacturers of national brands. And local retailer control of the marketplace is only going to increase in the future.

The result of this marketplace power shift is already well known to many product manufacturers. In many local markets today, the retail trade now dictates to the manufacturer what he must provide in the way of price and promotion simply to get the product stocked in the retail store.

As the retailer's power increases, there will be additional pressure on the manufacturer to provide more trade deals, trade coupons, co-op advertising allowances and the like. While the retail trade recognizes the need for the manufacturer to presell and gain acceptance with the consumer through advertising, the retailer's primary concern is quite different. He's really interested in what he can do to differentiate himself from his local competition. That generally is accomplished through vari-

(Continued on Page M-54)

Growth of advertising and sales promotion



Source: Russell D. Bowman, vp, John Blair Marketing, New York. First appeared in *Marketing Communications.*

Don E. Schultz is associate professor of advertising at Northwestern University's Medill School of Journalism, Evanston, Ill.

Promotion

(Continued from Page M-52)

ious forms of pricing and selection differentiation along with local promotional activities. It is not accomplished simply through stocking nationally advertised brands.

Thus, the increased concentration and the increasing power of the retail trade in the marketplace will likely dictate that manufacturers continue to shift funds in their promotional budgets from advertising to sales promotion simply to make sure their brands are available at retail.

- **Increasing media diffusion.** Over the past 100 years or so, media have been used to aggregate markets. In the past five to seven years, however, the trend has been to use the media to segment markets.

The result has been a diffusion of the media's capabilities, and this is quite likely to continue. We're already seeing increased segmentation of audiences through specialized magazine and radio formats. Narrowcasting in tv and cable is just beginning.

As the audience continues to be split up, it will become more difficult for a major advertiser to make use of the mass media. In addition, as the media continue to segment the audience, it becomes more and more costly for manufacturers to reach all the various segments who might be prospects.

Therefore, it seems only natural that advertisers will start to develop more specialized and localized promotions that would provide a more cost-effective method of reaching their customers and prospects than through traditional media advertising. As media further segment audiences, the likelihood of increased emphasis on sales promotion will continue to grow.

- **More localized promotional planning.** As a direct result of trade concentration and media diffusion, more national advertisers are developing local or regional marketing plans. They are seeking to get closer and closer to their customers.

Additionally, marketers are confirming more and more that there are no truly national brands. Even those products and brands with the strongest consumer franchises have weak consumer segments and weak geographic markets.

As the demand for more localized marketing by the traditionally large national advertisers develops, the incentive to use sales promotion will increase.

Smaller, segmented target groups generally respond well to sales promotion activities, and developing an initial sales promotion program is certainly less expensive than developing an advertising program. The increasing power of the trade will also fuel this need for more localized marketing efforts, which also greatly favor sales promotion techniques over advertising.

With the retailer's inclination to favor sales promotion over manufacturer-initiated advertising, the information passed along to the manufacturer will most likely be biased toward sales promotion.

- **Measurement capabilities.** Because of the forms and techniques of sales promotion, the increasing use of Universal Product Codes and scanners to gather sales data at the retail level greatly favors measurement of sales promotion rather than advertising. Traditionally, management has favored those approaches that can be measured over those that cannot.

The factors that initiated the shift by national marketers from advertising to sales promotion are still there. Other factors almost mandate that the budget share devoted to sales promotion will increase.

Therefore, one of the major advantages sales promotion has and will have over media advertising in the future is simply that sales promotion can be measured easily and advertising can't or is much more difficult to do.

Another factor to help fuel sales promotion growth is that most scanner results will be in the hands of the retailer, not the manufacturer. Even today, many manufacturers find that retailers, because they have the data, know much more about the success of their various promotional efforts than they do, even though the manufacturer may have initiated the event. With the retailer's natural inclination to favor sales promotion over manufacturer-initiated media advertising, the information passed along to the manufacturer will most likely be biased toward sales promotion. And, as the retailer's influence on the manufacturer's promotional efforts increases, the pressure for sales promotion funds will likely increase too.

There are hazards, too

Based on the factors outlined above, the shift in manufacturer-originated marketing funds from media advertising to sales promotion will most likely continue in the future. This shift, however, raises some basic questions and hazards for marketing management, particularly as it relates to advertising investments.

- **Potential decline in brand franchise.** Advertising is generally considered to be the basic method of implanting ideas and attitudes about products in the minds of consumers. With a major shift in emphasis by a manufacturer to sales promotion, there is great danger that the consumer brand franchise may be lost. If the brand franchise declines, the growth of private label and generics seems inevitable.
- **You can overdo sales promotion.** If carried too far, sales promotion can actually hurt not only the brand, but the entire category as well. A prime example is the bar soap category. Several years ago, it appears, manufacturers of bar soap decided rather than competing in advertising, they would compete in sales promotion.

The prime tactic was the bonus pack, *i.e.*, banded packs of individual bars that offered either a free bar or a reduced price on multiple bar purchases. Eventually, almost all manufacturers entered the fray, each one trying to outdo the others. As a result, the price of almost all bar soaps was footballed with sales promotion over the years to the point that most consumers really didn't know the actual value of any brand.

When manufacturers attempted to return to what they considered to be regular pricing, sales dropped. Consumers had no basis for evaluation, plus they were confident that another promotion would come along soon. Now, one of the costs of doing business in the bar soap category is the sales promotion bonus pack. That's a marketing cost over which the manufacturer now has little control, and it's one that really doesn't provide him with additional sales, either.

- **Increased price competition.** The very nature of sales promotion (a short-term incentive to purchase offered by the manufacturer or seller) is always some sort of price incentive, *i.e.*, the price is reduced in cash or the product or the price is compromised through the offer of a premium, prize or the like. Therefore, when a manufacturer shifts emphasis from advertising to sales promotion, he is identifying his competitive arena as price and price alone. And we all know what can happen when there is unrestricted price competition in a category.

Thus, by its very nature, an increase in sales promotion activity by the manufacturer really determines the competitive arena for the brand. If that is the marketer's conscious decision, fine. Unfortunately, too many marketers seem to lose sight of exactly what a shift to increased sales promotion and away from advertising can mean to the future of the brand. Sales promotion means price competition, and long-term straight price competition generally means problems.

There is little question sales promotion will continue to grow as a larger and larger portion of the marketer's promotional investment. The factors that initiated the shift by national marketers from advertising to sales promotion are still there. Additionally, there are other factors that almost mandate that the share of the marketing budget devoted to sales promotion activities increase in the future. But that shift comes with an inherent risk for marketing management. Whatever your position in the marketing management hierarchy, you must have a clear picture of what is driving and will continue to drive sales promotion expenditures in the future. And you should be aware of the risks of the conversion of media advertising funds to sales promotion. The risks are too great to proceed without some guidance. ■

Potboiler

(Continued from Page M-5)

bidding. Avon prevailed. Ms. Singer and Evans split the money. And Mr. Katz was able to finance his campaign.

Mr. Katz had already worked out a strategy with Mr. Atkatz of Franklin Spier. "Yearning," Mr. Katz says, "is the common denominator. All of these books are about yearning. It bypasses literature completely. The impulse of where it works best is to tell another woman a story that moves her completely."

Roughly three-quarters of Evans' money would go toward print advertising. The balance would be spent on 60-second radio commercials to be aired in New York, Los Angeles and Chicago.

To herald the book, Mr. Atkatz prepared a two-page spread for *Publishers Weekly*. It appeared in October, four months before publication. It told of "the poor little rich girls whose tempestuous, often tortured lives are recycled into media fantasies of wealth, glamor and decadence."

In November, the 20 representatives gathered in New York. Mr. Katz decided to take the chance and show them copies of the book. Ads appeared in 13 newspapers and their book review supplements. The radio campaign began. Listeners were placed at the Plaza Hotel on the night of a debutante ball. They heard the limousines arrive and the names of the more celebrated young women whispered. And then they heard about the relationship of one woman whose "heart belongs to daddy." "The innuendo," says Mr. Katz, "was unmistakable." By February, 35,000 advance copies had been sold, and the book also had received some usable praise. In a review, *Cosmopolitan* wrote that the book "has a goodly share of lurid drama but basically this is a hot tub of fantasy and none the worse for it."

Mr. Katz acknowledges that Ms. Singer remains a "paperback" author. There is a difference, after all, in the author whose books can attract readers willing to pay $13.95 a copy and those whose books sell for $3.95. But that is something he is working to change.

In July, Avon released its paperback version of "The Debutantes," replete with a spicier cover—the faces of the four characters were replaced by a portrait of a willowy brunet whose face was used as the background for the bookstore stand. Avon spent more than $100,000 on its campaign. The bulk of that money went toward full-page ads in such magazines as *Cosmopolitan*, *Harper's Bazaar*, *New Woman*, *Interview* and *Vogue*, as well as *True Confessions*, *True Romance*, *True Experience* and *Modern Romance*.

But Mr. Katz was already looking beyond "The Debutantes." Although he thought it necessary to first produce a hardbound copy of the book to give it the sort of respectability not accorded to paperbacks, his sales did not go beyond the initial 35,000 copies. The money for this first book, he says, was going to be made in the reprinting sales.

Now, however, with the publication of Ms. Singer's second novel, the focus of the selling has changed to the author herself. In August, in the *Times* book review, Evans took a full-page ad to announce the arrival of "Star Dreams," by "a new superstar [who] rivals the dazzle of Danielle Steel and Judith Krantz."

Mr. Katz says that he wanted Mr. Atkatz to prepare an ad that read like a profile in *People* magazine. The result tells not only how Ms. Singer "burst onto the scene," but that reviewers had found in her work "minimum sentiment and maximum spice."

All of this did not sit well with Ms. Singer. "I was a little upset," she says. "I like to think of myself in the business end, but I don't know if this was right. But he insisted that my name was important to the book."

Still, Ms. Singer and her family have moved from their apartment to a 14-room home in the Bel Air section of Los Angeles. She is completing her third novel. The writing, she says, has come more quickly. And though now there are radio, tv and bookstore appearances that take her away from her work, she acknowledges they're all necessary.

Perhaps Mr. Katz will indeed produce in Ms. Singer the sort of writer whose name on the jacket can mean a best seller. And for her part, Ms. Singer is content to stay within her chosen genre. "I have no desire to write 'better' books," she says, casting her lot with one of the book business' closest approximations of a sure thing. ■

'S-T' sale

(Continued from Page 1)

outrageous, *New York Post*.

The generous use of promotions and advertising here would mirror Mr. Murdoch's moves in New York and Boston. In those cities he quickly pumped up circulation of the ailing newspapers he had purchased by using a host of such marketing methods.

Since Mr. Murdoch bought the *Boston Herald*, in early 1983, circulation has jumped from 228,228 to 317,612. The *Post's* numbers hover at 962,000 and both tabloids are running highly promoted "Wingo" numbers contests.

Some newspaper executives contend the introduction of such "Wingo" game tactics is a given for the *Sun-Times*, but they and major local advertisers are waiting to see if Mr. Murdoch will attempt to lure readers by using the sensationalist tabloid methods appearing in New York and San Antonio.

The *Post* and *San Antonio Express* and *News*, two other News America holdings, rely on bold headlines, human-interest stories and bathing beauties to attract readers.

"We don't know what he's going to do," commented a *Tribune* executive. "But he didn't spend $90 million to keep the status quo."

"Murdoch's got deep pockets," says one *Sun-Times* executive. "There was some concern that if Hoge got the paper he wouldn't have the money to back it up."

In a letter of intent to Field Enterprises owners Marshall and Frederick Field, Mr. Murdoch stated that News America did not "intend any substantial changes in the newspaper and we would strive to maintain the newspaper's high standards and reputation in the community."

Local advertisers have adopted a "wait and see" attitude. Dennis Bookshester, president-ceo of Carson Pirie Scott & Co.'s department store division, said his company hopes the *Sun-Times* will continue to go after the upscale audience.

"It should stay on the track that it has been on," said Mr. Bookshester. "That is the audience we want to talk to in the marketplace." At Marshall Field's, Marilyn Levey, vp-advertising, also said the retailer wanted Chicago to have two newspapers competing for the same higher income audience. Messrs. Murdoch and Hoge visited Philip Miller, chairman of Marshall Field's, the day the sale was announced.

The visit was "to assure us that no significant changes will be made," said Mr. Miller.

Claude Hinton, director of advertising for Walgreen's Drug Stores, Deerfield, Ill., said his company would look favorably on the *Sun-Times* if it separated itself more from the *Tribune's* readership and lessened reader duplication. Most of Walgreen's stores are located within the city limits.

Newspaper executives who have competed with Mr. Murdoch contend he will do just that by fostering a tabloid similar to his other properties.

"Its too much of a temptation for him to go to Chicago and not run the type of tabloid he is used to putting out," says Arthur Wible, exec vp-director of sales for the *New York Daily News*.

Others point to Texas. Up until this year the *San Antonio Express* had been developed into a newspaper targeted to the upscale audience. But Mr. Murdoch abandoned that market, which had not grown significantly in the recession, and came back with a racier tabloid that features shorter stories, splashier graphics and front-page headlines like "Woman Shot, Head Cut Off."

What may discourage that tack is that the *Sun-Times* is the first profitable domestic newspaper Mr. Murdoch has purchased. Management estimates the *Sun-Times* had net income of $4 million on $185 million in revenues for fiscal 1983 (ending Sept. 30).

John Reidy, an industry analyst with Drexel Burnham Lambert, said that he expects the *Sun-Times* would be infused with some of the "peppy" journalistic measures that were characteristic of other Murdoch papers, but he acknowledged that the *Sun-Times* might provide a unique opportunity for Mr. Murdoch in this country.

"Although his papers in New York and Boston have increased their circulations, they really haven't gotten the broad retail support yet that they need," said Mr. Reidy. "The *Sun-Times* already has a considerable base in that area, and if he can build on that, he might have a really good investment for himself."

Mr. Reidy predicted that, while Chicago readers might not get the wholesale *New York Post*-style treatment in the Murdoch-owned *Sun-Times*, some familiar characteristics are sure to show up.

"Murdoch has his own colorful way of presenting the news, and I expect some of that will pop up in the *Sun-Times*," Mr. Reidy said.

When Field Enterprises announced in April that it was liquidating and selling off its assets, co-owner Marshall Field said that Mr. Murdoch would not be a candidate to purchase the newspaper

In a somber mood during the press conference where Rupert Murdoch announced the purchase of the *Chicago Sun-Times* were owner Marshall Field V (left) and publisher James Hoge.

Mr. Hoge, the unsuccessful bidder, said last week he will remain as the newspaper's publisher for the time being.

Marshall and Frederick Field, half brothers, each of whom owns 50% of the company's voting stock, had decided to pursue their separate interests.

It is the combination of Mr. Murdoch's hefty bid and Frederick Field's desire to get the highest market price that gave Mr. Murdoch another U.S. property.

"It took control out of my hands," Marshall Field told reporters and then added, "I think he's going to give the *Tribune* hell."#

Also contributing to this story: Stuart Emmrich in New York and Tom Bayer in Dallas.

Ten largest daily papers

By circulation

Paper	1983	1982	Change
Wall Street Journal	2,020,132	1,925,722	+4.9%
New York News	1,395,504	1,544,101	−9.6%
Los Angeles Times	1,038,499	1,052,637	−1.3%
New York Post	962,078	960,120	0.2%
New York Times	910,538	905,675	+0.5%
Chicago Tribune	751,024	758,255	−0.9%
Washington Post	718,842	726,009	−1.0%
Detroit News	650,683	642,531	+1.3%
Chicago Sun-Times	639,134	651,579	−1.9%
Detroit Free Press	635,114	631,989	+4.9%

Figures are for Monday-Friday averages for six months ending September 30 in both years, as reported to the Audit Bureau of Circulations.

USA Today *is not included in the above ranking because its circulation totals aren't yet included in ABC reports.* USA Today *independently reported a paid daily circulation of 1,163,937 in September.*

Ten largest Sunday papers

By circulation

Paper	1983	1982	Change
New York News	1,860,989	1,986,151	−6.3%
New York Times	1,523,113	1,498,873	+1.6%
Los Angeles Times	1,294,274	1,306,002	−0.9%
Chicago Tribune	1,116,403	1,101,615	+1.3%
Washington Post	996,621	971,957	+2.5%
Philadelphia Inquirer	994,966	1,031,321	−3.5%
Detroit News	858,870	843,580	+1.8%
Detroit Free Press	788,203	771,083	+2.2%
Boston Globe	781,502	750,308	+4.1%
San Francisco Examiner & Chronicle	692,406	680,843	+1.7%

Figures are for Sunday averages for six months ending September 30 in both years, as reported to the Audit Bureau of Circulations.

Source: ABC Fas-Fax Report

Dallas, Detroit papers show gains

By ROBERT REED

Many of the nation's largest daily newspapers suffered circulation declines over the past year, but in Dallas and Detroit, two of the country's sizzling competitive newspaper markets, readership gains were scored.

Also, Gannett Co.'s *USA Today* continues to cast a shadow over some areas as that national newspaper indeed emerges as a "second buy." It has dampened the statewide sales for newspapers in Chicago and Detroit, say newspaper executives.

Preliminary circulation figures filed by publishers with the Audit Bureau of Circulations indicate that most of the big-city dailies have been hurt. These numbers, as yet unaudited by the ABC, are for the six months that ended in September and are compared to those for the same period in 1982.

The Chicago-based Tribune Co.'s *New York Daily News* suffered the biggest loss. The newspaper saw weekday figures drop 148,597 from last year's 1,544,101. The rival all-day *New York Post* had a gain of 1,958 to 962,078.

The *News'* Sunday numbers also dropped, going from 1982's 1,986,151 to 1,860,989. The *Post* does not have a Sunday edition.

Arthur Wible, exec vp-director of sales for the *Daily News*, said the decline occurred because the company is in the midst of shifting its printing facilities from midtown Manhattan to three outlying areas. He said this limited printing capabilities.

In addition, deadlines have been moved up so the *News* is not always able to supply late sports scores and other breaking news. That is hurting newsstand sales, he said.

"We told advertisers that 1983 was going to be a difficult transition year and there is still a difficult period left to go through," said Mr. Wible. "But we are certain that our readership base has not been shaken."

In an attempt to soften the impact of the reported numbers drop, the *News* has taken out ads in trade journals, claiming that ad linage figures are up 2,185,000 lines for the first nine months of this year.

The *New York Times* continues to grow, as that newpaper saw total daily circulation increase 4,863 to 910,538. The *Times* reported that 684,333 of its total comes from in and around New York City.

The *Times* recently applied with the ABC to become a national newspaper (AA, July 4); Sunday circulation leaped to 1,523,113 from 1,498,873 mainly on the strength of its national distribution. Circulation for the *Wall Street Journal*, also a national newspaper, increased from 1,925,722 to 2,020,132.

Knight-Ridder's *Detroit Free Press* went up from 631,989 to 635,114 and on Sunday climbed from 771,083 to 788,203. The *Free Press* states the nearly 4,000 gain comes from within the suburban "retail trading zone"—a designation given to certain areas by retailers and publishers using ABC numbers. But the *Free Press'* statewide sales were hindered by *USA Today* because of its emergence as a supplemental buy to the various hometown papers, according to the company.

Meanwhile, the *Detroit News* also saw its numbers jump, going from 642,531 to 650,683. Sunday circulation was boosted from 1982's level of 843,580 to 858,870. The all-day *News* recently began morning home delivery and attributes its gains to that program.

The release of the circulation numbers touched off another slugfest in Dallas where, for the first time, the *Dallas Morning News* overtook the Times Mirror-owned *Dallas Times Herald* in the daily city zone.

In total circulation, the *News* outstripped its competitor with weekday gains of 18,391, moving to 335,670. On Sunday, it had gains of 27,619, putting it at 417,474. In contrast, the *Times Herald* reported a daily gain of 185, boosting it to 269,594.

In the Dallas county zone edition, the *Times Herald* maintained a lead on Sunday. But the *News* gained 5,445 daily in the city zone compared to the *Times Herald's* loss of 3,930 daily. On Sunday, the *News* gained 11,454 compared to the *Times Herald* gain of 435.

The *Times Herald* is taking the position that the best defense is offense, so the newspaper launched an attack on the *News'* ad theme, "Nobody beats the *Dallas Morning News* in the morning." In a multimedia campaign featuring actor Mason Adams (of "Lou Grant" fame) the *Times Herald* says, "The next time the other paper says they can't be beat in the morning, don't buy it."

Times Herald staffers were issued promotional t-shirts bearing the slogan: "My newspaper beats them in the morning and clobbers them in the afternoon."

Not so, says the *News*, which placed ads last week claiming boldly: "We own Dallas County." A *News* spokesman said they plan to step up the "Nobody beats" theme.

In Washington, the Washington Post saw its daily circulation drop 7,167 to 718,842. The Sunday *Post* jumped from 1982's 971,957 to 996,621.

The *Philadelphia Inquirer* lost 27,842 weekdays, declining to 533,176. The Sunday *Inquirer* also saw some slippage, from 1,031,321 to 994,966.

The *Chicago Sun-Times*, which was sold last week to press baron Rupert Murdoch, saw a decline of 12,445, to 639,134.

Most of the decline comes from the newspaper's primary market area within the city of Chicago, according to ABC figures. Sunday numbers dropped from 677,681 to 669,426.

Meanwhile, the weekday *Chicago Tribune* had a decline of 7,231 to 751,024. The Sunday *Tribune* jumped from 1,101,615 to 1,116,403.

Howard Hay, vp-circulation for the Tribune, attributed nearly 4,900 of the weekday circulation decline to the newspaper's drop in statewide sales. The combination of *USA Today* and the higher unemployment that has hit the smaller cities and towns surrounding the Chicago area have cut into sales.

"In many of those smaller cities we are the second buy, and *USA Today* has affected us in those county areas," said Mr. Hay.

In Denver, where the *Denver Post* and the *Rocky Mountain News* are thrashing it out, the numbers for both have declined. The *Post* reported a drop of 8,009 to 243,428. On Sundays the *Post* lost 9,644 as it dropped to 343,943.

Competing *Rocky Mountain News*, which saw price jumps from 15¢ to 25¢ during this reporting period, dropped 4,690 to 315,524. On Sundays the newspaper climbed from 345,770 to 355,992. *USA Today's* emergence in the Denver area also had an adverse effect, said William Fletcher, general manager of the *Rocky Mountain News*.#

Also contributing to this article: Tom Bayer, Dallas bureau chief.

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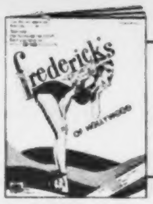
Business computers: Images change - Magazine

Cable loosening Dentsu's grip in Japan? - International section



Frederick's shares the fantasy - Page 4

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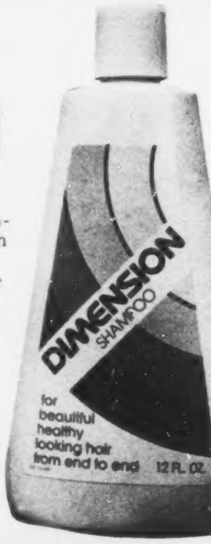
Lever Bros. on a roll

Dimension shampoo now heading national



By PAT SLOAN

New York—Lever Bros. is moving its Dimension shampoo into national distribution. When that process is complete sometime next year, the brand will be supported by an advertising and promotional budget that is expected to reach $60 million.

That would top the $50 million that Revlon has allotted for its new Hair's Daily Requirement haircare line (AA, Nov. 7).

Dimension's budget will include nearly $18 million in tv, sources say. Lever also is planning at least three freestanding inserts of 25¢-off and 30¢-off coupons in eastern newspapers in February, April and May.

Additionally, a direct-mail sampling program is expected to reach nearly 70% of all households.

Lever expects to capture 6% of the shampoo market by the end of 1984, no easy task in the already highly competitive and fragmented $1.3 billion category.

Although Lever will not confirm the rollout of Dimension, sales representatives for the company have announced the plans at several trade shows in the Northeast, where the shampoo now is being sold after earlier testing in the Midwest. Trade sources expect it

(Continued on Page 107)

Sunlight next?

Outcleans the leading brand.

By NANCY GIGES

New York—Lever Bros. is taking a run at Procter & Gamble in another category—dishwashing products.

Lever appears to have a successful encore to Sunlight dishwashing liquid with Sunlight automatic dishwasher detergent. The new product rolled into 25% of the country this fall, primarily the West and Southwest, and is following the same upward sales path it took in test markets.

A few months after the dishwasher detergent appeared

(Continued on Page 107)

More brews seen on tap at Anheuser

By ROBERT REED

Anheuser-Busch soon will begin selling another superpremium beer, next year will debut a new malt liquor and is looking at expanding its brand lineup further.

These moves are part of a revamped marketing strategy that will use new products as a means of protecting the No. 1 brewer's total market share within a flat beer-selling environment.

A-B will introduce the malt liquor, as yet unnamed, early next year in major cities throughout the country. It shortly will begin marketing Michelob Classic Dark at retail in parts of California.

That brew has been confined to on-premise accounts.

In addition, the St. Louis brewer is considering the marketing of an "ultra" superpremium brew and an economy-price "low-end" beer, industry sources said.

Also in the lower end, the company is stepping up assaults on the popular-price segment by expanding distribution of Busch and increasing the grass-roots selling efforts of Busch and Natural Light, a lower-price light beer (AA, Nov. 7).

These moves come at a time when the entire beer industry is anticipating flat or declining sales for the coming years. A-B has seen less sales growth for the flagship Budweiser (which sold a lofty 39 million bbls. last year), slippage of superpremium Michelob and a spotty performance from its latest—Budweiser Light.

A spokesman for A-B refused to confirm or deny the existence of the new brews, and would not comment on any other aspect of the marketing.

"Out of all the brewers, Anheuser is in the best position to come up with new products because it already has a viable premium main brand and can afford to branch out," says one brewing industry executive.

The emergence of a malt liquor marks the second go-round for A-B within that estimated 6 million bbl. subsegment. In 1971, the company entered the market with Budweiser Malt Liquor, but after a tepid two-year performance it was discontinued.

At that time, A-B said it was stopping production of Budweiser Malt because it had decided to con-

(Continued on Page 104)

last minute news

Orion's $20 million account goes to FCB unit

Los Angeles—Orion Pictures has moved its estimated $20 million ad account to FCB/Entertainment from Diener/Hauser/Bates, New York. FCB in turn drops Embassy Pictures, with estimated spending in the $5 million range. Embassy said it will begin looking for a replacement.

JWT picks up McCulloch; new items due in '84

Los Angeles—McCulloch Corp. has named J. Walter Thompson USA as its agency, following a five-agency review in which incumbent Benton & Bowles participated. Annual budget is expected to increase to $3 million in 1984 to support the introduction of several outdoor power tools.

RJR's Sterling Special Blend heads into test

Winston-Salem, N.C.—R.J. Reynolds Tobacco will move into Florida test in January with Sterling Special Blend. The luxury cigaret, aimed at Philip Morris USA's Players and Benson & Hedges brands, comes in a black pack with silver-and-gray pinstriping and embossed crest. Ads for

(Continued on Page 8)

Both sides on syndication issue watch Congress

Net talks stall on revenue

By RICHARD L. GORDON

Washington—Hollywood offered to toss overboard its demand for a share of net tv advertising profits as private summit talks with the networks intensified last week. A third closed-door session is scheduled for Nov. 18 in New York.

But the producers continued to insist on some kind of revenue-sharing commitment from the nets before they agree to allow them to resume bargaining for program ownership rights.

They and their independent tv station allies also balked again at discussing anything more than a minor syndication role—limited to educational programs—for the networks.

If an agreement can be reached, it would be the basis for rewriting the 13-year-old Federal Communications Commission rules that bar the nets from acquiring ownership or syndication rights to programs they lease from independent producers.

Though the talks continue, both sides have been waiting to see if Congress will complete action on Hollywood-backed legislation that bars FCC changing the rules for six months.

The bill cleared the House last week, but the Senate may let it dangle until after the Christmas holidays.

The Assn. of National Advertisers and the American Assn. of Advertising Agencies are on record opposing any change in the FCC rules at this time because it could jeopardize the availability of top-quality off-net shows to independent tv stations.

Motion Picture Assn. of America president Jack Valenti, a key Hollywood bargainer in the current talks,

(Continued on Page 106)

NEWSPAPER

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Prime time tv demographics Page 10

Burnett scores at Beatrice Page 12

Merit cigarets on new course Page 106

Chicle gets direct vs. competitors

By GAY JERVEY

Warner-Lambert's American Chicle division is blasting out on several fronts, including tough competitive advertising and new products entering the turf of a major rival.

Trident mints are getting their first new national campaign since the brand was reformulated last year.

Tv spots, which have been testing in limited markets, take direct, competitive aim at both Ragold Inc.'s Velamints and Life Savers' Breath Savers mints.

The feisty push for the Trident item comes at a time when American Chicle seems to be awakening from a lull in noteworthy new-product and marketing activity.

The company is test-marketing a line of stick gums that reportedly look more than a little like those of archrival Wm. Wrigley Jr. Co., the Chicago-based gum market leader; another line of gum sold in packages of nine thin sticks, and a Hall's nasal spray extension of its Hall's cough drops in early-market stages.

All of this should catch the attention not only of consumers but also of Wall Street, which has kept only one eye on Chicle, and a half-shut one at that.

Preferring the high-tech, high-profit world of W-L's pharmaceuticals, most analysts following the company view Chicle with only a little more interest than they did Entenmann's, which W-L sold to General Foods last year.

The sale was partly in response

(Continued on Page 104)

Atari agency shifts reflect new chief

By BOB MARICH

Financially ailing Atari has moved to a sharper definition of its advertising agency assignments, which total an estimated $100 million in billings.

The big loser in the revamp is Needham, Harper & Steers/USA, New York, dropped completely by the Warner Communications unit after it had parlayed spot assignments to an apparent fast-track position this summer.

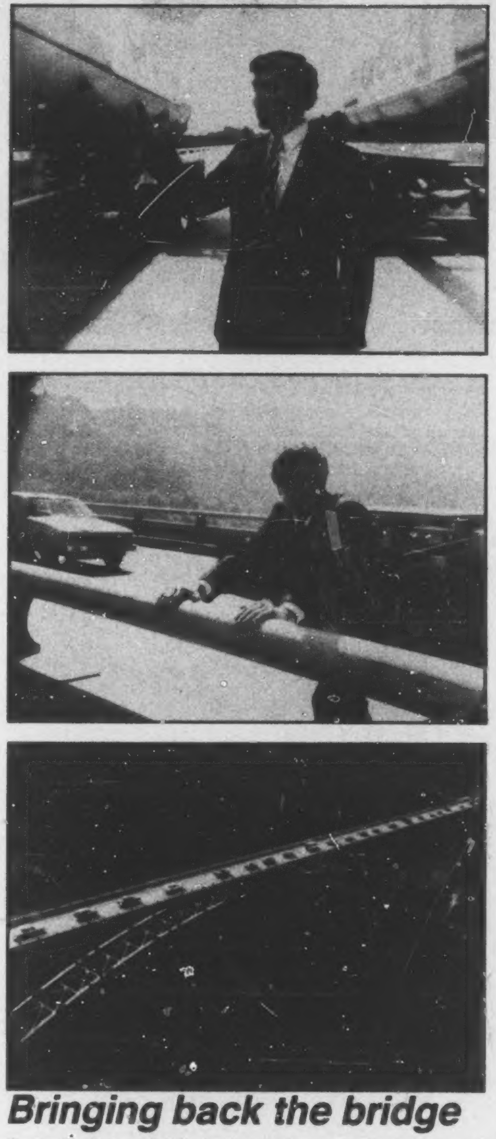
The winners are agencies with longtime links to Philip Morris Inc. New Atari chairman James Morgan is the former marketing chief for that company's domestic tobacco products.

NH&S created the "Nobody's hotter than Atari this summer" campaign that ran on cable (MTV: Music Television) and some spot tv as well as on radio. That corporate project amounted to about $1 million in billings for Needham.

NH&S recently was given the new AtariSoft line—videogame and computer software designed to run on systems of Atari competitors. That plum now goes to Wells, Rich, Greene, New York, which

(Continued on Page 104)

Atari recovery predicted—Page 60



Bringing back the bridge

Getty Refining & Marketing returns to the scene of its original introduction of unleaded gas in 1969 to announce its move to selling only unleaded gas. The spot breaks in the Philadelphia market Nov. 15. Agency: Calet, Hirsch & Spector.

AHP sued on Riopan ad claims

By NANCY GIGES

New York—American Home Products is once again the target of charges of misleading claims in comparative ads, this time for Riopan antacid.

William H. Rorer Inc., marketer of Maalox, the leading liquid antacid, has alleged in federal court here that AHP has increased its market share for Riopan by making false and misleading claims in advertising.

Rorer has hired the same law firm—Patterson, Belknap, Webb & Tyler—that Johnson & Johnson used in the 1970s to force AHP to stop making certain comparative claims against Tylenol in Anacin ads.

Rorer alleges that the ads convey the message that Riopan Plus is a more effective antacid than Maalox when, in fact, AHP, and its Ayerst subsidiary, which markets the brand, has only lab tests to support its claims and no tests involving humans.

While the commercials do specify that some of the claims are based on lab tests, the Rorer complaint states that consumers take away the message that the advertiser has proof that Riopan performed better in the stomachs of humans.

AHP has offered to modify its advertising to resolve the controversy and, in fact, made some changes since first Rorer objected about a year ago. But Rorer did not find those changes or those offered acceptable, according to documents supplied to the court.

Barbara Rose, Rorer director of marketing information, stated in an affidavit that AHP is gaining millions of dollars through false and deceptive advertising at the "direct expense of its competition and to the detriment of millions of Americans who use liquid antacid products." She said the market for liquid antacids is about $200 million and Maalox holds about 40% of the market, and that Riopan has grown to about 12%.

"Historically, these liquid antacids were considered by the medical profession to be 'serious medicine.' Advertising and promotion thus focused solely on health-care professionals," she said. "Having failed to make significant headway in promoting Riopan to the medical profession, Ayerst in late 1981 initiated a national campaign of tv ads."

She said Ayerst and the networks received protests

(Continued on Page 103)

highlights

Monday, November 14, 1983

A.C. Nielsen demographic charts show "AfterMASH" to be a broad-appeal hit and "Hotel" as the female favorite. *See Page 10.*

Beatrice Foods Co. last week gave slices of its domestic ad business to 11 offices of five previous Beatrice agencies and two new ones. *See Page 12.*

The Globe-Democrat, St. Louis' 131-year-old newspaper, said it plans to fold Dec. 31, putting the city in the ranks of one-paper towns. *See Page 14.*

Kimball International is taking to network radio airwaves as part of an effort to expand the market for its pianos and organs. *See Page 37.*

Pontiac is trying to stave off the Japanese marketing shift from plain, economy cars to more sporty and expensive cars. *See Page 46.*

Arby's has begun limited testing of topped baked potatoes and is eyeing the rollout of a croissant breakfast menu. *See Page 48.*

Booth Fisheries is likely to get an infusion of marketing support from its new owner, Rich-SeaPack Corp. *See Page 52.*

Warner Communications' Atari seems on the way to recovery through gains in software sales, according to Wall Street analysts. *See Page 60.*

Body sprays: New entries in Canada make some marketers wonder if more are destined for the U.S. *See Page 83.*

Playboy Enterprises is anticipating increased profits next year for its publishing and products divisions. *See Page 90.*

USA Today will release its first state-by-state circulation figures this week and will increase its rates Jan. 1. *See Page 92.*

General Host's Tambellini Foods division is introducing a new 12-item frozen entree line aimed at budget-minded gourmets. *See Page 100.*

CORPORATE CLOSEUP

Frederick's of Hollywood is holding its own against the proliferation of competitors in the intimate apparel market. *See Page 4.*

INTERNATIONAL

Grandfield Rork Collins is planning to link with a U.S. agency as part of a new international network. The network mainly will handle the agency's latest international account, Commodore International. *See Page 66.*

Eurocom, the giant French agency holding company, needs to enter the U.S. market in order to service accounts of its French and other European clients expanding internationally. *See Page 66.*

H.J. Heinz Co. is gambling that the struggling baby food market in Italy will come back. That's the reason for purchasing the baby food division of Industria Buitoni Perugina. *See Page 68.*

VIDEOTECH

Interest in tv listings remains high, despite the demise of *TV-Cable Week* and the hegemony of TV Guide. *See Page 74.*

ABC News is planning to trim staff and cut back program time in several areas, including "Nightline." *See Page 77.*

MCA TV has been paid record prices for an hourlong off-network series in its initial sales of "Magnum, P.I." *See Page 80.*

Playboy Video Corp. has taken over complete ownership of the Playboy Channel. *See Page 80.*

MAGAZINE

Advertising giant John Caples goes back to the basics in an excerpt from his book, "How to Make Your Advertising Make Money." *See Page M-4.*

Business Computers: While micros and macros learn to communicate with each other in the office, marketers of computers for business applications are learning how to communicate with buyers. *See Page M-9.*

The power of the networks' tv censors over what is an acceptable commercial is the cause of great displeasure for agency folk, and evokes a broad spectrum of comment. *See Page M-42.*

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Sweeps: ABC wins first week

By DIANE MERMIGAS

ABC blasted its way into the November sweeps period by winning the first full week on the strength of its Wednesday, Saturday and Sunday series while closing the gap on CBS' season-to-date lead.

But the network competition was expected to get much tougher heading into the season's seventh week after more widespread stunting (preempting of regularly scheduled shows).

For the first eight days of the November ratings sweeps, ABC led the prime time ratings, although CBS was not far behind.

The week ended Nov. 6 marked ABC's second weekly win of the season since its World Series telecasts dominated prime time the week ended Oct. 16. CBS has won the remaining four weeks.

ABC claims it is the only network to show over-all prime time ratings improvement over the first six weeks of last season. ABC is up 1.3 points to a 17.6 ratings average this season. CBS has only a 0.1 point drop, and NBC's average rating for the season has dropped 1.3 points to an average 15.1.

What put ABC over the top in the sixth week was the strong Nov.

(Continued on Page 108)

Women checking out ‘Hotel’

By JAMES P. FORKAN

NEW YORK—Of the two new-for-fall ratings hits, CBS' "AfterMASH" has the broadest appeal, while ABC's "Hotel" owes its strength to women viewers.

ABC's "Hardcastle & McCormick" shapes up as the second-most-promising newcomer series, following "AfterMASH," in terms of male appeal. CBS' "Scarecrow & Mrs. King" emerges thus far as the only other contender among the new shows with female viewers.

Beyond those four shows, agency and advertiser executives perusing the latest fall demographic top 10 charts from A.C. Nielsen Co. covering Sept. 26 to Oct. 23 are finding slim pickings when it comes to new series.

"AfterMASH," clearly drawing from the popularity of "M*A*S*H," ranked among the top five in male and female viewers aged 18 to 34, 18 to 49, 25 to 54 and 12 to 17. Women 18 to 34 ranked that spinoff as No. 1.

"Hotel" benefited from having "Dynasty" as its lead-in. Both series ranked as big favorites among women 18 to 34, 18 to 49 and 50 and older. Income breakouts were not available yet.

"Hardcastle" was the only other fledgling series to make the top 10 in the three male breakouts from ages 18 through 54.

Women 18 to 34 put "Scarecrow & Mrs. King" into their top 10, as did women 25 to 54. In the youth market, "AfterMASH" was the sole freshman series in the top 10 for ages 12 to 17. Children two to 11 went not only for "Scarecrow" but also CBS' "Whiz Kids" and NBC's "Mr. Smith."

As for established programs, ABC's "Monday Night Football," despite some slippage in total homes (it was No. 26 in Nielsen homes data), is back near the top among males, right up there with "Hill Street Blues" among men 54 and younger and "60 Minutes" among men older than 50.

ABC's and NBC's Sunday movies were major lures for men 54 and younger, while NBC's Monday movies have become an attractive alternative to football among young women. NBC's Monday movie packet was No. 8 in the four-week homes data, compared with 18th for the NBC Sunday package and 21st for ABC's Sunday movies.

NBC's Sunday movie package contained "Women of San Quentin," "High School U.S.A." and the repeat theatrical "Bustin' Loose." Its Monday titles included "Policewoman Centerfold," "Adam" and "Sessions," all seen as female-appeal alternatives to ABC's Monday NFL telecasts.

ABC's Sunday movies included the made-for-tv "Making of a Male Model" and two new-to-network theatricals, "Heaven Can Wait" and "Nighthawks."

Nielsen's data through Dec. 19 showed NBC's "Hill Street Blues" had snared the top spot among men 18 to 49 and 25 to 54, with "Dynasty" on the top in those female demographics.

ABC's "Happy Days," tops among children a year earlier but pushed from this fall's top 10 by "The A Team," remains a hit at No. 9 with women 18 to 34.

"Magnum, P.I.," now more popular with males than females, has been surpassed in homes and demographic ratings by "Simon & Simon."

Looking at the top 10 in households for those same four weeks this fall, "AfterMASH," "Dynasty," "Dallas," "Simon & Simon" and "The A Team" led the way, with "Hotel," "Magnum," NBC's Monday movies, "60 Minutes" and "Scarecrow" rounding out the top 10.

CBS, traditionally seen as more appealing to older viewers than its rivals, has been the major proponent in recent years of the 25-to-54 demographic. That age group has stronger purchasing activity than the 18-to-49 bracket, David Poltrack, vp-tv research, CBS/Broadcast Group, has said.

He now is citing the Census Bureau's newly released 1980-81 consumer expenditure survey as the latest piece of evidence to support sponsor pursuit of the 25-to-54 bracket. The survey indicated that major spending power now is concentrated within the 35-to-54 segment, he said.#

Top prime time tv series

Nielsen demographic ratings

(Sept. 26-Oct. 23)

Men 18-34

Program	Rating
1. Monday Football (ABC)	16.7
2. Hill Street (NBC)	16.6
3. AfterMASH (CBS)	16.1
4. A Team (NBC)	15.5
5. ABC Sunday Movie	15.0
5. NBC Sunday Movie	15.0
7. Fall Guy (ABC)	13.7
7. Cheers (NBC)	13.7
9. Magnum, P.I. (CBS)	13.5
10. Hardcastle/McC (ABC)	13.1
10. Simon & Simon (CBS)	13.1

Women 18-34

Program	Rating
1. AfterMASH (CBS)	21.5
2. Dynasty (ABC)	20.5
3. NBC Monday Movie	20.1
4. Dallas (CBS)	18.3
5. Knots Landing (CBS)	17.1
6. Hill Street (NBC)	16.3
7. Hotel (ABC)	15.9
7. Simon & Simon (CBS)	15.9
9. Happy Days (ABC)	15.5
10. Scarecrow/King (CBS)	15.4

Men 25-54

Program	Rating
1. Hill Street (NBC)	18.5
2. Monday Football (ABC)	18.4
3. A Team (NBC)	16.9
4. AfterMASH (CBS)	16.5
5. Simon & Simon (CBS)	16.0
5. Knight Rider (NBC)	16.0
7. ABC Sunday Movie	15.0
8. NBC Sunday Movie	14.8
9. Hardcastle/McC(ABC)	14.6
10. Fall Guy (ABC)	14.4

Women 25-54

Program	Rating
1. Dynasty (ABC)	23.7
2. AfterMASH (CBS)	21.6
3. Dallas (CBS)	20.6
4. Hotel (ABC)	20.4
5. NBC Monday Movie	19.6
6. Simon & Simon (CBS)	19.4
7. Fall Guy (ABC)	17.7
7. Scarecrow/King (CBS)	17.7
9. Hill Street (NBC)	17.4
10. A Team (NBC)	17.2
10. NBC Sunday Movie	17.2

Source: A.C. Nielsen Co.

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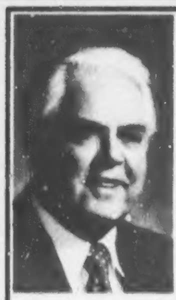

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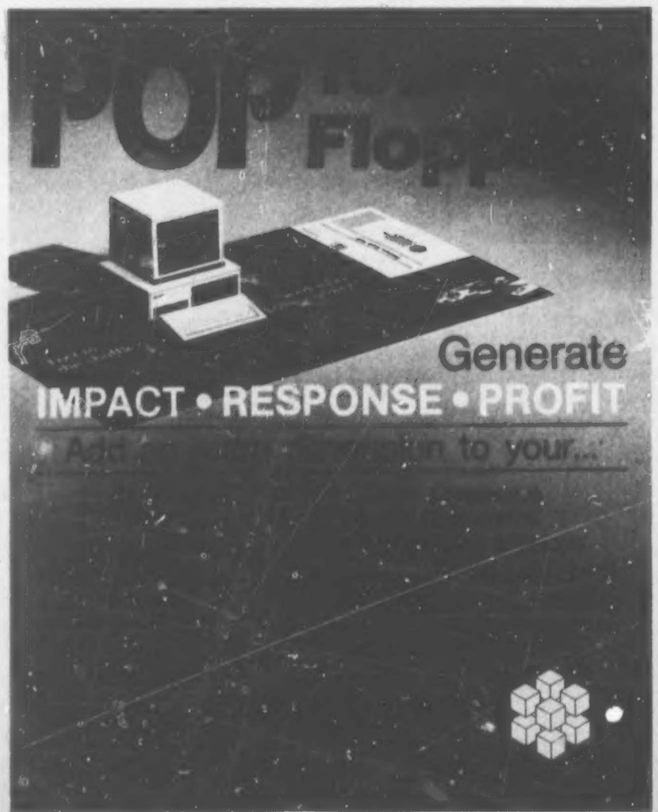

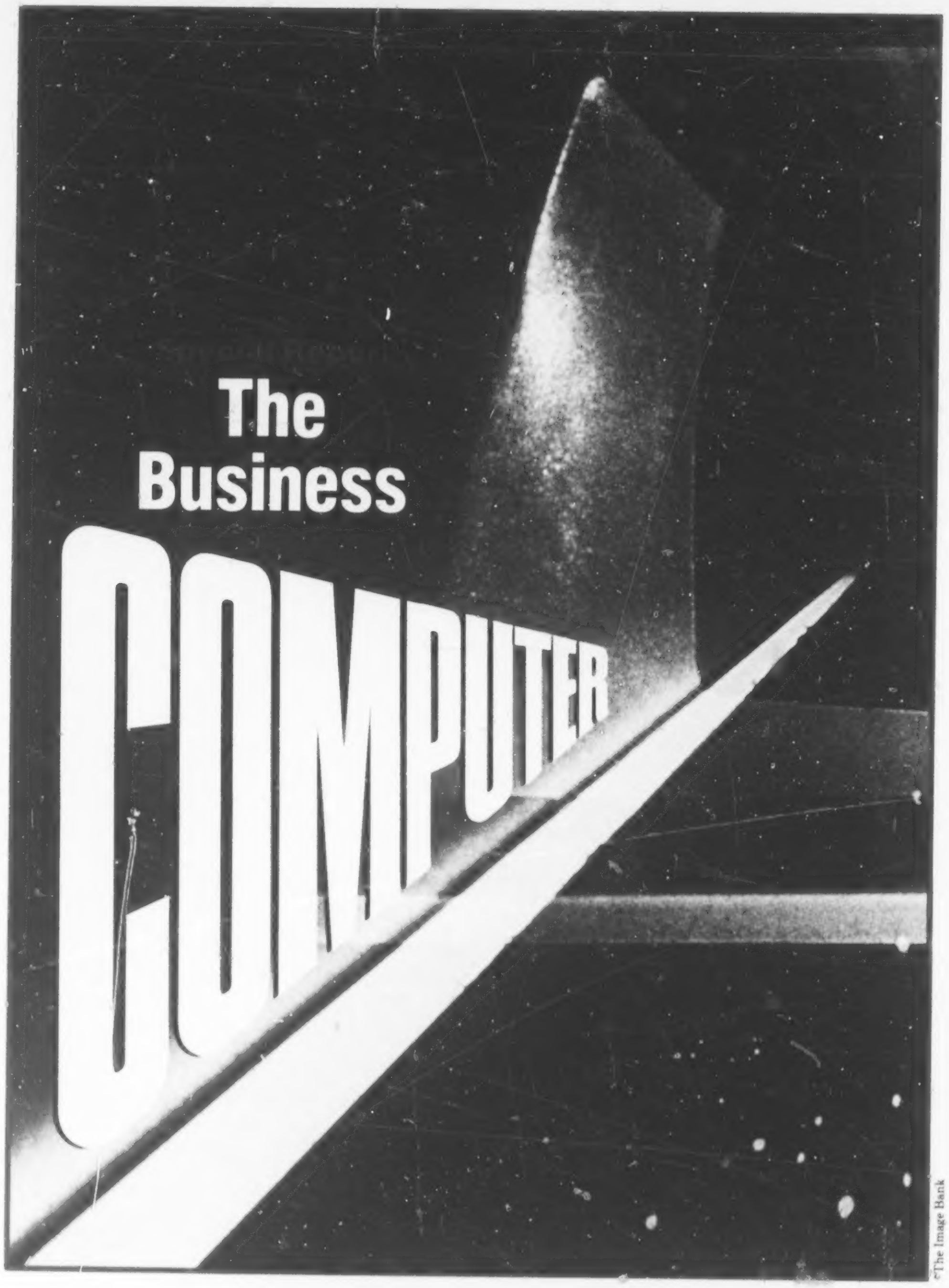

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From Apple to Wang, computers mean business

By Udayan Gupta

The universe of computers continues to be in a state of perpetual frenzy—one that repeats itself continuously. Each day brings a new player, a new product or a changing of the old order. Just four days in October can attest to that:

- **Tuesday, Oct. 4.** Wang Laboratories, Lowell, Mass., announces the launch of its Professional Image Computer, a personal computer that scans images and stores them in a computer memory. Wang also introduces software and other products aimed at making it easier for its computers to communicate with International Business Machines Corp. products.
- **Wednesday, Oct. 5.** Fortune Systems Corp., Belmont, Cal., announces that its board has forced Gary B. Friedman, its founder and president, to resign. Fortune, a marketer of computer systems for word processing and computer modeling of financial data, has been experiencing increased customer complaints about technical problems with its machines.
- **Thursday, Oct. 6.** Acorn Computers, a British manufacturer of microcomputers, introduces its BBC computer to the U.S. in Cambridge, Mass. Acorn's computer has had extraordinary success in the educational segment of the British market and will go head to head against the Apple and IBM Personal Computer.
- **Friday, Oct. 7.** Lotus Development Corp., San Francisco, marketers of the 1-2-3, one of the fastest selling software packages in the market today, announces that its initial public offering of stock had been immensely successful. It raised $46 million—$37 million for the company and $9 million for selling to shareholders. The 1-2-3 has the unique capability of combining spreadsheet, database and graphics in one program and can be used with the IBM PC as well as other 16-bit machines.

A new computer, a new player, an initial public offering and the ousting of an industry head—all regular occurrences these days in the computer era.

Indeed, the advent of the personal computer was expected to be the much needed boost that the computer industry required. And it was. Cashing in were companies such as Cupertino, Cal.-based Apple Computers and Tandy Corp. in Fort Worth, Tex., but with varying styles. Tandy, with its myriad Radio Shack outlets, flooded the country with its TRS-80 model, while Apple established a spanking new distribution network and dealer outlets.

Both were successful, so much so that they invited a host of new players, all eager to grab their share of the pie.

The mushrooming of companies in the industry was a phenomenon in itself. Earlier, such companies as International Business Machines Corp. and Digital Equipment Corp. had dominated the industry, commanding the capital as well as the manpower. However, with the spectacular success of entrepreneurs such as Apple's Steven P. Jobs and Atari's Nolan Bushnell, the control loosened. Many of the stars from the giants left to launch their own ventures, attracted by the potential of greater accomplishment and quicker riches.

"The entrepreneurs had nothing to lose," notes one industry observer, "If their companies succeeded, they would be at the top. If they failed, they could always return to the fold."

"It seems hardly a week goes by when one does not read in *Electronic News* that some top engineer from Hewlett-Packard, Digital Equipment, Intel, Tektronix or another top company has left to join a startup company," notes Michael Weisberg in Prudential-Bache's "High Tech Notes." "It is impossible to document, but we believe that the people drain is shifting the balance of power in product development. The advantage is moving away from big companies and toward small ones."

The other factor that shifted the balance toward the new company was the relative ease of raising capital. The growth of the venture capital environment and its unmasked sympathy toward high technology helped. Companies have been known to raise very large sums of money in the private market—often $15 million to $20 million—and even larger sums publicly.

Yet amidst all this growth, there remained a sense of confusion and bewilderment. Even though Apple reigned supreme, users and potential users had questions about the prolifera-

(Continued on Page M-10)

Udayan Gupta is a New York-based contributing editor of Electronic Media, a sister publication to ADVERTISING AGE.

Programing in the human factors

By B.G. Yovovich

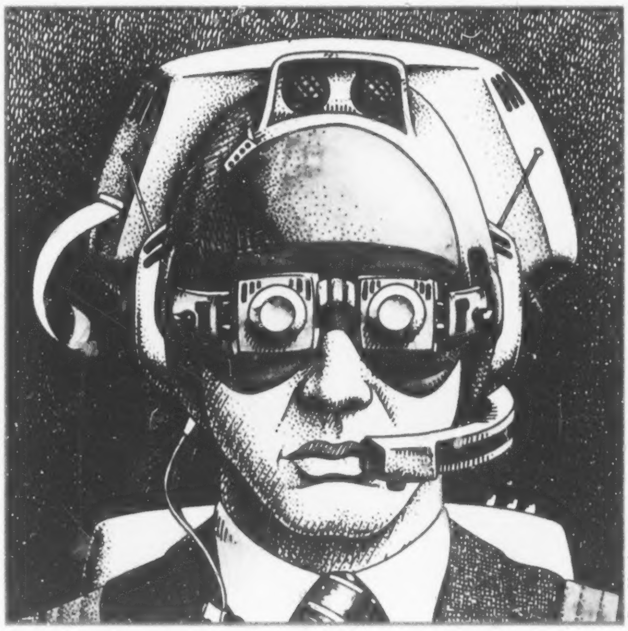
Technology is no longer enough. More and more, the success of a business computer system depends not so much on whether it has state-of-the-art technology as on how well it deals with the "human factors."

At their most mundane level, human considerations have led to such improvements as convenient detachable keyboards and video display terminals that minimize eyestrain and fatigue. The greater challenge, however, has been to tailor business systems to users' social and psychological needs, not just their physical ones.

"It's been said that there is a pretty good, though not perfect, match between the way a person's fingers work and the way that typewriters are designed," says John Gould, a researcher with International Business Machines Corp. "But there is not a very good match at all between the way people's heads work and what we show on the displays, and we think that is because we don't know enough about how people's heads work."

Several developments have prompted business computer manufacturers to become more interested in learning more about "how people's heads work," one of the most important being a change in the kinds of people using computers.

"The original users of computers were scientists and engineers who were intimately familiar with the internal workings of the machines," says Paul Green, a University of Michigan professor and chairman of the Human Factors Society's computer systems technical group.


Tom Herzberg

(The Human Factors Society is a Santa Monica, Cal.-based group that studies the impact of technology on the work environment.)

These scientists, says Mr. Green, "were very tolerant of messages that were obscure or of structures that didn't seem to make sense. Now that computers have been introduced into the office and other environments, they are being used by people who are not computer experts, who don't have the time, inclination or the expertise to delve into understanding the machines. They just want to get the job done, and the computer is a tool to do it."

And there is an economic shift as well.

"A couple of decades ago, an hour of computer time was very expensive compared to an hour of a person's time, and it was very inappropriate to worry about saving the person's time," says Mr. Gould. Since then, however, "computing has gotten cheaper and cheaper, especially when compared with the cost of people's time, and this has increased the incentives for making machines that enable individuals to perform more efficiently."

In some cases, business systems have substituted a "menu interface" for the traditional "command" approach to user-machine communication in which users needed to know specific command terms before they could use the computer.

The menu interface "gives users a number of choices, and when they make a choice, it takes them to the next step of the process," says Nancy Anderson, a University of Maryland professor and member of a National Academy of Sciences committee on human factors research. "The menu helps an inexperienced person."

The menu approach, however, has a drawback: "Sophisticated users often find menus very annoying," says Susan Dray, human factors specialist at Honeywell. Ms. Dray points out that the same individual is likely to change in sophistication and need for menus as he or she becomes more accustomed to working with the system.

As a result, a great deal of current research is directed at development of "adaptive interfaces" that can determine "what level of user it is dealing with and can adapt to the user's skills," says Ms. Anderson. She says most of the work so far has been on text-editing equipment and has sought to make it possible for experienced users to eliminate time-consuming features that they no longer need but might be useful to less experienced individuals.

One of the current hot areas of human factors research, for example, is the study of work patterns of middle managers and corporate executives.

"A major concern of ours for the last few years has been to figure out how to make tools that would be useful to this population of individuals that typically do not use computers in their work," says Mr. Gould of IBM. "These individuals have a lot of discretion in how they go about their work and what they use in their work and we knew that we would have to [develop products] that are easy to learn, easy to use and very useful. We knew that the only way to do that was to understand the user."

With this in mind, "we spent a great deal of time studying and trying to understand what these people do in the office," says Mr. Gould. He found a number of

B.G. Yovovich is a Chicago-based writer and a frequent contributor to Magazine.

Business

(Continued from Page M-9)

tion of systems and languages—none of which could address each other. There are those, such as Robert Rudkin of Dallas-based Diamond Shamrock, who believe that the absence of a dominant standard slowed down user acceptance and purchases.

It took the IBM Personal Computer to resolve the market's confusion. In one fell swoop it conquered the market for personal computers, vaulting to the leadership role occupied by Apple. "There is no doubt that IBM has come to dominate the microcomputer industry, and its dominance is growing," says Michele Preston, microcomputer analyst at New York's L.F. Rothschild, Unterberg, Towbin. "Hardware manufacturers must offer IBM compatibility." She points to Apple's Lisa, which recently adopted the software system used by IBM.

Similarly, a software company must also develop products that can be used on the IBM PC. Says Ms. Preston, "Knowing that a shakeout is under way, end users feel comfortable in committing to buy IBM personal computers long-term rather than products from a startup manufacturer of questionable staying power."

However, while the IBM PC rules supreme in the personal computer market, it still has a long way to go in capturing the business segment, says Carter Dunlap, technology analyst with San Francisco's Robertson, Colman & Stephens, investment banker. The needs of the business market will not be met by the 16-bit computer, but by the 32-bit and that is still at somewhat of a distance. "We're not into the real world of business computers as yet," says Mr. Dunlap. "But we're getting there."

Getting there may be at least another year away. Anindya Basu, a senior research associate with Link Resources, a New York-based consulting company, believes that the 32-bit supermicrocomputers should make their appearance by 1985.

This movement toward the business segment of the market should not be difficult to comprehend. A survey by *Dun's Business Month*, a publication of Dun & Bradstreet, found that 63% of companies with 500 or more employes now use microcomputers, most of which were purchased during the last year. By contrast, only 14.5% of the smaller companies—one to 19 employes—had taken the plunge. Still, the urge to get in on the craze is there. Of that smaller company group, 44% indicated that they planned to purchase a computer in the near future.

Link's Anindya Basu is quick to point out that the computer's potential market among small businesses is truly immense. Of the nation's 4.5 million small businesses, only 15% to 20% have computers in place, notes Mr. Basu. The remaining 80% to 85% forms a very alluring market.

The focus on business is going to accelerate even further, not merely because the market offers the greatest potential, but also because the rest of the computer industry is relatively stagnant.

The most devastated market is undoubtedly that of the home computer. The industry lost more than $500 million in the second quarter of this year, a performance that brought about mass personnel changes at Mattel Inc., Atari and a number of other companies. Texas Instruments, one of the biggest losers, held off on its TI 99/8, only to decide that it would not introduce it in 1983.

Coleco Industries, which had predicted that it would sell as many as 500,000 units of its Adam computer by Christmas, is still smoothing out the wrinkles.

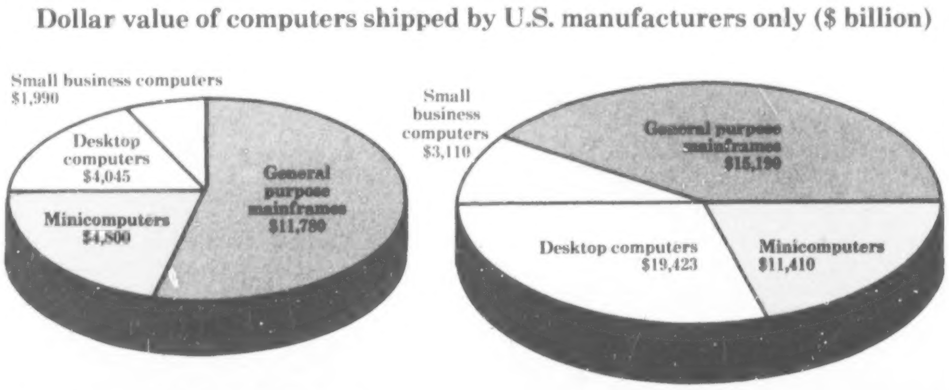
Indeed, the most excitement was around another IBM product, the Peanut, expected by the first week of November.

The higher end of the microcomputer market has not been without its problems either. Osborne, which stormed into the portable personal computer market, is in Chapter XI while Computer Devices, one of the portable computer pioneers, is also hemorrhaging.

There are others in trouble as well, Fortune Systems, which waltzed into the public view on the strength of a splashy $500 million public offering, now finds itself burdened with unsold inventory and a machine

Computer industry profile

Dollar value of computers shipped by U.S. manufacturers only ($ billion)



Source: International Data Corp., Framingham, Mass.

behavioral considerations that would have an impact on products and services aimed at this market. In particular, the research indicated that the managers were in their offices only half the time; spent less than one-third of their time reading or writing, and spent two-thirds of their time communicating with other people face-to-face or over the telephone.

In light of these findings, it became clear that, if a system were to be truly useful to managers, "it would have to have terminals that were available almost everywhere because they want to be able to communicate regardless of where they are," says Mr. Gould, "so we ended up using touch-tone phones as terminals rather than, for example, a cathode ray tube board.

"Because we learned that people most often want to communicate by voice and not by reading or writing, we developed a voice communication system, as opposed to a video terminal/electronic mail system."

According to Mr. Green at the University of Michigan, development processes of this sort are examples of the increasing use by computer companies of an "outside in" approach to product development.

"The outside-in approach starts by thinking about who the user will be and what the user will see," says Mr. Green. "This is very different from the inside-out approach in which someone figures out a way to have the computer run as fast as it can and execute things as quickly as possible—then, as an afterthought, tacks on some operator considerations.

Let's get down to BASICs

By Ed Zotti

Small computers have been multiplying like frenzied gerbils in recent years, and so have computer languages, the stuff from which all computer programs are built. Lest you sound ignorant next time the cocktail-hour conversation turns to the latest in software, here's a brief rundown on some of the most popular languages.

ALGOL. ALGOrithmic Language. Granddaddy of 'em all, ALGOL has been around for years and is said to be particularly well suited to number-type applications. Numerous "improvements" on this program have been written over the years, some of them of dubious utility. However, one computer jock referred to ALGOL 60 (written in 1960, in case you wonder) as "a great improvement on all its successors."

APL. A Programming Language. APL was designed for mathematical applications. It uses a lot of symbols that permit complex instructions to be economically expressed. Statements that might take dozens of lines in other languages can be squeezed into one in APL. Widely available on mainframe computers, it is seldom used on microcomputers.

BASIC. Beginners' All-purpose Symbolic Instructional Code. BASIC, originally developed at Dartmouth College for instructional purposes, has become the language most widely used on microcomputers.

COBOL. COmmon Business Oriented Language. Originally developed by the Department of Defense, COBOL is used around the world for business applications such as accounting, bookkeeping and inventory control.

GOL
COBOL
BASIC
GREE
FORTRAN
LOGO

Tom Herzberg

In itself an admirably no-nonsense language, COBOL unfortunately inspired would-be computer comedians to come up with numerous lame puns as names for their own languages, such as CUBOL (Computer Usage Business Oriented Language) and the unbelievably tortured SNOBOL (StriNg Oriented symBOlic Language). These in turn gave rise to such gems as LISP (LISt Processing), PRONTO (PROgram for Numerical Tool Operation) and MUMPS (Multi-User Multi-Processing System).

FORTRAN. FORmula TRANslator. One of the earliest computer languages, FORTRAN was originally developed to make it easier to program complex scientific and engineering equations, although it's been used at one time or another for just about everything. Considered a bit old-fashioned by the avant-garde of the computer world, FORTRAN nonetheless has the advantage of being the closest thing the data processing biz has to a universal language.

Pascal. Named for Blaise Pascal, the famous French mathematician and philosopher. The comer among computer languages, Pascal may soon become more popular than BASIC. Powerful and versatile, it is said to be extremely easy to learn, although you'd never know it from looking at a program.

In a quote from a book on Pascal, it read: "FORTRAN has the rugged simplicity of a Model T Ford, and BASIC displays a childlike naivete, but Pascal exhibits the elegant simplicity that derives from economy and rightness of concept." Uh-huh.

PL/1. Programming Language 1 is a name universally regarded as an example of typical IBM arrogance, inasmuch as hundreds of languages preceded it. It must be admitted, however, that something called Programming Language 143 lacks something in the way of snappiness. PL/1 is IBM's attempt to combine the business capabilities of COBOL with the mathematical finesse of FORTRAN.

Ed Zotti is a Chicago-based free lance writer and a frequent contributor to Magazine.

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plagued by technological problems. Victor Technologies and Vector Graphic, two of the early high fliers, are also weighted down by losses and market weakness.

In the minicomputer market, some of the spectacular early players—Prime Computer, Data General Corp. and Datapoint Corp.—are also severely tarnished. For them the market has shifted from new to replacement. The same is true of mainframes. Although there is some new activity, growth is relatively flat.

Clearly, amidst the dark skies and economic weakness, there is a shakeout going on. "The characteristics of survivors?" asks Mr. Dunlap of Robertson, Colman & Stephens. "They'll be the ones who have established a strong niche and who are defending it by a strong marketing effort."

"The future will belong to those companies that already have a foot in the door," says Eddie Brown of Brown Capital Management, an investment management company in Towson, Md. "Those computers that already have a large installed base will be the ones who sell the most."

Mr. Brown sees IBM, Digital Equipment, Hewlett-Packard, Wang Laboratories and Tandy among the survivors, though he is also enthusiastic about Solana Beach, Cal.-based Kaypro Corp. and Compaq Computer Corp. in Houston, two companies that manufacture IBM-compatible machines.

Mr. Dunlap emphasizes that there are too many companies in the computer environment. "It will boil down to five major companies and a few companies with a niche," he says. Among his candidates: IBM, American Telephone & Telegraph Co., Hewlett-Packard, Digital Equipment and—as niche players—Altos Computers and Convergent Technologies.

Link's Anindya Basu has a more elaborate list of survivors and champions. IBM, Hewlett-Packard and Digital Equipment are his logical choices, though he sees Tandy and Apple as probable major players.

New York-based Value Line, the investment advisory company, basically agrees with the analysts. IBM gets the highest rating for timeliness and safety. "Look for a 19% to 20% advance next year," advises Value Line about IBM. Other companies that Value Line is recommending include Apple and Wang. Value analyst Jerry Melin sees Digital Equipment, Convergent Technologies, Hewlett-Packard and Compaq doing well in the new environment.

IBM is on practically everyone's list. Indeed, there are those who argue that the company will set the tone for what will happen in the business computer environment. Carol Muratore of Prudential-Bache believes that one ripple effect of a "new IBM" will be to force its competitors to spend more on research, marketing and support in order to be able to compete effectively. Hewlett-Packard has already announced that it will permanently allocate a higher percentage of sales to marketing. Digital Equipment has made a similar announcement.

Not everyone believes, however, that IBM has the territory to itself. Tim Yankauer of New York-based Shearson/American Express says there is a lot for the others as well. "No reason to believe that IBM will have all the market.

There are others out there, others who are strong in their own right," says Mr. Yankauer, who believes that Burroughs Corp., Sperry Corp. and Digital Equipment will all be major players in this environment for some time to come.

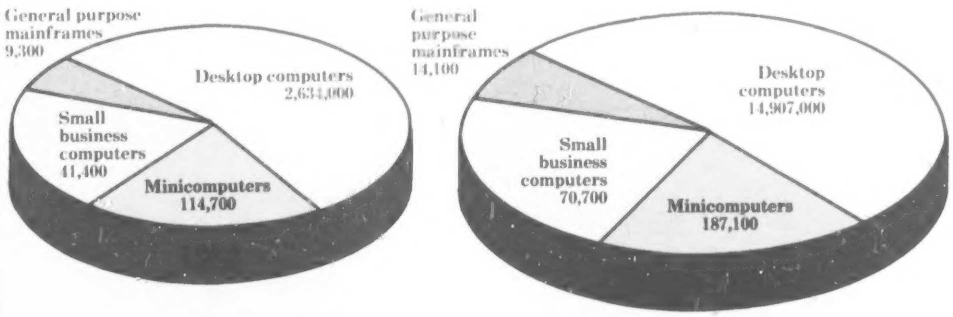
Right now, there are no limits on the industry, says Mr. Yankauer. "There's still going to be a tremendous proliferation of new products."

And as for the companies in trouble—the analysts mentioned Fortune Systems, Victor Technologies and Computer Devices—if they can't resolve their assortment of technological and compatibility problems, they will be forced to go belly up. "The market will penalize those who make promises but cannot deliver," predicts Tim Yankauer.

Whichever way you cut it, the computer industry is entering a new business environment. The success of the various manufacturers will depend on how well each manages to meet user needs.

Computer industry profile

Units shipped by U.S. manufacturers



Total no. units shipped-2,799,400

Total est. no. units shipped-15,178,900

Source: International Data Corp., Framingham, Mass.

Software programs pick up power

But for newcomers, the crowded field's a tough nut to crack

By Betsy Gilbert

A couple of years ago it was noted that in the rapidly growing business computer market, software—not hardware—seemed to be driving the industry. That observation is now regarded as the gospel.

Manufacturers can do only so much with machinery, but the strides that can be made with the programs that drive the machinery are infinite. Word processing, database management, financial spread sheets, graphics—they're in big demand; they're providing solutions to long-standing business problems and they're increasingly the reason people are buying computers. Or, as a button sported by the editorial staff of *LIST* magazine says, "Putting hardware ahead of software is nowhere."

> **"Business software is an incredibly lucrative market, but it is so crowded that only a small percentage of these new companies will make it."**

That says it all, short and sweet, expressing the belief of thousands of software authors and publishers who are racing to enter the competition for business software dollars. It was recently estimated by Interactive TeleMarketing, a Lafayette, Cal., company specializing in software research and distribution, that more than 800 new programs are introduced to the marketplace each month. What the people behind those products are after is a portion of a $1 billion dollar worldwide software market, one that is expected to reach $7 billion within five years.

"Business software is an incredibly lucrative market, one that seems easy to get into, which is why we see so many products being introduced," said Bill Coggsmall, founder of the microcomputer software research company, Software Access International, which recently published a major study on the software market. "However, the market has become so crowded that only a small percentage of these new companies will make it, and an even smaller percentage will make it big."

The Software Access study is intended to define, explain and provide some structure to the highly fragmented microcomputer software industry. It describes the industry as being broad and shallow, one in which only a very few of the more than 5,000 software developers across the U.S. are capable of dominating.

"The names that keep cropping up in the industry, the leading contenders in the market, are the ones with plenty of money to spend promoting their products," said Mr. Coggsmall. "Those are the ones with the big sales. They might not be producing the most innovative packages and, in fact, many of them are actually republishers [companies that buy software, then repackage it and sell it under their names], but they have the name recognition."

Mr. Coggsmall is right on target. According to *ICP Software Business Review's* recent listing of the top 200 U.S. software product and service companies, the leaders (in sales) of this relatively new industry are the old guard of the computer arena. The top five are International Business Machines Corp., Control Data Corp. Digital Equipment Corp., Burroughs Corp. and NCR Corp. Not a small, hopeful startup company in the bunch.

However, the companies people in the computer industry are talking about aren't on this list. Companies like Lotus Development Corp., Context Management Systems, Software Publishing Corp. and Peachtree Software are the real innovators—the ones making people sit up and take notice.

"Think about this," suggested Stewart Alsop, editor of *Infoworld*, a microcomputer newsweekly that provides its readers with detailed software reviews in every issue. "The largest pure microcomputer software company in the world today—Microsoft—is only doing about $70 million in sales. The leaders are judged by sales figures. So it's going to be a long time before what many of us consider to be the innovators are included in the top 200 listings."

It's a tough nut to crack, this software business. With so many products competing for sales dollars, shelf space is becoming a scarce and valuable commodity. This is forcing publishers to seek alternatives to the more traditional marketing avenues—dealers and distributors—and look instead for more innovative methods of getting their products in the hands of computer users.

"The successful companies today realize that they need a big dose of marketing pizazz—they need to make a lot of noise," Bill Coggsmall explains, "and that's just what they're doing."

One of the ways they're accomplishing that feat is by hiring public relations and advertising experts to work inhouse to build an impressive company image. A second strategy involves plunking down lots of money in major advertising campaigns.

"Big promotional budgets are becoming more and more commonplace," says Brian Boyle, a marketing analyst specializing in software for Gnostic Concepts of Menlo Park, Cal. "The introduction of Lotus 1-2-3 is a prime example. Ads were everywhere, and the press blitz was just incredible."

That kind of activity takes a lot of money, invested on a continual basis. Bill Bastl, marketing director of Software Connections in Santa Clara, Cal., has been quoted as estimating that today's software company needs to add $100,000 every month to the promotional budget in order to maintain a steady level of recognition.

Leading independent software suppliers*

Company	1982 Total corporate revenues ($ millions)	Total software revenues ($ millions)
MSA (Management Science America	101	101
Informatics General Corp.	170	68
Applied Data Research	68	58
University Computing Co.	141	52
Cullinet	49	49
Computer Associates International	43	43
Cincom Systems	44	41
McCormack & Dodge Corp.	38	38
American Management Systems	70	36
Pansophic Systems	36	36

*Excerpted from the ICP 200—fifth annual survey of U.S. software product and service companies, Copyright © June 1983, International Computer Programs, Indianapolis, Ind.

Where, one wonders, does all that money come from?

"Venture capital financing," maintains Mr. Alsop. "Software is *the* thing to invest in these days, and the venture capitalists are lining up to put money into software companies."

Mr. Alsop, who also edits a biweekly newsletter—"Softletter," which deals with trends and strategies in software publishing—observes a few companies still trying to "bootstrap" their efforts without outside financing, but he notes that it's getting increasingly difficult to do so.

"Today, you really need the money in order to get the name recognition that's so crucial to sales," he says. "It's a fact that the big companies with big budgets are getting a lion's share of attention, and that is simply the nature of the industry. This business is marketing driven, and in order to compete in it, you've got to have the promotional budget."

Some software houses are taking another approach. Rather than seeking out venture capital financing, they are allowing themselves to be acquired by larger companies. Recent examples making the news have been the acquisition of Minneapolis-based Open Systems by University Computing Corp. of Dallas, and that of Information Unlimited Software of Sausalito, Cal., by Computer Associates of Gerico, New York.

The acquisition of smaller, lesser-known companies by more established companies is apparently the coming thing, and why not? It's a simple, painless way of gaining recognition for the smaller company, recognition that might otherwise never come.

"I don't know that I'd call software acquisition a trend yet, but it is happening with greater regularity," said Louis Harm, editor of *ICP Software Business Review*. "A lot of vendors in order to offer their customer everything they need from one source are acquiring small software houses."

The problem Mr. Harm sees with acquisitions is in the maintenance of quality. While a company offering complete software lines might boast a large product portfolio, the collection is often a hodgepodge of packages that have no relation to one another.

"Software integration—that is, programs which were designed to work together—is lacking when any company begins building up a big software offering, based on acquisitions," Mr. Harm says. "Users today are becoming more sophisticated, and as a result, they demand more for their money. One of the things they want is integration, and vendors who can't offer that aren't going to make the sales."

The fact remains, however, that many of the companies on ICP's annual list of the top software companies are large corporations, which have gotten into the business by acquiring smaller organizations.

"That's the way of this industry," Mr. Harm says. "Pioneers create a market, then other companies—those with a lot of money—come in and take over the market.

"Many of the really innovative names in the software business aren't on our list because the revenues just aren't there," he says.

Gnostic Concepts' Mr. Boyle puts it pragmatically: "You can't patent an idea, and what's hot in business software today—the word processing, spread sheets and databases—are ideas that are ripe for imitation. The things that make a personal computer personal, that make an individual really need the system, are the programs that offer solutions to certain problems. Those are ideas and they're going to take a lot of different forms."

Mr. Boyle points out that those ideas are taking shape all over the U.S., not just in California's Silicon Valley, where much of microcomputer software got its start.

"Massachusetts is making a name as a major software area," he said. "The Bellevue, Wash., area is also getting attention, as are Dallas and parts of Minnesota. Basically, wherever you find a good university, you'll find software being produced in the same vicinity, because that's where the thinkers are."

If the university-based thinkers are producing today's innovative software, what are they working on for tomorrow?

"Programs that do more for the user in the simplest way possible," Mr. Boyle says, "programs that offer solutions to problems without requiring too much from the user."

Specifically, he points to T.K.! Solver from Software Arts in Wellesley, Mass., the company that produced, then sold, the now legendary VisiCalc spread sheet program. T.K.! Solver, the name of the software program, is a big evolutionary step up from VisiCalc, says Mr. Boyle.

"This program is so simple," he said. "The user keys in the facts and figures and T.K.! Solver literally does everything else: The computations, the problem solving, everything. If you think of the spread sheet as automating arithmetic, then think of this program as doing the same for algebra."

If T.K.! Solver follows the lead of some of the other popular programs today, odds are we'll be seeing a lot of it in the pages of the magazines we read and slipping in between segments of our favorite tv shows. It all comes back to marketing.

"Business professionals are the ones buying computers today," said Ted Leonsis, editor of *LIST*, a monthly software resource magazine published by Redgate Publishing Co. "They don't know much about technology, but they do know that their business problems have solutions in the world of the computer and specifically in the world of software. The software vendors have to reach these people and in order to do that, they've got to stand out in what has become a huge crowd. If they can't be innovative in their marketing approaches, forget it."

Betsy Gilbert is a Palo Alto, Cal.-based free lance writer specializing in computer software subjects.

C2710-1 11/22/83

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Annenberg savors victory over Time - Page M-32

Advertising Age®

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Hearst plans new Hispanic paper

By JENNIFER PENDLETON

Los Angeles—Hearst Corp. is developing a Spanish-language newspaper as a possible solution to its declining fortunes here.

The publisher of the troubled Los Angeles *Herald-Examiner* is calling the new vehicle *El Heraldo*, and is at present talking to major advertisers about the viability of the project.

While a final decision about whether it will start in May, as planned, hasn't been made, sources close to the project say they are optimistic Hearst will give it the go-ahead.

Hearst officials are meeting in Los Angeles today to discuss the issue.

If all goes according to plan, *El Heraldo* will be a broadsheet newspaper distributed free of charge in high-density Hispanic areas in eastern and central Los Angeles.

It will start with twice-a-month frequency, but within six months Hearst hopes to make it a weekly. Eventually, the company hopes to

(Continued on Page 73)

Alberto split 30s suit may add ABC, NBC

By CRAIG REISS and NANCY MILLMAN

CBS was the only tv network named in Alberto-Culver Co.'s counter lawsuit last week over the use of split 30-second commercials, but ABC and NBC "technically could be named as defendants" if they don't reach an agreement with Alberto by Nov. 22, a company official said.

CBS and Alberto-Culver sued each other in complaints in which each claimed to be the champion of the "little guy" advertiser.

In a suit filed in federal court in New York on Nov. 15, CBS Inc. alleged that Alberto-Culver has used coercion to force the Big 3 tv networks to accept that company's 30-second commercials containing two nonintegrated product messages.

Also named as defendants in the CBS suit were ABC and NBC, since any judgment in the case would be meaningless unless it were binding on the other two tv networks.

On the following day, Alberto-Culver answered back with a class-action suit of its own against CBS, the National Assn. of Broadcasters (NAB) and 10 tv station groups that have refused to accept the Alberto split 30s.

The station groups involved are: Cox Communications; Hearst Corp.; King Broadcasting Co.; Knight-Ridder Broadcasting; Meredith Corp.; Metromedia Inc.; Post-Newsweek Stations; Scripps-Howard Broadcasting Co.; Storer Communications, and Westinghouse Broadcasting & Cable Co.

Taft Broadcasting and Capital Cities Communications were not cited in the suit since they recently agreed to accept the Alberto split 30s.

The issues in both cases center around the efforts this year by Al-

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Almaden wine moves $10 million to BBDO

By RUTH STROUD

In a move that appears to have caught the wine industry by surprise, Almaden Vineyards has fired Dancer Fitzgerald Sample, its agency of 12 years, and named BBDO/West, San Francisco, to handle its $10 million-plus account.

The move, effective Jan. 1, came without a formal review, but close on the heels of a top-level shakeup at Almaden and amidst recent declines in shipments and market share at the winery.

In October, John McClelland, president and general manager of Almaden, resigned to join Geyser Peak Wineries, Geyserville, Cal., as chairman. Mr. McClelland, a 25-year veteran of the winery, held the top post for three years and, according to some sources, was pressured into resigning.

He was succeeded as general manager by Ron Siletto, who has been Almaden's vp-marketing since May. At that time he moved from a similar post at National Distillers & Chemical Corp., New York, Almaden's parent company.

In the marketing spot, Mr. Siletto replaced Greg Sivaslian, who left to enter the financial-services field.

In his new position, Mr. Siletto recruited Robert Mutschler, former marketing manager on National Distillers' Windsor Canadian, as his new director of marketing. The president title at Almaden will not be filled.

When he arrived in May, Mr. Siletto brought with him from National Distillers a more "firebrand" style of competitive marketing, which he began implementing almost immediately, hoping to halt Almaden's sliding sales.

■ Wine shipments had slipped from 30.4 million gals. to 28.8 million gals., or 5.3%, between 1981 and 1982, according to *Impact*, a wine and spirits newsletter. The winery had forfeited its status as the third-largest U.S. winery to Wine Spectrum, which grew 15.3%

(Continued on Page 73)

last minute news

Chrysler may consolidate network tv buying

Detroit—Chrysler Corp. may consolidate network tv media buying with one of its two agencies. Now, Kenyon & Eckhardt buys for Chrysler-Plymouth and corporate, and BBDO, for Dodge. Agency revenues would be unaffected if Chrysler picks a single network agency of record. The idea is to improve Chrysler's influence with bigger buys.

Armour joins rush to low-cal frozen dinners

Phoenix—Armour Food Co. will introduce Classic Lite, a nine-item line of frozen dinners with less than 300 calories, in 12 to 15 selected markets in six to eight weeks, with ad spending at a $10 million rate. Tv and print ads will stress health and fitness, via Bozell & Jacobs, Dallas.

Avco Financial to B&B for $4 million account

Los Angeles—Avco Financial Services named Benton & Bowles to handle its $4 million account, replacing incumbent Cunningham, Root & Craig. Finalists included Eisaman, Johns & Laws and DDB, which withdrew after getting Coast Federal Savings' $4 million account, formerly at Ayer. DDB also withdrew from competing for American Savings' $8 million-to-$10 million account; Eisaman and WRG/West are in the running. WRG is said to be the frontrunner for American, formerly in-house.

(Continued on Page 8)

NEWSPAPER

‘C

fc.

AA
DC20014CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Source: Wide World Photos

Controversy lingers a 'day after'; Falwell vows ad boycott

By DIANE MERMIGAS

A boycott against sponsors of ABC's controversial drama "The Day After" is being planned, said Rev. Jerry Falwell.

Rev. Falwell, head of the Moral Majority, told Advertising Age it is likely his organization this week will launch a consumer boycott against all advertisers who bought time

(Continued on Page 68)

Rev. Jerry Falwell (l.); scene from "The Day After" (above).

Sponsors ask relief on ad time from nets

By GAY JERVEY
and CRAIG REISS

NEW YORK—Advertisers over the last month have asked the Big 3 tv networks to take back for resale fourth-quarter commercial time in all dayparts—time worth tens of millions of dollars.

While not all, or even most, of the requests for "relief"—as the practice is called—have been granted by the networks, the large amount of requests for resale are indicative of the abnormal state of the tv advertising marketplace through the rest of the year.

Experts have noted that the attempts by advertisers to pull back on their fourth-quarter tv commitments have less to do with the state of the national economy than with financial adjustments for yearend performance reports and marketing shifts among brands.

Advertisers are prohibited by Federal Trade Commission regulations from reselling commercial tv time. To gain relief, the advertiser must ask the tv network to serve as broker on the resale.

The networks do not have to resell the time, although generally the Big 3 will attempt to accommodate the advertiser if the resale will not adversely affect the tv marketplace.

Gillette Co. frequently has been mentioned as one advertiser that cut back drastically on its fourth-quarter network commitments.

However, Thomas Ryan, vp-advertising services, Gillette North America, said the requests for relief were business as usual for Gillette, that this quarter does not show more juggling activity than usual.

"Yes, we are making some adjustments, but I don't want it to get blown out of proportion," Mr. Ryan said. "All year, there is a constant flow of such adjustments."

He conceded that Gillette is "lightening up a little on sports.

"Everyday we're changing, adding, subtracting," Mr. Ryan said. "The fourth quarter tends to be a time when they have to make adjustments to profit goals."

As the requests build for network relief, the impact is being felt in the scatter and syndication mar-

(Continued on Page 70)

Headline News: CNN hikes price

By MAURINE CHRISTOPHER

The cost of headline-style cable news is going up for some operators, now that there is only one product in the market.

The price for Turner Broadcasting System's CNN Headline News, when bought alone, has been raised from a monthly 5¢ to 20¢ per home for new clients as of today.

However, systems that carry all three Turner services, Cable News Network, WTBS and CNN Headline News, as a part of basic cable will continue to get CNN Headline News free as a bonus to CNN.

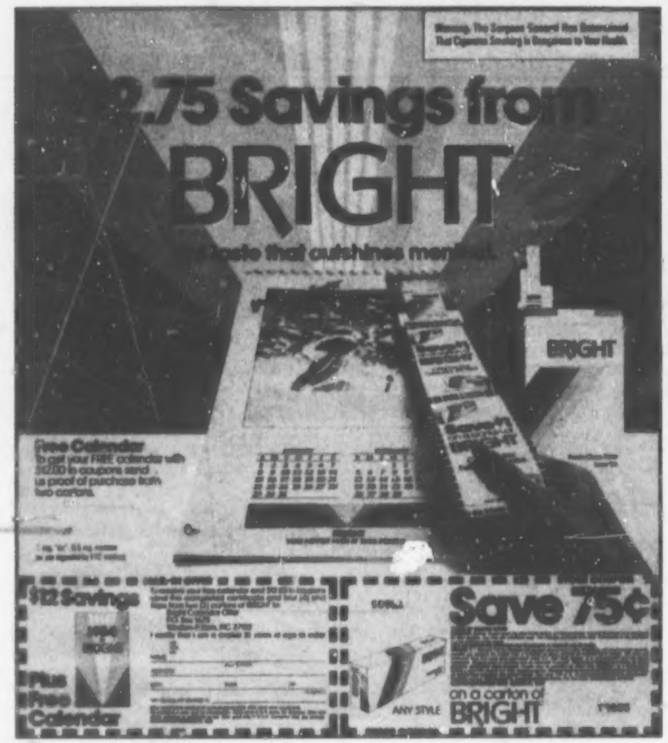
CNN, Turner's original in-depth news service, continues to be priced at 15¢ in a new card just mailed to multiple systems operators.

WTBS is marketed to cablecasters by a carrier, Satellite Syndicated Systems, for discounted fees ranging up to 10¢ a month per subscriber. TBS is not allowed to share in that revenue since the Federal Communications Commission does not permit an on-air tv station to satellite itself to cable.

Under the revised card, which will go into effect after the usual six-months notice, the maximum cost cap has been removed.

Traditionally, major cable operators pay basic cable program sup-

(Continued on Page 68)


Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.
2.75 Savings from
BRIGHT
taste that outshines menthol.
BRIGHT
Free Calendar
To get your FREE calendar with $12.00 in coupons send us proof of purchase from two cartons.
$12 Savings
Plus Free Calendar
Save 75¢
on a carton of
BRIGHT
ANY STYLE

On a scissors kick

R.J. Reynolds is offering buyers of its Bright low-tar cigarets up to $12.75 worth of coupons in a new promotion *(see story on Page 67)*.

Dr Pepper gets ad muscle

By TOM BAYER

DALLAS—Dr Pepper Co. is expected to pump more of its resources into advertising and promotion when its takeover by Forstmann Little & Co. is completed in several months, just in time to impact what the company believes is a radically different 1984 campaign.

With spending next year already slated at $35 million-plus—up 25%—to go into a three-for-one bottler co-op ad plan (AA, Oct. 10), Dr Pepper will greatly increase its competitive marketing muscle.

Indications are the soft-drink marketer will hold onto but expand use of its charted 1984 course featuring the new ad theme, "Hold out for the out of the ordinary."

The takeover by Forstmann Little & Co. is precisely the arrangement Dr Pepper Co. had sought when it hired Lazard Freres & Co. last July. Termed a "friendly takeover," the arrangement calls for Forstmann Little & Co. to relieve Dr Pepper Co. of its debt —about $110 million—and to leave the company's management intact.

Altogether, the acquisition totals about $627 million, including $512.5 million for 23.5 million shares of Dr Pepper Co. stock at $22 a share, plus the debt refinancing.

Funds for the leveraged buyout will come from Forstmann Little's own pooled funds and from bank loans. According to *Pension & Investment Age*, Forst-

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highlights

Monday, November 21, 1983

National advertiser and media groups fear that Supreme Court support for Oklahoma's ban on alcohol ads would endanger First Amendment protections. *See Page 6.*

Hunt-Wesson Foods, battling Procter & Gamble in the cooking and salad oil market, has started comparative ads for Wesson oil. *See Page 6.*

Victor Bloede is stepping down as chairman of Benton & Bowles. *See Page 10.*

Colgate-Palmolive is suing German competitor Henkel, charging violation of the German Law of Unfair Competition in sending out an "excessive" number of free product samples. *See Page 10.*

Waring & LaRosa agreed to become part of BBDO last week. *See Page 12.*

Audi is planning an early December advertising break for its 4000S Quattro, a sports sedan with fulltime four-wheel-drive. *See Page 12.*

The Senate has approved Vanderbilt University law professor Terry Calvani as President Reagan's third appointment to the Federal Trade Commission. *See Page 14.*

Mars Inc. found itself under fire from the National Advertising Division last month for claims made in a tv spot introduced in 1980. *See Page 18.*

Two leading marketers of appetite suppressants are removing caffeine from their brands. *See Page 24.*

A Doyle Dane Bernbach/-West study concludes that computer purchasers will be dominated by two types of consumers --"fast trackers" and "impulse" buyers. *See Page 24.*

The National Geographic Society's new travel quarterly clearly will be an upscale publication, aimed at category leader *Travel & Leisure. See Page 26.*

Magazines are expecting a happy new year in 1984 as ad pages and revenues increase during the fourth quarter. *See Page 37.*

CORPORATE CLOSEUP

Bacardi Imports, following two years of slowed growth, is reorganizing its marketing department and emphasizing new-product growth. *See Page 4.*

INTERNATIONAL

Southland Corp., Dallas, is in the midst of the most aggressive international expansion of its 7-Eleven stores in the company's history. *See Page 42.*

Eastman Kodak Co.'s launch last month in Thailand of its low-cost 35mm Signet model has some observers of the camera market wondering if Kodak will bring that product to the U.S. *See Page 45.*

VIDEOTECH

Despite loud denials, there is growing fear among Hollywood creatives that the tv networks are returning to the hectic days of quick cancelations of new shows. *See Page 48.*

"Thicke of the Night's" backers have reiterated their commitment to the series, declaring it is on the right track creatively and no longer running over budget. *See Page 50.*

MAGAZINE

The latest in the "Benevolent Dictators" interviews with leading advertising executives features a conversation with the late Paul Foley, former chairman of the Interpublic Group of Cos., who died in October. *See Page M-4.*

Fast-Food Marketing: Once populated only by the Golden Arches, the industry has remarkably many more players locked in an intense battle for market share. *See Page M-9.*

A selection from Fred C. Poppe's picks of successful business-to-business advertising features 10 of the greatest. *See Page M-26.*

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Sweeps: CBS wins on 'Chiefs'

By JAMES P. FORKAN

NEW YORK—Although ABC led for the first eight days of the November sweeps, CBS pulled ahead in both the 15-day Arbitron Ratings Co. and 14-day A.C. Nielsen Co. sweeps race, thanks to "Chiefs" and its regular hits.

In the Arbitron sweeps period (Nov. 2 to 16), CBS' 19.0 led ABC's 17.4 and NBC's 15.2. The Nielsen span (Nov. 3 to 16) showed CBS even further ahead, 19.5 to ABC's 17.2 and NBC's 15.1.

Besides the three-part "Chiefs," whose major sponsors included Volkswagen and Miller Brewing's Meister Brau, "60 Minutes" (with a season high 27.8 rating/41 share), "Dallas," "Simon & Simon," "Magnum, P.I." and newcomer "AfterMASH" contributed to CBS' fifth weekly victory.

In addition, "Knots Landing," which has nudged past NBC's "Hill Street Blues" to become the Thursday 10 p.m. (ET) leader this fall, contributed to the 19.6 rating average for the week ended Nov. 13, a victory that CBS executives dubbed "overwhelming" since the margin (3.3 points) was the widest thus far this fall.

NBC-TV, still the also-ran in the

(Continued on Page 73)

Public shops hold their own in quarter

By CHRISTY MARSHALL

NEW YORK—The third quarter for publicly held advertising agencies was "pretty decent, with a few blips here and there," according to Fred Anschel, analyst with Dean Witter Reynolds. Looking ahead, he sees a good fourth as well.

Alan Gottesman, analyst with L.F. Rothschild Unterberg Towbin, agreed, adding, "On balance, the industry seems to be doing alright."

At the same time, BBDO announced it had filed with the Securities & Exchange Commission for a public offering of 650,000 shares of common stock—a little more than ten years after BBDO made its first public offering in October, 1973. Then the price was $9 a share; today, BBDO sells near $40.

The company predicts those newly issued shares will be available during the week of Nov. 21. The underwriter, Dean Witter Reynolds, has been granted a 97,500 share overallotment option. The proposed maximum aggregate offering price is $31.8 million. The money made from the offering is earmarked for possible acquisitions. According to the prospectus, "the company is in an advanced stage of negotiations with regard to the acquisition of one advertising agency and is holding discussions regarding the possible acquisition in 1984 of an advertising-related firm."

Agency financial results

Agency	Income ($000) 1982	Income ($000) 1983	(%)	Revenues ($000) 1982	Revenues ($000) 1983	(%)
Third quarter						
BBDO	2,505	2,965	+18	50,544	63,128	+25
DDB	(1.299)	(1.075)	—	37,599	41,962	+12
FCB	1,915	3,650	+90	42,303	53,867	+17
Grey	1,326	1,585	+19	33,144	40,970	+24
Interpublic	2,057	2,514	+22	135,080	136,959	+ 1
Mickelberry	458	468	+ 2	19,545	21,667	+11
O&M	2,398	2,814	+17	75,422	80,996	+ 7
JWT Group	2,979	3,932	+32	95,558	108,139	+13
Nine months						
BBDO	9,432	11,183	+19	150,780	185,438	+23
DDB	4,176	3,754	−10	129,456	137,764	+ 6
FCB	6,755	8,639	+28	131,335	148,983	+13
Grey	4,467	5,373	+20	101,863	114,332	+12
Interpublic	14,078	15,701	+11	395,179	424,883	+ 7
Mickelberry	1,171	1,374	+17	49,540	64,344	+30
O&M	8,849	8,806	− 0.5	231,548	249,455	+ 7
JWT Group	816	11,035	+125	300,392	328,645	+ 9

Source: Advertising Age

The agency in question turned out to be Waring & LaRosa.

In the third quarter, all publicly held agencies did fairly well in terms of net income. Foote, Cone & Belding led the way with net income soaring 90% to $3.65 million. The past three months have been extremely active for FCB. The agency acquired both NCK Organization and then North Castle Partners, mergers orchestrated around FCB's new client Colgate-Palmolive. Those mergers were not reflected in the third-quarter statement.

JWT Group was the second-greatest gainer in the quarter, with net income up 32% to $3.9 million. According to JWT chairman Don Johnston, the strong showing is attributable to three of the company's subsidiaries—J. Walter Thompson USA, Hill & Knowlton and Lord, Geller, Federico, Einstein—that "achieved record profits, while the financial position of the company over-all improved in a dramatic fashion."

Interpublic Group of Cos. came in third with a net income of $2.5 million, 22% more than in the same quarter of 1982. Also, in the third quarter, Interpublic completed the purchase of Dailey International, based in Los Angeles, whose figures were included in the third quarter. Interpublic's figures included the sale of Talent Center Payment Operation, a small U.S. subsidiary.

Grey Advertising's net was up 19%, to $1.6 million; BBDO was up 18% to $3 million, and Ogilvy & Mather's net increased 17.3%, to $2.8 million. Doyle Dane Bernbach, in its traditionally weakest quarter, watched its net loss narrow; "We narrowed the downness, so to speak," said Robert Pfundstein, DDB's chief financial officer

Mickelberry, an advertising agency holding company and parent of Cunningham & Walsh, Nadler & Larimer and Laurence, Charles & Free, posted a gain of 2%, with net income rising to $468,000.

BBDO enjoyed the strongest showing in terms of revenue gains in the third quarter of '83, with an increase of 25%, to $63.1 million. Grey was close behind with its revenues climbing 24%, to $40.9 million. Interpublic came in with the slightest revenue gain at 1.4%, to $136.9 million.

For the year to date, JWT Group was the biggest winner in net income and Doyle Dane Bernbach the clearest loser. After a tumultuous 1982, JWT has had a strong recovery in 1983, with its net income up 125% to $11 million.

Those earnings include "pretax provisions of $12.1 million as a result of the now-defunct tv program

(Continued on Page 32)

Ramada to sell small units

PHOENIX—Ramada Inns announced plans to sell at least 30 smaller hotel properties over the next three years and use the proceeds to acquire larger existing hotels in major markets.

Ramada currently owns 70 hotels; an additional 524 are franchised.

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PUBLISHING DIRECTOR

Bank group passes out print ad awards

CHICAGO—The Bank Marketing Assn. recently recognized 39 ads as the "Best of Print" in its annual competition for financial advertising.

The winners, by media category, were:

- Newspaper (less than full page, b&w): First National Bank of Chicago; Dauphin Deposit Bank & Trust, Harrisburg, Pa.; Central Bank of the South, Birmingham, Ala.; Shawmut Bank, Boston; Seattle First National Bank; Maine Savings Bank, Portland, Me.; Empire of America, Buffalo, N.Y.
- Newspaper (less than full page, color): Central Bank of the South; Springfield Marine Bank, Springfield, Ill.
- Newspaper (full page, b&w): First National Bank of Chicago; Rainier National Bank, Seattle; Manufacturers Hanover Trust Co., New York; Mount Greenwood Bank, Mount Greenwood, Ill.
- Newspaper (full page, color): Marine Corp., Milwaukee; First National Bank, Stuart, Fla.
- Newspaper campaign (b&w): Bank of Delaware, Wilmington, Del.; First Interstate Bank, Reno; First Bank System, Minneapolis; Old National Bank, Seattle; Bank of New York; Empire of America; Mid-State Bank, Altoona, Pa.
- Newspaper campaign (color): First American Bank Corp., Kalamazoo, Mich.; First National Bank of Chicago.
- Consumer magazine (less than full page, b&w): Liberty State Bank, Troy, Mich.
- Consumer magazine (full page, b&w): Bank of Boston; First Security National Bank, Lexington, Ky.
- Consumer magazine (full page, color): First of America Bank Corp., Kalamazoo, Mich.; Crocker Bank, San Francisco.
- Consumer magazine (campaign, b&w): Old Kent Bank & Trust Co., Grand Rapids, Mich.; Harris Trust & Savings Bank, Chicago.
- Consumer magazine (campaign, color): MasterCard International, New York; Bank of America, San Francisco.
- Business or trade publication (less than full page, b&w): Equibank, Pittsburgh.
- Business or trade publication (full page, b&w): Chemical Bank, New York.
- Business or trade publication (full page, color): New Jersey Bank, West Patterson, N.J.
- Business or trade publication (campaign, b&w): First Interstate Bank, Los Angeles
- Business or trade publication (campaign, color): Bank of America; Sun Banks Inc., Orlando.
- Direct mail (order solicitation, single mailing): Lincoln First Bank, Rochester, N.Y.
- Direct mail (order solicitation, campaign): Fidelity Bank, Cherry Hill, N.J.
- Direct mail (lead inquiry, campaign): First Bank System, Minneapolis.
- Direct mail (traffic building): Colonial Bank, Montgomery, Ala.
- Transit (campaign): Pacific Western Bank, Milwaukie, Ore.
- Outdoor advertising (painted board): Omaha National Bank.
- Outdoor advertising (campaign): Bank of America, Champaign National Bank, Champaign, Ill.
- Printed material (single brochure): State Street Bank & Trust Co., Boston; Barnett Bank, Jacksonville, Fla.; Rainier National Bank.
- Printed material (campaign): South Carolina National Bank, Columbia, S.C.; Western Bank, Houston; Alaska National Bank of the North, Anchorage.
- Specialty advertising (less than $2.50): Bank of Lexington, Lexington, Ky.
- Specialty advertising ($2.50 to $10): Bank of A. Levy, Ventura, Cal.
- Specialty advertising (more than $10): Western Bank, Houston.
- Sales promotion (point of purchase): Lincoln First Bank.
- Sales promotion (internal): Liberty State Bank.#

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WHAT COLOR EYES DO YOU WANT?
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Eyes have it

Custom Tint Laboratories, Raleigh, N.C., has received Food & Drug Administration approval to manufacture and market Custom Eyes polymacon soft contact lenses tinted in cosmetic colors. Shaller, Rubin & Winer, New York, is handling the advertising, which includes trade and consumer ads that ask, "What color eyes do you want?" Concept is that consumers can change eye color as easily as eye shadow. Meanwhile, Bausch & Lomb has begun marketing tinted lenses regionally through a manufacturing agreement with CTL.

Shop results

(Continued from Page 30)

syndication operation as well as losses in foreign exchange translation and recruitment activities," according to the company. While JWT suffered losses of $3.6 million from currency exchanges, it has gained $1.6 million in foreign exchange gains this year.

"Mr. Johnston noted that interest expense has declined substantially as the company reduced its borrowings in the quarter by $17 million, which included $5 million of long-term debt," stockholders were told.

DDB's net has dropped in the three quarters of 1983, to $3.7 million from $4.2 million in 1982. Mr. Pfundstein attributed that downturn to three factors: A shift of client spending to the fourth quarter; startup costs with its new office in Detroit, and international losses as a result of the strong dollar. However, for the year, Mr. Pfundstein expects the agency to be up.

In terms of revenues for the nine months, all of the publicly held shops posted gains with the greatest increase marked by Mickelberry, up 30% to $64.3 million. BBDO came in second with a 23% gain to $185.4 million.#

and seafood.

Following closely on the heels of doubling beef prices in 1979 is the drought of 1983, which almost certainly will translate into higher beef prices next year. This is bad news indeed for the beefeaters and especially for the beef sellers. Collins Foods' Sizzler Family steakhouses has added crab to its menu, and by doing so upgraded its prices and service from the budget floor to more of a family restaurant. The appearance of the appetizing crustacean generated favorable sales volume. Budget steakhouses like Sizzler—till now the domain of the hard-working, steak-eating, but recession-vulnerable blue collar audience—had to extend their base to attract a slightly more affluent clientele.

Strangely enough, the rise in beef prices adversely affected the higher-price steakhouses. According to Mr. Culp, the consumer draws a line on what he's willing to shell out for steak in a chain restaurant. The buck seems to psychologically stop at $8, while upper-end chain steakhouses were forced to enter the $10 plus range in order to stay in business.

There are, however, always exceptions. In this category it's Chart House, whose upper end steakhouses, all of which are architecturally and geographically unique, are said to be doing a nice bit of business, thank you.

The logical alternatives to beef are chicken and seafood. Both those segments posted gains this year, especially chicken. But here again, chains have had to adjust to consumer preference. Chicken not only continues to be offered by the likes of Kentucky Fried Chicken, Church's and Popeyes (*see story on Page M-23*), but it also crops up on the menus of hamburger chains and steakhouses as a nutritious alternative.

The major activity on the chicken scene has been in the moderately upscale arena. Wendy's Sisters Chicken & Biscuits is one of the recent contenders, while Mrs. Winner's Chicken & Biscuits is already a strong presence in the category with its Southeast-based operation.

These upscale chicken places offer a cozier, pleasant setting in which to consume one's slightly higher-price chicken. Menus are broader, and a down-home-on-the-farm fresh chicken image exudes. Some of the more moderately priced chains like Church's are said to be experiencing some difficulty only because they are located in inner city areas of high unemployment. In response, Church's reportedly increased its advertising budget and recently purchased another chicken chain, Ron's Krispy.

The seafood segment continues to fare well, but for the price-sensitive budget portion, it's been an upstream battle. Budget seafood places, whose mainstay has been deep batter-fried fish, now face a disapproving public concerned with its cholesterol count. The move toward baking and broiling, the

(Continued on Page M-14)

Where Americans run to eat

By John C. Maxwell Jr.

More and more Americans are joining those on the fast track, with many juggling school, careers and family (or various combinations). Consequently, quick, easy, convenient and nutritious meals are essential to their schedules. This trend, in conjunction with a growing number of women in the work force and a higher level of disposable income, should benefit the purchase meal industry considerably over the next several years.

A recent Gallup Poll indicates a significant rise in the number of meals eaten out during the first half of 1983; April set an alltime high with 42% of all meals eaten away from home during that month. Those families most likely to eat in fast-food restaurants are those with children (no matter the age of the children).

Industry sales of $33.6 billion in 1982, an 11.8% gain over 1981, exceeded our expectations. Much of the gain can be attributed to the turnaround of the economy, with volume making a better showing for the second half of 1982. This improvement has continued through the first half of 1983.

Families with nonworking mothers tend to eat at fast-food restaurants less frequently than families with working mothers—89% vs. 96%. With the exception of last year (a recessionary period), the percentage of the population eating away from home has risen year to year, as has the percentage of women in the labor force. Unit gain is now the key to revenue growth.

Heretofore, it was easy for companies to increase prices 10% to 12%, thereby keeping sales artifically high in some instances. Now that we have entered a period of disinflation, the key companies to keep an eye on are those that aim for unit growth while increasing or maintaining their customers.

The top 10 fast-food companies remained unchanged in rank in 1982 *vis-a-vis* 1981. Altogether, the 10 accounted for $17.5 billion in 1982, the equivalent of 52.2% of total industry sales of $33.6 billion. McDonald's, Burger King and Kentucky Fried Chicken each lost minor market share, while Wendy's recorded a slight gain. However, McDonald's remains No. 1, with almost a 19% industry share.

With 47.6% of total sales in 1982, the hamburger-oriented restaurant category of the fast-food industry continued as the No. 1 segment; steak and full-menu restaurants took second place with 21% of total industry sales; pizza and chicken-style restaurants commanded third and fourth places, respectively, with 10.7% and 9.8% of total industry sales. The Mexican food restaurant group registered the largest year-to-year percentage gain in terms of sales—up 22%, a growth trend we believe is continuing in 1983.

Advertising for the fast-food industry in 1982 increased 17.4% to $578.1 million, up from 1981's revised $492.3 million. McDonald's, the leading industry advertiser in 1982, spent $161.1 million, an 18% increase over 1981 expenditures. Burger King and Kentucky Fried Chicken's outlays for advertising totaled $65.1 and $42.6 million, respectively, and represented increases of 39.4% and 17.7%.

Menu expansion, a major characteristic of the industry in 1982, tended to run the gamut, ranging from the inclusion of breakfast items to the addition of salad bars in many major restaurants. Mexican food, always popular in the West and Southwest, continues to gain in popularity in other regions, especially in the Northeast. Several restaurants that previously specialized in other foods have added Mexican fare (such as tacos and enchiladas) to their menus, providing further evidence of an increased acceptance of Mexican food. This trend should persist for the near future.

As a whole, the purchase meal industry looks bright. Commodity prices in 1983 should remain stable. Coupled with a slower rate of inflation, this should enable fast-food industry sales to advance and simultaneously keep menu price increases to about 5% rather than an estimated 6% rise as forecast in December, 1982.

Many more consumers are realizing an increase in disposable personal income, and thus a more flexible life style, which we expect would benefit the full-menu restaurants particularly.

Down the road, fast-food sales are expected to increase 14.3% year to year in 1983. Some of this gain may be attributed to consumers returning to the fast-food market after having defected from it during the recession.

John C. Maxwell Jr. is senior vp at Lehman Bros. Kuhn Loeb Research in New York.

What's for dinner?

Top 10 fast-food companies annual sales ($ million) and market share

	1980		1981		1982	
	Domestic sales	Per cent of U.S.	Domestic sales	Per cent of U.S.	Domestic sales	Per cent of U.S.
McDonald's	$ 5,049.0	18.1%	$ 5,770.0	19.2%	$ 6,362.0	18.9%
Burger King	1,755.4	6.3	1,992.6	6.6	2,191.4	6.5
Kentucky Fried Chicken	1,440.0	5.2	1,600.0	5.3	1,700.0	5.1
Wendy's International	1,209.0	4.3	1,424.0	4.7	1,632.0	4.9
Pizza Hut	945.0	3.4	1,126.0	3.8	1,329.0	3.9
American Dairy Queen	904.0	3.2	1,022.0	3.4	1,200.2	3.6
Hardee's	751.5	2.7	976.9	3.3	1,167.0	3.5
Denny's	541.0	1.9	661.0	2.2	740.0	2.2
Red Lobster	400.0	1.4	553.0	1.8	625.0	1.9
Arby's	478.0	1.7	527.0	1.8	575.0	1.7
Total top 10	13,472.9	48.2	15,652.5	52.1	17,521.6	52.2
Total Industry*	$27,867.0	100.0%	$30,042.3	100.0%	$33,592.0	100.0%

Source: Lehman Bros. Kuhn Loeb Research.

*Based on Commerce Dept. data.

The main course

U.S. fast-food by product group

	No. of companies	1981	Per cent of market	1982	Per cent of market	1983E	Per cent of market	1983/82 Percent change
Hamburgers, franks, roast beef, etc.	107	$14,327,705	47.7%	$15,990,765	47.6%	$18,100,598	47.2%	13.2%
Steak, full menu	109	6,566,702	21.9	7,043,017	21.0	7,849,159	20.5	11.4
Pizza	94	3,169,601	10.6	3,605,807	10.7	4,159,594	10.8	15.4
Chicken	30	2,833,007	9.4	3,308,001	9.8	3,958,399	10.3	19.7
Mexican (tacos, etc.)	33	1,069,712	3.6	1,305,277	3.9	1,576,110	4.1	20.7
Seafood	13	888,491	2.9	1,027,226	3.1	1,211,391	3.2	17.9
Pancakes, waffles	15	847,650	2.8	913,320	2.7	1,009,825	2.6	10.6
Sandwich and other	39	339,480	1.1	398,608	1.2	518,100	1.3	30.0
Total	440	$30,042,348	100.0%	$33,592,021	100.0%	$38,383,176	100.0%	14.3%

Sources: Commerce Department; Lehman Bros. Kuhn Loeb Research.

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Advertising pages for U.S., Canadian, and foreign consumer publications—*November*

— Art & antiques —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Artist	91.0	61.7	726.1	612.4
Antiques	159.7	163.4	1,445.6	1,607.9
Art in America (11X)	178.0	97.5	1,189.3	1,062.5
Portfolio (6X) D	—	—	274.3	297.5
Southwest Art	105.8	96.0	1,024.9	1,205.7
Total Group	**534.5**	**418.6**	**4,660.2**	**4,786.0**
% change		**+27.6%**		**−2.6%**

— Auto/cycle/rec. vehicles —

AutoWeek	122.4	161.8	1,369.5	1,481.8
Car & Driver	96.3	101.2	998.6	907.3
Car Collector & Car Classics	21.3	24.9	236.9	248.5
Car Craft	58.5	63.2	791.6	817.8
Cycle	29.2	48.1	647.3	804.5
Cycle Guide	19.8	24.7	460.2	549.0
Cycle World	31.7	27.9	556.2	628.3
Dune Buggies & Hot VWs	87.1	58.5	791.1	611.5
Family Motor Coaching	128.1	102.6	1,278.5	1,060.2
4 Wheel & Offroad	60.6	50.1	742.3	551.0
Four Wheeler	55.4	28.8	478.4	299.9
Hot Rod	42.7	48.7	622.5	626.9
Motorcyclist	22.3	17.8	400.6	534.8
Motor Trend	71.5	85.9	707.4	638.4
Motorhome	69.7	81.2	802.6	648.9
Pickup, Van & 4 WD	26.1	26.3	370.3	297.1
Road & Track	118.1	110.9	1,115.7	1,026.7
3 Wheeling	32.8	24.8	307.0	247.2
Trailer Life	106.0	101.0	1,180.7	1,154.6
Total Group	**1,199.9**	**1,188.4**	**13,857.4**	**13,134.4**
% change		**+0.9%**		**+5.5%**

— Boating & yachting —

Boating	106.1	93.3	1,252.7	1,186.6
Chesapeake Bay	20.5	23.6	306.1	297.8
Cruising World	112.0	99.5	1,621.4	1,460.5
Lakeland Boating	30.0	28.5	466.0	460.5
Motor Boating & Sailing	104.0	83.7	1,498.5	1,347.5
Sail	101.5	86.0	1,332.1	1,486.9
Sea & Pacific Skipper	46.4	59.6	721.5	794.5
Small Boat Journal (6X)	—	—	195.2	172.6
Trailer Boats	18.0	18.0	248.3	249.4
Western Boatman (6X)	19.5	—	114.3	—
Yachting	138.7	121.6	1,674.2	1,796.3
Total Group	**596.7**	**613.8**	**9,430.3**	**9,252.6**
% change		**+13.5%**		**+1.9%**

— Canadian —

L'Actualite	99.4	82.3	608.4	600.7
Chatelaine				
English Edition A	153.7	155.7	1,085.1	1,066.3
French Edition	150.4	129.0	965.2	858.0
City Woman (5X)	—	—	143.9	101.9
Equinox	48.0	43.0	243.5	163.4
Financial Post Magazine A	44.4	46.7	365.1	436.9
Flare A	65.5	69.1	565.9	534.2
Homemaker's Magazine	117.0	128.0	841.2	814.9
Madam Au Foyer	86.0	100.5	660.6	612.0
Macleans (52X) A	176.5	195.5	1,121.1	1,213.4
Quest Magazine (8X) A	56.5	75.1	355.0	398.7
Reader's Digest:				
Canadian-English A	119.1	120.9	792.7	807.7
Canadian-French A	119.9	108.0	725.2	770.6
Toronto Life	146.6	122.5	991.0	1,058.1
Vancouver	100.1	103.3	887.6	912.3
Total Group	**1,485.1**	**1,459.6**	**10,351.5**	**10,349.1**
% change		**+1.7%**		**+0.1%**

— Civic/fraternal —

American Legion	28.8	36.9	305.2	338.7
Elks Magazine (10X)	27.0	31.0	251.7	242.2
Kiwanis Magazine	15.4	13.9	150.3	135.1
Lion (10X)	14.3	9.5	67.0	73.3
Moose Magazine	27.0	21.0	1,957.0	2,110.0
Rotarian	19.7	19.7	151.7	155.6
V.F.W. (10X)	28.7	32.2	312.0	279.5
Total Group	**160.9**	**164.2**	**3,194.9**	**3,334.4**
% change		**−2.0%**		**−4.1%**

— Comics —

Archie Comic Group (6X)	—	—	50.0	50.0
DC Comics	8.0	8.0	87.0	80.0
Marvel Comics Group	10.0	10.0	108.0	109.5
Total Group	**18.0**	**18.0**	**245.0**	**239.5**
% change		**+0.0%**		**+2.2%**

— General —

American Forests	9.8	12.0	108.1	121.0
American West (6X)	23.5	36.2	150.7	174.5
The Atlantic A	70.5	63.5	476.9	339.1
Audubon Magazine (6X)	34.6	32.9	217.7	190.0
Bon Appetit A	145.4	134.9	870.5	923.4
Changing Times	62.5	45.2	463.1	407.2
Cuisine Magazine	74.2	58.2	456.3	408.8
Ebony	93.3	101.6	963.1	897.6
Fifty Plus	36.7	35.5	292.0	310.1
Food & Wine	69.1	52.6	420.9	346.8
Games	27.0	39.7	300.9	205.5
Geo	45.1	26.8	299.1	190.4
Gourmet	128.2	114.3	813.0	742.6
Home Entertainment (6X)	39.6	—	221.4	—
Harper's Magazine A	25.4	17.8	193.9	195.4
Let's Live	—	—	—	—
Life	89.7	75.3	647.2	538.4
Modern Maturity (6X)	—	—	210.3	162.6
Money	180.1	156.8	1,278.1	1,209.1
Moneysworth (4X)	—	—	72.1	132.1
Mother Earth News (6X)	40.3	44.1	307.8	301.9
Mother Jones	17.0	16.7	142.9	124.0
Museum (6X)	—	—	—	—
National Geographic	35.3	29.3	256.4	236.9
Natural History	60.0	45.5	428.5	311.6
Prevention	77.7	82.6	851.0	779.0
Psychology Today	30.5	39.0	286.4	367.0
Reader's Digest A	133.2	155.7	924.0	997.4
Saturday Evening Post (9X)	42.4	39.2	329.4	332.6
Signature	74.6	66.6	619.2	575.5
Smithsonian	133.1	113.7	853.2	858.9
Success	40.6	30.8	378.9	321.7
Town & Country	244.2	221.5	1,602.3	1,528.4
Travel/Holiday	40.2	46.2	448.2	497.7
Travel & Leisure	126.7	126.4	990.5	1,013.8
Vanity Fair	50.4	—	475.9	—
Video	71.0	69.3	685.4	629.8
Video Review	72.0	64.5	700.9	664.9
Writers Digest	24.6	21.8	312.3	265.6
Yankee	139.1	140.6	963.1	950.6
Total Group	**2,607.6**	**2,356.8**	**20,011.6**	**18,251.9**
% change		**+10.6%**		**+9.6%**

— Home —

Americana (6X)	37.0	34.8	212.5	201.1
Architectural Digest A	194.4	171.0	1,421.7	1,454.8
Better Homes and Gardens	156.3	137.2	1,221.3	1,239.5
Colonial Homes (6X)	77.8	80.1	384.7	401.9
Country Journal	50.8	58.3	494.4	509.7
Country Living	75.5	54.0	584.6	391.7
Dallas/Ft. Worth				
Home & Garden	72.3	69.4	760.4	619.9
Early American Life (6X)	30.5	26.4	167.1	178.7
Family Food Garden (6X)	42.8	37.0	319.9	254.3
Family Handyman (10X) A	66.2	66.8	667.7	640.0
Flower & Garden (6X)	—	—	196.8	223.6
Home	42.5	27.9	423.0	298.3
The Homeowner (6X)	26.5	24.0	166.9	147.9
Horticulture	—	—	—	—
House Beautiful	127.1	105.4	990.2	870.8
House & Garden	98.5	93.8	732.2	922.8
Houston Home/Garden	140.8	—	1,151.7	1,254.0
Metropolitan Home	92.8	110.7	654.3	739.8
New Shelter (9X)	51.4	50.0	443.0	390.5
1001 Home Ideas	46.4	30.3	374.8	290.8
Organic Gardening	59.2	61.2	775.7	744.7
Phoenix Home/Garden	67.5	47.5	525.4	532.1
San Diego Home/Garden	67.3	70.0	743.7	614.5
Southern Accents (4X)	80.3	81.6	311.7	323.5
Southern Living	191.3	170.8	1,424.8	1,379.4
Sunset Magazine A	201.8	172.7	1,573.5	1,508.9
Texas Homes	88.3	85.5	800.9	841.7
Workbench (6X)	73.6	73.9	396.4	385.7
Total Group	**2,258.9**	**1,940.3**	**17,919.3**	**17,360.6**
% change		**+16.4%**		**+3.2%**

— In-flight & other passenger —

Aboard Group (7) (4X)	—	—	102.5	157.3
Alaskafest	49.2	40.8	517.8	468.4
American Way	121.9	100.6	1,029.5	880.4
East/West Network:				
Amtrak Express	48.5	45.7	469.0	429.0
Continental	74.7	61.5	725.8	598.1
Eastern Review	129.0	96.3	1,142.2	886.2
Ozark	54.0	49.5	531.5	464.8
PSA Magazine	90.5	94.8	988.9	927.6
Pan Am Clipper	49.3	45.5	472.4	434.7
Republic Scene	81.0	61.0	647.9	263.1
United	125.8	90.8	1,075.2	842.5
USAir	73.0	62.8	704.4	530.1
Western's World	80.3	63.3	696.4	245.6
Halsey Publications:				
Air Cal	49.8	—	445.5	—
Delta Sky	77.2	50.5	736.3	582.9
Skylite	28.6	18.6	202.8	88.6
Hawaii	22.1	13.8	189.1	216.7
Pace (6X)	51.3	30.7	257.5	198.9
Spirit of Aloha	22.6	13.9	136.9	213.6
Southwest Airlines	96.6	105.7	1,090.1	1,062.8
Webb Publications:				
Frontier	34.8	37.7	390.6	425.7
Northwest Orient	53.3	28.3	430.0	321.9
TWA Ambassador	85.0	55.2	605.9	530.2
Total Group	**1,498.5**	**1,168.0**	**13,639.2**	**10,769.1**
% change		**+28.2%**		**+26.6%**

— Men's —

Esquire A	108.3	80.5	1,021.1	705.5
Firehouse Magazine	66.4	50.3	539.3	504.7
Gentlemen's Quarterly A	165.0	130.9	1,302.7	1,204.5
Penthouse A	60.3	74.1	619.5	645.5
Playboy A	96.2	107.8	900.0	1,088.4
Total Group	**496.2**	**443.8**	**4,382.6**	**4,148.6**
% change		**+11.8%**		**+5.6%**

— Metropolitan —

Aloha (6X)	28.3	42.8	168.5	181.5
Atlanta	71.3	68.8	622.1	725.2
Baltimore	68.2	82.7	654.7	648.0
Boston	159.0	184.3	1,452.6	1,436.7
California	74.8	90.3	726.5	772.8
California Living	76.7	93.6	572.0	641.7
Charlotte (10X)	26.0	23.0	294.6	199.6
Chicago	174.3	196.3	1,550.6	1,558.3
Chicago's North Shore	90.7	103.8	915.2	783.1
Cincinnati	87.9	96.5	641.6	609.2
Cleveland	80.0	78.8	812.8	710.7
Coast (38X)	75.0	64.0	2,911.2	2,748.0
Columbus Monthly	83.6	72.5	795.0	817.7
Commonwealth	29.3	41.5	327.0	666.5
Connecticut	79.0	76.0	735.4	739.9
Country Magazine	41.1	36.5	342.5	284.6
County Life	52.0	71.0	461.9	274.0
D/Magazine, Dallas/Ft. Worth	158.1	137.7	1,292.8	1,244.8
Denver	60.9	43.0	399.5	394.0
Exclusively Yours,				
Wisconsin (15X)	74.9	78.3	811.9	843.1
Grand Rapids	40.0	41.5	571.2	468.0
Gulfshore Life (10X)	51.8	43.0	496.1	565.0
Honolulu	106.1	113.8	721.8	739.3
Houston City	39.8	83.5	784.9	741.5
Indianapolis	48.7	43.7	517.0	569.4
Kansas City	39.0	29.3	336.6	274.7
Long Island Life	35.0	60.0	320.0	272.0
Los Angeles	251.0	242.0	2,158.5	2,156.0
Louisiana Life (6X)	102.8	87.4	460.6	392.4
Madison	51.0	52.8	456.0	417.8
Miami/South Florida E	115.6	112.8	943.6	950.2
Milwaukee	45.7	35.9	237.4	323.0
Minneapolis/St. Paul	138.4	118.3	913.8	834.7
Monthly Detroit	54.3	78.9	592.5	607.8
Nashville	46.0	67.0	503.0	535.0
New Jersey Monthly	66.0	66.7	581.4	616.6
New Mexico	42.4	34.6	293.9	345.7
Ohio	45.1	39.8	557.7	472.1
Oregon	37.3	18.2	263.0	224.3
Orlando	76.0	62.8	826.9	754.0
Pacific Northwest (10X)	26.2	21.1	243.5	271.4
Palm Beach Life	79.0	92.3	403.8	427.6
Palm Springs Life	135.6	140.9	1,305.9	1,315.0
Philadelphia	167.2	155.5	1,435.5	1,408.6
Phoenix	91.5	96.6	855.6	875.4
Pittsburgh	87.7	71.7	669.1	551.0
St. Louis	70.0	74.0	637.0	707.2
San Diego	162.6	133.9	1,496.2	1,420.8
San Francisco	64.7	55.5	657.4	551.9
San Francisco Focus	72.3	62.3	532.8	427.0
Shenandoah/Va.				
Town&Country (6X)	62.0	59.6	285.2	222.6
Tampa Bay	39.2	—	282.1	—
Texas Monthly	170.5	184.7	1,352.3	1,441.3
Twin Cities	98.0	69.4	603.9	526.3
Washington Dossier	71.0	64.5	556.3	422.7
The Washingtonian	175.0	171.2	1,582.6	1,494.0
Total Group	**4,645.8**	**4,566.6**	**41,923.5**	**40,601.7**
% change		**+1.7%**		**+3.2%**

— Movie/romance/radio/tv —

Macfadden's Women's Group:				
Modern Romances	26.7	27.3	292.3	315.9
Secrets	26.7	27.3	292.3	315.9
True Confessions	26.7	28.3	293.3	329.6
True Experience	26.7	27.3	292.3	315.9
True Love	26.7	27.3	292.3	315.9
True Romance	26.7	27.3	292.3	315.9
Sterling Women's Group:				
Daytime TV	28.8	31.3	325.8	334.7
Modern Screen	—	—	210.2	230.4
Movie Mirror (6X)	28.2	33.3	178.3	198.1
Soap Opera Stars	20.5	24.3	240.3	248.7
TV Movie Screen (6X)	—	33.3	126.6	166.5
TV Picture Life (6X)	26.2	33.3	113.9	196.7
Teen Bag (6X)	—	7.6	37.8	37.7
Total Group	**263.9**	**327.9**	**2,987.7**	**3,321.9**
% change		**−19.5%**		**−10.0%**

— Music/entertainment —

American Film (10X)	36.7	60.8	299.5	283.3
Audio	63.9	47.0	596.0	391.5
Circus Magazine	39.5	29.3	319.5	327.9
Dance Magazine	62.0	61.4	678.3	666.3
Musician	64.0	57.6	706.9	610.8
Playbill	71.7	71.0	596.1	600.1
Record	22.5	8.5	118.6	76.3
Stereo Review	60.2	64.9	548.2	577.6
Total Group	**420.5**	**400.8**	**3,863.1**	**3,533.8**
% change		**+4.9%**		**+9.3%**

— Newspaper, Sun. magazines —

Family Weekly A	52.8	71.4	774.2	817.0
Parade	53.8	64.2	716.6	738.4
Total Group	**106.6**	**135.6**	**1,490.8**	**1,555.4**
% change		**−21.3%**		**−4.1%**

— Outdoor & sport —

Alaska	42.3	40.7	452.6	497.7
The American Handgunner (6X)	38.2	43.1	236.4	226.6
American Hunter	28.6	21.7	238.7	198.1
American Rifleman	30.3	32.2	325.1	356.5
Backpacker (6X)	55.4	51.7	310.7	276.9
Bass Master (8X) A	50.2	38.8	416.8	439.8
Bicycling (9X)	79.1	79.4	896.5	760.8
Field & Stream	73.0	81.7	957.3	865.3
Fins & Feathers A	37.1	33.8	441.7	398.3
Fishing World (6X)	20.9	17.6	225.8	194.9
Florida Sportsman	58.1	45.2	747.2	701.5
Flying	57.8	39.8	463.6	504.0
Fur-Fish-Game	30.6	35.3	265.5	298.4
Golf Magazine	41.6	43.0	700.5	738.5
Guns	35.9	34.2	323.8	358.0
Guns & Ammo	56.6	68.2	554.8	573.2
Outdoor Life	53.5	72.8	794.5	766.8
Petersen's Hunting	51.0	53.1	452.3	450.3
The Runner	47.8	44.2	461.2	396.4
Runner's World (13X)	47.7	44.3	540.9	482.0
Salt Water Sportsman	46.7	41.7	594.6	612.3

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. November issue suspended. E. Previously was Miami Magazine. F. Combined issue in 1982. *All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

(Continued from Page 55)

	Current month		Year-to-date	
	1983	1982	1983	1982
Shooting Times	41.3	40.5	411.7	376.1
Ski (8X) A.	195.0	190.0	604.1	607.0
Skiing (7X) A.	186.3	177.0	716.6	648.0
Skin Diver	67.0	68.0	791.0	716.5
Southern Outdoors (8X)	42.7	41.2	379.8	379.3
Sport	50.3	53.3	452.7	444.5
Sports Afield	79.8	98.1	922.7	980.6
Tennis	51.6	39.2	858.8	707.7
Western Outdoors (10X)	22.6	23.2	307.5	322.2
World Tennis	40.2	34.5	554.0	476.9
Total Group	**1,764.8**	**1,727.5**	**16,389.4**	**15,755.1**
% change		**+2.1%**		**+4.0%**

Photography

American Photographer	58.0	60.0	565.4	537.0
Petersen's Photographic	57.5	51.6	407.3	484.9
Popular Photography	110.5	144.2	1,223.2	1,422.2
Total Group	**226.0**	**255.8**	**2,195.9**	**2,444.1**
% change		**−11.6%**		**−10.1%**

Religious

BBI Jewish Monthly (10X)	24.6	22.8	220.8	228.1
Christian Herald	51.0	41.2	404.7	400.4
Christian Life	38.9	48.8	312.4	326.2
Christianity Today	81.8	119.0	701.8	753.4
Inside (4X)	74.5	77.3	293.1	282.4
Moody Monthly	60.3	65.3	523.3	524.4
Total Group	**331.1**	**374.4**	**2,456.1**	**2,514.9**
% change		**−11.6%**		**−2.3%**

Science/electronic/mechanic

Compute	190.2	128.7	1,575.7	1,059.7
Computers & Electronics	53.0	70.3	653.9	638.0
Creative Computing	197.3	188.0	1,946.4	1,436.8
Discover	53.3	51.6	462.6	381.2
Electronic Games	48.7	43.7	498.0	189.6
Mechanix Illustrated	73.6	74.1	776.3	730.6
Omni	84.0	78.1	731.6	643.6
Personal Computing	223.1	197.7	2,206.5	1,652.5
Popular Mechanics	109.4	104.4	1,096.8	1,122.1
Popular Science	104.4	95.6	965.3	911.9
Science Digest	52.0	34.7	374.5	300.2
Science 83 (10X)	60.3	45.0	365.9	328.7
Scientific American	115.8	113.3	673.5	830.3
Spectrum	121.5	67.3	958.3	775.6
Total Group	**1,486.6**	**1,292.5**	**13.265.3**	**11,000.8**
% change		**+15.0%**		**+20.7%**

Women/fashion/service

Bride's Magazine (6X) A.	253.5	222.5	1,819.2	1,675.2
Cosmopolitan A.	235.8	206.0	2,242.7	2,094.1
Essence	78.2	86.0	881.6	860.4
Family Circle A.	178.8	160.0	1,667.0	1,572.8
Glamour	210.8	167.4	1,882.6	1,757.2
Good Housekeeping A.	225.2	234.2	1,888.8	1,848.9
Handmade (6X)	28.8	37.3	117.9	118.4
Harper's Bazaar	176.8	144.2	1,439.4	1,270.2
Health	46.3	48.0	362.7	322.3
Ladies' Home Journal	—	—	—	—
Ladycom (10X)	34.7	38.8	356.4	326.3
Lady's Circle	9.3	8.8	93.2	107.3
Mademoiselle	164.3	136.6	1,475.2	1,417.7
McCall's	135.1	130.9	1,025.9	957.3
Modern Bride (6X)	201.5	146.5	1,518.5	1,440.0
Ms.	58.3	55.9	493.0	527.8
New Woman	59.8	44.5	524.7	446.0
Parents Magazine A.	106.6	99.1	847.1	804.1
Playgirl	35.5	38.6	420.4	436.8
Redbook	124.6	98.4	997.2	965.3
Self	92.2	74.9	856.0	774.8
Seventeen	107.0	96.4	1,226.4	1,229.2
Soap Opera Digest	28.5	27.0	345.1	300.8
'Teen Magazine	50.0	51.2	603.4	521.2
True Story A.	57.3	59.8	634.8	655.2
Vogue	346.5	296.3	2,864.5	2,585.2
W Magazine	131.1	110.1	1,111.6	1,015.4
Weight Watchers	28.3	26.1	306.9	318.3
Woman's Day A.	150.9	149.1	1,465.0	1,367.0
The Workbasket (10X)	50.8	50.2	397.3	385.1
Working Mother	111.4	99.5	772.1	773.8
Working Woman	142.5	138.8	1,090.7	922.9
Total Group	**3,380.4**	**3,283.1**	**31,729.3**	**29,797.0**
% change		**+11.4%**		**+6.4%**

Youth

Boys' Life	37.4	33.5	257.4	233.3
Campus Life	42.6	48.4	408.0	436.5
Total Group	**80.0**	**81.9**	**685.4**	**689.8**
% change		**−2.3%**		**−0.6%**

October

Business

	Current month		Year-to-date	
	1983	1982	1983	1982
Atlanta Bus. Chronicle (52X)	57.2	40.0	341.8	280.4
Barron's (52X)	273.3	191.4	2,046.3	1,691.8
Black Enterprise	82.9	49.1	605.0	502.1
Boston Business Journal	58.2	35.8	634.2	354.0
Business Week (52X) A.	584.1	429.2	3,712.2	3,588.9
California Business	70.0	58.0	732.0	722.0
Capital District Bus. Review	36.5	25.0	365.0	309.0
Corporate Report/Kansas City	59.7	55.8	511.4	529.2
Corporate Report/Minnesota	61.9	83.9	770.3	801.1
Crain's Chicago Bus. (52X)	190.9	134.1	1,249.1	1,053.4
Crain's Cleveland Bus.	64.9	47.2	509.1	350.5
Dallas/Ft. Worth Bus. (52X)	62.1	50.6	388.1	408.2
Dun's Business Month	94.1	93.4	643.1	679.5
The Executive	112.8	129.9	871.3	918.6
Financial World (24X)	42.6	57.7	355.3	474.4
Florida Trend	100.8	80.2	745.6	682.3
Forbes (26X)	446.7	316.7	2,606.5	2,335.7
Fortune (26X) A.	519.3	317.1	2,601.7	2,114.4
Frequent Flyer	67.4	60.6	531.8	378.3
Hawaii Business	48.3	46.2	480.2	413.8
High Technology F.	37.5	55.3	280.5	214.4
Houston Bus. Journal (52X)	185.5	184.8	1,514.8	1,799.7
Inc. Magazine A.	141.8	121.5	1,030.3	841.8
Income Opportunities (10X)	55.0	48.2	399.0	383.9
Industry Week (26X) A.	151.1	86.4	1,030.9	1,103.2
Indianapolis Business Journal	103.0	85.6	862.6	687.9
Nation's Business A.	25.9	44.5	250.2	352.2
New England Bus. (20X) B.	75.8	72.0	671.5	606.4
New Orleans Citibusiness (26X)	145.2	88.0	1,088.4	737.0
Pacific Business News (52X)	127.9	109.5	995.4	903.1
Philadelphia Bus. Journal	93.2	48.9	678.3	293.8
Pittsburgh Bus. Times (52X)	60.8	54.0	527.8	433.0
St. Louis Business Journal	144.3	109.5	1,085.1	946.5
Texas Business	117.5	59.3	642.4	536.7
Venture	87.0	41.5	590.3	369.3
Total Group	**4,585.2**	**3,510.9**	**32,347.5**	**28,776.5**
% change		**+30.5%**		**+12.4%**

Newspaper Sunday magazines*

Arizona Republic	71.2	105.9	638.3	931.6
Boston Globe	272.4	226.3	1,813.6	1,700.7
Chicago Tribune	106.2	113.4	827.8	944.2
Cincinnati Enquirer	84.9	102.6	736.0	801.1
Cleveland Plain Dealer	105.5	103.6	836.9	780.6
Columbus Dispatch	50.8	57.6	457.9	530.5
Dallas Times Herald	55.7	78.1	765.9	729.2
Denver Post	125.8	131.9	1,099.6	1,206.3
Detroit News	104.8	92.2	879.8	877.2
L.A. Times Home Magazine	166.8	124.4	932.9	983.7
Louisville Courier-Journal	99.8	128.6	853.5	960.0
Miami Herald	50.6	60.4	526.6	603.4
New York News	63.2	86.4	589.1	562.5
New York Times Magazine	515.7	448.6	3,432.0	3,375.9
Philadelphia Inquirer	62.9	73.2	560.1	634.9
Toledo Blade Magazine	41.6	50.5	448.2	456.3
Washington Post	154.2	150.7	1,104.0	1,177.5
Total Group	**2,132.1**	**2,134.4**	**16,502.2**	**17,255.6**
% change		**−0.1%**		**−4.3%**

Weeklies/bi-weeklies

The Advocate (25X)	106.9	100.4	1,066.9	821.5
Army Times Military Group:				
Air Force Times (52X)	174.1	138.9	1,455.4	1,419.5
Army Times (52X)	181.9	138.7	1,429.0	1,394.7
Navy Times (52X)	186.6	159.7	1,611.5	1,655.5
The Times Magazine	7.5	12.8	143.9	149.3
The Blood-Horse (52X)	603.5	551.5	4,659.5	4,548.8
Capper's Weekly (26X)	28.3	27.4	266.4	246.1
Commonweal (22X)	3.4	7.1	60.7	69.6
Golf World (43X)	48.7	41.2	778.7	703.7
Grit (52X) A.	32.4	29.8	257.7	264.8
National Review	28.0	46.8	309.8	285.3
New Republic (48X)	45.9	42.0	325.6	299.5
New York Magazine (50X)	321.0	291.5	2,263.6	1,980.3
New Yorker (52X)	477.6	405.0	2,795.7	3,035.1
Newsweek (52X) A.	387.1	312.4	2,281.5	2,177.4
People (52X)	374.9	322.6	2,635.9	2,741.3
Rolling Stone (25X)	119.3	92.6	928.6	880.1
Sporting News (52X)	81.8	59.0	566.6	531.2
Sports Illustrated (52X) A.	333.6	266.4	2,280.8	2,161.5
Time (52X) A.	386.6	254.9	2,191.7	2,062.5
Travelhost (52X) C.	3,112.0	2,977.0	29,254.0	25,436.0
TV Guide (52X) A.	416.0	474.9	2,967.9	3,045.0
Us Magazine (26X)	43.0	39.7	449.8	481.7
U.S. News & World Report (52X) A.	210.3	189.8	1,430.9	1,378.7
Total Group	**6,960.6**	**6,982.1**	**62,402.1**	**57,789.1**
% change		**−0.3%**		**+8.0%**

Foreign

Buenhogar:				
Central America	3.0	6.5	18.0	38.5
Chile	3.0	1.2	13.0	15.3
Colombia	42.2	88.8	373.8	569.7
Dominican Republic	7.0	12.2	116.5	135.5
Ecuador	20.5	23.3	104.5	126.0
Mexico	61.2	78.0	403.0	589.5
Peru	39.8	58.0	224.3	339.8
Puerto Rico	12.2	15.5	119.2	180.5
U.S.	29.7	6.5	113.5	69.5
Venezuela	33.5	68.7	207.7	385.3
Coqueta:				
Central America	—	—	—	5.0
Colombia	1.5	2.0	25.5	40.5
Mexico	6.0	6.5	23.0	62.8
Peru	—	—	—	5.0
Puerto Rico	1.0	1.0	3.0	16.0
Venezuela	1.0	7.0	26.0	55.5
Geomundo:				
Central America	8.0	12.0	48.0	65.0
Chile	7.0	14.0	48.0	73.0
Colombia	12.5	20.5	105.5	147.8
Ecuador	6.0	9.0	40.0	49.0
Mexico	9.0	18.0	63.5	131.7
Peru	11.0	12.0	63.0	90.5
Puerto Rico	6.0	11.0	36.0	72.0
Venezuela	10.0	21.2	101.7	165.0
Hombre De Mundo:				
Central America	7.0	6.5	54.3	53.8
Chile	7.0	8.5	56.0	53.0
Colombia	16.0	19.7	106.0	137.2
Ecuador	7.0	6.5	55.0	45.8
Mexico	24.5	28.5	127.8	199.3
Peru	10.0	10.0	56.0	64.8
Puerto Rico	10.0	9.5	59.3	82.8
Venezuela	12.0	36.0	137.3	286.5
Ideas Para Su Hogar:				
Central America	—	—	2.0	6.0
Chile	—	1.0	—	8.0
Colombia	36.8	63.5	254.5	340.7
Ecuador	7.0	6.0	34.0	73.7
Mexico	18.5	31.7	135.3	228.8
Peru	27.2	14.8	92.2	127.5
Puerto Rico	—	1.0	6.0	17.5
Venezuela	18.0	34.3	125.2	251.0
Intimidades:				
Central America	—	1.0	—	16.0
Chile	—	1.0	5.5	5.5
Colombia	1.0	1.0	8.0	16.0
Mexico	3.0	3.5	19.5	46.5
Puerto Rico	—	2.0	6.2	27.0
Venezuela	2.0	6.0	39.0	56.5
Mecanica Popular:				
Argentina	9.3	11.3	73.2	89.3
Central America	13.5	20.5	124.7	174.7
Chile	8.3	10.7	63.7	67.0
Colombia	18.3	30.3	170.7	227.8
Mexico	11.3	23.8	93.7	226.8
Peru	26.5	33.0	200.5	251.3
Puerto Rico	14.5	17.5	146.2	159.2
Venezuela	21.7	33.5	202.0	280.3
The Ring en Espanol:				
Mexico	—	1.0	—	15.0
Puerto Rico	—	5.0	—	37.5
U.S.	3.3	5.0	33.0	45.5
Venezuela	—	3.0	7.0	31.0
Vanidades Continental:				
Central America	9.0	16.0	70.2	154.3
Chile	1.0	11.3	31.5	133.8
Colombia	80.5	124.3	638.5	896.2
Dominican Republic	17.5	18.5	176.0	278.2
Ecuador	16.8	26.5	126.2	220.0
Mexico	154.2	143.3	955.5	1,160.2
Peru	37.3	62.3	286.5	446.8
Puerto Rico	29.2	33.5	331.5	426.8
U.S.	57.0	50.5	455.3	527.2
Venezuela	42.5	121.0	428.3	799.8
Business Week Int'l.	250.7	247.4	1,469.3	1,820.7
Cosmopolitan Foreign Editions:				
Australia	112.9	105.4	637.6	619.9
Brazil	53.0	76.0	440.2	504.6
France	152.5	151.7	941.2	1,009.6
Germany	91.3	44.6	565.1	246.1
Great Britain	162.0	157.0	1,094.9	1,103.0
Greece	53.0	63.0	475.0	516.0
Holland	70.0	40.0	416.5	210.0
Italy	105.0	123.7	664.0	717.7
Japan	42.7	40.0	380.4	356.6
Cosmopolitan en Espanol:				
Central America	3.3	4.3	20.8	35.2
Colombia	11.5	28.7	139.5	203.3
Ecuador	0.3	1.8	8.0	28.8
Mexico	79.5	83.5	545.7	659.5
Peru	4.3	13.5	65.0	132.3
Puerto Rico	21.8	27.7	189.8	251.8
U.S. (Spanish language)	32.0	18.5	178.8	192.7
Venezuela	16.8	40.5	126.7	297.8
International Communications:				
African Business	29.7	24.8	293.3	313.5
New African	9.3	32.7	190.8	218.1
The Middle East	18.5	30.1	260.5	204.7
International Herald Tribune	101.6	115.5	863.1	917.2
International Management:				
Africa	18.7	18.7	160.2	138.8
Europe	60.0	56.0	404.2	401.8
Latin America	17.7	16.2	125.0	133.5
Middle East	31.5	23.0	228.8	207.2
Pacific	18.7	21.7	153.0	170.5
Johnston International:				
Alam Attijarat	86.2	90.6	607.5	708.1
Ejecutivo	17.0	14.2	74.0	116.5
Modern Africa	25.5	43.3	118.4	176.1
Modern Asia	39.8	42.5	352.0	356.6
Newsweek International A:				
Atlantic	150.4	129.5	914.8	898.0
Latin America	43.4	45.5	300.6	293.9
Pacific	114.4	112.7	711.1	730.0
Progreso (9X)	16.5	20.8	90.5	124.7
Reader's Digest:				
Arabic	19.0	16.0	127.5	135.0
Asian	303.8	234.0	2,185.8	1,765.0
Australian	100.5	79.5	676.7	753.8
Belgian-Flemish	122.0	110.0	783.0	748.5
Belgian-French	90.0	90.0	586.0	593.0
British	58.9	101.8	586.4	586.5
Chinese B.	126.0	117.0	1,054.3	928.0
Danish	46.8	18.5	329.7	314.3
Dutch	55.5	90.8	338.1	428.7
Finnish	121.0	57.8	665.0	508.6
French	82.0	89.3	544.6	664.1
German	100.6	93.8	701.5	706.3
Greek	11.5	11.5	11.5	99.5
Iberian	30.0	58.0	173.5	271.5
Indian-English	93.5	71.5	713.8	808.0
Indian-Hindi	9.0	13.5	44.5	157.0
Italian	52.5	76.0	455.0	551.5
Japanese	60.3	45.9	489.0	472.2
Korean	25.5	24.3	205.2	201.7
Latin American:				
Argentina	26.0	26.5	150.0	173.5
Brazil	6.0	12.0	85.5	120.8
Central American	19.5	20.0	114.5	143.0
Chile	28.0	27.0	156.5	204.0
Colombia	16.0	81.0	347.0	454.0
Ecuador	15.0	20.0	109.0	130.0
Mexico	77.3	72.9	448.0	608.0
Peru	14.0	20.0	101.5	132.5
Puerto Rico	7.0	19.0	63.5	126.5
U.P.B.	13.0	25.5	103.5	161.5
U.S. Spanish	15.5	11.0	139.5	159.0
Venezuela	19.5	35.5	141.5	223.5
New Zealand	100.5	100.5	858.8	898.5
Norwegian	71.7	66.5	381.8	445.9
Portugal	31.0	36.5	433.6	412.1
South African	131.0	161.5	975.0	1,129.0
Swedish	28.0	34.5	198.0	261.5
Swiss-French	42.0	41.0	288.0	315.5
Swiss-German	56.0	47.0	365.0	398.8
Time International:				
Time-Asia	166.8	154.3	997.3	976.0
Time-Atlantic	246.4	124.6	1,078.5	1,032.8
Time-Canada	319.0	212.2	1,506.7	1,468.4
Time-Latin America	92.0	79.4	480.6	665.1
Time-South Pacific	256.9	228.3	1,312.1	1,507.8
Visao (52X)	192.0	172.3	1,718.5	1,657.3
Vision/Latin America (26X) A.	42.8	56.3	295.8	380.7
Total Group	**6,712.6**	**6,976.3**	**45,990.1**	**51,988.7**
% change		**−3.7%**		**−12.8%**

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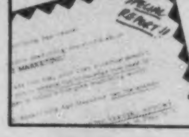
11/29/83
C2710-1



Direct marketing now getting respect - Magazine

Catalogs have wish for Christmas - Page 98

Houston tries image ads - Page 3

Advertising Age®

$1.25 a copy; $50 a year | The International Newspaper of Marketing • In Two Sections, Section 1. | November 28, 1983

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'Day' aftermath

Sponsors pull coup

By DIANE MERMIGAS

Ratings: Page 2

Advertisers who bought time in ABC-TV's controversial "The Day After"—some of it at cut rates—have not only emerged unscathed by what turned out to be an empty threat from the Moral Majority, but came away with record tv-movie exposure and some positive consumer reaction to boot.

Several of the advertisers on the show said that they had altered media plans or launched holiday campaigns early to take advantage of the exposure opportunity. And they weren't especially worried about consumer reaction or interest-group retaliation.

Results from two viewer polls would seem to indicate they gambled wisely. Surveys by Warner Amex's two-way Qube cable tv system and J. Walter Thompson USA both turned up similar findings: One-quarter of viewers in both polls said they felt more favorable toward advertisers who had participated in "The Day After." Slightly more than two-thirds said their opinions of the advertisers involved had not changed.

Jerry Falwell, leader of the conservative organization, last week backed off his earlier threat (AA, Nov. 21) to boycott the 16 companies who purchased the 25 30-second national spots on the Nov. 20 drama,

(Continued on Page 104)

ABC the big victor

By CRAIG REISS

Analysis

New York—The prime time broadcast of "The Day After" broke all the rules of network tv economics.

In the middle of a critical ratings sweeps period, ABC voluntarily—and strategically—eliminated advertising availabilities for itself and its affiliates for most of the evening.

It ran a program whose content environment shrank the available pool of advertisers, even though most advertisers that did not advertise in the show conceded "Day After" could be the best prime time ad buy ever on a cost-efficiency basis.

ABC drove down the price of ad time during a fourth quarter that already has many advertisers seeking relief from their upfront commitments, and scatter advertisers playing an effective cat-and-mouse game that has been driving prices even lower through January.

ABC sold final spots in "Day After" as low as $60,000 per 30 seconds, far below the going rate for a regular weekend movie and an incredible 60¢ cost-per-thousand rate in total audience.

But for every penny ABC lost in ad revenues, it was able to inflict a

(Continued on Page 104)

last minute news

Lederle debuts Caltrate calcium supplement

Wayne, N.J.—American Cyanamid's Lederle Labs is introducing nationally Caltrate 600, a high-potency calcium supplement. A multi-million-dollar, multimedia campaign breaks in February. Plans call for network tv, ads in women's magazines, 50¢ coupons and a free mail-in starter kit offer. Carrafiello-Diehl Associates, Irvington, N.Y., is the agency.

Hanover brings astronaut foods down to Earth

Hanover, Pa.—Hanover House Industries, a subsidiary of Horn & Hardart, is planning the commercial introduction of the foods used by the astronauts. The announcement is expected at a Dec. 6 press conference in New York. Called [illegible]

AA
DC20014CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

C

heats up — Page 2

GM breaks 'sale' drive

By RALPH GRAY

Detroit—General Motors drop-kicked the first model-1984 special sale deal through the automotive goalposts over the Thanksgiving holidays, catching the competition on the sidelines.

Ads broke over the long holiday weekend for a "buy now, pay later" financing plan on selected GM models.

Ford Motor Co., Chrysler Corp. and American Motors had no immediate rejoinder.

Chevrolet carried the ball with 45% of its tv buys, mainly in sports programing, on the "Big USA-1 yearend sales drive."

The Campbell-Ewald advertising for Chevrolet used gridiron settings as the background for such lines as "Take retail delivery now on selected models and make no monthly payments until March 1." Other offers include special option packages.

Chevrolet is trying to deliver 250,000 vehicles in the 40-day period. The financing plans via General Motors Acceptance

(Continued on Page 104)

Vicks eyes bigger share in shampoos

By PAT SLOAN

Apparently striving to become the largest volume shampoo marketer, Richardson-Vicks has started testing another new entry, Crystal Spring.

Cable tv spots for the shampoos and companion conditioner began appearing in Eau Claire, Wis., this month, created by Jordan, Case & McGrath.

The launch comes amidst stepped-up new-product development activity in several divisions of the Wilton, Conn.-based company, and helps fulfill a long and often-stated goal of Richardson-Vicks to come out with more internally developed products.

Crystal Spring, billed as having a "special natural protein, the same kind hair is made of," is one of only a few shampoos, such as International Playtex's Jhirmack, to be packaged in a carton.

Some observers believe Richardson-Vicks has identified a "hole" in the $1.3 billion shampoo market where there are few nationally advertised brands positioned as "natural" being sold in traditional drug and food stores.

One such product, introduced earlier this year, is Nature's

(Continued on Page 102)

Military personnel, like these marching in for Whoppers at Burger King's unit on the Governors Island, N.Y., Coast Guard base, are orderly customers and the target of the industry's latest share battle.

Fast-foods stalk locations

By SCOTT HUME

When the Navy's submarine-tender U.S.S. L.Y. Spear heads out to sea, it carries a Baskin-Robbins ice cream shop on board.

That's hardly the usual site for a fast-food restau-, but the industry's growth is making traditional ations harder to find and more expensive to acire.

The maturing fast-food business' market-share uggle that has forced chains to adopt harder adverg and marketing tactics is spilling over into the fight for sites.

As a result, the major fast-food chains are looking at unusual unit designs and some new markets in an effort to maximize brand visibility and sales growth.

Placing fast-food units on military bases is only one of the options chains are pursuing. The first of 70 planned Burger Kings inside Woolworth stores opened in New York in time for Thanksgiving. A McDonald's soon will appear in Montreal's Central Station train depot.

Hospitals, colleges, museums and bus stations are

(Continued on Page 55)

Tracking 'burger battle' ad awareness - Page 3

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Huhtamaki goes sweet on U.S. candy market

By JANET NEIMAN

CHICAGO—Huhtamaki Group, Finland's diversified consumer and industrial products marketer, has developed a sweet tooth for the U.S. confectionery industry.

In rapid succession, the Helsinki-based company purchased Leaf Confectionery, Beatrice Foods' confectionery operation and General Mills' Donruss bubble gum division, thrusting the company into the top 10 of U.S. confectionery companies.

Huhtamaki's new company, Leaf Inc., will combine all three operations along with its existing U.S. subsidiary, Finnfoods, based in Englewood Cliffs, N.J.

The acquisitions are expected to encourage advertising and marketing efforts for the newly acquired brands. Finnfoods said last week no decisions have been made regarding agency assignments for the brands, but several sources said no changes will be made.

Leslie Shankman, former president of Leaf Confectionery and now president of Leaf Inc., said last week he expects his division's ad spending to at least double —to about $2.5 million—in '84 as a result of the acquisition.

Huhtamaki is "very advertising and promotional-type-advertising-minded," he said. Referring to "fairly heavy advertising" that Huhtamaki Group has done on its products in Europe, he said he expects all the products under the new Leaf banner to receive stronger advertising in the future.

The existing U.S. division of Huhtamaki—Finnfoods—is handled by Lempert Co., Belleville, N.J. Agency president Phil Lempert agreed with Mr. Shankman, saying, "I think you'll find the new management is much more consumer-aggressive than Beatrice has been with the confections unit or than Leaf Confectionery was. They're very aggressive. . .they've done a superb job in Europe."

The three new units are expected to add about $290 million in annual sales to Huhtamaki Group's 1982 worldwide net sales of $367 million. The Helsinki company also markets canned and frozen foods, beverages, pharmaceuticals, foodservice disposables and industrial products.

The new Leaf will be divided into six separate operating divisions. Leaf confectionery division, Chicago, will market the Leaf line of candy and gum spe-

(Continued on Page 102)

HERSHEY'S
Take Five
wafer bar • peanut creme • milk chocolate NET WT 1.4 OZ
Take Five

Hershey is going to adults with its new Take Five candy bar.

New Hershey bar takes aim at Mars

By GAY JERVEY

In a major confectionery introduction, Hershey Foods is launching Take Five, a light chocolate and peanut creme wafer designed for an older crowd.

The company, in a neck-and-neck race with candy competitor M&M/Mars, claims the eventual rollout will be "one of the biggest" in its history.

Hershey is moving Take Five into the Cleveland, Dallas, Denver and Houston markets. Advertising by Doyle Dane Bernbach is scheduled to break soon after the bar has settled onto retail shelves, probably within the next several weeks.

At the same time, the company is extending Reese's Pieces to an offshoot called Reese's Pieces Peanuts, a peanut center covered with

(Continued on Page 102)

Braniff to unfurl its new colors

By TOM BAYER

DALLAS—Braniff International will reveal its new colors Nov. 29 in a christening ceremony where it is expected to introduce a plane with a white top, a blue belly and a red logo on the side.

The airline would not release the specific design.

Braniff confirmed that it is working tentatively with a list of 20 cities to be served by Braniff's 30 Boeing 727-200s with 85 departures daily from Dallas-Fort Worth Airport.

The markets are: Austin, Chicago, Denver, Houston, Kansas City, Las Vegas, Los Angeles, Miami, Midland/Odessa, Newark, New Orleans, New York, Oklahoma City, Orlando, St. Louis, San Antonio, San Francisco, Tulsa, Tampa and Washington.

In preparation for the March 1 startup, Braniff expects to begin its advertising via N W Ayer in early February.#

O&M wins Polaroid videocassettes

DDB on a losing streak

By CHRISTY MARSHALL

NEW YORK—November may well be remembered as one of Doyle Dane Bernbach's cruelest months.

In the past weeks, the agency lost International Business Machines (corporate tv), spending between $13 million and $19 million annually; Bulova Watch, worth $4 million, and, most recently, media buying for CBS Entertainment, about $1 million.

On top of that, longtime client Polaroid Corp. last week named Ogilvy & Mather to handle advertising for its domestic videocassette entry. Its campaign is slated to begin in the first quarter of 1984 with a multimillion-dollar budget.

DDB remains Polaroid's primary agency in the U.S. and overseas.

But despite the losses, "This is not a troubled time," contended Robert Pfundstein, chief financial officer of DDB. The agency's earnings will be up for the year, he said.

He noted that the agency continues to handle IBM Information Systems products, and increased budgets of that IBM unit will more than offset the loss of the corporate account, which moved to Lord, Geller, Federico, Einstein (AA, Nov. 14).

A DDB press release last week said the agency and Bulova had "mutually" terminated their relationship because of Bulova's "heavy concentration of trade advertising."

DDB said in the release that the account would be better serviced by a smaller agency.

However, Marvin Schneider, chairman of Bulova's new agency, Sherwood & Schneider, a subsidiary of Della Femina, Travisano & Partners, said his shop primarily was working on a consumer campaign with a

(Continued on Page 106)

highlights

Monday, November 28, 1983

Agents for James Garner and Mariette Hartley say their clients will end their presenter roles for Polaroid at the end of the year. *See Page 6.*

Ford and Dodge are planning to concentrate their ads on specific tv programs and maximizing print ad buys. *See Page 10.*

Time Inc. has pulled the plug on its teletext experiment, at an estimated loss of $20 million to $30 million. *See Page 12.*

The FTC is being urged by opponents of liquor advertising to ban ads targeting youths and heavy drinkers. *See Page 14.*

A trend toward drama rather than comedies is seen in the lineup of movies slated for release during the Christmas season. *See Page 24.*

CEO, a new men's fragrance developed by two former cosmetics company executives, is entering the market. *See Page 26.*

Actress Lynn Redgrave is typecast in her role as tv ad presenter for Weight Watchers frozen foods. *See Page 28.*

TvQ ratings for the new fall season once again indicate some growth potential for series not faring all that well in the Nielsens. *See Page 31.*

Concert Cinema is bringing ad-supported clips of music concerts to movie theater screens. *See Page 32.*

Cigaret industry sales for 1983 are expected to be lower than anticipated, with consumption dropping by at least 4% at an annual rate. *See Page 37.*

Wall Street looks for improved women's fragrance sales, but Gillette's Body Flowers, a deo-cologne, may be the biggest winner of all. *See Page 73.*

Radio activity is perking in the sports and music fields for 1984. *See Page 89.*

Radio Caroline, the pirate radio station in the North Sea, begins taking advertising Dec. 19 after a three and a half-year hiatus. *See Page 96.*

CBS has closed a deal to retain broadcast rights to the NCAA basketball finals. *See Page 96.*

CORPORATE CLOSEUP

Dairy Queen still dominates the dairy dessert market with its soft-serve ice cream, but it also is slowly evolving into a restaurant chain. *See Page 4.*

INTERNATIONAL

Radical party president Raul Alfonsin and his new democratic government in Argentina are expected to make drastic cutbacks in commercial tv time after he is sworn in Dec. 10. *See Page 58.*

Procter & Gamble is re-entering the Chilean market after leaving earlier this year. This move into Chile may be a sign of an increasing interest in Latin America by P&G. *See Page 58.*

The South African government has launched an image-building ad campaign in the U.S. and U.K. *See Page 60.*

VIDEOTECH

ABC is opposing a new Arbitron rule requiring late-night newscasts to be included in weekly ratings averages. *See Page 66.*

United Satellite Communications began testing its direct broadcast satellite programing service in Indianapolis with virtually no advanced marketing. *See Page 72.*

MAGAZINE

An agency owner takes a bare look at lingerie advertising and makes some unusual comments. *See Page M-4.*

Direct Marketing: Where the field once belonged to book and record clubs, publishers and fund raisers, now there is hardly an industry that doesn't use direct marketing or mail in some form. *See Page M-9.*

Should agencies establish subsidiaries as a means to resolve client conflicts? Agency executives reveal their opinions on the issue. *See Page M-67.*

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Sweeps:

'Day' blasts ABC to top

By DIANE MERMIGAS

Intense prebroadcast publicity and heightened debate over nuclear arms contributed to ABC's "The Day After" becoming the highest-rated made-for-tv movie ever, industry observers contend.

The controversial nuclear-attack drama, which averaged a 46 rating and 62 share of the national tv audience, also was the top-ranked movie ever in household delivery to air on network tv.

The movie was seen in 38.5 million households. An estimated [illegible] million people saw some portio[illegible] the film.

In over-all ratings of all types of movies (theatrical and made-for-tv), "Day After" was second only to the original network tv broadcast of "Gone With the Wind." That theatrical averaged a 47.6/65 over two nights on NBC in November, 1976.

ABC also reported that "The Day After" ranked as the 12th-highest rated of all tv program[illegible] ever aired on network tv, plac[illegible] behind such telecasts as [illegible] "M*A*S*H" finale earlier [illegible] year, the 1980 "Who shot [illegible] episode of "Dallas," the 1977 [illegible] of "Roots," "Gone With the Win[illegible]

(Continued on Page 10[illegible])

Purina embraces low-price strategy

Alley Cat test entry follows Mainstay move

By JANET NEIMAN

Ralston Purina Co.'s new Alley Cat dry cat food, now testing in Phoenix and Tucson (AA, Oct. 17), will put the company's products into every price segment of the dry cat food category.

The product, which will represent Purina in the moderate-price segment of the branded, dry cat food market, is a response to what George Cook, director of marketing services for the St. Louis-based company, called the "rather dramatic" recent growth among generic and private label cat foods.

While Alley Cat is intended to combat that strength, it is being positioned as a "moderate price brand" (retailing at somewhere between premium-quality and private label dry cat food) rather than a "price brand competing directly against private label and generics," a Purina spokesman said.

"Purina already has a fairly major chunk of the cat food business now," said an executive at competitor Carnation Co., who sees Alley Cat as "another [Ralston] test of positioning to reach another segment of the market."

Selling Areas-Marketing Inc. figures, however, show sales of private label and generic cat foods peaked at 13.7% of the market in February, and have been declining since.

Drexel Burnham Lambert estimates Ralston's share of the $292 million dry cat food category as 62.1%, giving it the leading position in the market.

"Apparently they feel the need to have a price brand out there," one West Coast retailer said.

Purina already has eight other cat foods in national distribution: Cat Chow, Kitten Chow, Tender Vittles, Happy Cat, Special Dinners, Purina 100, Meow Mix and Thrive.

Ralston has acknowledged the similarity between the Alley Cat entry and the company's apparently successful repositioning of Mainstay dog food over the past two years.

Mainstay, introduced in 1979 with a pledge of $25 million in advertising and promotion support, was relaunched in early 1981 as an unadvertised, lower-end product.

The repositioning, a company spokeswoman explained last week, was intended to give retailers an alternative to private label and generics on which they can make a profit while offering consumers a product in whose name they have confidence.

Similarly, Ralston is saying that Alley Cat "provides another purchase opportunity for consumers," offering "Purina quality at a moderate price."

One retail source, who sees such a strategy at work in the Alley Cat entry, noted that Mainstay has moved up to "the middle of the category" in his marketing area, the West Coast. A Midwest buyer confirmed that Mainstay has "picked up" since the price drop.

SAMI reported a 22% increase in tonnage for Mainstay over the past year ended mid-September and a 9.4% increase in its dollar share, to about $19.7 million.

While Ralston has put no advertising behind Mainstay since its restaging, the brand has been heavily dealt in the trade, and has been promoted with couponed freestanding inserts and in-pack premiums, such as selected Rubbermaid dinnerware pieces and stationery.

Mr. Cook acknowledged that Mainstay has benefited from the repositioning.

Unlike Mainstay, however, Alley Cat has no name recognition and will be advertised via Gardner

(Continued on Page 101)

We still rustle up longhorns in Houston.

Houston hopes to hook 'em via its longhorn tag. . .

Houston drilling for a renewed economic spirit

By TOM BAYER

Houston—A group of Houston citizens today will launch a campaign to encourage Houstonians to feel good about living in Houston, to focus on what's right about the city.

Following on the heels of a separate campaign begun to give Houston a slick, cosmopolitan image among the nation's convention planners and tourists, the "spirit" campaign begins a multimedia pep rally for a populace that needs cheering up in the face of economic adversity.

Houston is a boomtown gone bust, and the belief among many in the community is that although things will improve eventually, Houston never will be the same.

The trauma of the energy bust and peso devaluations has left its mark on all aspects of the economy, including advertising.

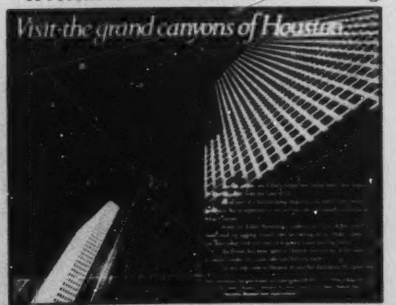
Clients have slashed or wiped out ad budgets, leaving agencies with little to do, little money to make. Larger agencies have tightened their belts and weathered the storm. Smaller agencies have been less fortunate.

A recent announcement from Cummings & Hester said the agency had ceased operations, a casualty of client cutbacks and heavy financial losses from a number of oil and gas industry-related clients.

But a new Houston may be emerging from the rubble of the depressed energy industry, for which it had become the capital and was riding tall in the saddle.

Just two years ago,

(Continued on Page 74)


Visit the grand canyons of Houston.

. . .**Another** ad pitches its grand canyons.

O'Brasky takes over at 'Vanity'

By STUART EMMRICH

New York—Conde Nast ousted Joseph Corr Jr. as publisher of *Vanity Fair* last week and named *New York* associate publisher David O'Brasky—a veteran of the rough-and-tumble world of magazine ad sales—to take his place.

The move was cited by several people in the advertising community as a sign that Conde Nast has realized it can't sell *Vanity Fair* on its tony image alone.

"That magazine—like all magazines—needs a huckster behind it," said one media buyer at a New York ad agency. "And O'Brasky is a huckster."

Few people expressed surprise that Conde Nast finally had decided to replace Mr. Corr as publisher of the magazine. Several

(Continued on Page 106)

world news roundup

Frankfurt—**Henkel KGaA** can continue to test its Pur concentrated detergent in Bavaria, according to a German regional court ruling last week. The court removed an injunction won by Colgate-Palmolive GmbH earlier this month on the grounds that Henkel was engaging in unfair competition against C-P's Fresh Start (AA, Nov. 21). C-P may appeal the ruling.

London—**McCann-Erickson** won the $2.25 million International Gold Corp. account in the U.K., Italy, Germany and Spain last week. Ted Bates Worldwide and Foote, Cone & Belding also pitched for the account. Previously, it was handled by Chetwynd Haddons in the U.K. and Doyle Dane Bernbach in most of the other countries.

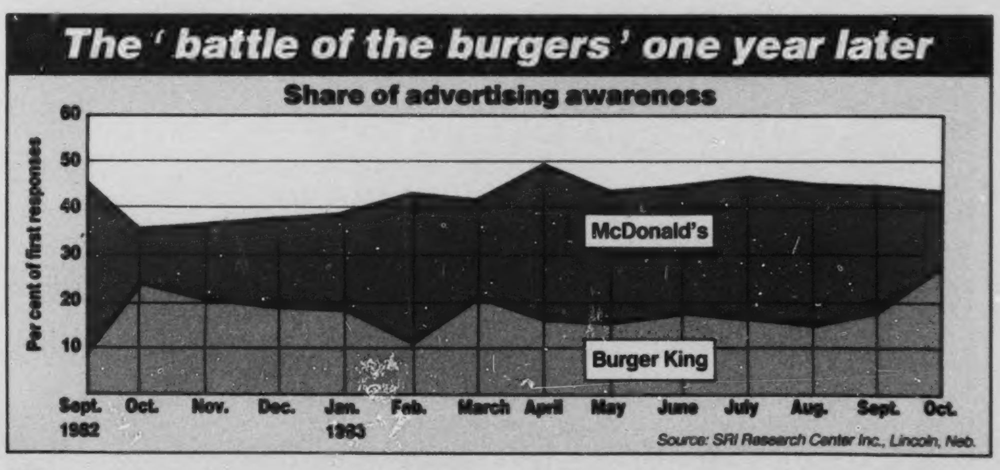
Duesseldorf—**Doyle Dane Bernbach** here has picked up the estimated $2.4 million J.B. Berentzen distillery account. Intermarco-Farner lost the business after four years on the account.

London—**Marks & Spencer**, the giant British retailer, may be considering a link with Italian retailer Euromercato. Sources speculate that this could involve a store-within-a-store or M&S goods sold alongside Euromercato's.

Wiesbaden—**Lotus Beghin**, the big French cellulose producer, is entering the German market with sanitary napkins and sanipads after a successful test. DFS&R Werbeagentur, Duesseldorf, handles the account.

Tokyo—**The Ministry of Posts & Telecommunications** has approved Japan's first major two-way urban cable system. The new system, in April, 1985, will be operated by International Cable Network,

(Continued on Page 60)



The 'battle of the burgers' one year later

Source: SRI Research Center Inc., Lincoln, Neb.

Burgers burn in memory

By SCOTT HUME

adWatch

Fast-food's Battle of the Burgers is a year old and showing no sign of abating.

Since Burger King Corp. in September, 1982, fired the first salvo by proclaiming its Whopper sandwich the winner over McDonald's Big Mac and Wendy's Single in taste tests, the fast-food giants have engaged in a nonstop tug-of-war for consumers' attention.

With fast-food chains' heavy reliance on impulse purchases, top-of-mind advertising awareness is particularly vital.

As measured by Advertising Age's exclusive adWatch survey, increases in awareness have alternated between Burger King and McDonald's with the swiftness of a good tennis volley. Awareness of Burger King's advertising rises one month, then falls as McDonald's picks up.

The ball is now back in McDonald's court.

Last month, 26.3% of respondents named Burger King when asked for the first fast-food advertising that came to mind.

That was an increase of 8.6 percentage points over September and Burger King's third-largest, one-month gain since the battle began.

McDonald's has maintained its first-place status since adWatch was inaugurated in April, 1982, although last month it slipped 2.4 points to a 42.6% share

(Continued on Page 80)

Cigaret sales in downspin

By JOHN C. MAXWELL JR.

It appears to us that cigaret industry totals for 1983 will come in a bit lower than anticipated. We currently are looking for 590 billion to 597 billion units at yearend, against 624 billion in 1982.

The higher number in our 1983 range presumes yearend loading. Basically, we are predicting a 5% to 6% drop in units.

The snapback in consumption does not seem to be as buoyant as we had hoped. At this time, consumption appears to be down at least 4% at an annual rate. This leads us to believe that next year's snapback will not be all that large, with totals reaching 600 billion to 605 billion units at best, which might even turn out to be high.

The primary adverse effect has been the doubling of the federal excise tax. We believe the industry also has been hurt by aggressive tax increases in more than 12 states this year, and that number may be equaled in calendar 1984.

We also believe that health concerns increasingly are affecting smoking habits; this could be compounded, depending on what sort of labeling bill comes out of Congress.

The bottom line to all of this is that we may have seen the all time high in cigaret consumption, and after 1984's rebound we may find 1985 and beyond with lower numbers. Therefore, we consider the industry even more of a market-share game than in the past.

As noted in the attached tables, Philip Morris USA has bypassed R.J. Reynolds Tobacco Co. by a considerable margin in market shares. Also, Lorillard passed American Tobacco and moved into fourth position.

However, neither Reynolds nor Brown & Williamson put in final price increases in January, 1983, which meant substantial inventory liquidation in the field on the part of both companies in the first quarter. This indicates that these two companies' market shares have been understated in 1983.

As far as 1983 goes, three companies had absolute unit volume gains. Philip Morris was up 0.3%, Lorillard up 1.5% and Liggett & Myers Tobacco Co. up 51%. In the latter case, generics were the entire reason, and it appears generics now are running at an annual rate of 3% to 3.5% market share.

It should be pointed out that generic brands sell for at least $2 a carton less than the major advertised brands. We believe this may help to put a cap on further price increases by the industry, at least in the near future.

We point out again that the government freeze of tobacco leaf prices, the winding down of the allotment situation (which terminates in 1987) and new cigaret-making machinery that will double manufacturing capacity over the next couple of years should help to reduce industry costs.

The companies have been realistic about their outlook for the industry, and production schedules at the major companies (such as Reynolds, Philip Morris and American Tobacco) reflect layoffs of considerable numbers of workers. Unless the industry shows some rebound, we expect further cutting.

The name of the game will be to continue to make sure that costs stay under control. In a deflationary economy, it is very difficult to raise prices. We may see a return to pricing only once every 12 to 18 months, as was prevalent before the recent inflationary period.

Marlboro cigarets continue to do well. One out of five cigarets smoked in the U.S. is a Marlboro.

Philip Morris' new Players appears to have approached a 1% share, which is excellent for a fresh entry. While Reynolds' Century shows only a 0.3% market share for this year, note that it is distributed in only two-thirds of the country and is running at a rate of 0.7% to 0.8% share wherever it is sold. It is too early to make estimates on Brown & Williamson's Richland 25.

The fastest-growing cigaret in the industry is Lorillard's Newport, up 9.7%, bringing it into 11th position. It missed the top 10 this year only because of the reintegration of the Golden Lights category into the Kent family of brands, which gave Kent a higher share.

As we pointed out in this report a year ago, low tar appears to have topped out. In our tables, you can see a drop from a 58.8% share in 1982 to an estimated 53.2% in 1983.

It also appears that the companies gradually are moving their tar content back up by several milligrams. This is exactly what happened in Germany. Obviously a cigaret with some tar in it tastes better than those with none.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb in New York.

U.S. cigaret manufacturing

(Billions of units, per cent of market)

	Billions of units						Share of Domestic Mkt.	
	Domestic		Export		Total			
Company	1982	1983	1982	1983	1982	1983	1982	1983
Phillip Morris	204.43	205.00	47.40	42.00	251.83	247.00	32.8%	34.4%
R.J. Reynolds	208.79	190.12	29.25	18.00	238.04	208.12	33.4%	31.9%
Brown & Williamson	83.18	67.70	14.20	11.00	97.38	78.70	13.3%	11.4%
Lorillard	54.36	55.17	—	—	55.17	54.36	8.7%	9.2%
American Brands	55.35	51.50	0.65	0.55	52.05	56.00	8.9%	8.6%
Liggett Group	17.90	27.10	—	—	17.90	27.10	2.9%	4.5%

Source: Lehman Brothers Kuhn Loeb Research

Cigaret's top ten

(Billions of units, per cent of market)

Company Brand	Units 1982	 1983	Per cent 1982	 1983
Philip Morris				
Marlboro	119.64	118.63	19.2	19.9
Benson & Hedges	29.97	29.43	4.8	5.0
Merit	28.00	26.85	4.5	4.5
Total	**177.61**	**174.91**	**28.5**	**29.4**
R.J. Reynolds				
Winston	82.27	72.61	13.2	12.2
Salem	54.96	49.26	8.8	8.3
Camel	30.49	27.04	4.9	4.5
Vantage	24.37	22.43	3.9	3.7
Total	**192.09**	**171.34**	**30.8**	**28.7**
Brown & Williamson				
Kool	51.12	42.23	8.2	7.1
American Brands				
Pall Mall	27.00	24.58	4.3	4.1
Lorillard				
Kent	25.77	23.42	4.1	3.9
Grand Total	**473.59**	**436.48**	**75.9**	**73.2**

Source: Lehman Brothers Kuhn Loeb Research

Low-tar cigaret consumption

(Estimated, billion of units, per cent of market)

Company	Units 1982	 1983	Per cent 1982	 1983
Philip Morris				
7-15 mg	92.48	93.79	14.8	15.8
0-16 mg	9.98	13.26	1.6	2.2
Total	**102.46**	**107.05**	**16.4**	**18.0**
R.J. Reynolds				
7-15 mg	141.34	82.08	22.7	13.7
0-6 mg	17.87	16.55	2.8	2.8
Total	**159.21**	**98.63**	**25.5**	**16.5**
Lorillard				
7-15 mg	24.98	25.91	4.0	4.3
0-6 mg	13.46	12.29	2.2	2.1
Total	**38.44**	**38.20**	**6.2**	**6.4**
Brown & Williamson				
7-15 mg	25.06	21.39	4.0	3.6
0-6 mg	9.22	7.27	1.5	1.2
Total	**34.28**	**28.66**	**5.5**	**4.8**
Liggett Group				
7-15 mg	9.06	22.68	1.5	3.8
0-6 mg	—	—	—	—
Total	**9.06**	**22.68**	**1.5**	**3.8**
American Brands				
7-15 mg	10.89	11.09	1.7	1.8
0-6 mg	12.61	11.28	2.0	1.9
Total	**23.50**	**22.37**	**3.7**	**3.7**
Total				
7-15 mg	**303.81**	**256.94**	**48.7**	**43.0**
0-6 mg	**63.14**	**60.65**	**10.1**	**10.2**
Grand total	**366.95**	**317.59**	**58.8**	**53.2**

Source: Lehman Brothers Kuhn Loeb Research

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agency people

Kemp to UniWorld exec vp

NEW YORK—Herb Kemp has been named exec vp-director of account services of UniWorld Group, a black-owned ad agency here. Mr. Kemp formerly was vp-management supervisor at J. Walter Thompson USA. He succeeds Melvin Fallis, who left late last month to start his own business in Atlanta.

Other people moving:

Robert Michaels to exec vp, Cadwell Davis Partners, New York, from senior vp-management supervisor, Laurence, Charles & Free.

Joyce Kayhart, management supervisor, AC&R Advertising, New York, to senior vp.

Tom Rosenwald to senior vp-pharmaceuticals, M.E.D. Communications, Hopelawn, N.J., from vp-account supervisor. Also, **Norbert Lempert** to vp-account supervisor, a new post, from a similar post, Robert A. Becker Inc., and **Norman Goldberg** to vp-marketing, a new post, from director-market research.

William Curreri to senior vp-group director, client services, Medicus Intercon, New York, from senior vp-group supervisor. Also, **Nicholas Maiale** to representative director in Japan from group director of client services, New York, succeeding **Ralph Muolo**, who becomes deputy manager, Italy, and **Margaret Borchers** to account supervisor from account exec.

Joseph Viverito to senior vp-creative director, Kane, Bortree & Associates, New York, from vp-associate creative director, D'Arcy-MacManus & Masius, New York.

Barbara Carnegie to vp-creative director, Collaborative Group, Portland, Ore., a new post, from vp-associate creative director, Campbell-Mithun, Chicago.

George Parker to vp-creative director, Coakley Heagerty, Santa Clara, Cal., a new post, from managing director, Ehrenstrale & Co., London, a division of BBDO International.

Michael Jans to associate creative director, McCann-Erickson, San Francisco, from a similar post, J. Walter Thompson USA, San Francisco. Also, **Michael Goodwin** to art director from a similar post, D'Arcy-MacManus & Masius, San Francisco. He succeeds **Judy Larkin**, who moved to a similar post, Foote, Cone & Belding, San Francisco. At the Troy, Mich., office, **Garry Nielsen** to vp-senior copywriter from vp-associate creative director, BBDO, Southfield, Mich.

Cynthia Anderson to media director, CHA/Claire Harrison Associates, San Francisco, from the same post, Criswell Division, San Francisco. She replaces **Linda Borchill**, who left.

Patrice Carroll and **Elizabeth O'Brien** to network supervisors, SSC&B, New York, from network negotiators.

Darlene Koplien to media planner, Needham, Harper & Steers/USA, Los Angeles, a new post, from media supervisor, Wells, Rich, Greene/West, Los Angeles.

Marcy Donley to account supervisor, Carlson, Liebowitz & Olshever, Los Angeles, from a similar post, Wayne E. Smith & Associates, Los Angeles. Also, **Steve Kepher** to account supervisor, from account exec.

James Witham to vp-senior art director, Quinn & Johnson/BBDO, Boston, from senior art director, Humphrey Browning MacDougall, Boston.

Dorothy Murphy to vp-media, Fearon O'Leary Kaprielian, New York, from media planning supervisor, Ted Bates Advertising. Also, **Santo Cambareri** to exec art director from art director, Ketchum Advertising.

Linda Roberts to director-media services, John Malmo Advertising, Memphis, from the same post, Jan Gardner & Associates, Atlanta.

Judith Beskin to associate media director, Cascino & Purcell, Atlanta, from a similar post, Lawler Ballard, Norfolk, Va.

Nick Howse to media director, Burrell Advertising, Chicago, from associate media director, Bozell & Jacobs.

Martha Hendrix-Baledge to associate media director, Mangan Rains Ginnaven Holcomb, Little Rock, Ark., from media buyer.

Joan Scheeter to media director, Don Costello & Co., Chicago, from regional field sales media supervisor, Seven-Up Co., St. Louis.

Pamela Ott to media director, Ebey, Utley, van Bronkhorst, Mountain View, Cal., from sales rep, KNTV, San Jose.

Mary Salmich to associate media director, Bozell & Jacobs, Chicago, from media supervisor, Foote, Cone & Belding.

Samuel Chisholm to senior vp-director of client services, Mingo-Jones Advertising, New York, from vp-management supervisor.

Lyle Brumfield Jr. to senior vp-client services, Stockton, West, Burkhart, Cincinnati, from vp-director of marketing services, G.M. Feldman & Co., Chicago.

Barbara Iannucci to account supervisor, Barkley & Evergreen, Kansas City, from account exec.

Marion Wood to account supervisor, Kobs & Brady, New York, from account exec.

Peter D. Mineo to account supervisor, Dugan/Farley Communications, Montvale, N.J., from previous post as an account exec.

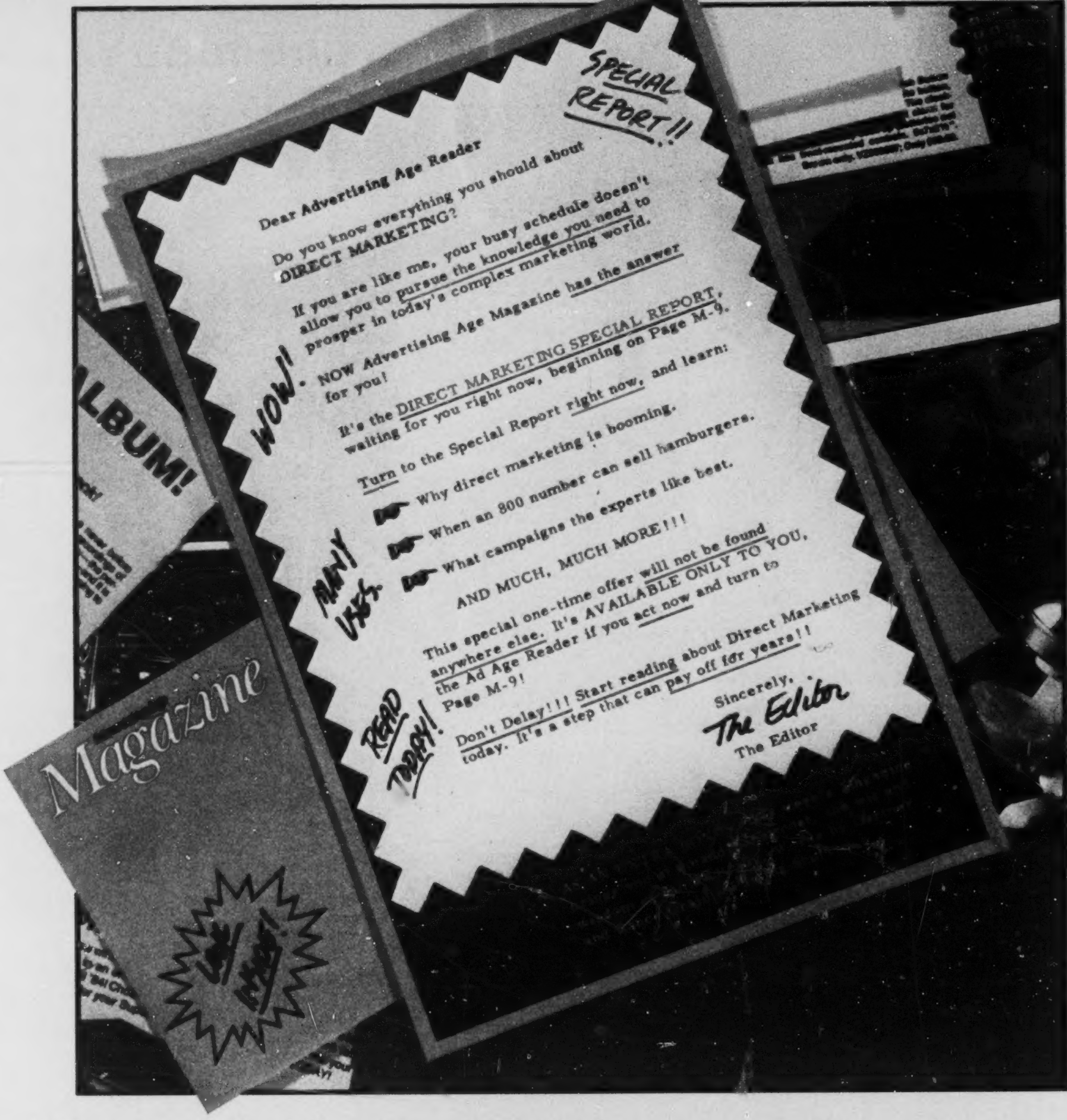
Miles Jackson to vp-account supervisor, The Pitluk Group, San Antonio, from account management supervisor, Goodwin, Dannenbaum, Littman & Wingfield, Houston.

B.W. McDonald to account supervisor on the Midland International Corp. account, Sandven Advertising, Kansas City, Mo., from the same post, Barkley & Evergreen, Kansas City, Mo.

Beverley J. Samuelson to account supervisor on several residential real estate accounts, King Advertising, Newport Beach, Cal., from marketing director, Danielian Associates, a Newport Beach architectural company.

ELECTED VPs:

Jennifer B. Greenblatt, Medicus Intercon, New York. . .**Charles J. Skuba**, Dancer Fitzgerald Sample, New York. . .**Dennis Whitpen**, Foote, Cone & Belding, New York. . .**Jacqueline Grace, James Eaton** and **Thomas Lentz**, Kenyon & Eckhardt, New York. . .**Douglas Fidoten**, AC&R Advertising, New York . . .**John Havrilla, Matt McNerney, Alisa Gabriel, Vicki Logan** and **David Sumner**, Jordan, Case & McGrath, New York. . .**Lewis C. Randall**, Deutsch, Shea & Evans, New York. . .**William Anderson** and **Richard Melenchuck**, Knoth & Meads Co., San Diego. . .**Tom Kirk** and **Jack Valente**, Needham, Harper & Steers, Los Angeles.#



SPECIAL REPORT!!

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Sincerely,

The Editor

The Editor

Richard Edel

Marketing's stepchild comes into its own

By Lori Kesler

The woman in blue jeans steps out her front door, a smile of expectation playing on her lips. "What's in the mailbox today?"

The smile fades. "Junk mail," she mutters as she pulls out two credit card bills, a magazine, a catalog, a free sample of shampoo, an envelope bulging with coupons and a large four-color folder soliciting season tickets to the symphony.

She's not thrilled with what she found in her mailbox. She'd rather have a letter from home, and direct marketers know that only too well.

"With an impersonal medium like the mail, it's quite a challenge to get someone you don't know interested in something she doesn't think she wants," says John De Pasquale, chairman of the Direct Marketing Group, New York.

Lori Kesler is an ADVERTISING AGE *correspondent in St. Louis.*

But there's more to this scene than meets the eye. Indeed, nothing in that mailbox arrived there by accident.

"Segmentation is the name of the game," says John C. Holt, executive vp at Dun & Bradstreet Corp. "Reaching the best audience for a product, efficiently—that's direct marketing."

The woman on the front porch looks through her mail. Once inside, she puts the sample shampoo in her shower. She glances through the package of coupons and stuffs several in her purse. The symphony folder and catalog end up on her desk. She'll study them later.

So direct marketers scored pretty well after all. But they're not done yet. This woman also will find direct marketing ads in her magazine and statement stuffers in her bills.

And often—perhaps more often than she realizes— she'll respond.

Of course, these days the mailbox isn't direct marketing's only media tool, or even its most powerful. The telephone, newspapers and magazines, tv and radio figure into the picture, too, as do experiments with shopping via interactive cable tv, videotex and teletext and home computers.

In fact, the telephone has moved into the No. 1 spot as the biggest direct marketing and direct response medium—or at least the one on which the most dollars are spent.

Last year, an estimated $12.9 billion was spent on telemarketing, more than the $11.4 billion that was dropped for direct mail.

To be sure, the numbers can be confusing. Telephone direct marketing expenditures are tallied up to include 800 toll-free systems (in-WATS) and outgoing telephone marketing (out-WATS), along with local telephone marketing operations.

Robert DeLay, president of the Direct Marketing Assn., says some of the 800 number activity might well be categorized as customer service.

But he believes many companies—including some major package goods manufacturers—also are using the 800 customer service systems as a testing ground for more ambitious direct-selling programs.

Direct mail, for its part, is expected to increase spending by 13% in 1983, according to Robert Coen, senior vp-director of forecasting at McCann-Erickson, New York.

That would put direct mail's growth rate well ahead of network tv's 11% and national newspaper advertising's 8% projected growth for 1983.

Mr. Coen believes direct marketing is likely to become increasingly popular, especially among young families in which both spouses work.

"Time's a problem for these people, and they're often relatively affluent," he says. "In this group, there's a greater willingness to employ direct response techniques."

It's no wonder, then, that the world of direct marketing is growing at a healthy clip. Its sales volume totaled about $138 billion in 1982, up from $125 billion in 1981, $112 billion in 1980 and $82 billion in 1977, according to DMA figures.

Consumer mail order sales accounted for about $40 billion of that total last year, with the remainder coming from such other sources as telephone or tv and from such categories as magazine subscriptions, political and fund-raising contributions and business-to-business sales.

The DMA predicts that by the year 2000, one in every four consumer dollars will be spent on mail-order sales.

A decade ago, the direct marketing field belonged mostly to catalogers, magazine publishers (for circulation promotion),

(Continued on Page M-10)

The many faces of

It's all direct marketing—eliciting a response, prompting an action—whether it's a consumer catalog or a brochure to business executives.

It must cut through the

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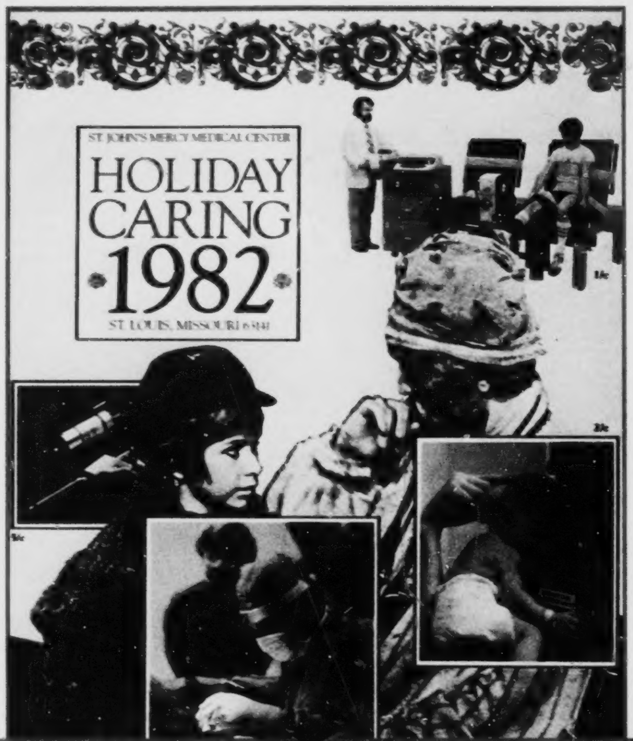
Photos by Mary Herlehy

Toasting a friend across the miles is as easy as pushing a button thanks to 800 Spirits (above) and several other "liquor-by-wire" services. See story on Page M-42.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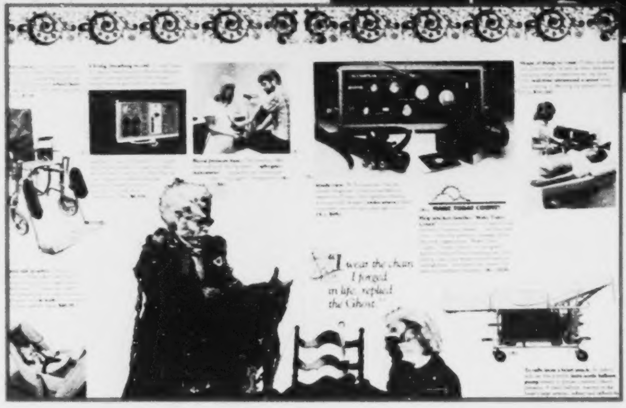

"I wear the chain I forged in life," replied the Ghost.

For the first time the hand appeared to shake.
"I will honour Christmas in my heart, and try to keep it all the year. I will live in the Past, the Present, and the Future. The Spirits of all three shall strive within me. I will not shut out the lessons that they teach."

The rising cost of running a well equipped medical facility was brought home to recipients of a holiday "gift" catalog (at right) from a St. Louis hospital. See story on Page M-54.

Stepchild

(Continued from Page M-9)

book and record clubs and fundraisers.

Now, says Mr. De Pasquale, "there's hardly an industry anywhere that doesn't use direct marketing or mail in some form."

But if you're looking for the real excitement in direct marketing today, watch the action in business-to-business sales, financial services and retailing.

Maxwell Sroge, publisher of the "Non-Store Marketing Report" and "Catalog Marketer," calls office and computer supplies the most explosive product growth area.

"This trend to direct marketing business-to-business products has been building momentum for the past 10 years, but now," he says, "it's a fever pitch. You can buy a computer or a typewriter by phone or from a catalog. IBM, Xerox and Digital Equipment all have mail order subsidiaries."

It's not hard to understand why. The sales representatives for office equipment manufacturers like to concentrate on the big items. Says Mr. Sroge, "No salesman wants to bother with selling ink for the computer."

Yet, he notes, parent companies make terrific profits on small equipment and office supplies, "and they find that catalogs and 800 numbers carry that business very well."

Then, too, the cost of fielding a national sales force has led some business-to-business marketers to seek more imaginative sales techniques.

"When the cost of a personal sales call exceeds $150, that leaves quite a margin of latitude for direct marketing," says Mr. De Pasquale.

Indeed, an IBM marketing executive last year told a seminar group that his company sells thousands of typewriters costing $1,000 or more through direct mail and print ads carrying toll-free 800 numbers. "The typewriter has reached a commodity stage and no longer needs a rep to sell it," he said.

Business-to-business mar-

(Continued on Page M-64)

The methods behind the sale

Expenditures in direct marketing advertising, 1977-1982

(in $ millions)

	1982	1981	1980	1979	1978	1977
Coupons	127.1	94.6	84.2	72.0	61.0	84.0
Direct mail	11,359.4	10,566.7	9,998.7	8,876.7	7,298.2	6,966.7
Consumer magazines	167.0	150.0	135.0	123.0	99.8	86.2
Business magazines	66.0	59.0	53.0	47.0	49.4	49.4
Newspapers	70.6	73.0	60.6	54.4	58.0	42.8
Newspaper preprints	2,500.0	2,288.5	2,032.4	1,779.5	1,390.0	1,086.0
Telephone	12,935.6	11,467.0	9,845.0	8,555.6	8,555.6	7,699.0
Television	339.0	295.0	253.0	217.0	265.0	340.7
Radio	33.0	29.0	26.0	23.0	N/A	N/A
Total	**27,597.7**	**25,022.8**	**22,487.9**	**19,748.2**	**17,777.0**	**16,354.8**

Source: Direct Marketing Assn.

Note: Creative costs not included in any of the above figures.

The results

Estimated total U.S. direct marketing sales volume 1975-1982

	($ billions)
1975	$ 60
1976	$ 75
1977	$ 82
1978	$ 87
1979	$ 99
1980	$112
1981	$125
1982	$138

Source: Direct Marketing Assn.

Stepchild

(Continued from Page M-10)

keters also have moved heavily into telemarketing, and they're exploring the emerging technologies often associated with home shopping. In fact, Mr. DeLay predicts much of the new electronic technology will find its way into America's offices long before it reaches most homes.

"Business already has some pretty sophisticated electronic information systems," he says, because it has the money to spend and it's willing to invest in the hardware.

Electronic home shopping, on the other hand, will grow, but it won't really explode until most people can order on two-way systems—and that's several years away, Mr. DeLay says.

If business-to-business use of direct marketing has blossomed, financial institutions have jumped into the area with such vigor it surprised oldtimers.

"Banks are coming out of their cocoons," says one insider. "They finally discovered they've got to know how to sell their products and services."

Perhaps that's because a few years ago, some aggressive money market funds got the attention of bankers by using direct marketing to take business away from them.

Dreyfus, under the leadership of Time-Life Books veteran Jerome Hardy, led the march into direct marketing, and "then it just kind of exploded," says one professional. "All the financial services got into it. Now every direct marketing agency in town's working on financial projects."

Retail stores also have begun to explore direct marketing, but experts agree that most of them have a long way to go.

Although department stores tend to use catalogs to draw traffic rather than to generate direct sales, observers say a handful—such as Neiman-Marcus, May Co., Dayton-Hudson, Bloomingdale's, Lord & Taylor and Saks—have made serious direct marketing thrusts.

Some, in fact, are taking segmentation to surprising lengths. One store, for example, takes a garment such as an expensive silk blouse and finds dozens of ways to come up with accessories for it. Then it creates an accessories catalog and sends it to everyone who bought that silk blouse. "They get fantastic returns. It's a premier example of what stores will be doing in the future," Mr. DeLay says.

Mr. De Pasquale predicts another direct marketing innovation—the "magalog," which weaves editorial information into the catalog format—also will catch on with retailers.

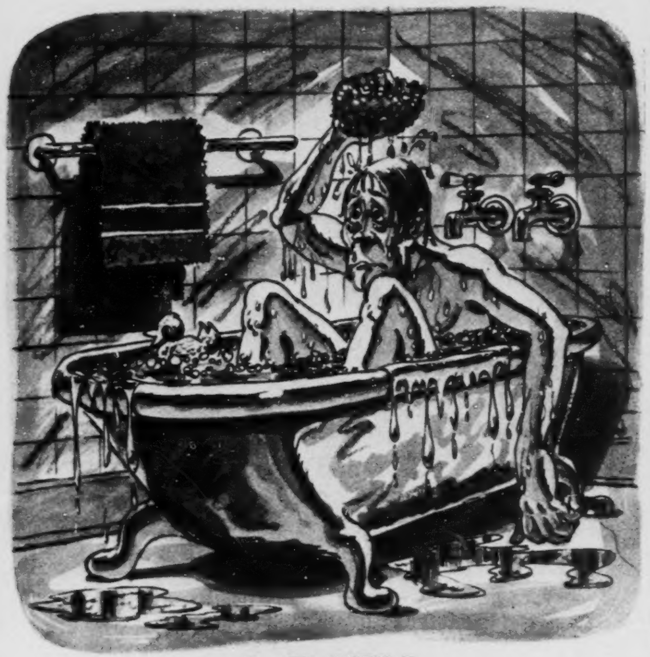
He says a few department stores are testing the concept, which originated with catalog publishers. Yet, perhaps inevitably, many retailers feel threatened by the whole idea of direct marketing because they see it siphoning business from their stores. Often they respond by ignoring it. An insider tells of reading one major merchandiser's long-term marketing plan and finding not one word about direct marketing.

Nevertheless, direct marketing professionals have urged retailers to join the movement rather than fight it. "Maybe," notes one executive, "those retailers ought to start building more warehouses instead of more stores. Maybe they should stop kidding themselves. Home shopping is going to become a way of life."

Few would argue with that assessment of the future. A quick backward glance reminds us that seemingly small changes in technology and life styles have quickly and dramatically affected buying habits.

Although catalog companies

(Continued on Page M-66)



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New group sorts out mailing list users

Remember Dustin Hoffman in "The Graduate"? A business executive took the college graduate aside and whispered in his ear the magic word for success: "Plastics."

Obviously the guy wasn't a direct marketing man or he'd have whispered, "Segmentation."

At the moment, the industry's favorite buzzword also describes a move taking place within its own ranks.

Now that the Direct Mail/-Marketing Assn. has dropped the word "Mail" from its name to reflect the broadening interests of the industry, another organization has cropped up to represent just one special segment.

The new group, called Mailing List Users & Suppliers Assn. (ML/USA), says it'll devote its efforts exclusively to people who use, supply and rely on mailing lists to do business.

"Nowhere are [our] interests being represented with any degree of vigor," says Ralph Stevens, chairman of the ML/USA steering committee and president of Woodruff-Stevens & Associates, New York, a list management company. "Though large in numbers, we seem to have the least say, the least influence over what goes on in the direct marketing community. We mean to change that."

ML/USA, with 55 member companies as of early November, has hired an executive manager and is taking legal and administrative steps to set itself up as a nonprofit organization.

Mr. Stevens says the direct marketing industry has grown so big that one national organization simply can't represent all facets.

But he insists the new group isn't meant to be a rival to the Direct Marketing Assn. In fact, his company belongs to both.

Still, industry insiders say lots of mailing people were piqued when the DMA changed its name last year.

The organization that began 65 years ago as the Direct Mail Advertising Assn. became the Direct Mail/Marketing Assn. in 1973. Then at its 1982 conference, it dropped "Mail" and became simply DMA.

A DMA official said at the time that the new name "makes it clear our method of doing business can be used in any medium—print, broadcast, telephone, mail and other direct media."

Robert DeLay, the organization's president, says DMA devotes lots of attention to the needs of list brokers and buyers, but he admits it may not be enough to suit everyone.

"It's part of the growth pains we're all having in this field," he says. —*L.K.*

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Telemarketers start group

By Eddy Christman

Telemarketing, said to be the largest single marketing medium in dollar volume, has its own trade association.

Called the American Telemarketing Assn. (ATA), the group seeks to become the industry spokesman, standard bearer and code of ethics promulgator.

The new association came into being this fall, and its president, Eugene Kordahl of National Telemarketing, Randolph, N.J., is pleased by initial response.

Mr. Kordahl says ATA has had 200 inquiries from all over the U.S. He expects the current membership of 25 to double by early December.

The association now has a mailing address at 200 Park Ave. and a fulltime executive director, George Lenz.

Mr. Lenz is a professional trade association manager who has been with such groups as the National Assn. of Insurance Brokers, Insurance Information Institute and American Institute of Marine Underwriters.

Dues for ATA have been set at $500 per year for founders, charter members and regular members. This includes voting privileges—one vote per company. Nonvoting associate memberships and individual memberships are available at $250 and $100, respectively.

According to Mr. Lenz, a big year-long membership drive would be started Nov. 15.

One of Mr. Lenz' priorities is to get a seminar program "up and running." He now anticipates holding an annual meeting with an accompanying trade show "in about a year."

A prime reason for setting up the organization for telemarketers, Mr. Lenz says, is to better serve a booming industry that now "has so many different facets. It was felt that a single organization" was needed to address all the concerns of those diverse groups.

He listed those who use telemarketing techniques to sell products and services, equipment makers, and the vast array of service providers who work with telemarketers as among those "facets."

He pointed out that ATA even has an architect member—a designer of telephone centers. He said some thought has been given to establishing "interest areas" within ATA to serve specific groups.

The Direct Marketing Assn. (DMA), New York, has a telemarketing council within its organization that represents the industry. But now, some telemarketers believe that is no longer enough.

In fact, DMA's own figures suggest that telemarketing merits its own trade group. According to figures it released for 1982, telemarketing expenditures hit an estimated $12.9 billion, while the figure for traditional expenditure leader direct mail was $11.4 billion.

And telemarketers aren't alone among direct marketing people seeking trade association independence. Recently, direct mail list brokers also set up their own association. *(See related story on Page M-64)*

DMA doesn't regard either new association as a hostile group, according to public relations director Roberta Wexler. "Direct marketing is an enormous field and we welcome anything that will result in its betterment," she says.

Among the founding members of ATA are: Lee Van Vechten of Telephone Marketing Group, Howell, N.J.; Glenn Snyder of Army Times Telemarketing Co., Washington, D.C.; Norman Pensky of ADDS Telecommunications, Walnut Creek, Cal.; Richard Holck of Burroughs Corp., Rochester, N.Y., and Seldon O. Young of Nice Corp., Ogden, Utah.

Mr. Kordahl says the group is still working on its code of ethics and wants to establish clear guides that "will give direction to anyone who wants to join.

"The good will of the public and the business community is a very fragile and fleeting thing. It should not be abused by the telemarketing industry," the ATA president says. "High standards of ethics will prevail to maintain the viability of this emerging, almost-limitless marketing medium."

Leader of the direct marketing pack
Estimated telephone expenditures for telemarketing applications

	1982 (in $ millions)	Per cent increases over 1981
Residential originated local calls	656.4	2.1
Residential originated toll calls	821.3	6.0
Business originated local calls	5,546.8	16.6
Business originated toll, Wats, 800* calls	5,911.1	11.7
Total	12,935.6	12.8

Note: *800 service is a toll-free service paid by businesses. Therefore, residential (consumer) placed 800 calls are included in this value.
Source: Figures prepared by M.J. Sheehan, AT&T Communications.

This story was adapted from an article that appeared in the October issue of Business Marketing. *Eddy Christman is a free lance writer and frequent contributor to* Business Marketing.

"Joan, why does it make sense to print my catalog at Service Web in Chicago?"

In a recent telephone discussion, a color printing buyer asked that question of Joan Vanderbeck, Director of Communications at Service Web Offset Corporation, the Chicago web printers. The buyer added:

"I've always heard of Service Web as the developer of MiraColor. Isn't that just for 8½ x 11" brochures and the like?"

"No," Joan answered, "the unique combination printing program we call MiraColor is ideal for many kinds of brochures, inserts and statement stuffers. But it's also well suited to catalogs in quantities of 50,000 and 100,000. Whether you need a test run or you're marketing to smaller mailing lists, MiraColor produces eight- and sixteen-page catalogs in a number of sizes—at a significant savings."

"Joan, that sounds promising. But what if my catalog is as successful as I hope it will be? Can you handle the longer runs?"

"Absolutely. MiraColor is just part of the work we do. Color catalog printing is one of our specialties. We produce catalogs in quantities as high as 500,000, one million or even more.

"Don't ask us to print four million, however. We'd love the business, but that long a catalog run doesn't really fit our equipment."

"My sales depend on how good my catalog looks to my customers. That's a big responsibility."

"Yes, when we print your catalog, it's like being in business together. Our success depends on your success. So we try to make each catalog the best we can produce.

"Keep in mind that Service Web has 50 years experience in quality color printing."

"How does that make a difference?"

"It means that when you print your catalog with Service Web, you'll be working with a staff of dedicated printing experts. Everyone from your salesperson to the production staff is a graphic arts professional. They devote a lot of time and energy to giving you the best possible printed result.

"For example, because our presses operate around the clock, it's not unusual for a salesperson to come in at 3:00 a.m. for a press approval. Just last week, one of our customers (a knowledgeable buyer from a major Chicago direct mail company) expressed his relief that he could trust his salesperson to approve the color. He knew from his past experience with Service that he didn't have to come in himself for the press o.k. And that was for a print run of over a million catalogs."

"But every printer says they do a good job. What makes Service Web different?"

"Quality isn't just a slogan, it's an active concern at each step of the production process. When your final platemaking film arrives in the plant it's carefully checked over to see that it's correct in every detail (size, percentages, etc.). Our sales and production staff function like back-stops. Because of their training and experience they often catch things that the customer has missed.

"If a problem is discovered, your salesperson will call you immediately to discuss the recommended solution It may be something as simple, yet important, as missing center marks, but it can make a big difference to the success of your job.

"At each stage of production, several of our trained production people keep careful watch over your catalog. Your salesperson works closely with the production staff and follows your job through the plant—not just when your catalog is on press, but also when it's in our bindery.

"The result of all that meticulous attention is what you and your customer see on the page. You'll see that the color work in your catalog is in accurate register, that the color has a fine, high gloss. And your customer will be impressed by the rich tones, the vibrant colors, the sharp details that bring the page to life."

"It sounds like Service Web salespeople aren't just order-takers. Can they actually help me in the planning stages of my catalog?"

"Not only can they help simplify your planning, they can often save you money as well. When you discuss your marketing goals early, they may be able to suggest a more economical way to produce the catalog (perhaps just a slight change in dimension) or they may suggest an innovative format. Of course Service Web can print standard 5½ x 8½" or 8½ x 11" formats very efficiently. But our high-speed web presses can produce many other formats economically. You might want to test an elegant square format or an economical mini-catalog complete with reply vehicle for use as a package or billing insert."

"Joan, I got into a real jam with my last printer because my film was a couple of days late and I couldn't get on press."

"We're very flexible. Our production planner can usually find a way to stretch a little and still meet your deadline—even if you're late. Customers frequently run behind schedule and want us to make up for lost time—so they won't miss their mail date. Your salesperson won't make any promises we can't keep, but we've "saved the day" for many a company.

"At Service, you don't need to worry about getting lost in a giant organization. We're big enough to get the job done right, but small enough to remain flexible and give you personal attention."

"What happens to my catalog once it's printed? Do I have to arrange for mailing?"

"Many experts agree that Chicago is the preferred central distribution point. When you print at Service, you'll be at the heart of the U.S. direct mail network. Service Web works closely with several top local mail houses to make sure your catalogs are mailed correctly and on time. Or we can handle drop shipments as you require to distributors or other multiple locations."

"All that sounds convincing, but I'm a little nervous about working with a printer so far away in Chicago."

"Actually we're as close as your telephone. Our customers are all over the United States. Several of them have told us it's often easier to get in touch with their Service Web salesperson in Chicago than someone at a local printer. If your salesperson is temporarily unavailable, and you need a fast answer, there's always someone knowledgeable who can help you or get the information you need. Your salesperson calls you regularly when your catalog is in production to keep you informed of how things are progressing. You'll find you're as well informed as if your office were just down the street."

You probably still have questions that were not answered in the discussion you just read. Getting the answers is as easy as picking up the phone.

Call 800/621-1567 right now. Ask for Joan Vanderbeck. If she's busy, one of Service Web's other qualified printing consultants will be happy to answer your questions or discuss your printing needs. Be sure to ask for actual samples of Service Web's catalog work to see for yourself how good your own catalog can look.

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Stepchild

(Continued from Page M-64)

introduced direct selling to mainstream America in the early years of the century, experts say direct marketing as we know it dates back only 15 years or so.

Computers and credit cards generally are credited with revolutionizing the whole process.

Credit cards, says Mr. De Pasquale, provided a convenient payment mechanism that eliminated the need for payment orders and drafts. And computers, which became a regular part of the business scene in the 1960s, allowed systematic access to names and addresses and spawned database marketing.

Now, says Mr. De Pasquale, sophisticated database systems enable a company to develop files with very specific information about each customer.

"They can have a profile that says, 'Sally Jones is married and has two children. She graduated from the University of Chicago and she bought a red dress from the September catalog,' " he explains.

But direct marketing's growth has been fueled by some powerful sociological forces as well. "The whole fabric of American society has changed in recent years," says Dun & Bradstreet's Mr. Holt. He notes that only 7% of all families fit the old stereotype in which dad works downtown and mom stays home to take care of two kids. Now that the majority of women work outside the home, says Mr. Holt, everyone's looking for a quick, efficient way to shop.

Then, too, direct response marketing as an industry has matured and its reputation has improved, so people more often risk buying a product sight unseen. Notes Mr. De Pasquale, "In the old days, people wouldn't purchase something if they couldn't try it on first."

But today, he says, people have overcome that threshold, perhaps partly due to time pressures, uninformed sales staffs, gas and parking costs—"now people think, 'If it doesn't fit, we can always send it back.' "

Mr. Coen of McCann-Erickson believes mass media image advertisers and direct response advertisers are learning they have more in common than they once thought. "They used to be in two very separate camps—the group that concerned itself primarily with image advertising and the group that sold directly via telephone, mail or direct response tv," he explains.

But now, he says, direct mailers are finding mass media advertising support improves their response rates, and direct response tv users seem to be getting more image into messages.

By the same token, companies that advertise to create image and awareness have discovered they can increase effectiveness with such direct response devices as 800 numbers.

"The two camps are becoming more aware of each other—and blending techniques," Mr. Coen says.

How direct mail stacks up
The outlook for 1983 ad spending by medium

	% Increase over '82	in $ millions
Magazines	+11	$ 4,120
National newspapers	+ 8	2,650
Network television	+11	6,895
Spot television	+ 8.5	4,730
Network radio	+20	305
Spot radio	+ 9	1,005
Direct mail	+13	11,660
Other national	+ 8	10,355
Total national	+10.4	41,720
Total local	+11.7	32,160
Grand total	+11.0	$73,880

Source: Robert Coen, senior vp-director of forecasting, McCann Erickson, New York.

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AdWatch

(Continued from Page 3)

of first mentions. Wendy's 5.5% share was still good enough for third place, still not good enough to pose a serious challenge.

AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a national random sample of consumers to name the advertising in a variety of product categories that first comes to mind from all seen, heard or read in the preceding 30 days.

Last month, 1,250 people were questioned by phone from Oct. 1 through Oct. 20. Under adWatch methodology, an increase or decrease of 2.8 percentage points from the previous month is considered a statistically significant change attributable to more than sample variations.

BK adds a few twists

Burger King's awareness in October, 1982, rose an incredible 15.7 percentage points from 8.4% to 24.1% on the strength of that first phase of comparative advertising. Since then, several new twists have been applied to its taunting of McDonald's that have given the No. 2 burger chain some short-term boosts in awareness.

But Burger King hasn't managed to sustain those increases, while McDonald's has held its supremacy.

Following the initial jump to a 24.1% share in October, 1982, Burger King slid to 10.8% (almost back to its starting point) in February of this year. Over that same period, McDonald's, which had dropped from 45.5% to 35.8% in the first month of the challenge, steadily rebuilt its awareness.

In February, 1983, Big Mac's share was 43.6%. It has not dropped below 40% since.

Burger King's phase-two "Broiling vs. frying" campaign in March was another shot in the arm, boosting its share of first mentions nearly 11 points to 21.4%. By August, having put the comparative messages on hold while it advertised "Return of the Jedi" glasses and salad bars, Burger King again had lost much of its gain and held 14.4% of mentions.

MacDonald family has effect

True to form, the third phase of the campaign (launched in September) has again halted a slide and has boosted awareness for Burger King. The real-life MacDonald family in their false noses and glasses and "National Switch Week's" two-for-one Whopper deal captured consumer attention, allowing Burger King to close the gap with its larger rival for another month.

In other categories last month:

- Burger King's comparative strategy is an adaptation of No. 2 **soft-drink** marketer Pepsi-Cola's taste challenge to leader Coke. That battle also intensified last month.

Coca-Cola's share of first mentions dropped 3.9 points in October to 28.2% while awareness of Pepsi rose 1 point to a 27.4% share. That put the longtime rivals less than a single percentage point apart in top-of-mind ad awareness as Coke begins phasing in new campaigns for its brands, including a new comparative message for its caffeine-free product (AA, Oct. 17). 7UP, continuing its no-additives positioning, held a 7.2% share in third place.

- Posting a dramatic increase in the **airlines** category last month was Eastern Air Lines. Its 6.4 point rise was the largest jump registered to date in that segment. Its 22.4% of mentions was the largest share of consumer awareness an airline has been able to grab.

Eastern's tv advertising last month featured chairman Frank Borman explaining that, despite the name, the carrier serves a long list of domestic and international markets. Other spots focused on Eastern's new planes. But Eastern's advertising may have been especially memorable last month because Eastern's financial and labor problems were the topics of frequent news reports.

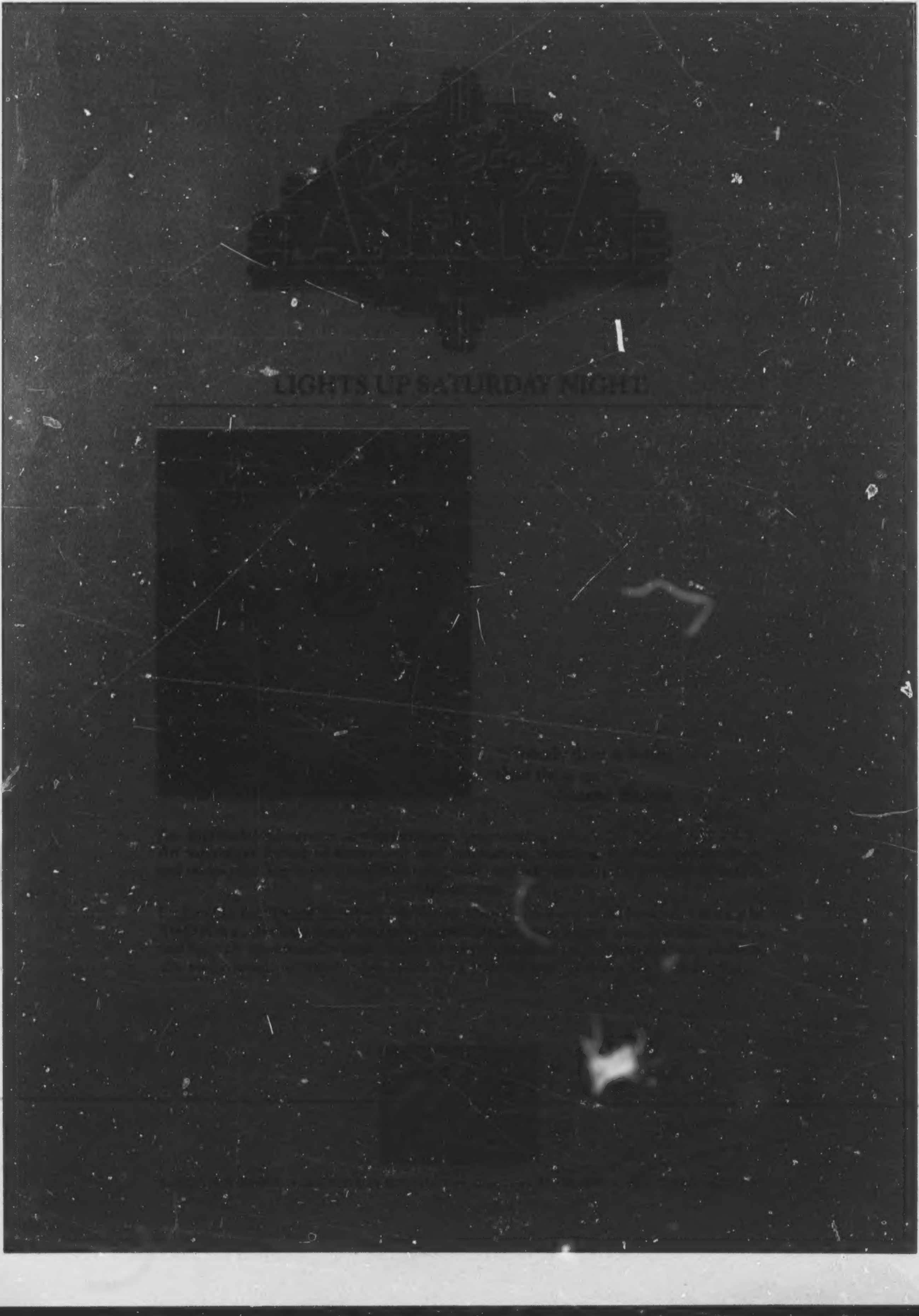
United Airlines, with 14.9%, held on to the No. 2 spot behind the continuing use of celebrity and businessperson endorsements. Stetson Hat Co. president Gary Rosenthal is among the most recent. American Airlines was No. 3 with 9.8%.

- Tylenol continued to strengthen its lead in the **medicine & drugs** category. In October, advertising for Tylenol came to mind first for 37% of the sample, a 4 point advance from September. No. 2 Anacin, meanwhile, fell back to a 7.3% share last month after a 4.4 point rise to 11.8% in September. No. 3 Bayer dropped 2 points in October to 4.2%.

Awareness of Tylenol's advertising also may have been bolstered by the news media as many reports noted the anniversary of last year's poisonings.

- Worth noting is the steady rise of U.S. Tobacco Co.'s Skoal smokeless tobacco. Unlike others' in the **tobacco products** category, Skoal's advertising still is accepted for tv, and its $2 million campaign for Skoal Bandits tobacco-in-a-pouch (AA, June 27) has increased its awareness from 3.1% in July to 7% in October. That put it closer to category leader Marlboro (9.4%) than any No. 2 previously has come. Winston remained No. 3 with 5%.

- When the 1,250 respondents last month were asked to name the first advertising that came to mind regardless of category, these were the **top 10**: (1) Coke; (2) McDonald's; (3) Burger King; (4) Miller/Lite; (5) Pepsi-Cola; (6) Chrysler; (7) Budweiser/Budweiser Light; (8) (tie) Chevrolet, Ford, Tide.#



Connors named director of tourism association

New York—Jack Connors, president of American Express Publishing and publisher of *Travel & Leisure* and *Food & Wine*, was elected a director of the Caribbean Tourism Assn. Mr. Connors chairs the tourism and travel advisory committee at the New School, New York.

Heinz testing tv usage

Pittsburgh—H.J. Heinz Co. is testing tv spots for Heinz white and cider vinegars in Richmond and Roanoke, Va. Spots are by Ketchum Advertising.

12/8/83
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100 Leading Markets

A pullout section

U.K. hot, Australia not

Taking a survey of Rupert Murdoch's global empire

— International section

Corporate Closeup

Iroquois Brands hits the corporate warpath

— Page M-4

Profile issue

A special report for marketers: Individual profiles on the nation's largest metropolitan areas

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NEWSPAPER

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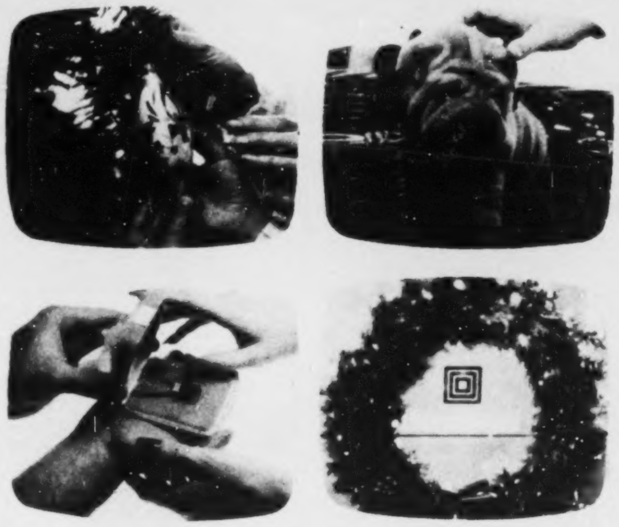


The advertising of Beneficial finance company may be viewed as a metaphor for Christmas selling. Jacking up its media spending 80% from last year, the company is slating much of a $900,000 expenditure for the coming month. Its tv spot shows expensive jewelry, personal computers and a Chinese Shar-Pei puppy, which can fetch a price of $2,500. Beneficial is not alone in believing that Christmas will turn out to be very merry for marketing and retailing, with surprising sales strength among more expensive items.

High-ticket items head for nation's Christmas trees

An Advertising Age roundup

The Christmas selling season is off to a brisk start, and retailers around the country are reporting sales increases over last year well into the double digits. High-ticket items and luxury versions of basic goods are stoking the fire.

Stereo equipment, videocassette recorders, furs, jewelry and computers are hot sellers. Shoppers are snapping up not just sweaters, but glitter-rhinestone and sequin sweaters; not just sheets and blankets, but Ralph Lauren home furnishings; not just perfume, but Muskone Ph 5, a fragrance in a gold bottle from England, said to enhance natural sex appeal, that sells for $200 and up.

Since this year is being promoted as the 80th anniversary of the teddy bear, they're being offered and embraced in varieties from under $10 to mink. Especially popular are the Bialosky bear and the Berenstain bear. And young consumers, of course, are panting after Coleco Industries' Cabbage Patch kids *(see accompanying story).*

The fourth-quarter's total retail sales are expected to reach $326

(Continued on Page 112)

. . .along with toys

By JAMES P. FORKAN

The crazed rush to buy Coleco Industries' cuddly "adoptable" Cabbage Patch Kids has received much media attention since Thanksgiving, but as early as October Coleco executives were saying the dolls were already virtually sold out at major retailers (AA, Oct. 24).

But the run on Cabbage Patch store shelves, while considerable even before Thanksgiving, reached fanatical proportions after the media fell on the story.

That media attention sparked some speculation that Coleco nursed the success and the hype around Cabbage Patch to bolster its own stock, which had suffered this year, particularly since its problems in delivering its new Adam home computer to stores. That, however,

(Continued on Page 112)

Political ad spending to top $1 billion record

By STUART EMMRICH

Within the next few weeks, candidates running for President of the United States will shift into a high gear of campaign spending that is certain to make the 1984 race the most expensive in the nation's history.

Political analysts and operatives contacted by ADVERTISING AGE estimate the Democratic field will spend more than $60 million between now and the convention in July, each vying for the chance to face Ronald Reagan in the November general election.

That general election will also almost certainly set a record for political spending—courtesy of the federal government. Each of the two major party candidates will receive $40 million in federal funds, a hefty inflation-factored boost from the $29 million that Mr. Reagan and Jimmy Carter each received from the government in 1980.

With congressional, state and local races being held in addition to the presidential race, the total amount of money spent by various candidates on political advertising in 1984 will easily exceed the $1 billion mark, first reached in 1980.

'84
Marketing the Candidates

This analysis of ad spending is the first in a series of articles in which AA will examine the advertising and marketing aspects of the 1984 political campaigns.

Walter Mondale and John Glenn, the acknowledged front-runners in the Democratic race for President, already are counting on bankrolls of up to $15 million each to finance their operations through the early—and crucial—part of the upcoming primary season.

The two candidates' coffers are expected to receive an infusion of cash after two ambitious fund-raising ventures on Dec. 10.

Walter Mondale has purchased five minutes of prime time tv on CBS for a fund-raising commercial that night; John Glenn is holding a huge fund-raising event in Austin, Tex., that same day. Both candidates are hoping to raise $1 million with those efforts.

The other six Democratic candidates, ranging from South Carolina Sen. Ernest Hollings to former Florida Gov. Reubin Askew, are scrambling to put together financing of up to about $2 million each to keep them in the race at least through the first two or three primaries.

Although it is difficult to pinpoint just how much of the money being raised by candidates will go directly to advertising, political operatives say that, as the primary season nears, a huge proportion—usually between 50% and 60%—of each candidate's budget will be spent on advertising.

Aides to John Glenn, for instance, have estimated that in the first two months of 1984 their can-

(Continued on Page 114)

NH&S joins lengthy list of former agencies

Gallo fills up O&M's cup

By RUTH STROUD

E.&J. Gallo Winery, well known for its sometimes tenuous, short-lived relationships with advertising agencies, has moved its remaining $7 million in billings from Needham, Harper & Steers/USA, Los Angeles, to Ogilvy & Mather, San Francisco.

The brands involved include Andre sparkling wines, E&J brandy, Carlo Rossi, its newly introduced Polo Brindisi and new products.

O&M currently handles about $25 million in Gallo business—its varietal and premium wines as well as corporate advertising.

A terse statement issued jointly by Gallo and Needham late last week stated the two "have mutually agreed to terminate their relationship, effective March 1."

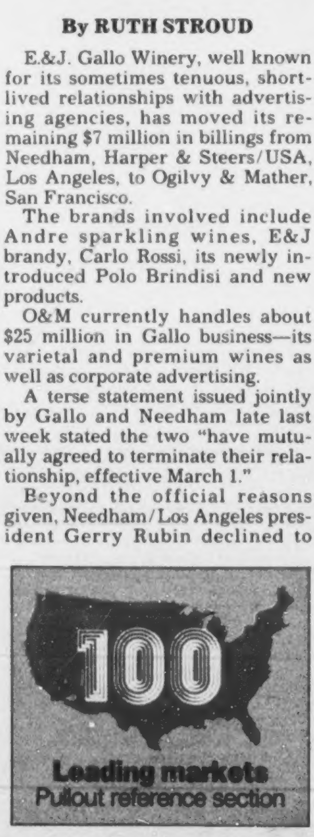
Beyond the official reasons given, Needham/Los Angeles president Gerry Rubin declined to elaborate on what led to the split other than to say it was not over creative or financial differences. "We found them, not unlike published reports, to be demanding clients," he said, "but there are lots of demanding clients and that's one of the prices of working for the nation's No. 1 winery."

An O&M executive said the agency had not gone after Needham's business, but wasn't surprised at being given the assignments. "Nothing Gallo does surprises me," he remarked.

Over the past 30 years, the winery has employed 15 advertising agencies, several of which have worked for Gallo twice.

NH&S has watched its store of Gallo business slowly dwindle during the past two years. The agency's Chicago office was first named to handle Gallo's premium table wines in April, 1982, after a

(Continued on Page 110)



ANA picks new president

— Page 2

last minute news

ABC balks on ad time plan, cites soft market

NEW YORK—ABC will not go ahead with the third phase of its national ad time expansion because of the current market softness. However, ABC will make available as many as three additional weekly 30-second spots in prime time to its affiliates beginning in January. The additional spots will come out of airtime normally devoted to network promotions and program openings and closings. The expansion, being discussed at this week's ABC affiliate board of governors meeting in Hawaii, will put ABC stations on a par with CBS and NBC affiliates, which each get about 70 weekly 30-second spots from their respective networks.

Ziebart's 'Nobody hates ugly. . .' drive readied

TROY, MICH.—"Nobody hates ugly more than Ziebart" is the umbrella for Doyle Dane Bernbach's first campaign for Ziebart Rustproofing Co. It's

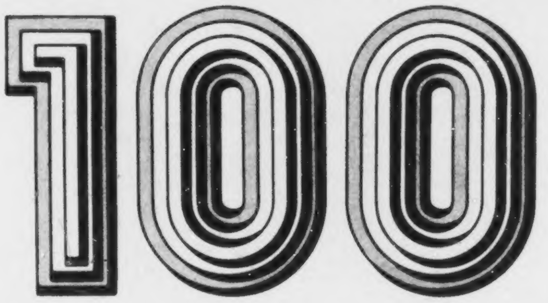
(Continued on Page 8)

Advertising Age
Magazine

DECEMBER 5, 1983

4

100 Leading Markets. The nation's largest (by population) markets are profiled in this report of economic activities across the nation. The profiles detail areas of growth or nongrowth, employment, construction activity and media outlets. Tables, charts and additional stories feature particular aspects of the individual markets. An index of profiles and feature material is at the right.



100 Leading Markets report coordinator: Sarah Stiansen
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To our readers

This issue marks the return, after a three-year interval, of Advertising Age's 100 Leading Markets issue.

What we've done—Advertising Age staff and quite a few free lance writers from around the country—is talk about what's happening in these marketplaces, beyond population swings and building starts. The profiles were written by those who *know* the markets, and at least 50 times while reading these profiles as they came in I was tempted to relocate.

As always, the best information is the kind that falls into our lap accidentally. That, perhaps, shouldn't surprise us, but this kind of information is frequently unexpected. In Fresno, Cal., for instance, local marketers are burned because Dancer Fitzgerald Sample recently eliminated the area from the agency's recommended list of ideal test market areas.

Or consider Buffalo. Everyone would probably suspect it's fairly typical of industrial northeastern cities, a victim of wrenching economic hard luck. And it is. But only in reading the litany of woes that beset the market, as detailed in our profile, can you get a hint of some of the difficulties that residents there must confront.

Then there's Houston, once the golden boy of major metropolitan markets. Some of the raw numbers indicate that it is, still, the kind of place a marketer should consider. But the slump in the oil business, among other things, has put a kind of economic straitjacket on the city. A lot of that Texas sheen has worn off.

The unexpectedly favorable news is, of course, more pleasant to read. Cleveland, the city that replaced Philadelphia as the butt of every joke, seems to be recovering nicely, says our profile. Maybe you haven't heard much about the city lately, now that it isn't quivering at the edge of a financial tidal wave. A low-key effort to pump economic life into the city has replaced headlines, and that probably suits the people there just fine.

It's also interesting to read of a market that is learning to go beyond its halcyon days. As our profile notes, it used be that in Las Vegas all you needed were some slot machines and a crap table, and the revenue would come spinning in. No more. The gaming people there have learned they can't expect to sit back and wait around for the sweet sound of money. They are beginning to market and merchandise their attractions. Certainly, the pressure from Atlantic City has shaken the somnolence out of those once sharp operators.

(Atlantic City, by the way, is not large enough to have made our list of markets. But it surely bears watching. It is growing rapidly, and it is making an impact in reviving the economy of the area.)

While these items may be of interest and importance, however, the lasting impact of these markets should come from those broad trends that a reading of all 100 profiles would suggest. The increasing suburbanization of America, for instance, is likely to continue as more markets of the Middlesex-Somerset-Hunterdon, N.J., or Lake County, Ill., category are added to the list. Also, everyone, but everyone, is talking about attracting "high-tech" businesses. And there is little doubt that a sense of economic recovery is, indeed, evident.

It is this kind of trend-reading that gives this report value, placing the markets of this country into a time and a place that lend perspective.

Sarah Stiansen
Profile issues editor

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100
Leading
Markets

Cleared for landing
Since airline deregulation began, 10 new airlines have started service at Portland (Ore.) International Airport.
(See Page M-58)

No white collar blues
The influx of middle- and upper-income high-tech personnel has had a significant effect on retail sales and new housing in Phoenix.
(See Page M-55)

Versed in the Chapters
Utah leads the nation in the number of bankruptcy filings.
(See Page M-56)

Philanthropic fillers
Much of Omaha's progress in redevelopment is attributable to commitments made by wealthy residents.
(See Page M-37)

Hardy markets guide path to recovery—aka growth

And it's not only the Sunbelt powerhouses

By Alfred Hong

The metropolitan markets that sustained our economy during the recent recession are setting a fast pace as they lead the nation toward a period of unprecedented growth and prosperity.

As keen marketers would suspect, current information from the latest "Marketing Economics Guide 1983-84" document that the erstwhile shining markets of the Sunbelt still dominate the list of the fastest-growing markets. For almost two years, they were able to withstand the difficult rolling adjustments that the entire economy endured in order to wring out the vestiges of rampant inflation. These markets of destiny, including Houston, Beaumont-Port Arthur, Corpus Christi in Texas and Fort Lauderdale-Hollywood-Pompano Beach, West Palm Beach-Boca Raton-Delray Beach and Orlando in Florida, showed their resiliency by continuing to build retail sales volume and attracting new businesses during their ordeal. Most significantly, these markets broke their shackles and generated the spark that started construction in private housing on its road to recovery.

An analysis of the data (*see tables on Page M-16*) shows that not all of the action has been confined to the above metropolitan areas located in Texas and Florida, however. Atlantic City, N.J., Portsmouth-Dover-Rochester, N.H., and Tucson, Ariz. for example, have been contributing substantially. The first two markets, located along the North Atlantic seaboard, were the focus of considerable excitement during the readjustment and are strong attractions in an otherwise quiescent region. As a result, they have played an important role in adding impetus to the rising economic activity in their region.

People in pursuit of their various economic roles make up markets. Marketers look to population, income and economic activity in each market to a basic yardstick. What follows is a detailed look at each of these measures:

Population

Population is a solid gauge of a market's strength and momentum. Among the 10 fastest-growing markets in retail sales from 1977 (U.S. Census) to 1982, five of them also placed among the top 10 in population growth from 1980 (U.S. Census) to 1983. Four of the remaining five markets also had very respectable increases.

On the other hand, the population growth for Atlantic City, N.J., has been only 1.6% lower than the 2.7% average for the U.S. as a whole. The special character of the market has provided it with considerable stimuli to foster dynamic growth.

It is apparent, however, that the city fathers need to reinforce the attractiveness of the market with resort or recreational area appeal before it can draw in people who will have more than a transient stake in its development.

In contrast, the spectacular population growth of 10.3% from 1980 to

---

Alfred Hong is the managing director of Marketing Economics Institute, New York.

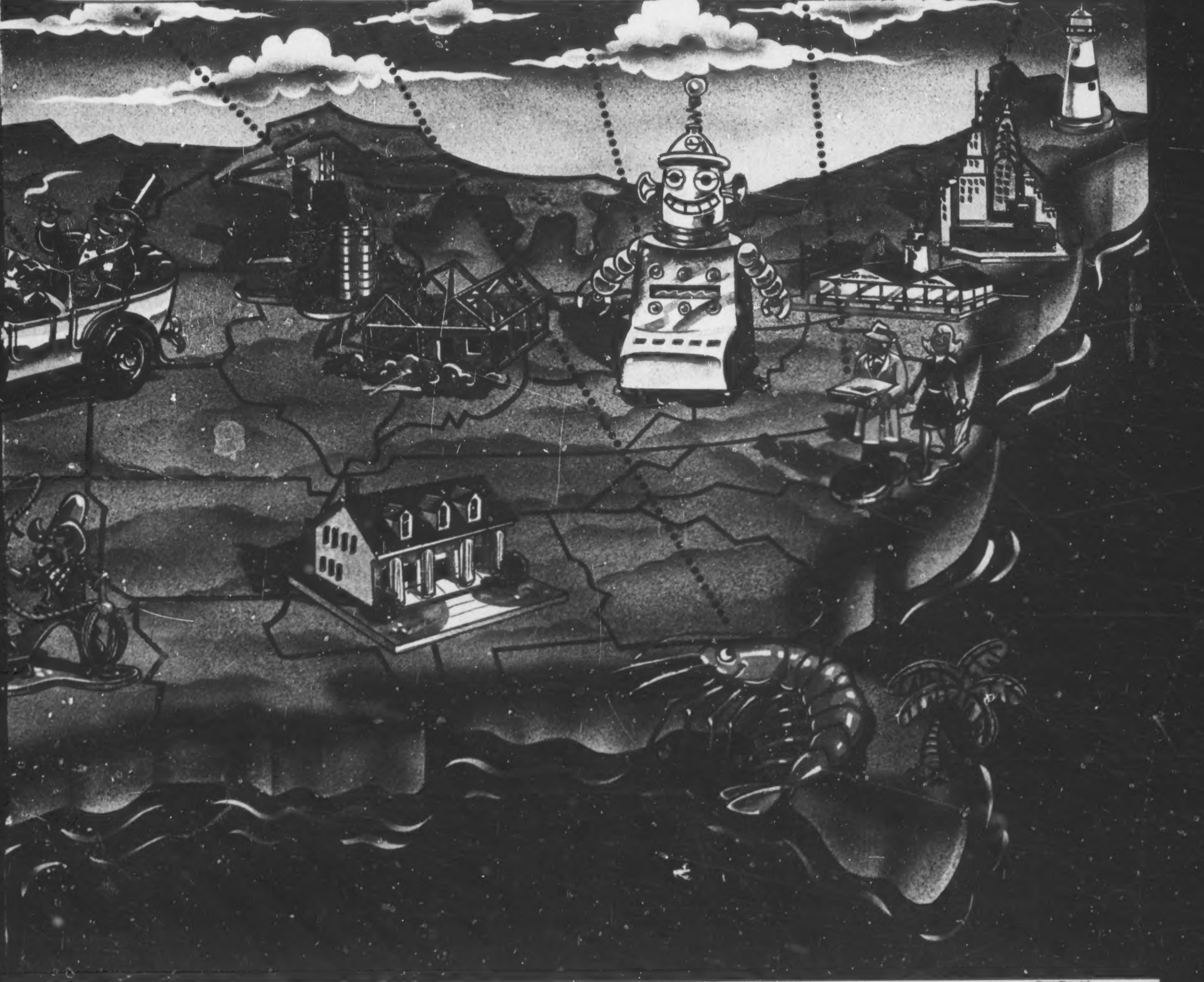
Anybody home?
Gary's housing market is still stymied by high interest rates, and unemployment continues to hover between 12% and 13%.
(See Page M-30)

Shrimp-size prices
"Shrimp is $17 a pound in Los Angeles and $5 a pound here." Why are people are moving to Tampa?
(See Page M-40)

We, robots
Carnegie-Mellon University is a leader in artificial intelligence and robotics research, an area that may help Pittsburgh wean itself from heavy industry.
(See Page M-23)

Shoppers' paradise
Delaware, with no state sales tax, attracts out-of-state shoppers to bolster a healthy commercial scene.
(See Page M-46)

Retailers' paradise
Sales in Philadelphia's new Gallery shopping complex are about 50% higher per sq. ft. than the national average.
(See Page M-22)



Steve Boswick

1983 for the Las Vegas market placed it No. 2 in growth in the country.

This rapid pace is the more remarkable because it extends to three decades the length of its record growth. Moreover, its population growth has been accompanied by a very significant increase of 67.5% in retail sales volume from 1977 to 1982.

The new criteria the government has established for defining metropolitan statistical areas (*see story on Page M-8*) have given some fast-growing markets a rightful place in the sun.

Marketers have always known Dallas-Fort Worth as one of the nation's growth markets. For many years, however, Fort Worth has been living in the shadow of its big sister, even though it has enjoyed faster growth both in population and in retail sales. Now that the government has accorded it recognition as the Fort Worth-Arlington Metropolitan Statistical Area, it stands out with a performance record of 9.2% growth in population since 1980 and a 98.3% growth in retail sales since 1977.

Income

The wide fluctuations in the fortunes of individual metropolitan markets during the recession underscored the ephemeral nature of income, but even more, its importance as a basic yardstick of market strength. An examination of well-to-do markets reveals that most of them adjoin the megalopolises of New York, Chicago, Los Angeles and San Francisco. As such, under new criteria, the government has grouped them together as Consolidated Metropolitan Statistical Areas.

Marketers can focus on such mass markets with large concentrations of prospective consumers. While recent changes in the social and economic status of consumers have splintered or are splitting apart the market, the sheer magnitude of these very large markets allows professionals to draw fine market segments and distinctive product differentiations.

Retail sales

The rapid development of the Sunbelt markets has focused attention on their retail drawing power. Retailers located in these fast-growing markets have reaped windfall gains from being at the right place at the right time.

While some of the metropolitan areas that enjoy the highest index of retail sales to disposable income attract expenditures from nonresidents of those areas, from either shoppers in adjoining areas or tourists, in other markets consumers allocate more of their expenditures to goods rather than to services or to savings.

(This index is computed by dividing the market's percentage of U.S. retail sales by its percentage of U.S. income. Based on the simple assumption that all the consumers in a market will spend a certain proportion of their income for retail goods, this index indicates the extent to which the market deviates from the U.S. Index of 100.)

This is particularly true of these very high index markets. To a considerable extent, the exceptionally large retail dollar volume in these particular markets is an indication of how well marketers have succeeded in influencing their customers to spend.

The creative marketing strategies and tactics marketers have devised and implemented in these highly competitive markets bear watching. For as the economy starts on the road to prosperity, it is the successful marketers who will be spreading the benefits of mass production, mass distribution and mass consumption.

Profiles begin on Page M-8

How they rank

Rank		Population 1980
1.	New York, N.Y.	8,274,961
2.	Los Angeles-Long Beach, Cal.	7,477,503
3.	Chicago, Ill.	6,060,387
4.	Philadelphia, Pa.	4,716,618
5.	Detroit, Mich.	4,488,072
6.	Washington, D.C.-Md.-Va.	3,250,822
7.	Boston, Mass.	2,805,911
8.	Houston, Tex.	2,735,766
9.	Nassau-Suffolk, N.Y.	2,605,813
10.	Pittsburgh, Pa.	2,218,870
11.	Baltimore, Md.	2,199,531
12.	Atlanta, Ga.	2,138,231
13.	Minneapolis, Minn.-Wis.	2,137,133
14.	Dallas, Tex.	1,957,378
15.	Anaheim-Santa Ana, Cal.	1,932,709
16.	Cleveland, O.	1,898,825
17.	Newark, N.J.	1,878,959
18.	San Diego, Cal.	1,861,846
19.	St. Louis, Mo.-Ill.	1,808,621
20.	Oakland, Cal.	1,761,759
21.	Miami-Hialeah, Fla.	1,625,781
22.	Tampa-St. Petersburg-Clearwater, Fla.	1,613,603
23.	Seattle, Wash.	1,607,469
24.	Riverside-San Bernardino, Cal.	1,558,182
25.	Phoenix, Ariz.	1,509,052
26.	San Francisco, Cal.	1,488,871
27.	Denver, Colo.	1,428,836
28.	Cincinnati, O.-Ky.-Ind.	1,401,491
29.	Milwaukee, Wis.	1,397,143
30.	San Jose, Cal.	1,295,071
31.	Bergen-Passaic, N.J.	1,292,970
32.	New Orleans, La.	1,256,256
33.	Columbus, O.	1,243,833
34.	Indianapolis, Ind.	1,166,575
35.	Norfolk-Virginia Beach-Newport News, Va.	1,160,311
36.	Portland, Ore.	1,105,699
37.	Sacramento, Cal.	1,099,814
38.	San Antonio, Tex.	1,071,954
39.	Fort Lauderdale-Hollywood-Pompano Beach, Fla.	1,018,200
40.	Buffalo, N.Y.	1,015,472
41.	Fort Worth-Arlington, Tex.	973,138
42.	Charlotte-Gastonia-Rock Hill, N.C.-S.C.	971,391
43.	Rochester, N.Y.	971,230
44.	Louisville, Ky.-Ind.	956,756
45.	Dayton-Springfield, O.	942,083
46.	Kansas City, Mo.	914,427
47.	Memphis, Tenn.	913,472
48.	Salt Lake City-Ogden, Utah	910,222
49.	Middlesex-Somerset-Hunterdon, N.J.	886,383
50.	Birmingham, Ala.	883,946
51.	Oklahoma City, Okla.	860,969
52.	Greensboro-Winston-Salem-High Point, N.C.	851,851
53.	Nashville, Tenn.	850,505
54.	Monmouth-Ocean, N.J.	849,211
55.	Albany-Schenectady-Troy, N.Y.	835,880
56.	Honolulu, Hawaii	762,565
57.	Richmond-Petersburg, Va.	761,311
58.	Scranton-Wilkes-Barre, Pa	728,796
59.	Jacksonville, Fla.	722,252
60.	Hartford, Conn.	715,923
61.	Orlando, Fla.	700,055
62.	Akron, O.	660,328
63.	Tulsa, Okla.	657,173
64.	Gary-Hammond, Ind.	642,971
65.	Syracuse, N.Y.	642,781
66.	Allentown-Bethlehem, Pa.-N.J.	635,481
67.	Providence, R.I.	618,514
68.	Toledo, O.	616,864
69.	Grand Rapids, Mich.	601,680
70.	Omaha, Neb.-Ia.	585,122
71.	West Palm Beach-Boca Raton-Delray Beach, Fla.	576,863
72.	Greenville-Spartanburg, S.C.	569,066
73.	Knoxville, Tenn.	565,970
74.	Raleigh-Durham, N.C.	561,222
75.	Jersey City, N.J.	556,972
76.	Harrisburg-Lebanon-Carlisle, Pa.	555,158
77.	Austin, Tex.	536,688
78.	Youngstown-Warren, O.	531,443
79.	Tucson, Ariz.	531,350
80.	Oxnard-Ventura, Cal.	529,174
81.	Wilmington, Del.-N.J.-Md.	523,221
82.	Kansas City, Kan.	519,031
83.	Springfield, Mass.	515,259
84.	Fresno, Cal.	514,621
85.	New Haven-Meriden, Conn.	500,474
86.	Baton Rouge, La.	494,151
87.	Tacoma, Wash.	485,643
88.	El Paso, Tex.	479,899
89.	Little Rock-North Little Rock, Ark.	474,484
90.	Las Vegas, Nev.	463,087
91.	Flint, Mich.	450,449
92.	Mobile, Ala.	443,536
93.	Lake County, Ill.	440,372
94.	Bridgeport-Milford, Conn.	438,557
95.	Johnson City-Kingsport-Bristol, Tenn.-Va.	433,638
96.	Charleston, S.C.	430,462
97.	Chattanooga, Tenn.	426,540
98.	Saginaw-Bay City-Midland, Mich.	421,518
99.	Lansing-East Lansing, Mich.	419,750
100.	Albuquerque, N.M.	419,700

Source: U.S. Bureau of the Census

100 Leading Markets

Reports on the economic activities of the nation's largest metropolitan areas

New England

Boston, Mass.

Population '80	2,805,911
Rank	7
Est. income '82	$39,265,246,000

While much of the country has been struggling out of recession, Boston has been thriving. "Just look at all the cranes rising above the city," says James Sullivan, president of the Greater Boston Chamber of Commerce, pointing to the effects of more than $1 billion in new construction a year for the past several years and more in the pipeline.

Unemployment is down in the market, averaging 5.2% in August, down from 6.6% six months earlier.

Hotels are springing up on every corner. Five thousand new hotel rooms have either just opened or are scheduled to open shortly. Joining a new Westin Hotel at Copley Place, the Marriott Long Wharf, the Bostonian, the Meridien and the Back Bay Hilton will be another Marriott for giant Copley Place, a Four Seasons Hotel at Park Square (across the street from the new State Transportation Office Building, still under construction) and a new Intercontinental Hotel leading the construction of Lafayette Place.

Who will fill these new hotels, plus the expanded existing hotels like the Ritz Carlton and the refurbished Sheraton Boston is something of a short-term puzzle. While the area actually lost 81,280 residents from 1970 to 1980, tourism has grown in the past two years. According to the Greater Boston Convention and Tourism Board, the city's hotels are relying on increased convention business.

Unfortunately, the Hynes Auditorium, Boston's major convention facility, is planning to shut down completely for two years for a major refurbishing and expansion. Although the long-term outlook for convention business is excellent now that the expansion of the Hynes is to proceed, the new hotels are going to have to weather a two-year shutdown. When the Hynes is finished, possibly before, the newly created state authority financing that project will turn its attention to a new Boston Garden arena.

One alternative convention site is the new Bayside Exposition Center, converted from an abandoned shopping center. The facility, along Dorchester Bay, is the new home for a variety of trade and consumer shows and is located in a section of the city that is slated for some major redevelopment.

Another alternative facility will be the BOSCOM facility under construction at the site of the former Commonwealth Pier. BOSCOM is being developed by the Fidelity organization (money market funds) as a permanent high-tech and electronics marketing center. In addition to the permanent attractions, the facility is expected to accommodate other activities as well.

A major marina-condominium-hotel-retail complex is being developed alongside BOSCOM by restaurateur Anthony Athaneus and Hyatt Hotels, and another high-tech development is taking place on Logan Airport's Bird Island Flats. The $130 million project will house about 50 high-tech companies in a designated foreign trade zone.

One high-tech area, the much heralded genetic engineering industry, often cited as the next wave of high-tech development, has been relatively slow to develop. But finance and insurance industries, longtime backbones of the Boston economy, are strong, says Mr. Sullivan, despite massive layoffs at Prudential, part of a nationwide consolidation by that company. New England Mutual, a home-based insurance company has major construction and expansion already planned for the Back Bay, and laws allowing out-of-state New England mergers have Boston banks competing aggressively here.

Other regulatory changes have dra-

What's behind the numbers

By Stanley E. Cohen

After a three-year hiatus, ADVERTISING AGE with this special issue once again looks at major developments in the 100 largest U.S. markets.

Our purpose is to highlight change. So the profiles are narrative, relying less on statistics than specific examples.

We asked our reporters to try to find the pulse of the communities. What is changing, and why? What does it mean in terms of future developments and marketing prospects?

The 100 markets are the 100 most populous, based on 1980 U.S. Census data, retabulated by the Bureau of the Census to conform to the new Metropolitan Statistical Area (MSA) concept adopted by the federal government on June 30, 1983.

At this time, no census material other than 1970 and 1980 population has been officially retabulated on the new basis. Once again, we have turned to Marketing Economics Institute Ltd. for help. Its population, personal income and retail sales estimates *(see Pages M-10 and M-12)* are all based on the new concept.

Under the new system, some markets are designated MSAs and others Primary Metropolitan Statistical Areas (PMSAs). Conceptually they are identical. The 78 PMSAs were distinctively titled by the government statisticians because they are also components of 23 "megalopolis" Consolidated Metropolitan Statistical Areas.

Although most of the new MSAs and PMSAs are identical to or closely resemble the Standard Metropolitan Statistical Areas (SMSA) they replaced, there are numerous instances of new titles, reflecting the addition or deletion of counties and communities.

In some instances, SMSAs were split in to two PMSAs. For example, Dallas-Fort Worth SMSA has become the Dallas PMSA and Fort Worth-Arlington PMSA. Other SMSAs have been substantially expanded. The former Norfolk-Virginia Beach-Portsmouth SMSA, for example, is now the Norfolk-Virginia Beach-Newport News MSA, with the addition of three counties and the cities of Chesapeake, Hampton, Newport News and Williamsburg.

Each MSA or PMSA is a geographic area consisting of a large population nucleus together with adjacent communities that have close economic and social ties. (MSAs and PMSAs consist of entire counties, except in six New England states, where they are made up of townships.) An area qualifies in one of two ways: It has (1) a city of at least 50,000 population, or (2) an urbanized area of at least 50,000 with a total metropolitan population of at least 100,000. In addition to the county containing the main city, an MSA or PMSA may also include additional counties that have close economic and social ties to the central county.

Standard metropolitan definitions were first developed 35 years ago so that basic federal statistics in population, housing, industry and trade are all published on comparable geographical terms. They are normally reviewed after every decennial population census. The latest revision resulted in several additions to the old SMSA list, for a total of 257 MSAs and 78 PMSAs.

The new formula also increases the number of recognized "megalopolis" units from 16 under the old definition to 23 CMSAs, which are composed of the 78 PMSAs.

Stanley E. Cohen is Washington editor of ADVERTISING AGE.

matically affected the retail market as well. In particular, the repeal of the Sunday blue laws has put a stop to the flow of retail business over state lines. "We were surrounded by states competing on Sundays," notes Mr. Sullivan.

More changes can be expected with the November election of Mayor Raymond Flynn. While downtown development will continue, every major mayoral candidate supported linking development of downtown with that of the neighborhoods by having developers somehow subsidize or support neighborhood projects.

Meanwhile, although the many visitors flocking here this past summer saw a prospering city, the city's neighborhoods have not enjoyed a full share of that success.

Pending state and local condominium conversion bills and linkage proposals are just two ways the city is attempting to balance downtown development with traditional neighborhood interests.

Boston's greatest bottleneck, its transportation system, may finally see some improvement. In fact, Gov. Michael Dukakis just endorsed the Third Harbor/Tunnel Central Artery Depression project that is a hope to the alleviation of the area's worst traffic jams.

Essentially, the $2.2 billion project will, over 10 years, add a third tunnel directly to the airport while expanding and placing underground the mile long elevated highway, cutting north-south across downtown Boston. The project should open another 25 acres of prime downtown land for low-and medium-rise development.

At the same time, expansion of the public transit system is continuing as subways push beyond Harvard Square and plans are put forward to revive train travel to Cape Cod.

Despite the immediate traffic problems expected because of the projects, there will be plenty of encouragement for visitors to come to the city, especially with the launching of the "Boston, Bright From The Start" marketing campaign, a slogan the city hopes will rival "I Love New York" in appeal.

The city continues to be a lively media town. Since Rupert Murdoch took over the failing *Boston Herald* (then the *Herald-American*) from the Hearst Corp., the paper has aggressively been building readership and promoting itself. Wingo—the newspaper bingo game—came to Boston as part of an uphill struggle with the *Boston Globe*.

Heating up the newspaper scene even more was the entry of *USA Today* into the market.

WQTV, Channel 68, becomes the city's newest tv station, joining the three network affiliates, three independents and two public tv stations, while Cablevision wires the city for a state-of-the-art system that promises to deliver dozens of channels for a minimal basic fee.

Bridgeport-Milford, Conn.

Population '80	438,557
Rank	94
Est. income '82	$11,067,409,000

The nine-town Bridgeport PMSA comprises Bridgeport, Fairfield, Stratford, Trumbull, Easton, Monroe and Shelton in Fairfield County and Derby and Milford in New Haven County.

It is a major corporate, banking and manufacturing center and is home to many corporations, including General Electric Co., United Technologies/Sikorsky Aircraft, Avco Lycoming, Mobil Chemical, Bunker Ramo, Chesebrough-Pond's Research, Richardson-Vicks, TIE Communications, Warnaco, Remington-Du Pont, Tetley Tea and American Chain and Cable (ACCO).

Bridgeport has been experiencing a substantial amount of economic growth and prosperity. Last year, it was one of six cities awarded enterprise zone designation by the state of Connecticut, the zone covering 300 acres in the industrial area west of the Pequonnock River and the commercial district at the south end of E. Main St. It already has 25 projects in the works, including a planned industrial conversion of the 500,000-sq.-ft. former Bridgeport Brass complex.

Another area receiving considerable support for revitalization is Harborpointe. Under a project designed to develop the area, the state plans to turn over considerable acreage to a group of developers headed by the Sterling Group.

In return, the developers, over a period of 20 years, will construct thousands of housing units, thousands of square feet of offices and other units. One of the more immediate projects for the developers will be a group of 500 moderately priced townhouses.

The enterprise zone status is expected to be a major weapon in Bridgeport's efforts to attract more business within its area.

The incentives under the designation include: A 50% state corporation business tax reduction for 10 years for new manufacturing projects; an 80% abatement of local property taxes for five years for new manufacturing projects with the state reimbursing the municipality 75%; a $1,000 grant for each new job created in conjunction with a manufacturing project; local tax assessment freezes for up to seven years on new commercial and residential projects, and low interest venture capital and small business loans of up to $100,000.

Bridgeport's East End is going through a facelift, through the efforts of the Metropolitan Business Assn., which with an annual budget of $423,000 aims to help companies in this blighted area become viable. One way to achieve this is through making the area secure.

The association plans to establish foot patrols, not just to ensure the safety of the merchants, but also to assure potential shoppers in the area of their own safety.

Quite apart from the development that is proceeding, the area is attractive because of its location. It sits on Long Island Sound and is also close in proximity to New York City. In addition, Bridgeport itself is located in one of the busier manufacturing areas in the nation.

In contrast to Bridgeport, Milford is a smaller community that houses much of the working population of Bridgeport and nearby New Haven.

The Milford area is not entirely a "bedroom community," said Dave Reiscetta of the *Milford Citizen*, a 7,500 circulation newspaper that serves the community. "It has begun to attract new businesses as well." Among some of the newcomers are small manufacturing units such as U.S. Motors, a manufacturer of automobile parts.

Both Bridgeport and Milford are experiencing considerable growth in housing, residential as well as commercial. Shelly Rasmussen of the Greater Bridgeport Planning Council said Bridgeport is the leader in the state in terms of growth in residential housing units.

American Segments, I

Television: Top-rated

Top 10 Nielsen tv markets, 1983-84 season

	Designated market area	Tv households	% of U.S. tv households
1	New York	6,488,890	7.70
2	Los Angeles-Palm Springs	4,383,440	5.20
3	Chicago	2,947,640	3.50
4	Philadelphia	2,425,300	2.88
5	San Francisco/Oakland/Santa Rosa	2,038,300	2.42
6	Boston/Manchester	1,956,850	2.32
7	Detroit	1,642,820	1.95
8	Washington-Hagerstown	1,510,640	1.79
9	Dallas-Fort Worth	1,448,120	1.72
10	Cleveland-Akron	1,399,830	1.66

Source: A.C. Nielsen Co.

Income and retail sales in the 100 Leading Markets

Compiled by Marketing Economics Institute, New York MEI

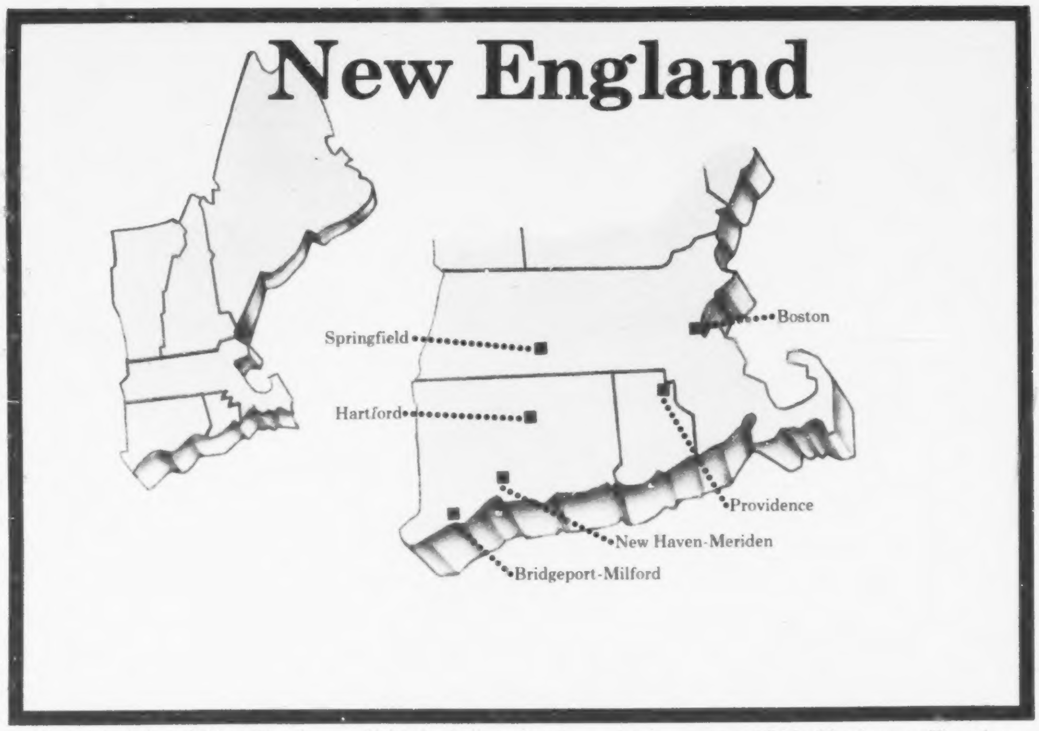
Income rank	MSA/PMSA	Personal income: 1982 (000)	Retail sales: 1982 (000)
1.	New York, N.Y.	90,431,904	29,041,470
2.	Chicago, Ill.	58,042,372	29,446,793
3.	Los Angeles-Long Beach, Cal.	53,359,755	39,485,443
4.	Philadelphia, Pa.	47,925,300	21,289,061
5.	Washington, D.C.-Md.-Va.	44,889,437	17,825,891
6.	Detroit, Mich.	43,676,370	19,602,146
7.	Boston, Mass.	39,265,246	19,972,263
8.	Houston, Tex.	37,435,660	19,048,951
9.	Nassau-Suffolk, N.Y.	32,572,045	15,943,692
10.	Anaheim-Santa Ana, Cal.	29,158,500	11,939,022
11.	Oakland, Cal.	25,091,535	9,191,079
12.	Dallas, Tex.	24,829,986	12,104,679
13.	Minneapolis, Minn.	23,748,181	12,022,124
14.	San Francisco, Cal.	23,008,390	9,678,542
15.	Pittsburgh, Pa.	21,829,588	10,345,362
16.	San Diego, Cal.	21,788,162	9,725,461
17.	Atlanta, Ga.	21,582,976	11,858,401
18.	Newark, N.J.	20,545,099	8,613,243
19.	San Jose, Cal.	19,958,376	8,151,892
20.	Cleveland, O.	19,735,433	9,122,820
21.	Seattle, Wash.	18,824,832	9,725,020
22.	Baltimore, Md.	18,674,846	9,614,181
23.	St. Louis, Mo.-Ill.	18,619,343	9,697,019
24.	Riverside-San Bernardino, Cal.	17,497,223	7,624,221
25.	Denver, Colo.	16,865,657	8,751,734
26.	Miami-Hialeah, Fla.	16,831,109	8,652,440
27.	Tampa-St. Petersburg-Clearwater, Fla.	15,566,368	8,829,201
28.	Bergen-Passaic, N.J.	15,487,863	7,115,134
29.	Phoenix, Ariz.	15,232,668	7,858,259
30.	Milwaukee, Wis.	14,435,212	6,229,786
31.	Cincinnati, O.	13,952,491	6,801,623
32.	Sacramento, Cal.	13,594,799	6,075,992
[illegible]	New Orleans, La.	12,815,874	6,207,434
34.	Fort Lauderdale-Hollywood-Pompano Beach, Fla.	12,281,371	6,835,579
35.	Hartford, Conn.	12,220,547	5,283,073
36.	Columbus, O.	11,748,226	5,681,085
37.	Indianapolis, Ind.	11,160,718	7,694,993
38.	Bridgeport-Milford, Conn.	11,067,409	4,749,456
39.	Portland, Ore.	11,045,191	6,577,697
40.	Middlesex-Somerset-Hunterdon, N.J.	10,933,311	4,688,046
41.	Fort Worth-Arlington, Tex.	10,432,034	6,467,094
42.	Rochester, N.Y.	9,958,153	5,095,316
43.	Norfolk-Virginia Beach-Newport News, Va.	9,547,295	5,738,117
44.	Monmouth-Ocean, N.J.	9,260,902	4,447,795
45.	Oklahoma City, Okla.	9,116,968	5,359,575
46.	Kansas City, Mo.	9,024,357	4,488,967
47.	Buffalo, N.Y.	8,916,002	4,273,271
48.	Charlotte-Gastonia-Rock Hill,N.C.-S.C.	8,853,294	4,529,873
49.	San Antonio, Tex.	8,846,365	5,407,369
50.	Louisville, Ky.-Ind.	8,646,201	4,304,525
51.	Dayton-Springfield, O.	8,456,131	4,061,567
52.	Honolulu, Hawaii	8,094,301	3,805,356
53.	New Haven-Meriden, Conn.	8,028,324	3,569,850
54.	Providence, R.I.	7,994,318	3,515,291
55.	Memphis, Tenn.	7,871,532	4,443,941
56.	Nashville, Tenn.	7,717,252	4,173,929
57.	Salt Lake City-Ogden, Utah	7,712,134	4,252,524
58.	Greensboro-Winston- Salem-High Point, N.C.	7,593,055	3,915,477
59.	Albany-Schenectady-Troy, N.Y.	7,551,154	3,402,350
60.	West Palm Beach-Boca Raton-Delray Beach, Fla.	7,408,890	3,852,603
61.	Tulsa, Okla.	7,295,249	3,363,772
62.	Birmingham, Ala.	7,231,296	4,380,254
63.	Richmond-Petersburg, Va.	7,160,726	4,212,054
64.	Orlando, Fla.	7,002,095	4,456,693
65.	Oxnard-Ventura, Cal.	6,996,341	2,597,465
66.	Allentown-Bethlehem, Pa.	6,374,559	2,874,399
67.	Jacksonville, Fla.	6,371,537	3,334,839
68.	Grand Rapids, Mich.	6,106,720	3,495,849
69.	Kansas City, Kan.	6,034,503	2,664,984
70.	Lake County, Ill.	6,012,925	2,295,596
71.	Akron, O.	5,966,172	3,121,574
72.	Scranton-Wilkes-Barre, Pa.	5,848,673	2,783,681
73.	Jersey City, N.J.	5,847,491	1,528,994
74.	Toledo, O.	5,827,687	3,126,413
75.	Syracuse, N.Y.	5,779,319	3,183,065
76.	Harrisburg-Lebanon-Carlisle, Pa.	5,776,548	2,796,748
77.	Omaha, Neb.-Ia.	5,770,596	2,803,934
78.	Gary-Hammond, Ind.	5,540,121	2,818,552
79.	Fresno, Cal.	5,426,369	2,719,565
80.	Raleigh-Durham, N.C.	5,311,420	2,738,118
81.	Wilmington, Del.-N.J.-Md.	5,309,793	2,742,848
82.	Austin, Tex.	5,249,544	2,866,262
83.	Springfield, Mass.	5,085,049	2,323,118
84.	Tucson, Ariz.	4,966,356	3,137,799
85.	Las Vegas, Nev.	4,782,445	2,861,538
86.	Knoxville, Tenn.	4,759,381	2,813,103
87.	Greenville-Spartanburg, S.C.	4,740,246	2,531,361
88.	Baton Rouge, La.	4,717,945	1,867,322
89.	Youngstown-Warren, O.	4,410,149	2,603,093
90.	Tacoma, Wash.	4,297,993	1,910,328
91.	Little Rock-North Little Rock, Ark.	4,120,768	2,546,528
92.	Flint, Mich.	4,032,306	2,128,419
93.	Saginaw-Bay City-Midland, Mi.	3,955,263	1,802,095
94.	Lansing-East Lansing, Mich.	3,811,957	2,073,471
95.	Albuquerque, N.M.	3,715,557	2,442,295
96.	Charleston, S.C.	3,479,511	1,870,340
97.	Chattanooga, Tenn.	3,334,089	1,775,803
98.	Mobile, Ala.	3,219,008	1,842,943
99.	Johnson City-Kingsport-Bristol,Tenn-Va.	3,092,203	2,023,864
100.	El Paso, Tex.	3,068,077	1,789,904

Retail sales in 100 Leading Markets by category

Source: Marketing Economics Institute, New York. (000 omitted from figures)

Retail sales rank	MSA/PMSA	Food sales	Drugstore sales	General merchandise	Apparel/ accessory	Furniture, home furn, appliances	Automotive store sales	Gasoline station sales	Lumber, building, hardware	Eating & drinking sales
1	Los Angeles-Long Beach, Cal.	$8,947,033	$1,447,337	$4,892,265	$2,067,409	$2,043,268	$6,417,490	$3,344,197	$1,240,154	$4,594,000
2	Chicago, Ill.	5,840,004	1,154,360	3,761,279	1,920,819	1,320,002	4,489,296	2,486,237	840,416	3,300,326
3	New York, N.Y.	7,646,598	895,952	3,548,130	2,549,863	1,373,111	2,279,200	1,438,439	528,839	3,851,365
4	Philadelphia, Pa.-N.J.	5,008,058	616,676	2,683,262	1,221,795	881,292	3,190,590	1,806,477	603,382	2,108,649
5	Boston, Mass.	4,711,310	654,835	2,417,079	1,169,753	737,443	2,489,496	1,639,313	648,368	2,264,637
6	Detroit, Mich.	4,407,366	800,681	2,518,371	1,120,229	885,780	3,857,717	1,903,929	714,041	1,873,057
7	Houston, Tex.	4,296,510	505,314	2,687,540	929,368	770,172	4,062,671	1,616,632	765,628	1,852,801
8	Washington, D.C.-Md.-Va.	3,789,408	799,357	2,447,886	957,881	776,688	2,902,088	1,835,212	519,516	1,885,234
9	Nassau-Suffolk, N.Y.	3,979,482	403,770	2,023,463	865,783	701,672	1,960,398	1,349,577	464,323	1,410,203
10	Dallas, Tex.	2,427,539	478,406	1,468,988	653,399	565,273	2,486,886	1,024,979	338,121	1,248,672
11	Minneapolis-St. Paul, Minn.-Wis.	2,276,532	323,407	1,963,904	520,076	508,159	2,023,942	1,195,489	679,280	1,194,695
12	Anaheim-Santa Ana, Cal.	2,528,060	358,058	1,598,535	478,034	622,836	2,031,131	1,030,039	594,158	1,398,540
13	Atlanta, Ga.	2,490,303	389,638	1,858,236	488,923	423,846	2,039,634	1,243,111	473,200	1,226,696
14	Pittsburgh, Pa.	2,422,712	323,541	1,641,289	471,627	421,951	1,808,448	995,699	374,686	949,162
15	San Diego, Cal.	2,029,699	318,112	1,418,283	393,188	543,245	1,621,759	849,944	532,131	1,093,061
16	Seattle, Wash.	2,163,778	380,931	1,162,624	476,924	467,961	1,584,317	781,666	469,987	1,177,992
17	St. Louis, Mo.	2,278,011	290,710	1,458,467	416,442	406,716	1,656,004	1,077,193	335,967	976,506
18	San Francisco, Cal.	2,180,585	377,074	1,119,202	604,327	528,019	1,299,743	663,123	247,288	1,449,225
19	Baltimore, Md.	2,368,801	327,015	1,206,830	431,788	377,470	1,488,152	954,685	262,397	1,057,901
20	Oakland, Cal.	2,189,271	455,181	1,258,052	359,710	442,182	1,499,985	771,233	332,396	931,421
21	Cleveland, O.	2,110,788	327,942	1,411,314	414,529	369,120	1,607,453	903,166	268,629	893,164
22	Tampa-St. Petersburg, Fla.	2,283,018	303,880	1,199,690	303,881	367,510	1,460,931	794,283	341,075	959,286
23	Denver, Colo.	1,891,402	227,448	1,213,510	406,183	412,100	1,560,183	705,236	399,407	996,158
24	Miami-Hialeah, Fla.	1,884,655	345,808	1,167,687	561,060	474,593	1,440,046	728,892	202,045	974,320
25	Newark, N.J.	2,374,166	229,142	700,787	522,545	421,910	1,247,673	764,199	263,258	830,883
26	San Jose, Cal.	1,756,470	295,148	1,122,112	374,433	458,814	1,472,356	663,257	377,400	807,361
27	Phoenix, Ariz.	1,894,786	285,645	960,264	270,120	433,157	1,428,959	640,736	385,607	874,290
28	Indianapolis, Ind.	1,528,634	266,173	1,056,416	269,144	302,776	1,369,361	836,104	289,350	724,465
29	Riverside-San Bernardino, Cal.	1,790,409	260,652	962,486	276,773	307,390	1,265,291	796,023	521,196	803,327
30	Bergen-Passaic, N.J.	1,672,404	166,948	996,959	485,718	327,059	990,087	617,628	195,559	657,864
31	Fort Lauderdale-Hollywood-Pompano Beach, Fla.	1,585,266	261,845	834,893	338,908	352,393	1,238,768	582,616	205,577	842,054
32	Cincinnati, O.-Ky.-Ind.	1,691,927	219,088	1,099,081	241,569	285,635	1,066,196	762,351	216,437	752,613
33	Portland, Ore.	1,292,701	186,280	1,044,457	285,167	337,326	1,178,050	547,950	266,144	737,230
34	Fort Worth-Arlington, Tex.	1,242,191	266,098	942,307	286,830	235,881	1,423,529	556,144	221,811	661,575
35	Milwaukee, Wis.	1,388,245	172,934	950,654	271,065	303,575	1,033,670	548,017	212,048	656,995
36	New Orleans, La.	1,724,853	205,147	823,610	364,756	275,178	930,382	540,610	179,404	690,667
37	Sacramento, Cal.	1,445,503	262,205	738,466	237,568	307,674	1,034,269	567,785	339,863	662,741
38	Norfolk-Virginia Beach-Newport News, Va.	1,310,735	153,770	811,836	292,013	310,087	1,020,001	558,263	185,175	578,634
39	Columbus, O.	1,222,371	160,140	837,647	217,975	243,235	1,066,180	588,896	218,471	623,241
40	San Antonio, Tex.	1,248,386	115,650	844,685	263,347	232,647	957,504	605,900	157,175	576,245
41	Oklahoma City, Okla.	1,194,156	115,089	699,726	320,168	247,484	1,156,552	408,067	243,439	549,283
42	Hartford, Conn.	1,280,736	185,884	635,731	270,449	195,621	723,751	528,606	185,688	558,891
43	Rochester, N.Y.	1,285,441	185,610	607,084	212,911	185,379	877,629	425,440	181,064	469,067
44	Bridgeport-Milford, Conn.	1,121,459	129,371	478,308	283,004	212,703	630,836	418,119	211,343	420,005
45	Middlesex-Somerset-Hunterdon, N.J.	1,211,521	124,960	599,577	272,571	186,468	596,828	457,917	168,981	440,840
46	Charlotte-Gastonia-Rock Hill, N.C.-S.C.	1,099,102	166,455	570,037	239,595	190,873	908,913	395,131	205,436	373,750
47	Kansas City, Mo.	921,500	141,046	662,036	203,634	146,783	863,890	481,522	160,679	484,174
48	Orlando, Fla.	1,056,290	126,598	584,150	154,625	165,493	803,584	479,815	167,010	480,152
49	Monmouth-Ocean, N.J.	1,219,722	120,851	493,960	198,600	177,201	672,991	420,086	167,224	471,473
50	Memphis, Tenn.	1,045,159	140,117	614,895	227,397	197,531	854,981	473,162	145,769	371,269
51	Birmingham, Ala.	1,020,235	141,577	541,031	281,089	189,889	916,956	388,115	199,951	356,934
52	Louisville, Ky.-Ind.	974,886	147,979	603,469	168,017	193,325	768,602	463,120	177,555	451,137
53	Buffalo, N.Y.	1,122,909	170,157	668,105	232,018	165,885	693,899	311,721	123,126	458,667
54	Salt Lake City-Ogden, Utah	900,069	123,748	611,090	170,256	245,995	822,193	393,623	236,343	372,116
55	Richmond-Petersburg, Va.	944,657	160,259	602,606	191,098	161,725	668,763	470,579	208,128	371,756
56	Nashville, Tenn.	927,816	124,555	520,710	178,377	169,790	897,605	444,265	163,149	394,080
57	Dayton-Springfield, O.	922,483	93,250	686,525	143,487	181,329	711,156	436,457	139,542	409,773
58	Greensboro-Winston-Salem-High Point, N.C.	867,036	149,952	442,019	193,369	197,649	741,135	401,105	188,431	345,782
59	West Palm Beach-Boca Raton-Delray Beach, Fla.	949,068	143,285	437,905	199,540	212,106	678,601	309,421	138,186	390,760
60	Honolulu, Hawaii	713,207	207,104	764,332	221,657	100,273	424,461	233,752	55,581	658,131
61	New Haven-Meriden, Conn.	917,201	102,459	452,971	189,133	148,865	472,087	349,646	116,713	362,306
62	Providence, R.I.	856,511	121,978	405,169	174,775	127,479	479,184	339,269	136,923	342,930
63	Grand Rapids, Mich.	669,181	75,318	549,812	183,191	181,426	640,553	313,763	188,880	347,125
64	Albany-Schenectady-Troy, N.Y.	877,924	101,715	399,288	175,590	119,378	484,444	305,117	127,235	353,754
65	Tulsa, Okla.	794,496	75,717	420,600	195,346	166,853	696,183	281,175	165,296	291,720
66	Jacksonville, Fla.	733,244	136,819	377,917	136,883	120,203	674,731	377,552	122,071	308,784
67	Syracuse, N.Y.	886,584	170,866	345,803	159,477	121,673	513,270	276,180	104,409	325,075
68	Tucson, Ariz.	776,450	108,681	423,872	101,835	146,213	558,246	324,732	133,508	315,551
69	Akron, O.	788,307	93,461	412,201	116,663	115,255	521,274	324,545	183,350	329,108
70	Toledo, O.	709,002	102,852	462,473	117,173	127,694	566,108	355,727	97,339	341,279
71	Allentown-Bethlehem, Pa.-N.J.	717,178	82,122	398,756	111,130	121,743	410,005	263,817	108,613	262,737
72	Austin, Tex.	648,549	70,005	325,740	165,559	125,416	490,609	280,407	151,477	347,877
73	Las Vegas, Nev.	627,871	108,499	367,293	149,067	105,411	478,305	297,537	127,503	322,641
74	Gary-Hammond, Ind.	693,208	107,625	343,918	128,801	122,022	493,771	339,687	109,270	275,175
75	Knoxville, Tenn.	629,794	90,158	391,700	112,302	118,086	490,964	288,156	161,758	269,564
76	Omaha, Neb.-Ia.	584,689	99,109	429,129	117,121	163,565	492,812	281,135	93,542	333,002
77	Harrisburg-Lebanon-Carlisle, Pa.	656,252	86,870	328,438	115,276	111,099	431,526	291,007	113,146	247,779
78	Scranton-Wilkes-Barre, Pa.	712,757	92,725	374,847	116,989	104,514	392,505	267,159	121,509	254,299
79	Wilmington, Del.	621,779	98,372	391,393	117,147	133,588	381,738	285,132	104,615	239,220
80	Raleigh-Durham N.C.	647,901	74,577	379,141	138,131	108,649	465,509	293,590	99,376	259,638
81	Fresno, Cal.	625,121	139,127	351,641	115,575	144,703	466,901	237,496	144,419	263,121
82	Kansas City, Kan.	514,625	55,426	459,277	124,133	129,226	533,879	253,621	102,954	215,100
83	Youngstown-Warren, O.	597,571	80,849	460,251	107,959	116,770	426,940	289,389	81,891	231,793
84	Oxnard-Ventura, Cal.	658,209	103,203	311,000	90,971	116,852	490,524	224,501	118,407	246,788
85	Little Rock-North Little Rock, Ark.	539,656	86,815	350,721	143,510	113,343	513,990	242,752	140,545	194,788
86	Greenville-Spartanburg, S.C.	637,679	80,821	292,365	111,258	104,863	424,958	288,188	134,788	220,313
87	Albuquerque, N.M.	473,471	77,431	321,757	115,298	141,312	505,670	226,916	104,785	257,082
88	Springfield, Mass.	608,467	70,700	242,839	110,923	77,308	304,285	228,977	99,361	230,781
89	Lake County, Ill.	456,403	76,837	248,559	116,157	103,085	520,183	231,442	120,984	226,293
90	Flint, Mich.	457,156	74,310	339,982	94,129	98,243	464,652	198,633	80,911	186,735
91	Lansing-East Lansing, Mich.	394,041	47,037	336,197	96,256	90,300	426,248	206,039	79,704	214,364
92	Johnson City-Kingsport-Bristol, Tenn.	453,146	93,457	249,649	83,329	74,485	384,780	187,733	132,975	137,075
93	Tacoma, Wash.	399,275	66,033	245,769	73,934	94,928	359,328	188,691	95,512	200,677
94	Charleston, S.C.	467,086	54,794	261,350	87,652	79,568	321,234	185,579	107,046	162,150
95	Baton Rouge, La.	477,234	62,130	331,764	68,670	76,284	335,689	157,312	99,876	148,502
96	Mobile, Ala.	436,147	62,851	258,358	76,190	76,045	340,666	204,221	99,315	157,369
97	Saginaw-Bay City-Midland, Mich	434,503	55,678	238,771	101,502	83,868	314,558	176,786	85,098	187,603
98	El Paso, Tex.	382,919	58,491	290,098	98,609	108,444	316,369	160,917	50,985	176,604
99	Chattanooga, Tenn.	422,209	53,740	231,775	77,170	67,964	330,178	213,063	84,202	142,837
100	Jersey City, N.J.	431,488	48,947	123,851	140,171	63,274	160,660	135,350	36,791	157,424

New England



Of course, Bridgeport sits amidst one of the most affluent suburban pockets in the nation—Fairfield County—and this has, in part, helped direct a great deal of retail activity to the area. Both Bridgeport and Milford have the advantage of being strategically placed in terms of transportation.

Bridgeport has good access by highway,'as well as water, and posesses an airport that is consistently increasing the volume it handles. The Long Island Ferry has installed a second boat to service the area. Similarly, Milford sits adjacent to Interstate Hwy. 95 and the Boston Post Road, making it an ideal location for shopping malls.

The Bridgeport market is served by two daily newspapers and 12 radio stations, including four am stations. There is one tv station originating in the market, in addition to broadcast spillover from other areas.

Hartford, Conn.

Population '80	715,923
Rank	60
Est. income	$12,220,547,000

Deregulatory actions that allow insurance companies to become involved with businesses other than insurance have helped spark a commercial and office building boom in Hartford.

While renovation of existing structures in downtown Hartford has picked up over the past four years, there has been almost no new building in the city for about 15 years.

This year, however, at least four major office structures have been completed, representing more than 1.8 million sq. ft. of new office space and at least 100,000 sq. ft. of new downtown retail space.

In addition, Hartford and its surrounding communities are considering proposals for at least 20 new office complexes. The recent completions and proposed new buildings have been spurred by the insurance companies' entry into the real estate and construction business, as well as the continuing relocation of corporate headquarters to Connecticut.

Among the recently completed office buildings are One City Place, an office complex being completed in two stages. The first stage would provide 786,000 sq. ft. of office space, while the second would produce an additional 230,000 sq. ft. Urban Investment & Development, a Chicago-based subsidiary of Aetna Life & Casualty, and Bronson Hutensky are the developers.

Another recent building is One Commercial Plaza, developed by Chase Family Ltd. and Olympia York of Hartford. The project includes 674,000 sq. ft. of office space and 21,000 sq. ft. of commercial space.

Another Chase/Olympia York project is One Corporate Center, opened in 1981, which has 384,000 sq. ft. of office and 23,000 sq. ft. of retail space.

According to the Hartford Chamber of Commerce, projects representing an additional 2.2 million sq. ft. of new office space and about 600,000 sq. ft. of office renovation are being considered.

Further, proposals for about 600,000 sq. ft. of new retail space have also been submitted to city authorities. In addition, plans for 523 new housing units are being considered, as well as hotel construction representing 1,250 new rooms.

Hartford has also appointed a committee to study the feasibility of building a new convention center in downtown Hartford. The existing Civic Center Coliseum, which closed down for almost two years after its roof caved in during the snow storms of January, 1978, remains the only major convention site in the area.

According to the Connecticut State Department of Revenue Services, retail sales in 1982 in Hartford reached $869.7 million from 10,251 retail establishments. In New Britain, retail sales reached about $200 million from 4,024 retail outlets, while Bristol had retail sales of about $180 million from 3,635 stores.

The area is served by one daily newspaper—the morning *Hartford Courant*. The market has four tv stations, four am and nine fm radio stations and two cable services.

New Haven-Meriden, Conn.

Population '80	500,474
Rank	85
Est. income '82	$8,028,324,000

As recently as 1980, New Haven—even in rosy days associated with Yale's ivy halls, rather than a thriving economy—remained hopeful, but far from assured, that it could find the magic formula for business revitalization and large-scale urban renewal.

Given its industrial and manufacturing backbone, New Haven—indeed, the entire state of Connecticut—felt the brunt of the 1970s recession and entered the 1980s in need of new rivers of employment, as well as resources for rebuilding.

Today, according to Doug Marsh, president of the Greater New Haven Chamber of Commerce, things are looking up. First, the downtown area has undergone a series of facelifts; and less cosmetically, the deeper seeds for economic restructuring are being sowed.

"Things are much, much improved," Mr. Marsh says. "There is a buoyancy in the business community, particularly among business leaders, concerning both our future and the recent past."

Among other things, New Haven is receiving positive RSVPs for corporate relocation into the area: Bristol-Myers Co. plans to install extensive research and development facilities over the next seven years, and Saab-Scania of America, located in nearby Orange, has committed to building a truck facility.

In addition, Mr. Marsh says, downtown New Haven is stepping out anew. The Rouse Corp., which most recently replenished South Street Seaport in Manhattan, has contracted to rebuild a downtown shopping mall. Key retailers, such as Macy's, have restated their New Haven commitment.

New Haven's theater district—a critical training ground for not only Broadway plays but off-Broadway talent—has also been overhauled. A refurbished Schubert Theatre is scheduled to open in December, with a new Palace Theatre (formerly the Roger Sherman Theatre) not far behind. Union Railroad Station has been renovated to the tune of $28 million; another $30 million has been plowed into the rebuilding of Yale-New Haven Hospital. Next on the agenda is a similar rehabilitation of the Temple Medical Center.

The list, Mr. Marsh maintains, goes on. Downtown shopping areas adjacent to Yale are receiving new sidewalks; condominiums are sprouting. Not surprisingly, he says, the renewed downtown spirit and renovated space has attracted lawyers, accountants and other professionals.

Just who is behind all this activity? According to Mr. Marsh, Yale University and the Knights of Columbus, whose headquarters are in New Haven, have been particularly helpful. But, he stresses, so have quite a few private investors, whose spirit and commitment to New Haven "is like nothing I've ever seen.

"The town commands a lot of loyalty and caring," Mr. Marsh says. Yale itself boasts an aura of pride and tradition; so much so, Mr. Marsh says, that people who have been associated with Yale, in whatever fashion, will return with families and careers in tow. Yale also contributes a heterogeneous and international flavor to the area, given its far-flung pool of professorial and student talent.

As for neighboring Waterbury—once known as the "Brass Capital of the World"—it too feels happier, but only after some brutal years. Blitzed by the recession, Waterbury has made inroads in broadening its economic base from manufacturing and heavy metals, and has begun sustained downtown redevelopment.

Equally important, the unemployment rate has dropped from its mid-1970s high of 14% to 16%, and now hovers at 5.7%. The drop reflects the city's gradual recovery from the collapse of the heavy metals industry—Waterbury's mainstay.

Hard times were epitomized by Anaconda Corp.'s relocating several of its divisions to suburban Chicago and by other such corporate desertions. Waterbury fought back, however, principally through the formation of the Naughatuck Valley Development Corp., which in one of its more notable coups bought the vacated premises of the Chase division of Century Brass for $1, and renovated it with the help of an Economic Development Agency grant and a grant from the Connecticut Economic Development Agency.

Today, the restored premises are 65% occupied and have created some 700 new jobs.

As for Meriden, it has overcome problems festered by the Meriden Mall's being abandoned by such key tenants as Barker's Discount Store and Stop & Shop supermarket. The good news is in construction, namely a photographic joint venture between Fotomat Corp. and Konishiroku Photo Industry of Japan on Interstate Hwy. 91.

Serving the New Haven market area daily is the morning *Journal-Courier* and the evening and Sunday *New Haven Register*.

The area is also served by three fm and three am radio stations, and a variety of cable programing.

Providence, R.I.

Population '80	618,514
Rank	67
Est. income '82	$7,994,318,000

If Providence has appeared to be left out of the action that nearby Boston has enjoyed over the past several years, then appearances are truly deceiving, said Ken Orenstein, executive director of the Providence Foundation, a development coordinating committee. It's not that nothing had been happening in Providence before,

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Rural area growth tops cities

By David Snyder

A new analysis of the 1980 U.S. Census shows a quiet shift going on in the U.S. population. Rural regions, it seems, are growing faster than metropolitan areas. Many say this flight from urban life has been so unexpected that it has caught a lot of people off guard, including some population experts.

It has hardly surprised Calvin Beale. Mr. Beale, director of population studies at the U.S. Department of Agriculture, spotted the trend in 1970 and is recognized as the first to look into it.

"Almost any adult in the U.S., in any professional capacity, whether it be advertising or marketing . . . lived in a set of decades in which if there was one axiom that seemed to be true, it was that population flowed from rural to urban," says Mr. Beale. "People weren't looking for changes, but any specialized study over the years made it clear that things were going to turn around."

Many of the former city dwellers, the statistics suggest, are young people in search of independence and less structured living. One result is a renaissance in independent entrepreneurial activity in such fields as bed and breakfast hotels and specialty stores. "People are not maximizing income; they are maximizing satisfaction," Mr. Beale says.

The study that reinforces Mr. Beale's theories was released this year by the Rand Corp., which used Mr. Beale's self-styled technique to analyze the 1980 U.S. Census, further spotlighting the nation's new romance with country living. For example, the Rand study showed the rural areas of New Hampshire and a large portion of the Ozark and Rocky Mountain areas were growing at twice the national average, while many metropolitan areas in the same regions were growing at below the national rate.

That Mr. Beale was able to sense a trend so early on only attests to the unique insight he brings to the analysis of population data. In his 30 years of tracking population patterns for the USDA, Mr. Beale has developed unorthodox techniques for pinpointing shifts in rural and metropolitan living that has attracted the attention of business executives seeking more precise methods of market analysis. His methods impress marketers because he looks at the data in terms of integrated social and economic units rather than traditional political boundaries.

His approach disregards accepted geographic boundaries such as state lines when dividing the U.S. into measurable demographic regions. Instead he carves the 50 states into about 500 subregions, each with its own homogenous economic, geographic, cultural and historical characteristics. For broader analysis, he combines the subregions into 26 larger regions. To get a sense of how the 500 subregions should be drawn, Mr. Beale not only relies on census data, but also on studies done by local colleges and universities.

But Mr. Beale's statistical analysis is accompanied by what the Rand Corp.'s population expert, Peter Morrison, calls a "type of observation and insight," which Mr. Beale acquires by traveling to hundreds of the nation's small towns and villages in search of common demographic characteristics and changing population trends.

Over the past three decades Mr. Beale has traveled to more than 1,700 of the nation's 3,100 county seats, talking to local USDA officials, area real estate agents, members of local chambers of commerce and even, on occasion, individual shopkeepers. It's all in his quest for new data for his analysis.

To keep pace with population changes, he travels to about 50 new counties a year. "I still have 1,400 to go," Mr. Beale says.

The technique he devised for use by the USDA to administer government programs is also catching on in the private sector. Following the release of the Rand Corp. study, Mr. Beale's office received dozens of inquiries from corporate marketing departments requesting information about his analysis.

Barry O'Brian, manager of merchandising and planning with Phillip Morris Inc., is looking towards Mr. Beale's technique as a means of breaking down market segments into smaller, more precise units.

"In 1950 it may have been entirely acceptable to look at large blocks of population and group them together, but today that's entirely unacceptable," Mr. O'Brian says.

Most marketing analysts break the entire country into 90 regions, but he adds that the regions are "usually too large to make a statement about the area."

As more people find rural living attractive, Mr. Beale says that he expects a sustained movement into smaller towns and villages.

As for himself, a life-long Washingtonian, Mr. Beale says he has no desire to abandon his urban life style. "The country is a nice place to visit," he says, "but I wouldn't want to live there." AA

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but "now things are visible. There's been a lot of groundwork completed," he explained, which makes the sudden burst of construction and development possible.

The largest of these is the Capital Center Project. The project, said Charlene Hall, executive director of the Capital Center Commission, is an effort to remove the "Chinese Wall" that has cut across downtown Providence since the railroad first ran tracks past the base of the state capitol. It is a $120 million project to relocate the railroad tracks and open 60 acres of prime downtown land for development.

Construction has begun and the track work is expected to be completed in 1984, Ms. Hall said. After that, the Capital Center Commission will supervise the development of the newly opened land. Guidelines for that development have just come into place, she said.

A second major project that promises to open even more area to future development is the newly announced harbor revitalization project, combining city, state and private resources. The harbor project involves 4.5 linear miles of Providence waterfront and, depending upon how far inland you calculate, 100 acres or more of prime waterfront property would be opened for development.

Funding is already in place for highway changes designed to help facilitate access to portions of the waterfront project and eliminate obstacles to waterfront development, noted Mr. Orenstein. One private development, Richmond Square Technology Park, is a $6 million project currently under construction.

The over-all project, expected to take seven to eight years to complete, may generate about $125 million in private development in addition to state, federal and city funds that would be put into the road and harbor work. Parts of the project are to be essentially residential. Other sections, particularly around the downtown area, are targeted for mixed residential and commercial use, while other portions of the project would involve recreational facilities.

While the harbor project and Capital Center are the biggest projects going, there is other development, too. Davol Square is an old rubber factory that has been turned by private developer Rob Freeman into a marketplace similar to Boston's highly successful Quincy Market. The restoration project includes offices and a retail arcade.

LaSalle Square is the last remaining urban renewal project in downtown Providence, noted Stanley Bernstein, director of the city's department of planning and urban development. The city's contribution to the project is an auto-restricted zone and the centralizing of public transportation.

Three private parties have expressed interest in further developing the parcel, which adjoins the Civic Center. Although a similar proposal fell through several years ago, this time Mr. Bernstein expects some sort of hotel-office-parking complex will be completed.

The Civic Center itself is suddenly facing stiff competition from the new civic center in nearby Worcester, Mass., the Centrum. The Providence Civic Center reports a significant drop in rock concerts, in particular, since the opening of the competing facility.

If the Civic Center is finding the going rough, Rhode Island's major banks appear to be prospering. Both the Oldstone Bank and Fleet Financial are building new office towers, and preliminary reports say that leasing is going along quite well, noted Mr. Orenstein.

Over-all, the service sector of the economy is going so well that there is something of an office boom in downtown Providence, added Ms. Hall. Rhode Island's service economy is doing very well with banks, insurance companies and advertising agencies showing significant growth.

The weakness, conceded the latest official report, is with the industrial sector. For instance, the anticipated boom along the Rhode Island coast to service offshore oil drilling in Georges Bank has failed to materialize as test wells have come up dry.

Tourism was up this past summer as beautiful weather and the America's Cup races brought visitors to the Rhode Island coast, but tourism won't replace the kind of economy that an oil industry would have generated, report local businessmen. And now even the America's Cup race won't be returning to Rhode Island, since the cup has been lost to Australia.

Providence has two daily newspapers, two network tv affiliates (plus one affiliate in New Bedford, Mass.), one independent station and one public broadcasting station. In radio, Providence has seven am and six fm stations, plus others in nearby towns. Additionally, it has two cable tv services, plus many others serving nearby towns and counties.

Springfield, Mass.

Population '80	515,259
Rank	83
Est. income '82	$5,085,049,000

Five years of construction and urban renewal in downtown Springfield, Mass., are finally paying off. "We're seeing the results of over one-quarter of a billion dollars in investment," said Gerald Hayes, vp, economic development with the Springfield Chamber of Commerce.

Those developments include One Financial Plaza, for Bank of Boston; Center Square, for the Springfield Institution of Savings; a new federal building and court house; a new downtown parking facility and a home for the area's resident theater company; State West; Morgan Square apartments; the rehabilitation of five buildings along Main St., and renovated Symphony Hall.

It's about time, said a lifelong Springfield businessman who watched the city's downtown deteriorate for years as business fled to suburban shopping malls. The revival began several years ago with Baystate West, a retail and office center including a Marriott Hotel. That project stood alone, however, as the downtown continued to deteriorate. One of the two remaining major retailers, Forbes & Wallace, finally went completely out of business, its building standing empty.

Now a $50 million project is slated for the Forbes & Wallace property adjoining Baystate West, situated in the center of all the new development. Included in the development are plans for a 300-room Sheraton Hotel.

Following Baystate West was the new Springfield Civic Center, but the facility continues to struggle. "It appears to be living on rock concerts and wrestling," noted an advertising executive at Springfield-based Milton Bradley Co. Unfortunately, as far as rock concerts go, the opening of The Centrum, Worcester's new civic center about 40 miles away, has attracted quite a bit of that business as well. The Springfield Indians use the facility for semipro hockey, but the National Hockey League Hartford Whalers play only 30 miles south, directly along Interstate Hwy. 91.

The Civic Center "is doing reasonably well," said Mr. Hayes, "although it is not in a profit mode." Basketball, however, may help the Civic Center. The Tip-Off Classic opens the college season and is held at the Civic Center, as are the finals of the National Collegiate Athletic Assn. Division II basketball tournament each spring. Another event, the Hall of Fame basketball game, brings two National Basketball Assn. professional teams to town for an exhibition game that caps a week of events and festivities.

In fact, the Basketball Hall of Fame will be moving to its new site in downtown Springfield, along the Connecticut River. Previously, the national attraction had lived in relative obscurity on the campus of Springfield College, where the game was invented. The new location of the Hall of Fame is expected to generate increased tourism in the city's center.

Combined with the environmental restoration of the Connecticut River and the creation of Riverfront Park alongside Interstate 91 in downtown Springfield, visitors will have more recreational activities to choose from. Heritage Park, part of a statewide system of urban parks, is also planned for the same area.

Industry is making a comeback inthe area. A major Digital Equipment Corp. facility on the old Springfield Armory grounds employs approximately 1,000 people. Relocating from Atlanta to Springfield is Sewell Plastics, added Mr. Hayes.

To accommodate anticipated industrial activity, three new industrial parks are being developed.

Meanwhile, to boost further interest in the city, a two-year promotional effort has been launched. The theme of the multimedia campaign is "Downtown Springfield. We've got it all together." The campaign is being funded primarily by Massachusetts Mutual Life Insurance, Albert Steiger Co. (the remaining major downtown retailer), the Springfield Institution For Savings and the Fontaine Construction Co.

The city will have a new mayor, Ritchie Neal, and the chamber of commerce is optimistic that under his new administration the momentum of development will continue.

Springfield is served by three tv stations, 12 radio stations (five of them am), two weekly papers, two daily newspapers—the *Springfield News* in the evening and the *Republican* in the morning—and Continental Cablevision of Springfield.

The markets that stand above the crowd

Source: Marketing Economics Institute, New York

Power in numbers

Fastest-growing markets in total population 1982 vs. 1977

	MSA/PMSA	Population (000)	% growth 1/1/83 vs. 4/1/80
1	West Palm Beach-Boca Raton-Delray Beach, Fla.	647.2	12.9
2	Las Vegas, Nev.	509.5	10.3
3	Houston	2,994.5	9.5
4	Fort Worth-Arlington, Tex.	1,062.9	9.2
5	Austin, Tex.	583.7	8.8
6	Orlando, Fla.	760.1	8.5
	Tampa-St. Petersburg-Clearwater, Fla.	1,751.6	8.5
8	Fort Lauderdale-Hollywood-Pompano Beach, Fla.	1,095.8	8.1
9	Miami-Hialeah, Fla.	1,756.3	8.0
	Riverside-San Bernardino, Cal.	1,681.0	8.0

With dollars to spend

Markets with the highest median disposable income per household

	MSA/PMSA	Disposable income (000)	Households	Median income per household
1	Nassau-Suffolk, N.Y.	$32,572,045	829.9	$32,538
2	Bridgeport-Stamford-Norwalk-Danbury, Conn.	11,067,409	287.7	31,395
3	Middlesex-Somerset-Hunterdon, N.J.	10,933,311	303.3	30,762
4	San Jose, Cal.	19,958,376	487.9	30,053
5	Lake County, Ill.	6,012,925	143.9	29,569
6	Washington, D.C.-Md.-Va.	44,889,437	1,223.2	29,505
7	Anaheim-Santa Ana, Cal.	29,158,500	745.6	28,756
8	Oxnard-Ventura, Cal.	6,996,341	185.0	28,134
9	Houston, Tex.	37,435,660	1,082.5	27,802
10	Bergen-Passaic, N.J.	15,487,863	466.5	26,758

Retail performers

Markets with the highest index of retail sales to disposable income

	MSA/PMSA	Retail sales (000)	Index
1	Atlantic City, N.J.	$ 2,426,641	162
2	Portsmouth-Dover-Rochester, N.H.	2,095,261	159
3	Los Angeles-Long Beach, Cal.	39,485,443	149
4	Corpus Christi, Tex.	2,141,225	148
5	Indianapolis, Ind.	7,694,993	139
6	Albuquerque, N.M.	2,442,295	132
	Johnson City-Kingsport-Bristol, Tenn.-Va.	2,023,864	132
8	Orlando, Fla.	4,456,693	128
9	Tucson, Ariz.	3,137,799	127
10	Fort Worth-Arlington, Tex.	6,467,094	125

Note: Index determined by dividing market's percentage of U.S. retail sales by its percentage of U.S. income.

Cashing in

Fastest-growing markets in retail sales, 1982 vs. 1977

	MSA/PMSA	Retail (000)	% growth '82 vs. 77
1	Atlantic City, N.J.	$2,426,641	118.3
2	Corpus Christi, Tex.	2,141,225	104.2
3	Portsmouth-Dover-Rochester, N.H.	2,095,261	102.9
4	Fort Worth-Arlington, Tex.	6,467,094	98.3
5	West Palm Beach-Boca Raton-Delray Beach, Fla.	3,852,603	97.6
6	Orlando, Fla.	4,456,693	95.9
7	Tucson, Ariz.	3,137,799	89.3
8	Houston	19,048,951	89.2
9	Beaumont-Port Arthur, Tex.	2,432,374	83.0
10	Fort Lauderdale-Hollywood-Pompano Beach, Fla.	6,835,579	79.8

Middle Atlantic

Albany-Schenectady-Troy, N.Y.

Population '80	835,880
Rank	55
Est. income '82	$7,551,154,000

The Albany, Schenectady and Troy area is a market where the old is giving way to the new in the midst of slow, steady growth.

The market, dominated by Albany, New York's state capital, and the industrialized cities of Schenectady and Troy, is at the confluence of the Mohawk and Hudson rivers. Immediately to the north are the Adirondacks; looming to the south are the Catskills.

The area, which grew only 3% in population in the past decade, has undergone major political and media changes recently, including a new mayor in Albany, a power position in that city's political structure and wholesale changes in media ownership.

Albany's longtime Mayor Erastus Corning died last summer after serving for more than 40 years. He was succeeded by Thomas M. Whalen III, president of the city council.

Mayor Whalen's policies essentially have followed those of his predecessor, whose Democratic political machine was characterized in most quarters as benevolent.

Ownership in the broadcast industry in the Albany market could be likened to a game of musical chairs. WRGB of Schenectady, once NBC's oldest affiliates, switched to CBS in September, 1981, after being courted for some time by CBS.

General Electric sold WRGB this August to Unicom Inc., which includes former CBS president John D. Backe among its investors. GE also sold its two local radio properties, WGY (am) and WGFM (fm), to Sky Communications in September.

When WRGB switched to CBS, the CBS affiliate at the time was WAST-TV, owned by Viacom International. WAST became the NBC affiliate and changed its call letters to WNYT.

Employment in the area is heavily tied to state government, which accounts for half of the 97,900 local, state and federal government employes monitored by the state's Department of Labor in the five-county Albany market. The unemployment rate was 6.7% in September, compared with 6.8% a year ago.

The slight improvement is attributable to a healthy nonmanufacturing sector, including finance, insurance, real estate and transportation.

The state government, on the other hand, could take little credit. In May, it laid off 3,600 workers in the Albany area and 9,900 statewide.

One company that has been hiring is Coleco Industries, which has a home computer manufacturing plant in Montgomery County near Amsterdam. Ford Motor Co. is rehiring for its assembly plant in Green Island in Albany County.

General Electric Co., however, has dropped 1,500 this year from its payroll in its giant Schenectady operation, effecting a rise in unemployment from 6.4% in midyear 1982 to 8.2% a year later in that city.

Most construction in the area is taking place in and around Albany. Crossgates Mall, located on the border between Guilderland and Albany, is scheduled to open in March, with anchor stores: J.C. Penney, Caldor, Filene's and Jordan Marsh.

Tentative plans at Colonie Center, now the area's largest shopping center, located several miles northeast of Crossgates, call for the expansion of Macy's and the addition of an unnamed major department store and a mall section for small shops. Expansion plans would bring total square footage to 1.2 million.

Also in the Colonie area, located near Albany County Airport midway between Albany and Schenectady, construction is under way on a 300-room Marriott hotel.

Albany County officials also have proposed a convention center in the Colonie corridor. Construction is to be completed June, 1984, on City Center, a convention center with a 2,500-seat auditorium in Saratoga Springs, about 35 miles north of Albany.

In Schenectady, 16 miles northwest of Albany on the Mohawk, work continues on the Plaza 400 downtown revitalization project. Supported by public funds, the program primarily involves facade improvement in a three- to four-block sector.

Proctor's Theatre, just off Canal Square street mall in downtown Schenectady, continues to get a new facelift.

Built by vaudeville king F.F. Proctor for $1.5 million in 1926, Proctor's just completed a $1 million fundraising drive that is helping to finance construction that includes two new marquees—both patterned after original signage—and an orchestra pit with an hydraulic lift for a new Wurlitzer organ.

One of the big industries in Troy, located on the opposite side of the Hudson River from northern Albany, is Rensselaer Polytechnic Institute (RPI), which has begun to attract industry to the area as part of its new three-part program to bring together academia and corporate America.

National Semiconductor recently just moved to Rensselaer Technology Park, where 130 out of a planned 400 acres are developed. The total acreage at the industrial park south of the campus on the bank of the Hudson is 1,200, most of which will remain recreational. RPI faculty serve as consultants for a number of companies in the park.

An old-fashioned newspaper war is looming in southern Saratoga County among Hearst Corp.'s combined morning *Albany Times-Union* and evening *Knickerbocker News*, the evening *Troy Times-Record*, the morning *Schenectady Gazette* and Gannett Co.'s much smaller evening *Saratogian*.

The aggressors in the war are the Albany papers, which just set up a news bureau in Ballston Spa south of Saratoga Springs.

Besides the tv stations and newspapers, the area is also served by three cable companies and eight am and eight fm radio stations.

Allentown-Bethlehem, Pa.-N.J.

Population '80	635,481
Rank	66
Est. income '82	$6,374,559,000

Billy Joel's hit song "Allentown" put the Allentown-Bethlehem-Easton area on the map as a symbol of smokestack America being left behind in a rapidly changing world economy. But the city fathers in the Lehigh Valley are not passively waiting for an economic miracle.

Drawing on the already strong apparel-manufacturing base in the area, Bethlehem is hoping to transform idled Bethlehem Steel manufacturing facilities on the south side of town into a manufacturers' outlet shopping district similar to the thriving outlet center in Reading, Pa.

Last summer, the city brought in consultant Iris Ellis, who specializes in such projects and who gave the concept favorable prospects for success. Now the city is searching for a developer and is ready to help with financing and site improvements.

Allentown, whose fate historically has been tied to Bethlehem Steel and Mack trucks, has made steady progress in diversifying its economic base. Particularly promising is Bell Labs' plan to build a $100 million high-tech facility in Lehigh County.

Bell Labs is now in the process of buying land from the county, and the project should take four to five years to complete, initially employing several hundred and eventually providing jobs for more than 1,000.

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tracting small businesses, such as Chocolate Cornucopia, a marketer of candy molds for the consumer market, which opened a manufacturing facility in Easton in July. To boost its efforts to nurture small business, Easton is counting on the Ben Franklin Partnership—a state-sponsored program centered at Lehigh University.

The program, one of four Ben Franklin projects in Pennsylvania, aims to attract new business through state funding matched by private contributions and donation of services. In Easton, $5 million in public and private funds will be used to develop a small business incubator, giving new enterprises low-cost space and other assistance during the startup phase.

The efforts to build new economic strength in the Lehigh Valley come in response to a recession that hit the area hard, with unemployment in the first half of 1983 going as high as 16% before stabilizing between 10% and 11% this fall. Bethlehem Steel, which has its headquarters in Bethlehem and several manufacturing facilities in the area, suffered a $1.4 billion loss in 1982, but a substantial portion of that reflected writeoffs for closing its Lackawanna, N.Y., facility. No further major plant shutdowns are expected at Bethlehem.

Meanwhile, the city of Bethlehem is trying to market, through Philadelphia-based Jackson Cross Realtors, a two-acre vacant site across from the recently completed 50,000-sq.-ft. Butz office building downtown.

Plans are for the site to be a mix of office, retail and first-class residential space. And at Bethlehem Business Park, a 100,000-sq.-ft. building is under construction for Guardian Life Insurance, which relocated its headquarters to Bethlehem from the New York area.

Bethlehem's downtown center doesn't have a strong retail trade, being eclipsed both by suburban malls and by Allentown, which 10 years ago converted a four-block section of its downtown core into a mall with canopy-covered sidewalks and two anchor stores: Leh's, a local department store, and a five-story Hess', the first department store in that chain. But Allentown, too, is feeling the pinch of competition from the malls, the biggest of which is the Lehigh Valley mall to the north of the city.

In fact, one of the major construction projects in downtown Allentown is the conversion of the former Zollinger-Harnett department store into office space. Most of the construction in the area, however, is taking place in Lehigh Valley Industrial Park, where local developer August Zumas is constructing a 102,500-sq.-ft. office building, and Burron Medical (a manufacturer of surgical and medical equipment and a major local employer) is slated to begin construction of a 140,000-sq.-ft. plant in April, 1984.

Since 1980, Allentown has also seen the addition of two hotels: An 80,000-sq.-ft. Sheraton in Hanover Township and a $13 million Hilton hotel and conference center downtown. And in 1981, both Keebler and Pet Foods opened manufacturing plants in the area.

Easton, in addition to trying to nurture new small businesses, is working to make the area more attractive for existing businesses. City officials are trying to attain port-of-entry designation for Easton to help local companies that serve international markets—such as Binney & Smith, the Crayola crayon manufacturer headquartered in Easton, and Ingersoll-Rand, a producer of mining equipment. The port-of-entry designation would allow companies to purchase goods abroad, assemble them in the Lehigh Valley and ship them out again at advantageous rates from the Allentown-Bethlehem-Easton airport.

The newspapers in the market are the *Allentown Morning Call* and the *Morning Call Weekender*, along with the *Bethlehem Globe-Times* and the *Easton-Wilson Express*, serving daily. The area is serviced by two network tv affiliates, an independent and a noncommercial public educational station, eight fm and six am stations, and receives cable through Service Electric Cable TV and Sammons Communications.

Bergen-Passaic, N.J.

Population '80	1,292,970
Rank	31
Est. income	$15,487,863,000

Bergen County has remained a reliable alternative for businesses that want to be in the metropolitan area, but not in New York City.

Neighboring Passaic County has successfully survived the economic tide that swept industry southward in the 1950s and 1960s.

Located almost halfway between Boston and Washington and only miles from New York City, these counties share a strategic position that is enhanced by excellent transportation networks and a ready labor force.

Bergen County is the home of more than 3,000 corporate headquarters, most of which were lured to the former farmland by advantageous tax policies and pleasant suburban living.

Passaic County has recently been rediscovered by the business community. It is emerging as a viable commercial center. Taken together, two developments in Little Falls provide 65,000 sq. ft. of retail and office space.

Passaic developers, now building with an eye to energy conservation and environmental consideration, have impressed commercial interests with reasonable rental rates.

Both counties show a rise in taxable property for 1982. According to the state treasurer's office, Bergen property is valued at $31.4 billion, an increase of $2 billion from the previous year. Passaic's increase is listed at $461 million, for a total valuation of $9.6 billion. Bergen defied recessionary trends of the construction industry in 1981, when it issued 1,821 building permits, 511 more than it did in 1980.

The 1980 census revealed a population drop of 64,960 for the area since 1970. The median age is 34.8. Retail sales for the area topped $7 billion last year, $5.25 billion of this figure coming primarily from the shopping centers of Bergen County.

Pilot projects to preserve Passaic County's inner cities have begun to take effect. Older factories are being used for light industry and compact industrial parks. The quality of life in Paterson and Passaic, both former silk and mill centers, has taken on an international flavor with the accent on Hispanic culture. The cities' shopping areas are beginning to lose their shabby appearance, but they do not compete with the high fashion shopping centers beyond the city limits.

Development in the Meadowlands sports complex at the southern tip of Bergen County has already assumed explosive proportions. Called the most valuable piece of real estate in the world, it envelops 20,000 acres. The $360 million complex is home base for professional football, soccer, ice hockey and basketball teams. Harness and thoroughbred racing share a track.

The Hackensack Meadowlands Development Commission regulates planning and construction for the area once known as "swampland." Six residential developments, shopping, cultural and health facilities are to occupy 3,000 acres here, while 1[illegible]00 acres have been reserved for industrial, commercial and transportation use. Corporate and industrial growth has already begun as high-rise building competes with New York's skyline.

The Meadowlands is expected to be a resource for the 19 million people who live in a ring around it. Along with other parcels of land in the Bergen-Passaic region, it combines land and land reuse with imagination and design to provide the optimum benefit to the residents.

The area's growth stems from an apparent cosmopolitan approach among planners and people who live here as much as to a renewed pride in the state itself. Because growth has enabled a variety of economic and cultural facilities to find a home in Bergen and Passaic counties, residents agree that New York is still a nice place to visit, but only occasionally.

The Bergen-Passaic market is served by the evening *Herald-News* in Passaic and the evening *Record* in Bergen County. A variety of cable services are available, and the market has several radio stations, in addition to the radio and tv signals from the nearby New York market.

Buffalo, N.Y.

Population '80	1,015,472
Rank	40
Est. income '82	$8,916,002,000

The 1982 recession year hastened the decline of Buffalo's steel and auto industries. At the same time it accelerated the growth of its financial services, high technology and education sectors.

Two major employers, Bethlehem Steel Corp. and General Motors Corp., announced plant closings that affected thousands of workers. Other smaller industries went bankrupt or curtailed production and employment.

Yet other sectors prospered. Two regional savings banks became large, multistate thrifts. The University of Buffalo emerged as a major research center, and the computer boom brought prosperity to new companies.

At Bethlehem's Lackawanna plant, the end of basic steelmaking in 1983 meant permanent layoffs for 7,300 employes. The plant, once the world's third largest steel facility, will shrink to two finishing operations employing 1,300; at one time it had 22,000 employes.

State officials estimate the shutdown could affect as many as 8,000 jobs in related industries.

Republic Steel Corp. mothballed its Buffalo plant in 1981. Analysts predict the 2,500-worker plant will be permanently closed or sold when Cleveland-based Republic Steel combines with LTV Corp.'s Jones & Laughlin Steel subsidiary.

General Motors Corp. announced in June that it will close its foundry in Tonawanda, a decision that will affect 2,200 workers and could cause problems for the nearby Chevrolet Motor plant, which employs 3,000. GM now employs 16,000 in the area, with 3,100 remaining on layoff.

Ford Motor Co.'s stamping plant, which will make parts for Ford's new Tempo/Topaz models, has shaken off the recession's effects and now employs 2,700, with another 900 on layoff.

Several chemical and energy businesses also have suffered. Mobil Corp. closed its 250-employe refinery in 1981, and Ashland Oil Co. closed its 300-employe Tonawanda refinery in 1982. The Carborundum Co. restructured its Niagara Falls operations, closing one abrasives plant and selling another. Carborundum, with 2,000 employes in the area, has lost 1,250 jobs since 1982. With plans to concentrate on high technology materials and processes, Carborundum opened a $700,000 microcircuit plant in 1983 and announced it will spend $7.7 million on advanced ceramics development.

While heavy industries faltered, two Buffalo savings banks progressed. Acquiring more than a dozen banks in four states, they emerged as industry-leading thrifts prepared for the coming of national banking.

Buffalo Savings Bank changed its name to Goldome Bank for Savings. Its $10.2 billion in assets, New York and Florida banking network and national subsidiaries made it the country's second-largest savings bank. It recently opened a $55 million headquarters on Main St., and announced plans to go public in 1984.

Erie Savings Bank, now Empire of America FSA, increased its assets to $6.7 billion through mergers with banks in Florida, New York, Texas and Michigan. Empire, whose Metroteller electronic banking subsidiary is the nation's largest, in October opened the first four of 80 financial service centers that will sell real estate, insurance and securities. Empire is also planning to go public.

Main St.'s revitalization has been aided by Goldome's new headquarters, the new $16 million Norstar building across the street and the adjacent 400-room Hyatt Hotel, a $38 million project that is nearing completion.

The area surrounded by the three buildings has been designated Fountain Plaza, but that plaza will be just one part of a 1¼-mile, $42 million pedestrian mall that will be served by a 6.4-mile rapid transit line now nearing completion.

The mall has won federal and state funding approval and is being designed.

The University of Buffalo is becoming a major research center, which UB officials say will boost the area's high technology sector. UB is preparing a state-funded medical instruments research center, which has received $1.7 million in private research contracts.

The Calspan Advanced Technology Center has agreed to run another research laboratory with UB in Calspan's Cheektowaga plant. Calspan

American Segments, II

Headquarters: The right sites

Cities with most Fortune Service 500 head offices

		No. of headquarters
1	New York	62
2	Houston	21
3	Los Angeles	19
4	Chicago	18
5	Dallas	16
6	San Francisco	12
7	Boston	9
	Hartford	9
	Philadelphia	9
10	Atlanta	8
	Minneapolis	8

Source: *Fortune*, June 13, 1983

Paramus claims mall leadership

By Madelyn McCoy

There is one secret that Macy's couldn't keep from Gimbels. And it's apparent to everybody in northern New Jersey. Paramus, once an open-field community in Bergen County, has made inroads at stealing New York City's thunder by becoming a mecca for shoppers. It is the shopping mall capital of the world, or at least that's what its boosters like to call it.

Five major shopping centers dominate Paramus, and all lie within a five-mile radius of the center of Bergen County. Each of these malls feature one or more of the most prestigious names in retailing. These are stores that followed their customers when they moved across the Hudson River from New York City, Brooklyn and the Bronx during the post-World War II exodus.

The malls each sport a distinctive personality, but all exude an air of the affluence. Riverside Square boasts Bloomingdale's and Saks Fifth Avenue. B. Altman and Lord & Taylor anchor the Fashion Center, while Abraham & Straus and Sears attract middle-income shoppers to Paramus Park.

Older malls compete successfully for customers. Sterns Bros., which long ago closed its New York City doors to concentrate on the suburban market, is the major retailer at Bergen Mall. Across the highway, but connected by a walkway, is Caldors, retailing's new kid on the block.

The first mall to come to Paramus is located at the cloverleaf intersection of Routes 4 and 17, two highly trafficked highways close to the Garden State Parkway. Here, at Garden State Plaza, Gimbels competes with Bambergers, a member of the Macy family and New Jersey's largest department store chain.

Three of the malls have close to 100 stores; one has 110 stores. Many are branches of specialty stores that once graced main streets in the more affluent towns in Bergen County.

Retail sales figures for Bergen County, certainly helped by these malls, are staggering. Sales in 1982 reached more than $5.25 billion. Per household retail sales in the county top $12,000 a year.

Shopping in Bergen is not limited to the residents, however. Customers flock to Paramus from Westchester and Rockland counties in New York, from New York City and from Hudson, Essex and Passaic counties in New Jersey. The lure for New Yorkers is free parking. But more important is that New Jersey does not place a sales tax on clothing, as does New York.

Within this setting, mall promotions abound, and a number of malls maintain permanent attractions for the customers. One has a resident theater, another an international food bazaar. By the time the mall closes at 9:30 p.m., the air has become permeated with a multinational aroma.

Major department stores vie for the shoppers' palates with myriad mall restaurants. Many specialize in one form of cuisine or another. Crepe restaurants are popular.

Mall retailers are not the only people who experience the pleasant ring of the cash register in Paramus. The highways that lead to the malls are edged with a large number of specialty stores that attract buyers with advertised specials or unique merchandise. Many are discounters; they feature identical brands at lower prices. Others carry a larger assortment of a single item, carpeting, for example.

Shoppers need cars to get to Paramus, and car shoppers can probably find their dream car there. Auto sales in Bergen County total $700 million yearly, and many of the dealers are located on Routes 4 and 17, in Paramus. Bergen County dealers outsell car dealers in 15 states.

Still, it is not surprising that shopping malls have been good to the taxpayers of Paramus. The municipality enjoys a low tax rate, even though it has also experienced enormous residential growth, which requires necessary but expensive services and schools.

And Paramus continues to draw shoppers to its boundaries. Even the $100 million shopping center planned in the Meadowlands, located at the southern end of Bergen County, does not dampen the enthusiasm of retailers in Paramus.

Madelyn McCoy is executive editor of Worrall Publications, Maplewood, N.J.

will contribute $3 million to the 30-man laboratory.

UB in October announced a $1.1 million gift to build a research center near its Amherst campus. The university also is constructing three academic buildings worth $20 million on that campus. The Main St. campus is being transformed into a health sciences center, with three construction projects worth $68 million.

Buffalo lost a newspaper in 1982, when the morning *Courier-Express* ceased publication. Its competitor, the *Buffalo News*, added a morning street edition. The *Niagara Gazette* in Niagara Falls switched from evening to morning publication.

The market is also served by five tv stations, five cable tv services, 11 am and 11 fm radio stations.

Harrisburg-Lebanon-Carlisle, Pa.

Population '80	555,158
Rank	76
Est. income '82	$5,776,548,000

As a former railroad town that survived the demise of that industry, as well as the closing in the mid-1960s of a large Air Force base that had been considered vital to the local economy, Harrisburg is a city with a good track record for making the best of a bad situation. Its current challenge is to transform the downtown section into an attractive cosmopolitan hub for regional development in central Pennsylvania.

The city's efforts toward that end are aided by the employment stability Harrisburg enjoys as the state capital. The Commonwealth of Pennsylvania has 37,000 employes, and trade associations, lobbying groups and a large government-associated professional community have helped keep the city relatively insulated from the recession, which devastated much of the state.

Harrisburg's unemployment rate at the end of 1982 was 6.2%; by the fall of 1983 it had edged up to 6.7%, but historically there has been little fluctuation in the rate. It has usually been below the national average.

Other major, equally dependable employers in the area are the U.S. Naval Supply Depot, which employs 6,000; the New Cumberland Army Depot, with 3,000 employes, and the U.S. Army War College, the army's premier strategy school.

The problem now is that much of the residential, retail and—recently—office development, has taken place in the suburban areas, particularly the West Shore, leaving downtown Harrisburg deserted after 5 p.m., when government offices close.

That poses a problem for regional development groups, which are striving to further diversify the economic base by attracting new businesses to the three-county area; Dauphin County, home to Harrisburg; Cumberland County, which contains the growth-oriented West Shore, and Perry County, which doesn't have a traffic light within its borders.

One Harrisburg businessman said many prospective clients are interested in locating within the region until they see the downtown area, which desperately needs more retail development, cultural facilities and other amenities to "bring people to the center city and keep them there."

Some progress has been made, particularly in Harristown, a large sector of the downtown area south of the capitol complex targeted for a $500 million development program. The idea is that construction of two or three big anchor buildings would spark other private development in the area. Thus far, two important components have been completed. One is 333 Market Street, which houses the state's education department, other offices and specialty retailers on the ground floor. The other is Strawberry Square, which contains two floors of retail space topped by offices.

Pomeroy's, a local department store with a main branch downtown and a tie-in to Strawberry Square, is the only major retailer in town. But the Strawberry Square shopping center has touched off early stages of a retail revival of smaller shops along adjacent side streets, which had been lined with boarded-up storefronts.

Nevertheless, the major retail activity is still concentrated in the Harrisburg East Mall and the West Shore's Capital City Mall, where Hess's, a Pennsylvania-based department store chain, serves as the anchor store for both.

Other segments of Harristown that have yet to get off the ground are a convention center-hotel complex (which has been caught in political infighting over selection of a developer) and a third state office building, the construction of which is tied to a go-ahead on the convention center-hotel. Currently, the only major convention facility in the area is the Hershey Lodge and Convention Center, in nearby Hershey, headquarters of Hershey Foods Corp. and Hershey Entertainment and Resort Co.

Elsewhere, another important step toward improving Harrisburg's image is being taken. Site work has been done for a new airport terminal, which is now in the design phase. Major ongoing or planned construction and renovation in the Harrisburg area include:

- Construction of a 200,000-sq.-ft. headquarters building on the West Shore for Pennsylvania Hospital Insurance Co. The project began this fall and is scheduled to be completed in 1985.
- Expansion and renovation of Harrisburg Hospital at a cost of $20 million. It joins Hershey Medical Center (a research and teaching hospital affiliated with Penn State University) as one of the area's top employers.
- Construction of a new 155,000-sq.-ft. engineering and design complex for AMP Inc., a manufacturer of electronic components, which employs 5,500 people and has 26 facilities already in the Harrisburg area.

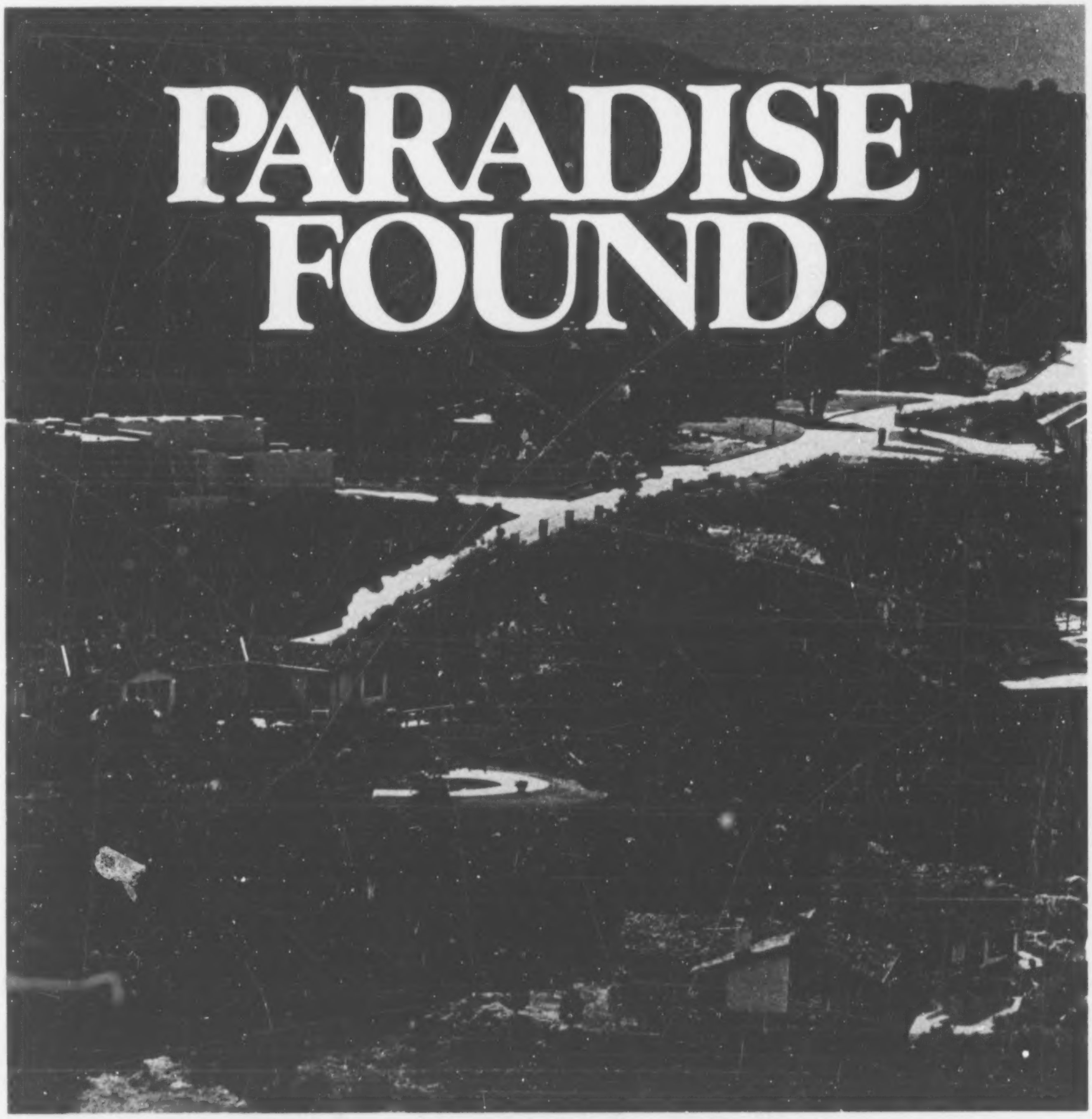
In the last three years, the city has succeeded in bringing in some new businesses. Tru-Temper Hardware relocated its national headquarters from Cleveland to Harrisburg, and American Waterworks Service Co., which owns several water systems in the state, located its headquarters in the area. Also, Owens Corning is taking over an old Libbey canning plant on the West Shore to produce Fiberglas building products.

Harrisburg has two daily newspapers and one weekly. The area is served by seven am and seven fm radio stations, five tv stations and eight cable tv services.

Jersey City, N.J.

Population '80	556,972
Rank	75
Est. income '82	$5,847,491,000

A seven-minute train ride from downtown Manhattan, Jersey City stands next in line to benefit from New



Santa Clara County holds the richest 1.4 million consumers in Northern California.

Fifty miles south of San Francisco lies a marketer's dream, the San Jose MSA (Santa Clara County). Its 1.4 million residents live in the center of what may be the largest concentration of New Money in America, money from high technology.

The average Santa Clara household earns the richest EBI of any metro area in Northern California. That's $33,051 of spendable income per household[2]

Last year, Santa Clara County residents spent over $8 billion among their local retailers with remarkable amounts concentrated in the medium and high priced lines[3]

The only way to reach this seller's paradise effectively is with the Mercury News. The Mercury News reaches metro San Jose's New Money—52% daily, 5-issue reach 67%. The San Francisco Chronicle/Examiner barely reaches 11% on a good day[4]

So if you're looking for sales, look for the people with money to spend. California's New Money is in the San Jose MSA (Santa Clara County). That's why the Mercury News produces such heavenly results.

THE SAN JOSE MERCURY NEWS

Reaching Northern California's richest million people!

[1]Based on average household EBI, California Metro Markets. [2&3]Sales and Marketing Management Survey of Buying Power, 1983. [4]San Jose "Continuing Market Study," 1981/82, Belden. Represented by KNIGHT-RIDDER NEWSPAPER SALES.

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York City's economic growth, as neighboring Hoboken already has. Like many cities in the Northeast, the state's second largest municipality's manufacturing base has dwindled, and its unemployment rate stands at 11%.

But today its abandoned buildings and undeveloped property—particularly its waterfront vacated by the railroad years ago—are considered prime real estate.

As a result, Jersey City is deluged with massive, billion-dollar commercial, industrial and residential development projects.

Developers call it a boomtown; New Jersey's Sen. Bill Bradley has claimed, "Jersey City has the greatest potential of any city in the East."

Mayor Gerald McCann, a conservative, pro-business Democrat and a Reagan supporter, can also be credited in part for wooing Manhattan businesses hunting for less-expensive office space, as well as private developers seeking to cash in on the New York area's unrelenting condominium craze, in which increasing numbers of young professionals are switching from renting to buying.

This year the city was awarded a $40 million Urban Development Action Grant—the largest ever awarded—for the first phase of Harbor City, a $2 billion development project along the city's northern waterfront.

The grant is to be used to help build roads and sewers on the 200-acre tract of land, demolish old buildings and build a new parking garage.

The project, sponsored by the city and three private development companies, comprises a 750,000-sq.-ft. shopping mall, 1,000 residential housing units and 500,000 sq. ft. of office facilities.

Another major waterfront development is Harborside Terminal, an abandoned refrigeration warehouse that is being converted into 2.3 million sq. ft. of office space.

Harborside is one of the world's largest privately owned waterfront properties.

Harborside's first tenant, Bankers Trust of New York City, is moving its entire data processing center. It is expected to have 150 to 250 employes.

To prepare the city's unemployed with skills demanded by the inflow of such high-tech service businesses from New York, Jersey City's Private Industry Council, with $2 million of federal funds, has planned several employment and training programs, which include teaching computer skills, according to director Anthony Corsi. Jersey City intends to become a home for the "back office" operations of New York's financial houses.

Citibank is moving into Journal Square, the first office construction in 50 years in Jersey City's central business district. The 15-story office tower is being renovated to offer 100,000 sq. ft. of new office space, with a panoramic view of Manhattan.

Plans are under way to link Journal Square into a fiber optics network, under the development of the Port Authority and Merrill Lynch & Co.

The cable would link earth station satellite dishes located in Staten Island to Manhattan's World Trade Center, passing through Journal Square.

Developers hope that the opportunity to link up with the Teleport Satellite Communication Center at Journal Square will attract growing, data-intensive businesses to the area.

Hamilton Park Condominiums, one of the first certified historic restorations in Jersey City, comprises 86 residential units produced from 13 three and four-story buildings.

Using federal funds, the Jersey City Redevelopment Agency condemned the 13 buildings facing Hamilton Park and sold them to a developer for $470,000. The studios, about 520 sq. ft. in size, start at $35,000; one-bedroom apartments cost $62,000.

Two blocks east of Hamilton Park is a group of historic, 80-year-old buildings known as Betz Brewery. The brewery is eight contiguous abandoned brick warehouses ranging from three to five stories high, containing approximately 300,000 sq. ft. of floor space and 20,000 sq. ft. of vacant land. The brewery sold for $720,000 and is being converted into 195 rental units, a project that is costing $12 million.

Nearing completion is the Montgomery Gateway Project, a redevelopment of 100 acres of downtown Jersey City through rehabilitation of 220 residential units, new construction of 420 residential units and construction of nearby commercial and recreational space.

Still on the drawing boards are the Droyers Point, Caven Point and—perhaps most ambitious of all—the Exchange Place extension projects. Droyers Point, which offers 90 acres for residential development overlooking Newark Bay, is only minutes away from the New Jersey Turnpike. The site now holds Roosevelt Stadium and a marina.

Caven Point encompasses 132 acres of undeveloped public land, suitable for commercial and residential waterfront development. Proposals include development of 1 million sq ft. of midrise office space, 700 units of housing and a 500-room hotel.

The Exchange Place extension project envisions the development of 16 acres—14 of them underwater—for commercial development. The underwater property, which would extend the downtown commercial district at Exchange Place right into the Hudson River, nearly became the new home of the American Stock Exchange in 1977. Market and geotechnical analyses are being prepared to determine the extent of the site's development potential.

Media orginating from Jersey City include an afternoon daily (not published Sunday) and one weekly newspaper; a cable tv franchise is being litigated.

Middlesex-Somerset-Hunterdon, N.J.

Population '80	886,383
Rank	49
Est. income '82	$10,933,311,000

Middlesex County, says a spokesman for the county's planning board, is in the midst of transition. A moribund manufacturing economy has been replaced by a thriving service base.

One major recent development, for instance, was Merrill Lynch's move to set up offices in the county. In addition, Johnson & Johnson, which already has a major office complex, is reportedly considering the construction and development of another.

In the middle of this activity is New Brunswick, the seat of Middlesex County standing on the south bank of the Raritan River. It is the home of Rutgers University, one of the nation's oldest universities, and houses several of its campuses, including Douglass College, Cook College and the Livingston and Bush units.

The university is taking a new look at its own financial health. The Rutgers University Board of Governors has established a Committee on the Future Financing of New Jersey's State University to seek new sources of funds.

The group, according to university spokesmen, will seek to increase state and federal aid and private giving. It will also consider obtaining income from land owned by Rutgers.

Meanwhile, the county continues to be plagued by controversy surrounding waste removal and landfills. Recently East Brunswick citizens group challenged local and county officials to change their plans for the construction of a major resource recovery plant in the township. A county planning board spokesperson points out that the county is fast running out of landfills, and there have been few suggestions for constructing new ones or coming up with "state-of-the art" plans.

Of note is a recent decision by legislators from Middlesex, Essex and Hudson counties to team up with area scientists, community groups and others to form an alternative to the state's Hazardous Waste Facilities Siting Commission. One of their missions will be to monitor the progress of new plant sites.

Somerset is undergoing an economic revival of its own, reports a spokesman for the county planning board. During the last few years, the county has been experiencing a dizzying pace of office construction.

The Beneficial Management building, completed last year, has more than 500,000 sq. ft. of space, while the Chubb Group of Cos.' new building adds another 500,000 sq. ft. of commercial space to the area. Also significant is the 1.4 million-sq.-ft. Atrium, which has yet to be completed.

One construction project that has been receiving extensive exposure is the Worlds Fair Corporate Center in Somerset. Companies that have already located to the Worlds Fair Center include divisions of Atari Inc., Telecom Plus of New Jersey, New Jersey National Bank, Metropolitan Life Insurance Co. and Royal Business Machines.

The heightened influx of businesses into both Middlesex and Somerset has come about because of improved transportation links. The development of the Interstate Hwy. 287 corridor links both the counties to Newark and Newark airport.

In addition, access to Interstate 287 means greater commuter convenience.

One factor boosting transit in this area is the $1.6 million Somerset County Transit Garage. Also, the Federal Highway Administration has approved the transfer of nearly $470 million in federal funds from projects that have been shelved to benefit transportation projects within the area.

In contrast to Middlesex and Somerset counties, Hunterdon County is primarily a residential area. However, it has been experiencing its own problems with waste removal and landfills. The High Point landfill was ordered closed because it was alleged to be an "immediate" threat to public health.

The three counties are served by a number of cable franchises, several uhf tv stations and about a half dozen am and fm radio stations. While the area is served by the *Newark Star Ledger*, there are a number of local newspapers as well.

Monmouth-Ocean, N.J.

Population '80	849,211
Rank	54
Est. income	$9,260,902,000

Explosive growth best describes the Monmouth-Ocean, N.J., region during the last decade. Affluent families, retired people and planned industrial growth have created a combination of resources that has turned this area, along the Atlantic Ocean in the central portion of New Jersey, into the fastest-growing one in the state.

The northeast may be experiencing a decline in population and jobs, but the Monmouth-Ocean region shows a staggering statistical growth. The 1983 *Sales & Marketing Management* Survey of Buying Power study reports that from 1977 to 1982 the area's population increased 11%. In addition, 75% of the households are "homeowner owned" and 33% have an effective buying income of $35,000. The median effective buying income for households is $26,183, a 99% increase above the 1977 level.

The area can attribute its success to its location, reliable transportation, climate and the quality of life in the region. The Garden State Pkwy., a toll road, opened up the former resort counties to "year-round living." Although some of the residents commute to the metropolitan area, others have found jobs in the publicly owned industrial parks and in businesses that have flocked to the counties.

This has resulted in an upgrading of many roads, creation of others and a planned improvement of the rail lines. Housing starts also reflect the growth. Monmouth and Ocean Counties ranked second and third in housing starts in the state last year.

Nonresidential construction also continues at a fast pace. In Monmouth County, New Jersey Bell is building a $20 million corporate data center in Freehold Township. The total workforce is expected to number 400 white collar workers. American Bell is supposed to employ 2,000 workers when its major installation is completed in Middletown Township in 1985.

Ocean County's economic forte has become the industrial park. The county has taken full advantage of its vast open acreage and has developed tracts to attract light industry, trucking companies and packaging and storage industries.

The parks are owned by the municipalities in which they are located but were developed with the aid of the county and a large infusion of federal money. Lakewood, in 1978, was the recipient of $2.2 million, the largest grant ever awarded by the U.S. Economic Development Administration.

Since 1976, the parks have been responsible for the creation of an estimated 7,000 jobs. At least 20 new companies are expected to locate in Ocean County in 1983.

High-tech companies have been major employers in the region since 1972. As the counties have attracted a diversity of industries, however, the dominance of these companies has lessened. Fort Monmouth, a U.S. Army installation, has remained the area's prime employer, with more than 8,000 people on its payroll.

The urban pockets of the area were never large enough entities to become unmanageable. Although they have experienced some economic decline, they have not become the remnants of society as have the larger cities in the state.

Plans are under way to revitalize Red Bank with an office condominium complex and to add to the six industrial parks already in the urban areas of Ocean County. Asbury Park's boardwalk is being renovated by a consortium headed by the entertainer Johnny Cash.

The service industry also adds to the economic base of the region. Both counties boast year-round entertainment and restaurant facilities. This is in marked contrast to the seasonal leisure time offerings that used to dot the coastline not long ago.

The residential portions of the Monmouth-Ocean area range from horse farms, where breeding is becoming a definable industry, to tract housing and condominiums. The extended autumns and mild winters continue to lure older couples to retirement villages.

The oil crisis of 1973 forced many families to rediscover recreation closer to home, and these areas benefited as the New Jersey shore became more popular than ever.

Monmouth and Ocean counties were settled by the Lenape Indians, who fished and bathed in the friendly Atlantic Ocean. Later, pirates and whalers came to its shores, also attracted by the bounties of the sea.

Today, Monmouth and Ocean counties can attribute their successful growth to almost the same conditions that drew its earliest inhabitants. In one respect the early traditions continue; the area has enjoyed phenomenal growth because it has pirated both people and industry from the New York metropolitan area.

The area is served by a variety of cable services and publications, including the evening *Asbury Park Press*. There are also several radio stations in the area, in addition to those broadcast from the nearby New York and Philadelphia markets.

Nassau-Suffolk, N.Y.

Population '80	2,605,813
Rank	9
Est. income	$32,572,045,000

The Nassau/Suffolk market, made up of two suburban counties on Long Island, is one of the few areas in the Northeast that continues to show a rise in employment.

No longer considered solely a land of bedroom communities for New York City, the two counties are the home of more than 1,000 companies, many specializing in high technology, more than 20 colleges and a number of resorts and vacation spots.

Yet while the island continues to make economic progress, the national recession finally hit the area during the fiscal year that ended in September. The unemployment rate for the year averaged 6.8%, although it was back down to a more normal 6% by the end of the fiscal year. But even during that difficult year, the work force increased to 949,000 from 940,000 the previous year, a gain considered exceptional in the Northeast.

Much of the island's growth comes from companies in the high technology field. With more than 2,000 employes, Grumman Corp., producer of buses and military aircraft, is the island's largest private employer. Other major employers are New York Telephone, Long Island Railroad and Long Island Lighting Co.

Grumman, ranked 177th in the *Fortune* 500, has been based on the island since its founding in a garage in 1929. Other high-tech companies include Sperry Corp., Hazeltine Corp., General Instrument Corp., Fairchild Camera & Instrument and Ehrenreich Photo-Optical. Increasingly, foreign companies are locating on Long Island; they cite the advantages of being close to New York City without paying the high costs of rent demanded in the city itself. The cost of new office space ranges from $22 to $28 per sq. ft., much lower than the $35 to $60 per sq. ft. range in midtown Manhattan.

In Jericho and Melville, the trend of converting farmland into new office space continues. At Mitchel Field, construction of a $137 million European American Bank Plaza, with 12-story twin towers and more than 1 million sq. ft. of office space, is almost complete.

One of the oldest shopping centers on the island, Green Acres in Valley Stream has been completely renovated and includes a prototype of the Sears, Roebuck & Co. "store of the future."

Nassau and Suffolk also have some 125 industrial parks, 45 convention centers and nine regional indoor shopping malls. Tourism provides the area with close to $2 billion annually. There are about 300 hotels/motels and several more either in the construction or proposal stage.

Recently completed are a $27 million 391-room Marriott Hotel at Mitchel Field, near Nassau Coliseum, and Garden City Hotel, a $30 million project that attempts to restore old world elegance in creating a building reminiscent of its 75-year-old predecessor, demolished in 1971.

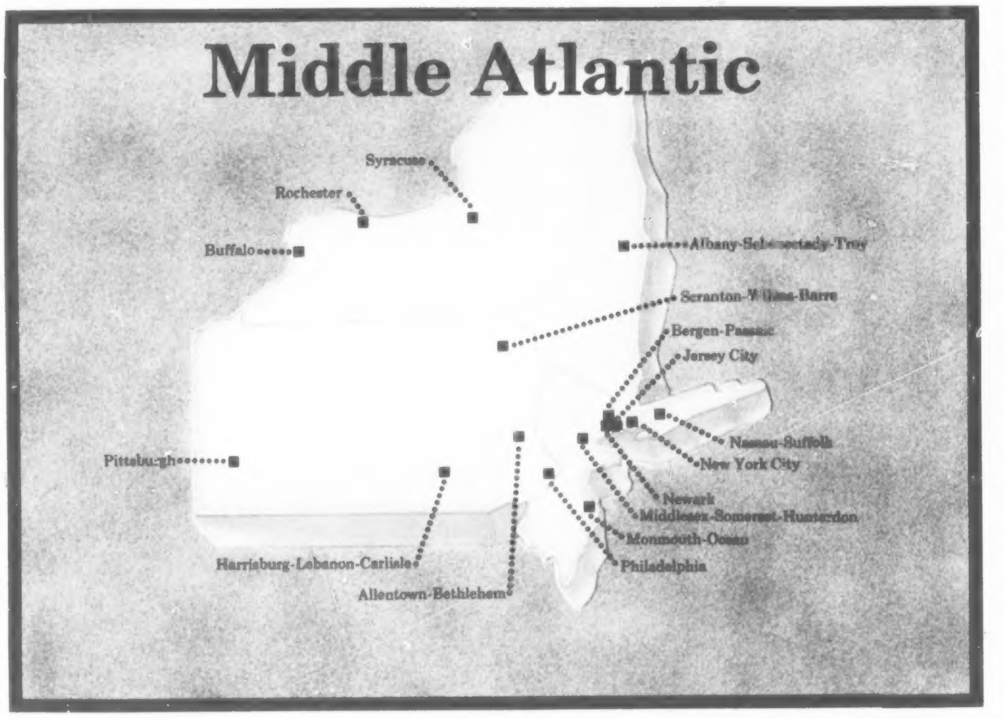
In keeping with a trend across the country, buildings are being upgraded to the highest economic permitted use, according to William E. Greiner, president, Greiner-Maltz Co., a research company that specializes in Long Island commercial real estate. He cited a number of buildings that have just been converted or are being converted from manufacturing to office and retail usage.

Recent housing starts are down considerably compared with 10 years ago, but are expected to increase slightly this year. In 1982, 4,800 permits were issued and 5,000 are projected for this year. But this compares with the more than 18,000 issued 10 years ago. The decline is most dramatic in Suffolk County, which is east of Nassau, where the number of permits issued 10 years ago accounted for 14,000 of the total and was down to 3,000 last year.

Analysts blame the drastic drop in the unavailability of money both to builders and prospective buyers. Money dried up when the state delayed in revising its usury laws several years ago and, once new laws passed, prospective buyers postponed purchases in the hope that interest rates would drop below a 10% rate.

The Brookhaven National Laboratory, Upton, which provides facilities

Middle Atlantic



for conducting research in the peaceful aspects of nuclear science, had some bad news in October when the government decided to stop work on what was to be the world's largest colliding beam accelerator, a $325 million project. Formerly called Project Isabelle, the project was about one-third completed. Brookhaven has proposed that the nearly completed tunnel that was to house the machine be used for a less expensive heavy ion collider.

Another project, the National Synchrotron Light Source, has been so successful since it was put in operation a year ago that it will be expanded over the next few years. It is a source of X-ray and ultraviolet radiation for use by corporations and academic labs.

Controversy over the opening of Long Island Lighting Co.'s nuclear power plant at Shoreham continues to rage on several fronts. There are those who still are opposed to putting the plant into operation at all costs because of dangers to residents in case of accident, while others are enraged that the costs of the project have ballooned to $3.5 billion and may be passed on to ratepayers.

A recent staff report to the governor's commission on Shoreham has indicated that it will cost only 6% more to abandon the almost completed reactor than to operate it for 30 years. That finding agrees with estimates suggested by consultants to Suffolk County, while LILCO has maintained that rates would have to be increased an additional 18% if the Shoreham plant is not put into operation.

The area is served by one daily newspaper, one business weekly, 113 community weeklies, 11 biweeklies and monthlies, 26 magazines, two tv stations, 28 radio stations and 10 cable tv companies.

New York, N.Y.

Population '80	8,274,961
Rank	1
Est. income '82	$90,431,904,000

It had to happen. The "I love New York" campaign, which has turned much of this market into a Rotary-style community of boosters, is beginning to inspire some sort of a backlash. Among its manifestations: The publication last year of a book, "I Loathe New York: A Humorous Look at the Rotten Apple."

Yet despite those who contend the Big Apple is rotten to the core, New York has managed to continue its remarkable comeback from the brink of fiscal collapse in the mid-1970s.

Sure, corporations keep moving their headquarters out of the city. Sure, the number of manufacturing jobs is falling.

Sure, orchestra tickets to a Broadway hit—a hit these days being any show that manages not to close on opening night—can cost 45 bucks apiece. Sure, the subways are dirtier and more crowded than ever.

But the crowds have little to do with an increasing population. In fact, from 1970 to 1980, the New York area lost more than 800,000 residents.

But no one can argue the city does not remain the vibrant, pulsating center of national, and perhaps even international, fashion, communications, retailing, banking, finance, arts, culture and publishing.

Recent developments in the market, east side, west side, all around the town, have tended to emphasize these strengths.

Downtown, the South Street Seaport, opened last summer, has already become a magnet for natives and tourists alike.

On the weekends, crowds at the Rouse development sometime resemble the subway at rush hour, though you certainly can't buy a drink, a baked potato or an "I Love Lucy" postcard on the IRT.

Between the giant Gimbels and Macy's department stores, Herald Center, in what used to be an E.J. Korvettes (and, before that, Saks 34th St.), is under construction, promising to bring the theme-mall ambiance of South Street Seaport to midtown Manhattan. The project, which calls for 200 shops and restaurants on 11 levels, is scheduled to open its doors next September.

New York Land Co. is developing the $50 million Herald Center, where rents are expected to range from $70 to $75 per sq. ft.

Also in midtown, the almost dizzying pace of new building is unabated, with "Coming soon" and "Now renting" signs seemingly on every corner. Among the showcases: American Telephone & Telegraph and International Business Machines Corp. buildings on Madison Ave.

A recent survey of commercial rents by Coldwell Banker Real Estate Consultation Services shows New York still has the country's most expensive office space, with rents ranging from $35 to $60 per sq. ft. in midtown Manhattan.

In the heart of Times Square, hard by some of the sleaziest pornographic movie houses and peep shows, the giant core of Marriott's Marquis Hotel is rising to the sky. Nearby, on 46th St., Restaurant Row has welcomed several new eateries.

Farther north, the formerly run-down Upper West Side, particularly along Columbus Ave., continues its hyper-gentrification into a chic and trendy neighborhood of boutiques, restaurants and shops.

The "smart" Upper East Side keeps spreading to more and more upper streets; the unofficial boundary line of E. 86th St. is being pushed northward to E. 96th St., as the blocks in between are occupied by everything from warehouses remodeled into condominiums to auto dealerships.

Manhattan isn't the only borouga to benefit from the "I love New York" boom. In Queens, for instance, Silvercup Studios and Astoria Film Center are burgeoning movie-tv-video production complexes; the latter is the base for the filming of Francis Ford Coppola's new feature, "Cotton Club."

But most of the hoopla and hullabaloo is, as usual, concentrated in Manhattan. Perhaps this can be attributed to the borough serving as *the* major media center, home to three daily newspapers, six tv stations and 31 am and 35 fm radio stations (though some media, such as the Staten Island *Advance*, WOR-TV and numerous radio stations, are based outside Manhattan).

Manhattan is the locus for the nation's media, from American Broadcasting Cos., CBS Inc. and NBC to Conde Nast Publications, Hearst Corp. and Time Inc.

Newark, N.J.

Population '80	1,878,959
Rank	17
Est. income '82	$20,545,099,000

Even though Newark seems to be recovering from a severe economic slump, a full recovery is still years away. The city continues to be plagued by high unemployment, low levels of economic development and continuing declines in federal aid.

"We are faced with a declining population and an eroding tax base," said a spokesman of the Mayor's office for planning and grantsmanship. "That, in turn, has put a lot of pressure on the city."

Not that the community has not been seeing any new construction. Among the corporations that continue to build in the area are Public Service Gas & Electric, Prudential Life Insurance and New Jersey Bell. There are also plans to revitalize the Passaic River area through the development of commercial malls and residential condominiums. The city has been constructing more than 10,000 units each year, partly to replace older units and in part to meet new demand. The net housing gain, according to one observer, is closer to 5,000 units annually.

"For all the problems that we are facing, we are going through a quiet renaissance," said Calvin Reed, vp-marketing with Connection Communications Corp., the cable franchise for the city of Newark. He pointed to a growing improvement in city services, including healthcare and education.

Newark has slowly evolved into a center for higher education. Among the many institutions that now have facilities in the city are Rutgers Law School, New Jersey Institute of Technology, Seton Hall Law School, New Jersey School of Medicine & Dentistry and the Essex County College.

There has also been a marked improvement in the city's schools with an over-all increase in the average scores recorded by the city's students. The improvement coincides with the appointment of a new school superintendent.

Nonetheless, the city is faced with substantial cuts in the funds for police and firefighting services. Mayor Kenneth Gibson says the $5 million in general revenue sharing money awarded annually to Newark has remained at the same level since 1977. "The purchasing power of GRS has been effectively cut in half due to the changes in our American economy," Mayor Gibson wrote to President Reagan asking that he not veto the funds allocated to GRS, pointing out that any loss of funds would affect the quality of life and the slow road to recovery.

While funds for police and firefighters may be in peril, educational funds are not. Based on recent assessments of real estate in Passaic County, where Newark sits, there could be an increase of nearly 7% in the amount spent on the city's schools.

Newark has also been facing a mini-transportation boom. One Port Authority of New York & New Jersey spokesman said Newark airport experienced an increase of 39.6% in passenger traffic over the first eight months of 1983, compared with the same period in 1982. The total number of passengers who passed through the airport in 1982 was 11.7 million, an increase of 15% from the previous year.

One reason for the sharp rise can be attributed to the increased activity of PEOPLExpress, which now operates to a number of major metropolitan areas. Deregulation combined with the congestion in New York airports may cause a further rise in the passenger flow through the airport.

In terms of the media, Newark has long been without any tv station or cable franchise of its own. Recently, however, that has changed. Not only has the city seen its first vhf tv station, but it also has a fully functioning cable franchise.

The city received its first tv station when WOR-TV, moved its offices from New York to New Jersey. The move was initiated more by an attempt to forestall a hearing by the Federal Communications Commission on the station's broadcast license than by any urgent need to establish the state's first vhf station. The impact, however, has been all positive. There has been a marked increase and improvement in the coverage of the city, not only by WOR, but also by other New York-based stations.

The city turned on its cable system last year and the response has been "excellent," said Mr. Reed of Connection Communications, the cable franchise. Currently, it has a total of 18,500 subscribers to its basic service. In addition to its pay channels, the company also offers programing directed especially at the various ethnic groups within the community, inclusive of a Portuguese channel.

The area is also served by the daily *Newark Star-Ledger* and six radio stations, including two am stations.

Philadelphia, Pa.-N.J.

Population '80	4,716,818
Rank	4
Est. income '82	$47,925,300,000

Philadelphia is a town on the move. And much of the momentum is coming from Market Street East, a catch phrase that represents the giant renewal of the city's central downtown street, roughly between City Hall and Independence Hall. It is akin to the massive redevelopment that transformed Market Street West—on the other side of City Hall—into a corporate and retail hub during the 1960s and 1970s.

One key to Market Street East is the brand new Gallery II, a $120 million shopping mall that opened in October and adds some 105 speciality shops, restaurants and a J.C. Penney Co. store to the indoor shopping complex spawned six years ago, when the 125-store Gallery opened.

The expanded Gallery complex, developed by the Rouse Co., now spans the north side of Market St. between 8th and 11th Sts. and is also anchored by Gimbels and Strawbridge & Clothier department stores. Its 1.7 million sq. ft. makes it the nation's largest urban mall.

So far, the Gallery complex has been a roaring success. Last year, sales averaged $235 per sq. ft., about 50% higher than the national average. Spurred by that track record, 90% of Gallery II was leased prior to its opening. Rouse estimates suggest that Gallery II will pump some $5.3 million in tax revenue into the local economy (compared with $4.7 million from the original complex) and provide about 2,600 jobs.

Contiguous to the Galleries, work continues on the $75 million Market East Commuter Station. The new station is part of the $325 million Center City Commuter Tunnel system, which has been under construction for the last four years and is expected to begin limited passenger service in January, full service by summer or fall.

By closing a six-block gap between Suburban Station and Reading Terminal, the tunnel would connect the former Penn Central commuter rail lines and the former Reading Co. lines, both now operated by the Southeastern Pennsylvania Transportation Authority, doubling commuters' travel range between the north, west and southwest suburbs and Center City by interconnecting 200 stations in five counties. The tunnel would also encompass the Philadelphia International Airport-Center City high speed line also under construction.

Tourism continues to be a major source of city revenue. One major proposed project is a $401 million convention center, with space to the north and west that would permit another 450,000 sq. ft. in expansion. The Reading Co., which proposed the plan, has also secured an agreement with Hyatt Corp. to manage a 1,200-room hotel to be developed just west of the center at a projected cost of some $150 million.

The Reading Co. estimates that the center could generate some $1.2 billion to the city and state over the next 30 years and create some 8,200 permanent jobs. All of this hinges on the purchase of several acres of real estate (Reading's existing railroad station would be phased out by the new Market East station and incorporated as part of the convention center site), the relocation of some 150 businesses and 40 residences and the orchestration of hundreds of millions of dollars in financing.

Observers point out that the recent election of Democrat W. Wilson Goode will have more than a little bearing on the center's future.

Meanwhile, construction work continues on One Reading Center, a $76 million, 32-story office bulding at 11th and Market Sts., between Gallery II and the proposed convention center site.

Buoying the enthusiasm about Market Street East's gradual revitalization from sleazy, down-at-the-heels blight to shiny chic was outgoing Mayor Bill Green's announcement in September of a $14.1 million plan (including some $13 million in government grants and close to $1 million in pledges by a dozen Market Street corporations) to rebuild and beautify Market Street's sidewalks and roadbed between City Hall and Independence Hall, scheduled to begin next summer and to be completed before the 1985 Christmas shopping season.

Elsewhere, several new office towers and hotels—six new hotels in the last three years—are helping to ease the sting of business closings, such as the *Philadelphia Bulletin* and the Frankford Arsenal in recent years, and move Philadelphia closer to what local leaders see as its future as a services-medical/pharmaceutical-high tech center.

City officials also are promoting the country's fourth largest metropolitan area as an ideal tv or movie location—successfully, in the case of "Rocky," "Blow Out" and, most recently, "Trading Places."

Which is not to say that the Philadelphia Industrial Development Corp. has slackened its efforts to lure new industry with attractive financial packages and tax incentives.

Port development also continues to be an area of major concern. On the plus side, six-month figures released in October showed a 13% gain in general cargo for the first half of 1983, compared with the same period in 1982. Over-all, the recent figures showed only New York ahead of Philadelphia for total general cargo passed over North Atlantic piers. Another plus: Last year's new calls by QE2 were tremendous public relations for the port's cruise business. On the down side, hopes for Philadelphia to become a major coal exporting port have been stymied significantly by a slump in international markets.

There are other problems. High on the list of many critics is the need for business tax reform. Critics also are fed up with the political and legal hassling that continues to make cable tv off limits for most of the city.

Philadelphia has two general circulation daily newspapers, several neighborhood papers, five commercial tv stations, one subscription tv station, limited cable service and 24 am and 28 fm radio stations.

Pittsburgh, Pa.

Population '80	2,218,870
Rank	10
Est. income '82	$21,829,588,000

The bunching together of new office-and-shopping towers in downtown Pittsburgh resembles the huddle of the Steelers football team in one of its championship seasons.

Recently completed giants include the $150 million, 54-story One Mellon Bank Center, which serves as new headquarters for the expansion-minded bank holding company. Another is One Oxford Centre, a $70 million office complex, which also houses high-price specialty retailers and two of Pittsburgh's hottest new night spots: Hillary's restaurant and Harper's, a restaurant and jazz club.

Behemoths soon ready for action are PPG Place, a 40-story tower and five attendant buildings situated on 5½ acres in the heart of the Golden Triangle downtown. The $197 million project was designed by architects Philip Johnson and John Burgee, and its fantasy-like Gothic spires draw on the city's rich heritage of Gothic architecture.

Twenty-five retailers, primarily local, already have opened in the main tower, and retail space also is planned in three of the five other buildings nearing completion.

Also to be completed soon is North Shore Center, which includes three new office and retail buildings on the shore of the Allegheny River and development of a $2.2 million outdoor sculpture park. This private development is expected to trigger residential housing in that area, as the city's Renaissance II activity spreads from the Golden Triangle to riverfront sections adjacent to downtown and up Fifth Ave. toward Oakland, the heart of Pittsburgh's medical and university research facilities.

And there are further changes to come in the skyline of the Golden Triangle. A twin for One Oxford Centre is in the planning stages, and groundbreaking is scheduled this spring for Allegheny International's new $100 million headquarters in the city's theater district, an area also slated for renovation.

Suburban development is keeping pace with downtown growth, too. U.S. Steel's realty development division is in early stages of transforming 70 acres adjacent to its research center in Monroeville, an eastern suburb, into Wyngate Plaza, a combination of office and retail space and 30 acres of townhouses and garden apartments.

The corridor connecting the city to Greater Pittsburgh International Airport continues as a growth area, and is particularly popular for many of the 32 foreign companies that have established offices in Pittsburgh since 1980. Construction of a new $289 million airport terminal complex at Greater Pitt—now in advanced design stages—is likely to spark further growth in that area.

While the building boom is reshaping the face of the city, Pittsburgh's economic base is in the midst of a deeper transformation that is proceeding slowly but surely.

Through the first half of 1983, the unemployment rate in the Pittsburgh area stayed at about 16%, dipping below that to 13.5% only in July. The recession took its toll on white-collar workers in this city, which is the third-largest corporate headquarters in the U.S., serving as home for giants such as H.J. Heinz Co., Gulf Air, Alcoa and Rockwell International.

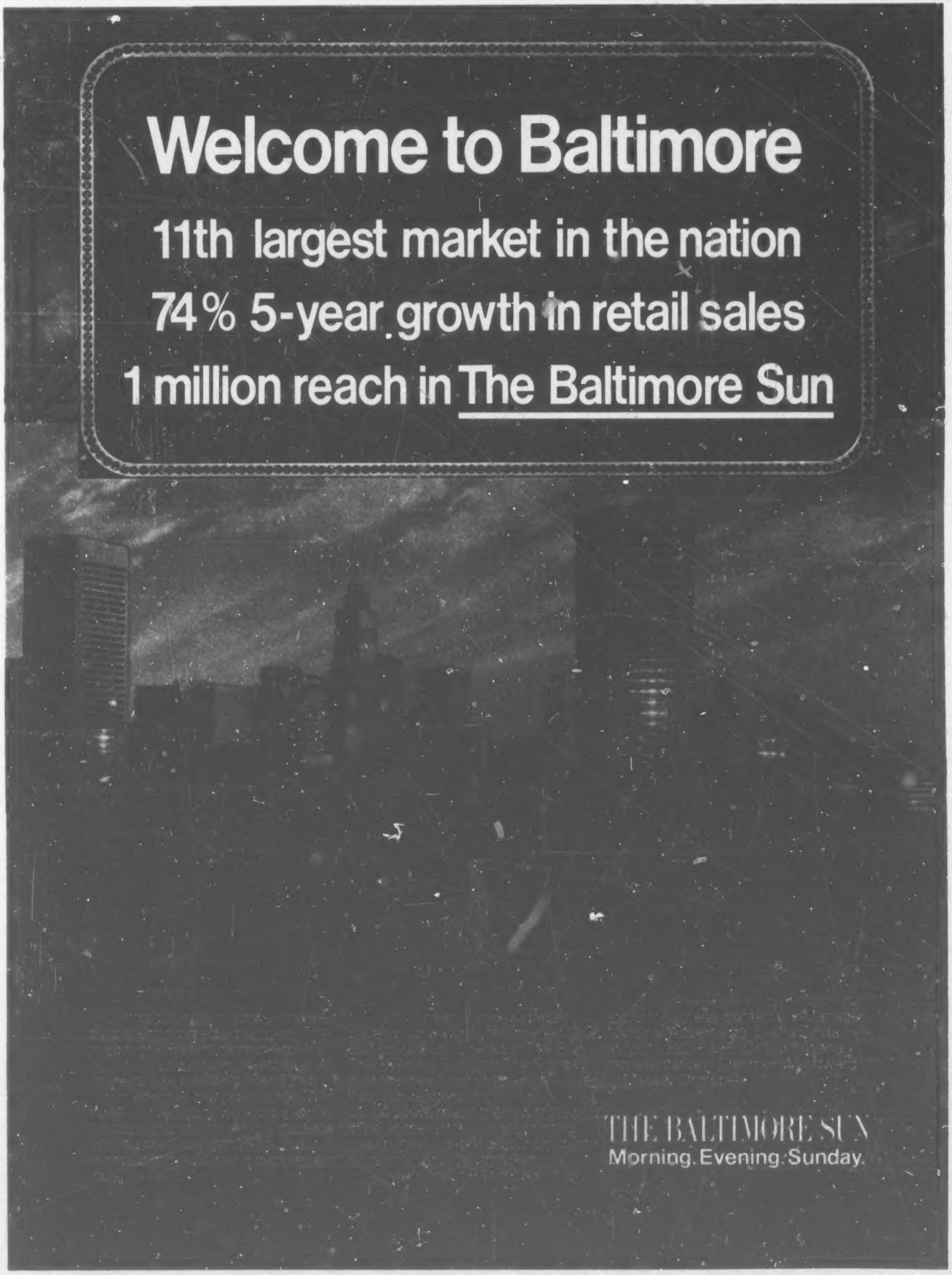
Both salaried and hourly workers continue to be trimmed from the workforce in steel—once the heart of Pittsburgh's economy—as that industry shrinks permanently. U.S. Steel is likely to close two major plants in Pittsburgh by year-end and cutbacks are expected at Jones & Laughlin Steel's two mills here as a result of a merger between its parent company, LTV Corp., and Republic Steel Corp.

Nevertheless, Pittsburgh is blessed with a number of essential characteristics needed to wean it from its dependence on heavy industry.

Those attributes include university research resources, which act as a magnet for private sector investment. Pittsburgh has long been known as a leading medical center—both for research, primarily at the University of Pittsburgh, and for its operating-room expertise in new fields, such as organ transplants.

From that environment, new high-tech medical companies have sprung up. And Carnegie-Mellon University is a leader in artificial intelligence and robotics research, a major portion of which is sponsored by Westinghouse Electric Corp.

Another major reason behind Pittsburgh's favorable prospects for economic growth is a strong local political structure, which still emulates the spirit of government and private enterprise cooperation forged in the 1950s, when Mayor David L. Lawrence and financier R.K. Mellon banded together to substantially wipe out factory smoke and soot that could


Welcome to Baltimore
11th largest market in the nation
74% 5-year growth in retail sales
1 million reach in The Baltimore Sun
THE BALTIMORE SUN
Morning. Evening. Sunday.

turn the downtown dark at noon on a sunny day.

A lot of the Renaissance II private sector construction was predicated on the city's construction of a $480 million light rail transit system, including a subway system linking the southern suburbs to four stations downtown. That system is scheduled to be completed in November, 1984.

In addition, the city this fall began a $14.6 million reconstruction of Grant St., which is the city's corporate headquarters row, aiming to turn it into tree-lined boulevard with a hint of the atmosphere of New York's Fifth Ave. That money is part of a total $75 million the city has allocated for street improvements in the Golden Triangle over the next six years.

Looking ahead, one of Pittsburgh's greatest civic challenges is to significantly expand its convention business. The city has the David L. Lawrence Convention Center, but not nearly enough hotel space. Progress is being made, however.

This fall, financing was cleared after many delays for construction of a $134 million, 619-room hotel and an office complex adjacent to the convention center. Construction begins July, 1984, with completion set for two years later. The bulk of the financing is coming from Metropolitan Life Insurance Co., and the hotel will be operated by Vista International. Also on the hotel front, a new 200-room hotel tower is planned to expand the Sheraton Station Square, and the Pittsburgh Hilton is undergoing a $4 million renovation.

Pittsburgh also is expanding as a sports center. Edward J. DeBartolo Sr., owner of the Pittsburgh Penguins hockey and Spirit soccer teams, has purchased the local U.S. Football League franchise, with the team to be known as the Pittsburgh Maulers.

Mr. DeBartolo also has his eye on the Cleveland Indians baseball team and has signed a contract with Warner-Amex (which now owns a substantial minority interest in the Pittsburgh Pirates) for cable broadcast of sports events at his Civic Arena.

Pittsburgh has two daily newspapers, two weekly business newspapers, five tv stations and one cable service (Warner Cable). There are 30 am radio stations and 12 fm radio stations serving the greater Pittsburgh area.

Rochester, N.Y.

Population '80	971,230
Rank	43
Est. income '82	$9,958,153,000

The economic downturn refuted the local myth that Rochester is "recession-proof," though it did seem to hold true as late as early 1982.

As the rest of the nation spun into recession, Rochester's largest employer, Eastman Kodak Co., added the disc camera and 6,000 jobs, more than offsetting job losses elsewhere in the local economy.

But continued recession through 1982, combined with the effects of foreign competition for Kodak and the area's second largest employer, Xerox Corp., finally caught up with Rochester. Kodak has laid off about 2,700 workers this year and cut several thousand other jobs through a voluntary incentive plan. Kodak employment now stands at some 55,000. Xerox cut about 2,000 jobs from a prerecession level of 15,000.

Still, only at its record peak of 10.4% unemployment in June of this year has the Rochester market failed to do better than national and state unemployment figures. In August, Rochester unemployment stood at 7.3%, compared with a state rate of 8.2% and a national rate of 9.5%.

As Rochester joins the nation in recovery, these pluses are obvious: Nonmanufacturing employment is growing rapidly; Rochester has a mix of high-tech and information companies, such as Computer Consoles Inc. and Gannett Co. Rochester also has respected educational institutions with good technical credentials—the Rochester Institute of Technology and University of Rochester.

Most exciting to city officials is downtown Rochester's full-fledged boom.

The centerpiece is a $40 million state-financed convention center now under construction on the banks of the Genesee River, scheduled to open by early 1985. City officials expect it to pump tens of millions of dollars into the local economy.

It already has prompted Stouffer Corp. to take over a nearby hotel and help finance $20 million in renovations. Holiday Inn is spending $4.2 million to remodel its downtown hotel. And an entrepreneur from Buffalo, who built a Hyatt in that city, has announced plans to build a $38.5 million hotel adjacent to the center. All three are to be connected to the center by second-level walkways—city officials think this may be a unique attraction for conventioneers.

At the other end of downtown, the city and county are spending $18 million for a "cultural center" around the Eastman Theater, home of the Rochester Philharmonic Orchestra. A $5 million parking garage and $7 million YMCA have recently opened, but plans for a performing arts center are not yet complete.

Throughout the rest of downtown, another $50 million-plus is being invested in new and rehabilitated office buildings, restaurants and housing.

Elsewhere, the Federal Aviation Administration proposes to make Rochester the air-control hub of western New York because of the new $7.5 million control tower completed last fall at the Rochester-Monroe County Airport. In addition, airlines have spent some $4 million for terminal renovations in the past few years, and the county has budgeted $15.7 million to extend two jet runways and build two new small-craft runways. Construction is scheduled to start in 1986.

Rochester is served by two daily newspapers, 10 am and 11 fm radio stations, five tv stations and major cable tv services.

Scranton-Wilkes-Barre, Pa.

Population '80	728,796
Rank	58
Est. income '82	$5,848,673,000

Contrary to what you may have heard, Scranton and Wilkes-Barre have not died and gone to coal miner's heaven. In fact, local civic leaders in both areas have recently begun formal marketing efforts to let outsiders know that they're alive and well and, possibly, the ideal place for your next vacation or plant expansion.

The Scranton Plan was put together by volunteers from Scranton, Lackawanna County and the industrial development arm of the Greater Scranton Chamber of Commerce. Industrial expansion is a key goal, but it is hoped that the area's future fortunes will also be linked to its evolution as a tourist center, located as it is a half-hour's drive from the heart of the Pocono Mountains.

Meanwhile, 15 miles or so south in Luzerne County, Wilkes-Barre's movers and shakers hope to improve the area's image and attract new industry through the newly formed Committee for Economic Growth, a volunteer organization of some 350 members sponsored by the Greater Wilkes-Barre Chamber of Commerce and representing nearly every local business, civic, social and cultural institution.

In Scranton, a number of factors should help contribute to the economic scenario local leaders hope to see unfold in the coming years. For one thing, there's Montage, 1,100 acres in Moosic Borough, five miles from downtown Scranton, that are being developed as a major resort with skiing, an 18-hole golf course, a baseball park, a civic arena, some 405,000 sq. ft. earmarked for commercial and light industrial use, some 211 single-family homes and approximately 40 townhouses.

Phase 1 of the project, development of its $13 million ski facility, is in progress and targeted for completion in time for a December, 1984, opening, with a quarter-million skiers expected annually.

Another major project, scheduled for completion early next year, will transform Scranton's Fire Lackawanna train station, vacated 10 years ago, into the centerpiece for a $13 million, six-story Hilton Hotel with 165 rooms, three restaurants, a convention center and health spa.

The Scranton area already has two Holiday Inns and a Sheraton, as well as a number of other smaller hotels. The arrival of Steamtown USA, the country's largest collection of steam-operated railroad equipment, is also expected to dramatically recolor the complexion of downtown Scranton. Relocation of the museum from Vermont began last summer and is expected to be complete by next summer. It is expected to draw some 400,000 tourists annually.

Visitors to both Steamtown and Scranton's new Hilton at Lackawanna Station will also find a new look to nearby Lackawanna Avenue, which just went through substantial street and sidewalk improvements as part of a campaign to revitalize downtown's commercial-retail hub.

Over-all, downtown Scranton's 25-

square-block commercial district is northeastern Pennsylvania's largest shopping center. In fact, *Editor & Publisher Market Guide* estimates that 1982 retail sales in the city of Scranton alone contributed $469.7 million to the total $956.9 in sales estimated for all of Lackawanna County.

On the industrial side, the last 50 acres of the 300-acre Keystone Park in suburban Scranton are now being cleared and developed.

Plans call for 50-acre lots specifically geared toward office and light manufacturing uses. In the already-developed section of the park, Emery Air Freight has begun preliminary design work on a 40,000-sq.-ft. expansion expected to add 200 jobs to its current 270-person operation.

The Wilkes-Barre industrial base generally depends on small manufacturing businesses—machine tool shops are a good example—with fewer than 100 employes. There has been some expansion among companies that produce health industry products.

Area observers are predicting some growth in service-related companies—such as the locally based Diversified Records, a records storage facility—and in back-office functions, all of which will be addressed more specifically when the Committee for Economic Growth begins to report on its findings. According to one committee spokesman, the group hopes to start by publishing a detailed study of Wilkes-Barre's assets and liabilities next spring.

Current Wilkes-Barre area development is not nearly so dramatic as the mammoth efforts mounted after Hurricane Agnes and a raging Susquehanna River created $539 million worth of damage in 1972. But local leaders describe their economy as holding its own, with only one notable plant closing (General Cigar last June, with some 100 jobs) and several expansions in the last year and a half.

Included among the latter is the new $1 million facility being built downtown by Luzerne Optical Laboratories, Ltd.

The Scranton/Wilkes-Barre market is served by four daily newspapers (two in Scranton, two in Wilkes-Barre), three commercial tv stations, one subscription tv station, two cable services and some 25 radio stations.

Syracuse, N.Y.

Population '80	642,971
Rank	64
Est. income '82	$5,779,319,000

The impact of the sagging national economy got to Syracuse later than most places. Even the area's auto-related industries didn't feel the crunch until much later than most.

But when it arrived, the area suffered along with the rest of the country, and its recovery started later.

Unemployment hit its peak in November, 1982, when 10.3% of the three-county MSA's workforce was unemployed. Chrysler's new process gear plant and General Motors' Fisher Body plant both had huge chunks of their workers on indefinite layoff. Today, the area's unemployment rate is 6.6%.

In addition, the effect of corporate takeovers of the city's two biggest companies—Carrier Corp. by United Technologies and Crouse-Hinds Co. by Cooper Industries—was starting to be felt. Cooper, for example, announced that it planned to shut down one of Crouse-Hinds' operations in Syracuse and move it to Mississippi, where costs were lower.

But Syracuse grew through the recession. In 1982, Carrier announced a $24 million expansion of its Carlyle Compressor plant and, near year's end, began rehiring workers. It also built a new headquarters and moved that operation out of the downtown area.

And at the peak of the recession, the Greater Syracuse Chamber of Commerce began a four-year drive to build Syracuse's national income and try to lure new business to the area while encouraging existing business to stay and expand.

As one chamber official said, "Syracuse doesn't suffer from a bad image. It suffers from a non-image."

The drive, called the Greater Syracuse Program, began with pledges of more than $3 million from area companies.

The first phase was a national advertising blitz in which the chamber bought space in national business and trade publications. The ads described the area's abundant water, good transportation, favorable cost of living and skilled workers.

The program was aimed at attracting high-tech companies to Syracuse, which already had a substantial number of such concerns.

Meanwhile, the state named Syracuse University as the site for one of several high-tech centers that were part of a state plan linking government, private and university resources in an ambitious effort to create a high-tech base in the state. SU's center would be for computer software development.

The Greater Syracuse Program, now two years old, has yet to produce dramatic tangible results, although some claim that new business did move into the area because of it.

But the chamber remains optimistic, indicating such a program, in competition with similar programs in 33 states, will take four to five years to produce.

In the meantime, another group, the Metropolitan Development Assn., began a push to lure insurance companies to Syracuse. According to Kevin Kersev, director of economic research at the chamber, Syracuse has become the second largest insurance center in the state behind New York City.

Developers saw some of this activity coming and began building or planning Class A office space as if there would never be enough of it. They were only partially right.

Pioneer Group built the $20 million One Park Place office tower just off the downtown area and landed International Business Machines Corp. as one major tenant before the building was finished. American General Life, a partner in the project, was the second major tenant, and about 90% of the building is now rented.

Pivko Group, a Canadian development company, was not as lucky. It bought the former Syracuse Mall building downtown, gutted it, made some additions and converted it into 140,000 sq. ft. of prime office space. It was finished early this year and still is nowhere near full occupancy, despite a rent reduction.

The glut of space also has slowed another major project proposed, again, by Canadian developers. The $50 million Galleries of Syracuse mixed-use mall was proposed in 1980. IBM was to have been a key tenant, but it went to Park Place.

The Galleries finally landed the Onondaga County main library as its key tenant, but no work has begun on the demolition of existing building yet, and if work does not begin before the end of the year, the library stands to lose a $700,000 federal grant.

Elsewhere, besides offices, Anheuser-Busch, which bought a former Schlitz brewery in 1980, opened its brewery early in 1983. Busch bought the plant for $100 million and instituted another $100 million in renovations over three years.

The area's retail operations also grew. A new off-price mall opened early in 1983, joining 15 other malls or shopping centers in the Syracuse suburbs. The area's major retail outlets include T.J. Maxx, Service Merchandise, Hills, J.C. Penney Co. and Sears, Roebuck & Co.

With all the new construction, the area did not neglect its transportation system.

The terminal at Syracuse Hancock International Airport was renovated and expanded, and the city, which operates the airport, built an $11 million, 1,600-space parking garage there. Most of the major airlines and many smaller lines serve the facility.

Greater Syracuse is served by two daily newspapers—the *Post-Standard* in the morning; the *Herald-Journal*, afternoon, and *Herald-American/Post-Standard* on Sunday; 10 weekly newspapers; three shoppers; two monthly business newspapers, the *Central New York Business Review* and *Syracuse Business*, and one magazine, *Syracuse Magazine*. There are three network-affiliated tv stations; a public tv station; three cable tv companies, and 16 radio stations.

East North Central

Akron, O.

Population '80	660,328
Rank	62
Est. income '82	$5,966,172,000

Akron has long been synonymous with rubber, but it is now turning into a diversified center of service, research and small businesses.

Just 10 years ago, 40% of the area's jobs were in manufacturing and 60% in nonmanufacturing. Today the ratio is 30% to 70%. And the major employer of production workers is no longer tire plants but small metalworking companies.

While Akron's picture has been painted as bleak during the recession, total employment is higher than it was 10 years ago, said Jim Kroeger, direc-

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Scarborough ranks the Des Moines Sunday Register audience 21st.

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So if you're buying the top 50 ADI markets, don't overlook the Des Moines Register. The oddball newspaper market. It's got market coverage that's far above par. Scarborough confirms it.

The Des Moines Register
BLANKETS IOWA

*Source: Scarborough's National Newspaper Audience Ratings Study, 1983.
Represented nationally by CWO&O

tor of economic development at the Akron Regional Development Board (ARDB), the area's chamber of commerce.

"What we have lost in manufacturing we have added back in the nonmanufacturing sector," he says.

The last tire plant left Akron in 1982, but the city's four tire companies have vowed to keep their headquarters in the area—and to expand them.

Firestone Tire & Rubber Co., for example, has spent $14 million since 1981 to renovate its world headquarters building on Firestone Parkway in south Akron. An additional $16 million is in line to be spent to complete the renovation by 1987.

Goodyear Tire & Rubber Co. is completing a $125 million technical center to replace two vacant tire plants. The facility would employ some 1,200 for research and development activities.

All in all, more than $124 million in private capital was invested in new plants and plant expansions in Summit, Medina and Portage counties during 1982, creating 929 jobs. Mr. Kroeger expects investment to be slightly higher in 1983.

One of the big projects outside the tire industry is a $12 million data center under construction by Ohio Bell in Akron's Opportunity Park. The facility is expected to be finished by mid-1985 and employ 150 initially.

In the retail arena, Cedarwood Construction Co. is renovating the old Akron Square Plaza, a vacant mall, into a factory outlet center. The $10 million project is scheduled to start before the end of the year.

Downtown Akron is also undergoing renovation. More than $26 million has been invested in the downtown area during 1982 and 1983, says Greg Balbierz, a city economic development analyst. Among the big projects is CitiCenter, now emerging from a former YWCA building. This $7 million project is scheduled to open in late 1984 and will house an athletic club, offices and retail outlets. A skywalk will connect CitiCenter with other key downtown buildings.

The M. O'Neil Co. department store downtown is also undergoing $2.5 million worth of rehabilitation, and the Civic Theatre is getting a $1 million facelift.

The area's unemployment rate is hovering around 12%, down from 15% in January. The Akron Home Bureau Assn. expects single and multi-family housing starts to hit 2,575 in 1983, up from 2,280 in 1982.

Although things are looking brighter in the area, development experts are searching for ways to keep the economy growing. Their most recent innovation was an "industrial incubator," or a facility to foster the growth of fledgling companies.

The incubator is jointly sponsored by the City of Akron, Summit County, the Private Industry Council and the University of Akron. They acquired the former O'Connor Steel Co. plant last year, and it now houses five companies ranging from an industrial robot manufacturer to a sporting goods distributor.

City fathers hope to have at least 12 companies in the facility by the end of the year and are already planning a second incubator and a venture capital fund. Summit, Medina and Portage counties are served by five daily papers, four am and five fm radio stations, four tv stations and three cable companies.

American Segments, III

Construction: Master builders

Ten most active SMSAs in building construction (in millions)

		1982	1981	% change
1	Houston	$5,790	$5,818	−0.5
2	Dallas-Fort Worth	4,616	4,007	15.2
3	Los Angeles	3,320	4,553	−27.1
4	New York	2,876	2,821	2.0
5	New Orleans	2,579	882	192.4
6	Washington	2,569	2,741	−6.3
7	Chicago	2,363	2,634	−10.3
8	Denver	2,300	2,296	0.2
9	San Francisco	2,161	1,909	13.2
10	Atlanta	1,884	1,527	23.5

Source: First City Bancorp., F.W. Dodge division, McGraw-Hill Information Systems Co.

Chicago, Ill.

Population '80	6,060,387
Rank	3
Est. income '82	$58,042,372,000

Sometimes Chicago just doesn't live up to its reputation.

The Windy City actually ranks far down on the list of the nation's windiest. And the City that Works faces high unemployment and politicians whose bickering over what is left of a crumbling machine's patronage system often brings local government grinding to a halt.

Hit hard during the recession in its economic center, manufacturing, Chicago faces the recovery plagued by a flurry of economic and social problems, not the least of which is racial tension, usually latent, but brought to the forefront by last spring's election campaign in which Harold Washington became the city's first black mayor. Though fiscal crises seem to land upon the city more often than in the past, many say Chicago is just passing through a troublesome phase as its economy shifts from a manufacturing to a service base.

Employment statistics show the move away from manufacturing and toward service industries began some time ago, even before the recession knocked the stuffing out of manufacturing employment. In the last few years, the switch gained momentum.

The total number of employes in the mining, construction, manufacturing and public utility fields dropped 17.6% since 1980 to about 935,000 by mid-1983. The other nonagricultural fields—service, financial, retail and government—managed to show a slight gain in number of employes in the face of the recession, inching up 1.6% to 2.1 million during the same period.

Among retailers, there is considerable optimism, particularly along Chicago's premier shopping area, the Magnificent Mile. While the wait for a Bloomingdale's—estimated time of arrival is 1987 in yet another new shopping complex—continues, Neiman-Marcus opened a posh store in time for the holidays even though the building that houses it, the Olympia Center, has months of contruction to go.

Ralph Lauren's Polo store moved to larger quarters in the recently completed and ostentatiously named One Magnificent Mile building. A host of other high-price retailers have opened for business there as well.

Some worry that the opening of so many retail centers in the Near North Side area will glut the market, but the shopping center that helped start it all, Water Tower Place, is doing a booming business.

While other purveyors of specialty foods and confections are also expanding operations, more traditional food retailers struggle to keep hold of a protean market. Consumers on the affluent North Side are buying more varied and expensive foods in order to follow the gourmet cooking fad. But major supermarket chains are closing stores in troubled areas of the South Side, where unemployment reaches 30%.

Even in relatively affluent areas and particularly in outlying suburbs, traditional supermarkets are beginning to see serious competition from warehouse stores that sell package goods out of shipping cartons and bulk foods packed by the consumer.

Further back along the industrial food chain, some food processing companies are running into tough times. Meat processing companies still operate several plants around town, though Chicago no longer sees itself as the world's hog butcher. But tough price competition from nonunion plants scattered through less urban parts of the Midwest has led to several plant closings and an ongoing struggle between management and unions.

Many manufacturers see Chicago as a tough place to do business because of high county and state taxes and the predominance of unions. On the other hand, some businesses find it advantageous to locate near Chicago.

Area businessmen and local government officials are pushing the idea of a high-tech corridor or arc that cuts through suburbs to the west and northwest of Chicago. They see an entrepreneurial business district anchored by the large electronics companies already located in the area.

The combination of a relatively central location in the nation, busy international O'Hare International Airport and a cosmopolitan city, where young up-and-coming engineers and executives can find an apartment for under $500 a month, is attracting diverse companies to the area.

While government types chase glamorous high-tech companies, a growth company in the fast-food industry, Chart House shifted headquarters from Lafayette, La., to suburban Chicago. The reason? "I lived in Chicago before and I liked the city," said Donald N. Smith, the company's new chief executive officer. He added that the location makes it easier to hire top-flight executive talent and provides him with easy access to restaurants and franchises scattered around the nation.

As the number of young professionals increases, so too does the number of apartment buildings in the city. An area a few blocks west of the Magnificent Mile is favored by developers betting on a revitalization of the downtown Loop business district and a continuation of apartment construction there.

Meanwhile, gentrification of older parts of the city to the north and south continues. The South Side has the University of Chicago, the Chicago White Sox and Hyde Park. But it also has the area's largest waste dump and the shells of deserted factories. The North Side has Old Town and New Town, a large number of small theaters and good affordable restaurants. But it also has shells of deserted factories a little to the west and the Chicago Cubs.

In general, Chicago is in good shape for the future. The federal Bureau of Labor Statistics predicts the number of employes in Illinois will grow about 3% through the decade. The same rate applies to the Chicago area, which accounts for three-fifths of the state's employment.

And racial tensions have eased since the election. Chicago still is a city of economically and racially defined neighborhoods. A walk of a few blocks can take a person from the wealthy Gold Coast to the poverty-stricken projects of Cabrini Green. But blacks and other minorities have gained a large amount of political and business clout in recent years. And, clout is what it's all about in Chicago.

That's officially noted by the *Chicago Tribune*, the city's largest newspaper, in a comic strip called Clout Street put together by editorial cartoonists and others. Another famous annotator of clout, Mike Royko, resides at the *Sun-Times*, (recently acquired by Rupert Murdoch's News America Publishing Co., to the trepidation of many Chicago journalists). The *Sun-Times* runs a fairly close second to the *Tribune* in daily circulation.

The city also houses three major network owned-and-operated tv stations, two major independents (including superstation WGN) and a Public Broadcasting System affiliate that earns a chunk of its budget by taking commercials. A total of 15 tv stations serve the market.

A substantial number of small neighborhood weeklies and dailies fill the niches on the print side. Backing up tv in broadcast are 49 radio stations. Although cable franchises have been awarded, the city is not wired. The suburbs have a variety of services.

Test your metro knowledge

By Ed Zotti

For years Americans have argued over the relative merits of their home towns—which city is the liveliest, the most expensive, the coldest, the rainiest, whatever. Until recently, however, most such arguments were strictly of the hot-air variety—there was no good way of checking out the truth. Until two years ago, that is.

That's when Rand McNally published the "Places Rated Almanac" by Richard Boyer and David Savageau. PRA ranked 277 U.S. metropolitan areas according to quality of climate, housing, healthcare, crime and so on. In the process, the authors unearthed a vast treasury of oddball facts about the nation's cities. See if you can recognize these 12 cities from the facts provided below:

1. It has the most taverns per capita of any city in the U.S. (curiously, among the nine runners-up in this category, six are in the same state as the leader). It's also among the top 10 in movie theaters per capita. One of the safest cities in the U.S. (second lowest in violent crime), it's also among the coldest, a phenomenon noted in such other Northern Plains cities as Fargo, N.D., and St. Cloud, Minn.

2. It's the largest city in the country without a zoo.

3. PRA considers it the best all-around metropolitan area in the country, with the nation's best transportation system, although it also has the second most congested freeways. It's among the top 10 in most available seats at spectator sports per capita. On the negative side, it's among the top 10 in murder and robbery rates. The state it's located in has the widest gap between richest and poorest school districts, and also leads the U.S. in quantity of moonshine confiscated annually.

4. It's among the top 10 in all-around climate, although a farmer was killed there once by a hailstorm. It has among the fewest bowling alleys per capita of any city in the nation. It's in the top 10 for murder and rape, and ranks among the 10 lowest in "educational effort," a measure of the resources invested by each city in its local school system.

5. It has the worst auto theft rate in the country, but it also has one of the lowest unemployment rates. It can boast of the country's best universities for law, business, medicine, engineering and music. One of those universities is also the nation's most expensive. It is among the 12 windiest cities, and among the top 6 in real estate taxes. It is one of a handful of cities whose public transit system includes ferryboats, trolleybuses, streetcars and subways. It offers the most racing days of any city in the country for thoroughbred, harness and greyhound racing.

6. It's the sunniest and driest city in the U.S., and is among the top 10 in hours per year over 80 degrees. Partly as a consequence (air-conditioning, you know), it's among the highest in electricity use per household. It's in the top 10 for murder and robbery, but it also has the second highest per capita spending on parks and public recreation.

7. It has the most even climate on the continent, and is among the top 10 cities in freedom from ragweed pollen. Its housing is some of the most expensive in the nation, and its property taxes on houses are among the highest. It's in PRA's top 10 for "supply of cultural facilities." The state in which it is located has the nation's highest incidence of leprosy, malaria and typhoid fever.

8. It's the only major American city with no heated homes, and has the lowest number of heating-degree days, a measure of evenness of climate. It's among the 12 windiest American cities. It has the most expensive housing (more than $170,000 per unit average), but among the lowest real estate taxes. In its population class, it has the highest rate of "culture per capita," as calculated by PRA. It's also in the top 10 for amount spent on parks and recreation. Unfortunately, it also has one of the highest student-teacher ratios.

9. It has the nation's most popular aquarium even though it isn't near an ocean. It has the most popular zoo, the second highest museum attendance, and the second most popular harness racing track, all of which help put it in PRA's top five for recreational opportunities and top four for "supply of cultural facilities." It is not one of the windiest cities in the country. It has among the nation's most severe air pollution, and typically has only 70 sunny days a year.

10. It was the fastest-growing metropolitan area from 1970 to 1980 (95.1%). It's projected to have the second highest job growth rate through 1990. It offers the second best access to public golf courses, is among the top 10 best cities in freedom from ragweed pollen and is among the top 10 for projected income growth through 1990. On the other hand, it's the third hottest U.S. city, with 103 days in the 90s per year. It's also in the top 10 for aggravated assault.

11. The fifth coldest city in the U.S., it also has the lowest percentage of houses over 40 years old of any American city. It has the highest average household income, the highest teacher salaries, and ragweed pollen index of zero. The state in which it's located has the lowest death rate for heart disease, cancer and stroke, but the highest death rate for accidents, giving it one of the lowest life expectancies in the nation.

12. This godforsaken pesthole has the third worst economic prospects of the 277 metro areas studied. It saw the steepest population decline from 1970 to 1980 (8.5%) and had either the worst or second worst crime rate, depending on how you calculate these things. It has the lowest household use of electricity, but the highest bills per household. On the other hand, it has the most museums, theaters, public and fine arts broadcasting outlets, opera companies, dance troupes, symphony orchestras, employed artists and major universities. Perhaps equally important, the state in which it is located has the most golf facilities in the nation.

(Answers on Page M-28)

Ed Zotti, a writer in Chicago, is a frequent contributor to Magazine.

Cincinnati, O.-Ky.-Ind.

Population '80	1,401,491
Rank	28
Est. income '82	$13,952,491,000

If one used construction as the sole indicator of economic health, Cincinnati would seem vigorous indeed.

An unprecedented downtown building boom is expected to add 2.4 million sq. ft. of office space to the more than 1 million sq. ft. built recently in surburban office parks and large-scale renovation projects at various downtown sites. Much of the new investment has come from out-of-town interests betting on companies desiring Cincinnati offices because of the city's lower rental rates. While city planners do not anticipate significant population growth, they do hope the city will become a good location for serving the Northeast and Sunbelt.

Whether or not there will be enough tenants depends on whom you ask. A few have raised the possibility of a glut, while city development director Nell Surber pointed to the current 2% vacancy rate among Class-A office space. He said Cincinnati needs the room, especially for attracting new businesses.

Attracting new businesses is a primary goal of Cincinnati's "Blue Chip City" campaign. Meant to publicize the city's virtues as a place to start or relocate a business, the campign involves the chamber of commerce and chief executive officers of several major local corporations. Its fulltime director is William Price, formerly general manager of Taft Broadcasting's Kings Island amusement park. The chamber of commerce also hopes to develop a venture capital fund; the city received a $150,000 venture capital grant from Gannett Co. in January, 1983.

The Blue Chip campaign emphasizes Cincinnati's economic stability. The city suffered many problems common among northern industrial cities during the recession, though to a lesser extent. Particularly hard-hit was the machine tool industry, long a staple of the local economy. Steel and automotive industries also faltered.

But the city shows signs of recovery. Employment in August was still down 0.9% from the year before, and metropolitan area unemployment was 10.7% in June. But Ford Motor Co. recalled all laid-off workers to its Sharonville transmission plant, as well as 600 at its Batavia facility; the General Motors Camaro/Firebird plant in Norwood remained strong, operating two full shifts per day. Armco Inc., the diversified steelmaker based in nearby Middletown, O., continued to lose money but recalled 860 local workers in July.

General Electric Co., Procter & Gamble and Kroger Co. remained strong, but on the downside, Revlon Realistic, a manufacturer of haircare products, announced in October it would close its Cincinnati plant, laying off 250 workers. No one yet knows the impact of Baldwin-United's bankruptcy.

Retailers have experienced recent modest gains (except for the Union Terminal development, which faltered and appears doomed), but the major expression of confidence in Cincinnati came from outside as two major companies embarked on local ventures.

Construction continued on a new Saks Fifth Avenue store adjacent to the Hyatt Regency downtown, which is also under construction. And Hyper Shoppes, a European company, announced plans to build its first U.S. supermarket on the city's east side.

The housing market improved, with real estate companies holding steady or making modest gains, although the condo market lagged. Rehabilitation efforts continued in several older neighborhoods and downtown, where Two Garfield Place and One Lytle Place, new buildings, and Fourth Plum, a renovated structure, vied for upscale tenants moving back to the inner city.

Although few see it as a panacea, the city has begun promoting local growth in high-tech industries. A planned Institute for Advanced Manufacturing Sciences has a board of directors and some funding; proponents hope to begin construction in 1984 and seek additional financial support and a management organization; the institute would provide space for high-tech research.

Efforts at attracting corporate relocations have had some success. AT&T Long Lines plans to lease 435,000 sq. ft. of new office space for its national engineering and design layout facilities. Merrell-Dow intends to move part of its pharmaceutical division from Indianapolis to Cincinnati, and USI Industries, part of National Distillers, plans to relocate its New York headquarters in Cincinnati by the summer of 1984.

Predictions of wholesale business flight from the state have not proved accurate, but some companies have chosen to occupy land in Northern Kentucky rather than pay Ohio taxes. Still, a referendum proposal to repeal taxes implemented during Gov. Richard Celeste's administration and before was voted down after concerted efforts to convince Ohio voters that the added revenue was necessary to help solve the state's fiscal problems.

Cincinnati's advertising community has recovered from its major recent blow, the loss of Kenner Toys' business to New York. Sive Associates, the agency that lost Kenner, recovered last year by snatching Ideal Toy Co. from a Manhattan agency. The larger Cincinnati agencies have continued making modest inroads in neighboring markets, landing accounts in Tennessee, Indiana and Texas. No major new defections occurred in the last year.

Suburban newspapers (at latest count numbering 28) grew as they began filling gaps in the surburban coverage of the two major dailies, the *Cincinnati Enquirer* and *Cincinnati Post*. Other media servicing the area include five commercial tv stations, one public tv station, seven cable services, nine am and 17 fm stations.

Cleveland, O.

Population '80	1,898,825
Rank	16
Est. income '82	$19,735,433,000

Dennis Kucinich returned to Cleveland City Hall this autumn—and the city survived (he won election as a city councilman). And it is fast becoming the opinion of most business people around town that the city has emerged from Mr. Kucinich's stormy years as mayor of a town that can take its knocks, survive and even thrive, whatever the economy and the comedians toss Cleveland's way.

When LTV Corp. announced it was buying locally based Republic Steel Corp. to team with LTV's Jones & Laugnlin Steel subsidiary, Republic's executives fought and won the battle to keep the merged company in Cleveland. That meant hundreds of jobs would stay in the city, another sign that the ball was beginning to take a Cleveland bounce.

While many manufacturing operations have closed plants and otherwise trimmed operations, the area's steel, auto and auto-related industries have started to call workers back to their jobs.

In addition, there are a number of

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growing regional and national retailers headquartered in Cleveland that are adding optimism to the outlook for the area's economy.

Cole National Corp. (which operates Children's Palace toy stores, the optical departments in Sears and a number of other speciality retailers); Fabri-Centers, a major fabric seller, and Revco D.S., one of the largest drugstore chains in the country, all call the Cleveland area home.

Under Mayor George Voinovich, the central city itself is also organizing as never before. The mayor's administration is putting its efforts behind programs that assist businesses looking to expand and is pursuing federal tax dollars for both business and community development.

Mr. Voinovich recently credited his own planning and development department for spearheading a drive to obtain a federal grant for major street and water main repair in an industrial area on the city's southeast side, as well as for a $3 million federal grant for an industrial park in the depressed Hough area.

Construction downtown and elsewhere is continuing, as the area's economy changes to a more diverse service orientation and office buildings replace smokestacks on the city's skyline. Four skyscrapers under construction or just completed will provide expansion for many of the largest businesses headquartered in the area, including the Eaton Corp., Ohio Bell Telephone Co. and Standard Oil Co. (Ohio).

Other downtown development includes a renovation of the area surrounding the Terminal Tower, the city's tallest building. The Tower City project is expected to include a total of 18 interconnected buildings including a hotel, a medical merchandise mart and office and condominium space.

Though the suburbs are still closely tied to the central city, development in outlying areas continues with Scott Fetzer Co. and the Nordson Corp. putting up new headquarters and a handful of developers planning speculative office buildings in growing suburban commercial areas. An estimated 2,000 apartment units are also under construction in the area.

One of the most promising areas for economic growth is expected to come from companies that produce sophisticated medical equipment. Already the home of Technicare Corp. and Picker International—two major competitors in the medical imaging business—the area has a group of smaller companies cropping up in related areas.

In addition, one of the area's largest employers is the Cleveland Clinic. Though it already draws patients from around the world, a massive building program already is under way. If it comes to pass, the Tower City medical mart will provide an important boost to the area's travel and convention business, which has been lagging.

The city is also home to two major trade publication groups. Penton/IPC publishes 27 titles and HBJ Publications, a subsidiary of Harcourt Brace Jovanovich, recently set up shop in a Cleveland suburb for its stable of 131 titles.

Though the city last year lost its afternoon daily newspaper, the *Cleveland Press*, the city is served by the morning *Plain Dealer*, a half dozen suburban afternoon papers and the chain of 17 weekly *Sun* newspapers.

Two dozen radio stations fight hard for ratings points and advertising dollars with no one station able to hold a secure spot for very long.

The demise of a subscription tv service last summer gave the city five fulltime tv stations (three vhf and two uhf) with plans for a new station to be on the air early next year.

Columbus, O.

Population '80	1,243,833
Rank	33
Est. income '82	$11,748,226,000

Compared with many cities in the Midwest, Columbus led a charmed existence throughout the last recession.

Although the recession left its mark downtown, Ohio's capital weathered the difficulties largely because of its balanced economy. Much of the local economy's growth has occurred in the service sector.

Public employes represent about 20% of the labor force, and heavy industry provides fewer than 25% of the city's jobs, said Ernest J. Hartong Jr. of the Columbus Area Chamber of Commerce. "We have had some decline in manufacturing," said the economic development officer. "It has not impacted us like it did some other cities."

The city's unemployment rate stayed well behind the state's during the recession. Ohio unemployment peaked at almost 15% in January, while the Columbus rate was just above 10%. Nationally, the jobless level was almost 11.5%.

The Dayton Malleable foundry closed in 1981, and major layoffs occurred at a number of manufacturers, including Timken, Columbus Auto Parts and Fisher Body.

There was employment growth, however, at plants owned by companies such as Liebert, AccuRay and Worthington Industries.

Rockwell International's work force has grown to about 4,500 since the company won contracts for B-1 bomber components, and employment is expected to peak at 6,500 by mid-1986. In nearby Marysville, Honda employs about 1,500 workers in its new auto plant. The state government is the largest employer in Columbus, with 19,800 employes.

Next come Ohio State University (18,400); the federal government (11,070—not including military personnel); Columbus public schools (7,000); F&R Lazarus (6,480); the city government (6,060); Nationwide Insurance (6,060); Ohio Bell (4,820); Western Electric (4,750), and the county government (4,400).

Downtown Columbus is experiencing extensive construction. The largest effort is Capitol South, a redevelopment project encompassing three blocks immediately south of the capitol building. Combined public and private funding is being used, with the city government retaining title to the land. The value of the entire project will total an estimated $250 million to $400 million.

Most progress so far has occurred in the north half of the development. The Pickett Cos. and Aetna Life Insurance built One Capitol South, a 12-story, mirrored-glass office building. Foundation grants and federal funds paid for the Centrum, a small park which includes an outdoor skating rink. Plans call for later construction of a parking structure and mall.

Largely completed is Capitol Square, a $100-million, twin-tower complex being built by John W. Galbreath and Co. It is designed to provide office space and house a 400-room Hyatt, the downtown district's second.

Adjoining Capitol Square is the Ohio Theatre, a restored historical landmark undergoing a $9 million expansion. A glass-covered esplanade would connect the theater and the Galbreath complex.

Another downtown construction project is the Huntington Center. The $100 million complex would house the parent company of Huntington National Bank, plus other tenants. The building would be topped by a 193-suite, $15 million luxury hotel planned by the Pickett Cos.

Columbus has experienced healthy growth in its convention business. Major conventions drew about 565,000 people in 1982, and 1983 attendance is projected to reach 600,000, reports the visitors bureau. Last year, convention visitors spent an estimated $85 million in Columbus.

Several corporations recently established headquarters in the area. American Electric Power, formerly headquartered in New York, moved into an $80 million, 32-story downtown office tower. Anaconda Advanced Technology moved from Los Angeles and expanded its Columbus production facilities. The company makes computer-based control systems for the industry.

Combiblock, a manufacturer of aseptic packaging, opened a headquarters and production plant here. Also moving into new quarters were Ohio State Life Insurance and Farmers Insurance of Columbus.

At Port Columbus International Airport, more than 2.6 million airline passengers used the facility in 1982, up almost 8% from the previous year. A new, $72 million terminal was completed in 1981, providing 500,000 sq. ft., more than triple the previous year.

Fifteen airlines provide service in Columbus, several more than there were before deregulation. Midway canceled its Columbus operations this year, and other carriers have reduced service. Columbus, however, has not lost air connections to any major city.

The closed Rickenbacker Air National Guard Base, with a pair of 12,000-ft. runways, is expected to become a major air freight center. The airport authority expects to receive title to the property from the federal government late this year. The authority plans to develop an industrial park in an effort to attract aircraft and aircraft component manufacturers to the site.

The ad industry continues to prosper in Columbus. Lenere Shrieves, new business coordinator for Hameroff/Milenthal, said the city has almost 150 advertising agencies. She said her agency has doubled its volume to about $14 million in the past year. Much of the growth has come in the marketing of computers and health care.

Columbus has two daily newspapers, 18 weeklies and three monthly magazines. There are four cable tv companies. In broadcasting, there are four tv stations, plus seven am and 11 fm radio stations.

Dayton-Springfield, O.

Population '80	942,083
Rank	45
Est. income '82	$8,456,131,000

Thanks in part to a turnaround in the auto industry, Dayton's wounded economy has stabilized, if not improved.

The Dayton area had been battered by plant closings and layoffs in 1980 and 1981, but no plant closings have been reported in the last two years. John Cordray, chief economist at the Dayton Chamber of Commerce, said unemployment in Montgomery County is 9.4%, the lowest since April of 1982. There are 368,000 employed workers in the county.

Answers to quiz

(From Page M-26)

1. Eau Claire, Wis.
2. Nashville, Tenn.
3. Atlanta.
4. Lubbock, Tex.
5. Boston.
6. Las Vegas, Nev.
7. San Francisco.
8. Honolulu.
9. Chicago.
10. Fort Myers-Cape Coral, Fla.
11. Anchorage, Alaska.
12. New York.

Second City proves it's second to none

By Jack Hafferkamp

Ten years ago—before "Saturday Night Live," "SCTV," "The Blues Brothers," "Animal House," "Cheers" or even "Hill Street Blues"—New York drama critic Clive Barnes made a striking comment.

"The entire recent tradition of American theatrical satire," he had written, "can be summed up in three words, The Second City."

Today, when Chicago chauvinists are justifiably proud of the second city's thriving theater scene, The Second City has emerged as America's deepest comedy talent well. It has launched the careers of more famous actors and actresses than there is room here to list. But from Joan Rivers to Tim Kazurinsky and Alan Arkin to Shelly ("Cheers") Long and Betty ("Hill Street Blues") Thomas, the roster is a virtual who's who of America's funny people. And the humor doesn't even stop at national borders. Since 1973, there has even been a Canadian Second City, which resides in Toronto.

This week, the Chicago home base celebrates its 24th birthday. Born Dec. 16—Beethoven's birthday—1959 in a converted Chinese laundry in Chicago's Old Town, it is currently offering its 65th revue, "Orwell That Ends Well." The show is a hit, mixing—as always—topical humor with doses of pure silliness and strong audience identification.

How do they do it, show after show, year after year? This amazing history continues because producer Bernard Sahlins and associate producer Joyce Sloane have established a repeatable process for generating and packaging comic creativity.

"The form is flexible," explains Ms. Sloane. "The actors can perform their craft every night, and because we do improvisations four nights per week, they have the opportunity to fail. That's really what helps our people to grow so fast.

"Second, we are a company, but our cast is continually changing. We have auditions for each show. This guarantees that we change with the times and that the people on stage have the same points of reference as the people in the audience. When the actors mention a hit song, the audience knows it. Other satirical theaters have come and gone as the people who created them went on to other things. We're still here because we're always looking for new people to give us that new blood."

Who said 1984 couldn't be funny? The Second City has turned it into its latest revue, "Orwell That Ends Well."

One reason sometimes advanced for The Second City's original ability to take root is that Chicago was safe from the corrupting temptations and pressures of the Los Angeles-New York bigtime entertainment mainstream. Unmolested in their relative obscurity, Mr. Sahlins, Ms. Sloane, directors Paul Sills and Del Close and pianist Fred Kaz were able to perfect The Second City style.

Today, however, there is no obscurity. The Second City has become so well known as a talent pool that the network tv executives and movie people drop in regularly. The Second City's fame also means that there is never a shortage of hopeful young actors and actresses ringing the doorbell.

Those who pass the test are admitted to a backstage atmosphere that is a heady mix of nervous energy and bursts of inspiration. The environment is competitive yet supportive, exhausting yet energizing, liberating yet humbling. Even hard-boiled journalists often have found its lure hard to resist.

Eliot Wald went from feature writing at the *Chicago Sun-Times* through The Second City to comedy writing for "Saturday Night Live."

Denise DeClue went through a Second City workshop as research for a story and wound up joining the Second City Touring Company. She also worked with Mr. Sahlins and cast members brainstorming tv and film development projects.

That led to film script projects including "My Bodyguard," a yet-to-be filmed adaptation of David Mamet's play "Sexual Perversity in Chicago" and a Bette Midler film known variously as "Big Success" or "Woman On Top"—all written in conjunction with "Saturday Night Live" cast member Mr. Kazurinsky.

"In a way, Second City is like high school," says Ms. DeClue. "The people who play on the main stage are the upperclassmen. They're cocky and cool. The freshmen are the new kids in the touring company. They have to prove themselves to the older kids. Bernie is the principal."

Mr. Sahlins has expressed The Second City's philosophy of humor in this way: "We always feel that the worth of our material depends on how true it is. You can always get a laugh by dropping your pants, but we think that's a cheap shot. The best material is based on identification—when the audience says to itself, 'Yes, that's right!' "

Of course, when everything is working onstage, that identification is so fast that few in the audience see the show's seams. Thus outsiders often have a hard time comprehending exactly how demandingly intense the Second City experience is for the young talents onstage. But there is a glimmer of the kind of ego commitment and dedication to excellence one finds inside The Second City in this story from Joyce Sloan:

"The day after Brandon Tartikoff [NBC-TV's vp-entertainment] was here, our sandwich maker and dishwasher, Clark Bachman, said to me that it had been a wonderful experience seeing his old prep school mate Brandon. 'You know,' Clark said to me, 'when I was editor of the school paper, I would never accept his work.' "

Jack Hafferkamp is a free lance writer in Chicago.

General Motors Corp., the major employer in Dayton, recalled about 3,000 workers in 1983 to work in its new small truck and diesel engine plant.

In addition, Wright Patterson Air Force Base, near Dayton, will be a key consultant in the development of the B-1 bomber. Rockwell International Corp. has the contract to manufacture the aircraft in other parts of Ohio, but it will engage several local companies to supply parts. Wright Patterson itself employs 22,000 people.

But while manufacturing remains the area's bread-and-butter category, Dayton is slowly moving toward a more service-oriented and high-tech economic base. NCR Corp.'s headquarters here recently expanded by opening a microchip plant in nearby Miamisburg. The plant is to have from 150 to 300 employes.

Retailing companies, said Mr. Cordray, are experiencing "some growing pains." New owners are being sought for Arcade Square, a downtown mall that has had trouble filling space. On a more promising note, a renovated warehouse on the edge of downtown has reopened as a discount center called Factory Mart Outlet.

Because Dayton is home to several corporate headquarters, hotel owners report occupancy rates are high and business is good. There has also been an explosion of fast-food restaurants in the last 18 months.

Mr. Cordray said 1983 has been a "good but not a super year" for Dayton businesses. "The capital goods industry has still not gotten back to full swing," he said.

In nearby Springfield, part of the Dayton market area, unemployment stands at 10.1% in a workforce of 70,723. Still heavily based in manufacturing, the city is the site of large International Harvester, Kelsey-Hayes Speako division and Cooper Energy Systems plants.

Chamber of commerce officials say economic recovery has reached Springfield. International Harvester transferred its trucking assembly operations to the city in 1983 and recalled some 2,000 workers. Kelsey-Hayes, an aircraft parts company, is experiencing big increases in government contracts.

The pickup in manufacturing has been beneficial for Springfield's service industries. O'Neills' restaurant, which had been closed for a year, is scheduled to reopen; other small restaurants and a bakery plan to expand or reopen.

City officials, the chamber of commerce and the Clark County Development Corp. are aggressively trying to keep businesses in Springfield through financial incentives such as revolving loan funds, industrial revenue bonds and extensive use of Urban Development Action Grants.

As a result of joint private industry government efforts, three industrial parks are now being developed, a downtown office building has been renovated and a factory outlet mall, with 70% of its space already leased, will open within a few months.

"We're out to help business and industry in the city," said Mark Yates, economic development director for the chamber, "and it seems to be working."

Springfield's major newspaper is the *Springfield News* and *Sun*. Its radio stations are: WDLY (am), WAZV (fm), WIZE (am) and WEEC (fm). The market is served by one cable company and a weekly advertising paper. Columbus and Dayton tv stations also are received in Springfield.

In Dayton, the major media are: Two daily newspapers, the morning *Journal Herald* and *Dayton Daily News* in the evening; three tv network affiliates; 10 radio stations (am and fm); two cable tv companies and a public tv station.

Detroit, Mich.

Population '80	4,488,072
Rank	5
Est. income '82	$43,676,370,000

In 1981, some Detroit area blue collar workers jumped in their pickup trucks or campers, headed for Houston, found the pastures less than green and came back home.

Today, despite a bare-bones budget, layoffs and unacceptable unemployment rates, Mayor Coleman A. Young can say, "There is nothing wrong with this city . . . that a national economic recovery won't cure."

Working toward that end, the U.S auto makers introduced 1984 models that have neat fits and finishes. And the industry is revving up for spectacular earnings records for 1983.

Chrysler Corp. had earnings of $100.2 million for the third quarter, $582.6 million for the first nine months, or better than Chrysler's best full year.

General Motors Corp. recorded $736.9 million in nine-month earnings, a record.

Ford Motor Co. had $333 million in nine-month earnings—it, too, a record.

And Detroit can certainly use its share of the trickle-down.

Meanwhile, city planning and building continue in many sectors of the community. Here are some highlights:

Groundbreaking for a downtown People Mover took place in October. The elevated system would link key activity centers along a 2.9-mile loop of the central business district. Among the system's 13 stops: Cobo Hall, Joe Louis Arena, the financial district, Bricktown, Greektown and the Renaissance Center—ending the perceived isolation of Ren Cen from downtown Detroit. Opening in 1986, the system is expected to carry about 57,500 people daily by 1990.

"It will create hundreds of construction jobs and encourage investments in office, retail, hotel and residential land uses within the downtown area," said Gary Krause, general manager of the Southeastern Michigan Transportation Authority.

The People Mover would also connect with the $77 million Riverfront, a 10-acre, self-contained community built around twin 29-story luxury apartment towers. Each of the 604 apartments is designed to provide an impressive view of the Detroit River.

Riverfront is designed to offer all the expected conveniences, plus a parking garage, private 77-boat marina, health club, racquetball and tennis courts, jogging track and 6-acre park. Occupancy at Riverfront begins in the spring of 1984.

In the retail area, Diane Edgecomb, president of the Central Business District Assn., discussed the trauma created by the closing of Detroit's queen of downtown department stores, the J.L. Hudson Co., in 1982.

"There's no question that the loss of Hudson's created a vacuum in services," she said.

Yet other stores have absorbed those services after a thorough survey of the local needs.

To facilitate business in the area, Ms. Edgecomb's organization has divided downtown Detroit into "clusters" of commercial neighborhoods: Bricktown, Woodward Ave., Washington Blvd., the financial district and others.

The neglect of former years is being corrected by organization "Resource Teams" working with business owners to determine area needs. Parking? Transportation? Security? Lighting? Years ago, the plan worked for Greektown—a big success, day and night.

An open house for prospective retailers will be held in the spring. Ms. Edgecomb said, "We're not going to . . . bring them in unless I think they can make money."

Detroit's Metropolitan Center for High Technology is an effort to bring university minds and business intitiative together for the purpose of developing new high-tech industries in Detroit and surrounding areas.

The 272,000-sq.-ft. center opened in October at the former Detroit Institute of Technology facility near Wayne State University. Federal, state, city and private funding totaling $9.7 million has been invested.

Tenant development companies would be provided with libraries, computers and technical laboratories as well as access to WSU consultants. When in place and producing for the

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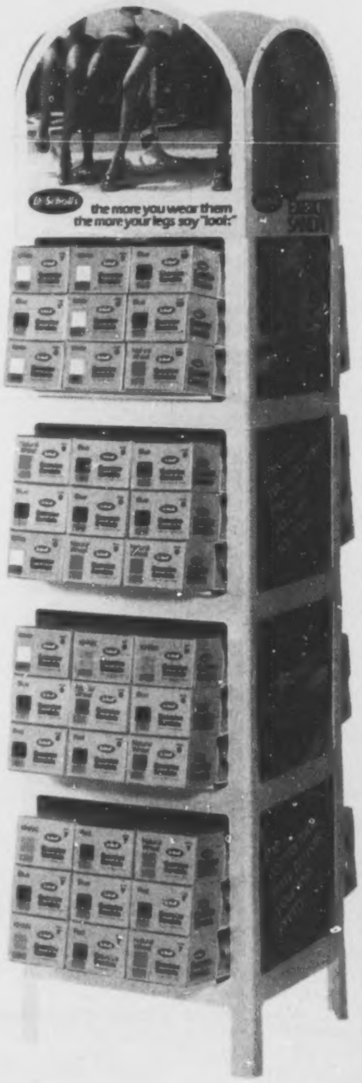

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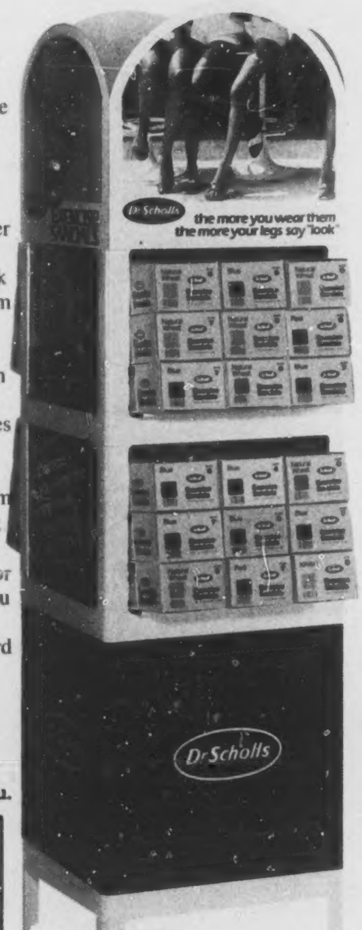

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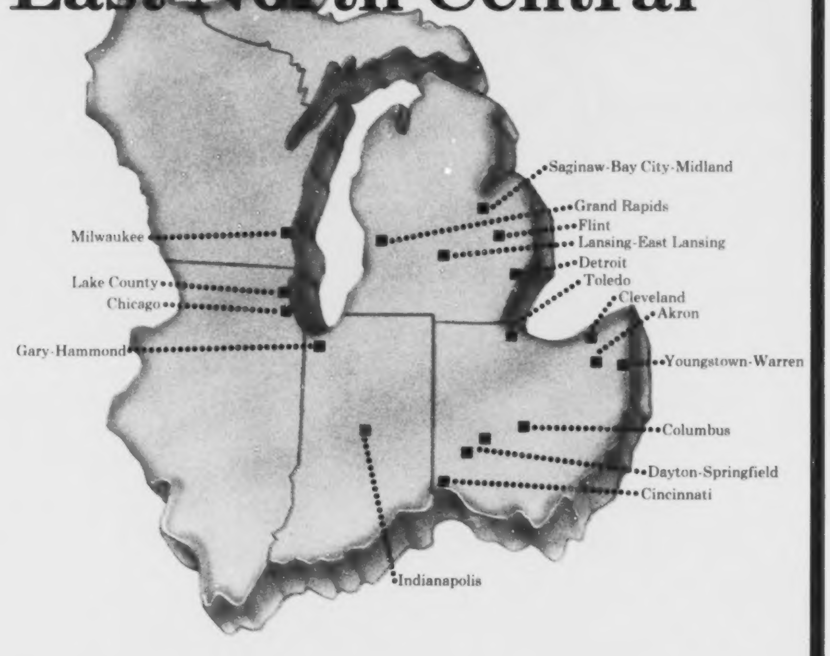

market, the new companies would increase job opportunities and strengthen the tax base.

A major liftoff for the economy and the spirit of Detroit will be the opening of the $800 million GM Assembly Plant. It is providing from 3,000 to 6,000 jobs and bringing in a projected $5.4 million in taxes. The plant is scheduled to come to life in 1984, in time for the 1985 models.

Detroit is viewed as a tough city—streetwise and experienced in survival. It's also a city of ethnic festivals, the Montreux-Detroit Jazz Festival, a Formula I Grand Prix, fm rock, live seminal blues, the International Marathon and sports, sports, sports.

The Detroit area is served by two daily newspapers, 12 am and 22 fm stations (plus six am and three fm stations in Windsor, Ont.), seven tv stations (plus two stations in Windsor) and 12 pay/cable tv services in the suburbs. Detroit is not yet wired for cable.

Flint, Mich.

Population '80	**450,449**
Rank	**91**
Est. income '82	**$4,032,306,000**

Flint is trying to position itself on an economic plateau, above the peaks and valleys of the auto industry, by attracting tourists, service and high-tech industries.

In March, 1982, unemployment in the market, which comprises Genessee and Shiawassee counties, reached a recession record of 23.7%, highest of any area in the nation. By this past August the rate was down to 15.5%, which translated into 35,500 workers.

Yet Flint is moving ahead with ambitious plans to metamorphose from a depressed industrial city with boarded-up stores into a tourist attraction with a thriving downtown.

The biggest transformation is the 22 downtown acres that are becoming AutoWorld, a $70 million urban theme park. A 70-foot dome at the park covers an area the size of a football field.

The entertainment and educational center expects to attract 900,000 visitors within a year after its scheduled opening next July 1, creating 1,800 jobs.

AutoWorld is financed by donations from the C.S. Mott Foundation, established for community betterment by an early industrialist who exchanged his axle works for stock in a brand new General Motors Corp. Other financing came from the General Motors Foundation, citizens of Flint and the Department of Housing and Urban Development.

Flint can also show tourists a new $22 million "town square" downtown park. In 1981, a $63 million Riverfront Center with a 400-room Hyatt Regency Hotel and convention center, and a $13 million Citizens Bank Building opened. An $8 million state office building opened downtown in summer, 1983. Windmill Place, a downtown complex of restaurants and small shops under one roof, has been drawing crowds since its 1982 opening.

The University of Michigan-Flint has a full enrollment of 5,000 at a new campus across the Flint River from AutoWorld. Projections of the campus's eventual cost reach $80 million.

Elsewhere, planners are working on Carriage Town, a restoration at the wagon works that became the first Buick plant.

In October, the Flint City Council moved to apply for an Urban Development Action Grant for the "Flint Festival Marketplace," or Center City Plaza. It would occupy a downtown block that contains a now-defunct department store.

As with most Flint redevelopment projects, the Mott Foundation is financing the planning and helping to attract federal funding. The purpose behind all the new plans is to provide service jobs, said former mayor James Rutherford. "Service jobs will be dominant in the future—motels, office buildings, restaurants—those kinds of things," he said.

"It's because the other isn't going to be there. We have to start preparing for that," he added.

There isn't any question, the mayor added, that "with 11 GM plants, we are dominated by the auto industry." Mr. Rutherford said an "incubator" building will soon provide low-overhead operation for new entrepreneurs. It's part of a master plan for diversification with new high-tech industry. The racetrack he once hoped for did not materialize.

Meanwhile, GM is scheduled to close a Chevrolet engine plant by next summer, idling 1,350. By 1985 the company plans to close a Fisher Body facility to consolidate its operations into a modernized Buick plant. Some of the 3,500 Fisher Body workers displaced may find jobs at the new Buick City.

Work is already under way on a $300 million project to modernize the 60-year-old plant, one element of which will bring robotics to production. Steel coming in one end would drive out the other as finished cars. The transformation should reduce worker hours per full-size car from 47 to 29, employing 200 fewer workers than Buick's present production methods would require.

Some Buick suppliers would begin manufacturing parts at an adjacent industrial park set up on recently cleared land.

Pittsburgh Plate Glass and Kasle Steel, which will handle body preparation, have already broken ground for plants expected to create 200 to 400 jobs apiece.

The city has one daily newspaper, the *Flint Journal*. Cable tv claims 41% penetration in an area that covers Genessee, Shiawassee, Bay and Saginaw counties. The market is also served by 11 radio stations including six am signals.

Gary-Hammond, Ind.

Population '80	**642,781**
Rank	**65**
Est. income '82	**$5,540,121,000**

Gary leaders are trying to shake the city's image as the urban blight capital of the U.S. and replace it with an image of a city on the rebound.

An enormous job lies ahead. Downtown Gary continues to lie moribund, full of boarded-up buildings and mostly empty streets. Its housing market is still stymied by high interest rates and unemployment continues to hover between 12% and 13%.

But using a two-year-old convention center, extensive airport renovation, a tax abatement ordinance and a planned industrial park as selling points, the city is attempting to market itself.

"With all that is taking place in Gary currently, with all the planning and projects and the public-private sector cooperation we've seen recently, we're convinced that Gary is going to experience a solid rebound over the next 10 years," said Charles Miller, executive director of the Gary Chamber of Commerce.

Mr. Miller is referring to several major public and private sector cooperative ventures designed to attract new business to Gary, including:

- A $15 million to $20 million upgrading during the last two years of the Gary Municipal Airport, including a new terminal, control tower, runway lighting and other improvements. Mr. Miller said civic leaders hope the refurbished airport will stimulate commuter and corporate aviation traffic into Gary and surrounding cities, including Chicago.
- A 1982 tax abatement ordinance that could "go a long way toward attracting business and investment in our community," said Mr. Miller. Under the ordinance, a company setting up operations in Gary would be exempt from property tax the first year, then would be taxed on only 10% the following year, 20% the year after that and so on. Machinery would be taxed in a similar manner, but on a five-year scale.
- Formation of a Local Development Corp., a private and public sector effort. The group, formed only recently, is equipped with private and federal funds to finance commercial development in Gary. A light manufacturing company and an art and graphics production company already have made inquiries, according to Mr. Miller.
- Plans by the Gary Industrial Foundation, a private sector group, to develop a 50-acre industrial park in North Central Gary. Land has already been purchased and the next step is to plan roads and utilities that would serve the area, Mr. Miller says.

Business leaders also have renewed efforts to attract convention business to Gary's two-year-old downtown civic center. Such business has been slow since the center was opened in 1981, but a hard-sell effort is under way.

Mr. Miller attributed these recent efforts to general warming in the relationship between business and Mayor Richard Hatcher. The mayor and his business counterparts had been at odds over how to revitalize the city, but that situation has softened considerably, he says.

All the optimism and revitalization plans in the world, however, can't alter one major aspect of Gary's fortunes—its close links with the steel industry, which continues to lag.

Tens of thousands of area steelworkers remain unemployed with little hope of widespread callbacks anytime soon. Not only that, Gary now faces a new round of layoffs recently announced by U.S. Steel Corp., this one involving white-collar workers and managers.

In nearby Hammond, less dependent on steel than Gary, there have been sparks of renewed commerce, but the movement is a long way from catching fire. The city has nearly 1 million sq. ft. of unused abandoned industrial space, which could actually prove to be a blessing in disguise, said Dewey Pearman, executive vp of the Hammond Chamber of Commerce.

For instance, Dietrich Industries, a steel reprocessing company, has moved into the abandoned Pullman Standard Works in Hammond and created 300 new jobs. That total may grow to 450 in another year.

Merrillville, another community in the area considered to be generally more stable than its neighbors, received a jolt recently. Prudential Insurance Co. announced plans to close its Merrillville offices, meaning the loss of 900 jobs.

The Gary market is served by two daily newspapers, two am and two fm radio stations, in addition to the Chicago media.

Grand Rapids, Mich.

Population '80	**601,680**
Rank	**69**
Est. income '82	**$6,106,720,000**

Grand Rapids fared better than other large industrial cities in Michigan during the recent economic doldrums. Stuart B. Cok, the president of the local chamber of commerce, claims the city is "one of the top 25 fastest-growing areas in the country—the only one in the northeastern U.S. to make the list."

While unemployment in September was still 10.8%, economists were predicting a job surge. Residential construction is showing the biggest comeback. Other new construction is increasing job rolls.

Steelcase Inc. recently completed a $50 million headquarters building. The corporation is the largest of Grand Rapids' many manufacturers of office furniture. The company has already built an energy center on a 400-acre site where it plans to invest $500 million during the next 10 years. With business volume growing by 15% yearly, Steelcase predicts it may add as many as 5,000 to its present employe roster of 7,000.

Another 4,500 Grand Rapids residents work for Amway Corp. In June, the direct sales company opened a new plant to produce all of its cosmetics and personal care items at its complex in nearby Ada. Plans call for 180 employes when its highly automated equipment gets up to speed by January.

Recently, Amway Corp. pleaded guilty to defrauding the Canadian government of custom duties and will pay a record $20 million (U.S.) fine. The direct seller said it "settled" the case to avoid costly litigation.

Both co-founders of Amway made the recent *Forbes* list of richest Americans. Richard DeVos, 57, and Jay Van Andel, 59, were reported to share $300 million apiece with relatives. Their contribution to the community is helping to rebuild downtown Grand Rapids.

In October Mr. DeVos and Mr. Van Andel cut the ribbon formally opening the $65 million Amway Grand Plaza Hotel complex. Its first phase opened in 1981 after Amway purchased and began remodeling the city's landmark Pantlind Hotel. The second phase added a 29-story glass tower with 682 guest rooms, plus banquet and meeting space. It connects via enclosed pedestrian skywalk to the Grand Center for performing arts, conventions and exhibitions, which includes the DeVos Performing Arts Hall, completed in 1980. In September, the hall's operators dedicated an art installation titled "The Grand," a work designed by artist Alexis Smith for its foyer.

Mr. Cok of the chamber of commerce said plans are to build another public museum near the Gerald Ford Museum, which now attracts 300,000 to 400,000 visitors yearly. Work should begin next year. Also, Grand Valley State College is planning to establish a downtown campus. There probably will be another hotel and possibly downtown housing, Mr. Cok added. Already, furniture maker Carl Forslund has converted five floors above its downtown retail operation into condos.

More than a third of the city's jobs are in manufacturing. General Motors Corp. operates two Fisher Body and two Rochester Products plants in the area. The corporation has recalled all laid-off workers and is bringing in workers with seniority rights from other plants. "GM has 9,000 employes here and we think that will continue to grow," said Mr. Cok.

Other manufacturers of office and related furnishings are American Seating, Herman Miller and Architectural Systems, which is finding a growing market for its computer furniture.

Retail sales in the city dropped to a recession low in 1982, but are said to have rebounded in 1983.

An independent uhf station, WXMI-TV, began broadcasting in 1982. The Public Broadcasting Service station is increasing its audience share steadily, and GE Cablevision is extending its penetration in the suburbs.

The *Grand Rapids Press* is the daily paper. The Spanish community is served by *LaVoz*, a bilingual monthly, and there's a weekly black publication, the *Grand Rapids Times*. Community weeklies are published by Advance and Cadence newspapers and the *Register* in nearby Rockford. *Grand Rap-*

ids magazine gets competition from a regional magazine, *West Michigan*.

The market is served by two network tv affiliates, an independent and a noncommercial public/educational station. The area has 11 fm stations and seven am stations, along with service from General Electric Cablevision Corp.

Indianapolis, Ind.

Population '80	1,166,575
Rank	34
Est. income '82	$11,160,718,000

National writers have often referred to Indianapolis as "naptown," but within three years the natives have become restless. Now the city wakes to the sound of jackhammers—and the smell of a growing market area.

More than $760 million in construction has been started, completed or planned in the past six years in downtown Indianapolis—a large portion since 1980.

In downtown Indianapolis, the American Union Life building was completed in October, 1982. At 38 stories high, the $50 million building is the tallest in Indiana. Of its 1.25 million sq. ft., 60% is commercially leased.

Also in 1982, Phillip R. Duke & Associates made its first mark downtown with the construction of One North Capitol, a 12-story office complex in the state capitol area. Duke's newest project, Two Market Square Center, an 11-story, $20 million building with office and retail space, should complement City Market and the Market Square Bldg.

In 1981, Robert Borns, an Indianapolis developer, changed local housing habits with the construction of Renaissance Place, a 120-condominium complex. Mr. Borns' current project is a $30 million Union Station renovation. Upon completion, scheduled for early 1985, the transportion center will give the downtown area 600,000 sq. ft. of retail shops, more nightclubs, restaurants and a 325-room "Garden of Eden" hotel.

Other office structures and retail developments in various stages of planning or construction include the R.V. Welch Office Bldg., a 12-story, $20 million tower boasting 240,000 sq. ft. of space; the Century Bldg., the largest privately funded renovation in the state at $10 million, and the Print Craft Bldg., with much of its space already leased to a high-tech company.

Indianapolis is also making several public space improvements. The Washington Street Transit Mall, a $16 million project, involves the one-way westbound rerouting of an eight-block segment of the "Main Street" of Indianapolis, providing an attractive setting for pedestrian and transit patrons. Also, the White River State Park is expected to be completed in the early 1990s. The 250-acre urban park, to be built along the White River in downtown Indianapolis, is a package that includes the Indianapolis Zoo, a water playground, a family amusement center, botanical gardens, a performing arts center and an 800-foot landmark tower.

Market analysts predict that Indianapolis will need more downtown hotel rooms, and the Commission for Downtown agrees.

Construction has begun on the Granada Royale Hometel, a 17-story structure that will have 350 luxury suites and, on its first three floors, 70,000 sq. ft. of retail space. The $30 million structure is expected to be completed by 1985. Also in the construction stage is the $6 million rehabilitation of the Warren Hotel, expected to be completed in 1984.

A mainstay of the Indianapolis economy is Eli Lilly & Co. Founded in Indianapolis in 1876, the company is the largest corporation headquarted in Indianapolis. It employs about 7,500 and its annual payroll exceeds $150 million.

INDIANAPOLIS
INDIANA

Since Oct., 1981, Eli Lily & Co. has announced nearly $110 million in projects for Indianapolis facilities. Recently completed is a building to produce Humulin, human insulin originating from recombinant DNA.

In the sports area, since 1982, the push to make Indianapolis the amateur sports capital of the country has been buttressed by $136 million in sports facilities. Indiana University-Purdue University is the home of a $21.5 million Natatorium. The new swimming facility is the site of the U.S. Diving Assn. National Headquarters and is attached by tunnel to the Track and Field Stadium, a $5.9 million complex that maintains permanent seating for 12,800 spectators. The $2.5 million Indianapolis Velodrome, completed in the summer of 1982, is one of the country's 13 bicycle-racing facilities.

Currently, construction is under way on a $77 million addition to the Indiana Convention Center that is to include a 63,000-seat domed stadium with extensive sports facilities and additional meeting and convention space.

Expected to be completed by August, the Hoosier Dome, as it is being called, is a potential home for a hoped-for National Football League franchise. At this stage, Indianapolis is the largest tv market without an NFL franchise.

To underscore the seriousness of its effort, Indianapolis played host to the 1982 National Sports Festival. The event received a tremendous amount of national coverage and media attention and was a box office success, with ticket sales topping $1.1 million and attendance exceeding 250,000.

On a negative note, Western Electric announced plans to close its Indianapolis plant, located in the downtown area. Those plans call for the company to start phasing out operations in early 1984, closing by first quarter of 1986. Approximately 50% of the 3,700 employes are pension eligible, and the American Telephone & Telegraph Co., Western Electric's parent, says it will attempt to place the remaining workers in jobs within its operations. The Indianapolis plant is one of three Western Electric plants closing, while a fourth will be scaling down.

In a positive move, International Harvester's engine division recalled some 300 employes, largely because of a contract it signed with Ford Motor Co. to use International Harvester's 6.9 liter diesel engine in all of its heavy duty pickup trucks.

December 31, 1983, will mark the debut of a new, independent tv station in Indianapolis. USA Communications, whose largest owner is Anacomp

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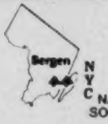

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SOURCES: *S&MM SURVEY OF BUYING POWER, 1983 • ABC AUDITS, 1982

Inc., will enter the media market with WPDS-TV. Anacomp is a computer software company located in Indianapolis.

Other media serving the area include two major dailies, the *Indianapolis Star* and *News*, three network tv affiliates, two existing independents and one public broadcasting station. American CableVision and Indianapolis Cablevision, owned by Indiana Cable Co., cover the suburban ring with cable tv.

Lake County, Ill.

Population '80	440,372
Rank	93
Est. income '82	$6,012,925,000

Lake County, Ill., for years thought to be little more than an extension of the Chicago suburbs, has become a population and economic entity unto itself. An effort dating back 14 years has finally resulted in the U.S. Census Bureau allowing Lake County to be listed as a separate MSA, a significant move in the drive to attract new business to the area.

"Now that we are a primary statistical area, it shows that we are an economic entity to be dealt with," said Charles Isely, president of the Waukegan Chamber of Commerce and board member of the Lake County Economic Development Commission.

This means that in trying to appeal to prospects, Lake County would be able to present data reflecting its own population and economic health, rather than being lost in the vast sea of numbers for the greater Chicago area.

And, said Mr. Isely, the statistics will show that a stable employment rate, new jobs and new households make Lake County just as good, or better, to do business in than Chicago.

"One of our big selling points is that we have a lot of room to grow and there's a lot of open space nearby," Mr. Isely said.

Relocations and expansions over the last two years have substantially outstripped closures and shutdowns in Lake County.

Olaf Sunstrand, a Styrofoam manufacturer, has already purchased land for a facility in Waukegan, said Mr. Isely. Evanston, Ill.-based American Hospital Supply Corp. and Cherry Co., an electrical components maker, are expanding operations in Waukegan.

In nearby Gurnee, Roquette Corp., maker of the artificial sweetener sorbitol, has also moved in recently. The Libertyville/Mundelein/Vernon Hills area has also seen several corporate relocations and expansions since 1980.

Among them have been U.S. Gypsum, which relocated its research facility to Libertyville from Des Plaines; Hollister Inc., which moved its headquarters there from Chicago two years ago.; Abbott Laboratories, which is expanding its North Chicago facilities; Wickes Lumber, which has moved from Michigan to Vernon Hills, and Rust-Oleum Corp., which moved to the same community in 1978.

This three-community area already has the prosperous Hawthorn Shopping Center, the Marriott Lincolnshire Resort and Corporate Center and the giant Great America theme park, also owned by Marriott Corp. "Great America has been a definite plus for us," said Wyndham (Spike) Hasler Jr., executive vp of the Libertyville/Mundelein/Vernon Hills Chamber of Commerce.

"It has had a tremendous impact, especially at the tourist end, and it has created spilloff effects to businesses in neighboring towns."

If the plans of Richard P. Cavenaugh, president of American Colossus Corp., ever take shape, Lake County would move from an area with promise to a mecca for business, industrial and economic development.

Mr. Cavenaugh's idea is the Sports Colossus, a domed edifice that would feature a giant sports stadium and include a hotel, convention center, housing units, business meeting facilities, trade center, stores and restaurants. All would be under a single roof.

The 12 million-sq.-ft. facility would seat 75,000 spectators for baseball and 100,000 for football, including luxurious private corporate boxes.

Mr. Cavenaugh estimated the total cost to be about $1.3 billion, and he claims to have a $700 million financing commitment already in hand from a Zurich bank consortium. The project would create 15,000 to 20,000 jobs and would be an unprecedented economic boon to Lake County, he said.

Not a single shovel of earth has yet been turned on the project, however, and many observers are skeptical it ever will be.

Mr. Isely takes a wait-and-see attitude about the Colossus. If it can be built, fine, but Lake County's economic future is not being laid at its doorstep, he said. "Some people said Great America would never come to pass, but it did."

The area is served by one daily newspaper and three am and two fm radio stations in addition to the Chicago print and broadcast media.

Lansing-East Lansing, Mich.

Population '80	419,750
Rank	99
Est. income '82	$3,811,957,000

With the presence of state government, Michigan State University and General Motors Corp.: Lansing and East Lansing, Mich., have a lot going for them, according to Thomas Gottheimer, Lansing's commercial industrial officer.

The strong market acceptance of Lansing-built Oldsmobiles, in particular, has resulted in the lowest unemployment rate—9.7%—in the state. A Fisher Body division plant is also located here. What's more, no permanent GM employe is on layoff in Lansing. In fact, workers from hard-hit Flint have moved in and some people have been hired off the street.

GM has invested $226 million in plant modernization, including a $180 million modernization program that has included a 40,000-sq.-ft. plant addition and installation of $163 million in machinery and equipment.

All this is in preparation for building GM's 1985 N car, which would mark the first time GMC has used facilities in Lansing for the development of vehicles for the entire corporation. Fisher is to produce bodies for Pontiac, Buick and Chevrolet as well as Oldsmobile, where the cars will be assembled. The Olds investment is $73 million.

Why Lansing? City officials see it as the very strong spirit of cooperation between labor, management and government, partially through Quality of Work Life employe involvement programs at Olds and Fisher. The city sponsors its own Lansing Joint Labor Management Committee, which teaches labor/management techniques. The result: Strong motivation and high productivity.

Motor Wheel Corp., maker of car, truck and military vehicle wheels and brake drums, is the third largest manufacturer in the area. The high-tech corporation is investing $6.6 million in a new corporate headquarters administration and data processing center adjacent to the university.

"I think the bottom line for Lansing is that GM has made a very serious commitment for the foreseeable future," said Mr. Gottheimer. "That has impact here in terms of 'just-in-time' requirements, bringing suppliers closer to the manufacturer. We are working to locate potential suppliers in the Lansing area."

MSU is part of the commitment. "While we had a downturn in enrollment in '81 and '82," noted Jim Jordan, executive vp of the Lansing Regional Chamber of Commerce, "the student population is up into the 40,000 bracket in '83."

In September, 1982, MSU opened its research laboratories to people in the mid-Michigan area. In July, 1983, invitations were issued nationally and internationally. These visitors had an opportunity to get better acquainted with the people and skills represented at MSU in the fields of high technology—particularly in the biomedical field.

"Lansing and East Lansing have a diversity of character that's perhaps a little unusual in a community of this size," said Robert Wilcox, general manager of Jacobson's East Lansing furniture and apparel stores. "We have a small town with a large university in it. And a large town with a lot of industry and state government in it."

Recently, the Lansing Economic Development Corp. has been working with MSU and local units to develop a package for locating the Michigan Biotechnology Institute. Plans call for the site to be on or near the campus. Partially state-funded, the institute would be devoted to developing new products and procedures in the biological sciences and in engineering related sciences. Private companies would be able to adapt the development for commercial purposes in, for example, alternative types of pesticides and genetic engineering.

Institute facilities would represent an investment of $8 million to $10 million. Now under construction is the $18 million university-related Hanna Technology and Research Center.

While two shopping malls are well established in outer areas, extensive residential and commercial building and restoration are taking place in downtown Lansing.

A 10-story office building providing 155,000 sq. ft. of space recently was completed and opened for business. The long-postponed construction of a 250 to 300-room Radisson Hotel began in November. And plans call for the early start of a convention center, designed for later expansion for concerts, circuses, lectures and other activities.

The Capitol Commons, a 500-unit, $26 million apartment and townhouse development is now open and almost fully occupied. Older buildings and a theater are being renovated.

The area is served by two newspapers, four tv stations, nine am and fm stations and three cable services.

Milwaukee, Wis.

Population '80	1,397,143
Rank	29
Est. income '82	$14,435,212,000

Milwaukee is known for its Old World charm, its beer, its ethnic restaurants, its horrendous winters, its slugging Brewers, its symphony and its zoo. Now it is getting national acclaim for its latest attraction: The Grand Avenue shopping center.

In August, 1982, the doors opened on the $70 million 850,000-sq.-ft. retail venture. It is a joint effort of the city of Milwaukee, the Milwaukee Redevelopment Corp. and Rouse-Milwaukee. The Rouse organization is a subsidiary of the Columbia, Md.-based Rouse Co., famous for its other real estate successes, among them Faneuil Hall Marketplace in Boston and the Gallery at Market East in Philadelphia.

The Milwaukee project is four blocks long and has some 165 shops, restaurants and businesses anchored on each end by two of Milwaukee's old guard department stores, Boston Store and Gimbels.

In the winter, a shopper will not be buffeted by frigid winds. A system of skywalks connects the elements of the project. The skywalk bridging the Milwaukee River, supposedly the first such skywalk in the nation, opened last month.

Part of the charm of the mall is the existence of five historic buildings, the gemstone being the Plankington Arcade, constructed in 1916. Other touches include a beer wall, with products from the city's brewing heritage.

"A once drab, eroding area of the downtown now beckons with attributes from the Land of Oz," said an editorial in the *Milwaukee Journal*. There is little dispute that the mall has revitalized downtown.

According to Paula Boyd, advertising/marketing manager with Rouse-Milwaukee, more than 8 million people visited the first year. More than 1,300 permanent jobs have been provided by the project and, according to Jon Wellhoefer, deputy commissioner of Milwaukee's Department of City Development, the $30 million public investment has helped attract $200 million in private investment to the downtown area. When it opened last year, occupancy was at 80%. Now that figure is up to 95%.

Despite the recession and the 1981 closing of the Jos. Schlitz Brewing Co., projects begun or ended in 1982—including the Grand Avenue mall—represented more than $500 million in development and more than 6,000 jobs. Among the projects, on the east side of the river, is a $78 million, 30-story office building developed by Winmar Co., a real estate investment subsidiary of Safeco Corp. Another retail and office project—west of the river—is the $56 million Henry S. Reuss Federal Plaza, to be connected to the Grand Avenue mall by the extension of the skywalk system.

On the residential side, housing permits in the four-county metropolitan area are up 168% from June, 1982, to June, 1983.

Although Wisconsin has had a lingering business image problem with its history of high taxes, according to a recent tax study Wisconsin's business taxes are now the lowest of 16 Midwest industrial and Sunbelt states. That is somewhat mitigated by a high personal income tax rate, which, however, brings high quality services.

"Nobody relocates to Milwaukee," said Jack Norman, business reporter with the *Milwaukee Journal*, who says it is the southern or western suburbs that are drawing new companies, attracted by the metro area's high quality workforce. One example, he says, is the Swedish Co. ASEA, manufacturer of robots, power transformers and electronic equipment.

Other virtues of the city that might attract newcomers, said John Pritchard, senior vp-executive creative director at Cramer-Krasselt advertising agency, are its proximity to Lake Michigan, its location in a "beautiful state" and its abundant cultural opportunities.

Top among those cultural opportunities is theater, the city's "liveliest art" says Tom Strini, dance critic with the *Milwaukee Journal*. The offerings include the Milwaukee Repertory Theatre, the Milwaukee Symphony Orchestra and the regional ballet company.

Despite the shifting from heavy industry to healthcare, medical technology and high technology, some of the biggest employers in the area continue to be old-line industries. This is still a blue-collar town, with some 28% of the workers unionized. The ethnic mix of Germans, Polish, Italians and Irish is sharing more with blacks and Hispanics these days, although the total minority population, as of 1981, was still only 14% of the total metropolitan population.

Among the top employers are Briggs & Stratton, manufacturers of small gas engines, with about 5,500 employes, and A.O. Smith Co., maker of automobile frames, with 4,000 employes. Then there's the Milwaukee landmark, the Allen Bradley Co., bearer of the world's largest foursided clock. (A minute hand is said to be 6 ft. long.) The company has 4,500 employes.

The two leading newspapers serving the Milwaukee market are owned by the Journal Co. However, the editorial departments are run separately, and according to one *Journal* staffer, they are "hotly competitive," and the stories "jealously guarded." The morning *Milwaukee Sentinel* targets the more affluent reader and the evening *Milwaukee Journal* caters to the blue-collar worker.

Other papers serving the metro area include the *Waukesha Freeman*, an afternoon paper and the *Daily Reporter*. In October, a new business tabloid hit the market, the weekly *Business Journal of Milwaukee*.

Milwaukee is served by seven tv stations, including two independents and two public stations. Warner Amex won the battle for the cable franchise for the city and five other cable companies serve the suburban areas. There are 11 am and 13 fm stations.

Saginaw-Bay City-Midland, Mich.

Population '80	421,518
Rank	98
Est. income	$3,955,263,000

Located at the notch of Michigan's thumb—residents think of the state as a mitten—the Bay City/Midland/Saginaw market is a busy manufacturing center.

Saginaw and Midland, at the ends of the longest portion of the triangle, are only 25 miles apart, and there is a great deal of economic, social and cultural interaction among the cities.

Nevertheless, each has its own chamber of commerce, and each vies for retail trade and jobs. One display of togetherness among the three towns is Tri-City airport in Freeland, served by United, Republic and Freedom Airlines.

The two largest construction projects in the area in recent years have both had major setbacks. In 1980, work began on a $122 million bridge designed to raise Interstate Hwy. 75 high above the Saginaw River. The present drawbridge often backs up traffic for miles when raised. Construction was halted in 1982 after a large crack developed in a completed span.

Work was also halted temporarily on Consumers Power Co.'s $4 billion nuclear power plant in Midland. After construction began 10 years ago, up to 3,300 workers were employed when building was at its peak. But activity ground to a halt after the nuclear accident at Three Mile Island. Meanwhile, the Nuclear Regulatory Commission rewrote the rule book to prevent a chance of another accident. Coupled with other construction setbacks, the project is running 10 years beyond its projected completion date.

Additionally, this summer, Dow Chemical Co. canceled its contract to pay $300 million a year for steam generated by the nearby nuclear plant, citing Consumers Power's failure to meet the agreed-upon delivery date. The big twin-reactor plant, however, is expected to begin supplying electricity to 1.3 million customers and provide about 1,000 Midland jobs when it starts up in 1985. During construction, about 11% of the workers came from Bay City and Saginaw.

General Motors Corp. is the biggest employer in both Bay City and Saginaw, but Saginaw was hit harder by the recession. Unemployment within the city limits hit nearly 21% in August, 1982.

The figure is now down to 17.8%, and to 12.7% in Saginaw County. More than 10,000 are employed in Saginaw's auto industry and another 7,500 in related metal foundry work at 12 GM plants.

The high unemployment rate has taught Saginaw County "a lesson," says Stephen Young, vp of the Saginaw County Chamber of Commerce. "We are spearheading a coalition of business, labor, education and economic development groups to put together a program for Saginaw County. We know we have to diversify. But we have to do everything to make sure that auto industry stays here."

"The coalition has been working on business retention," says Mr. Young. "We are looking at agriculture, an important industry here. About 95% of the world's navy beans come from here. And a lot of sugar beets. We raise the food and send it elsewhere for processing. The coalition is trying to get processors to move here, or to start our own venture."

Meanwhile, downtown Saginaw recently got a $6 million state office building. Also, in a historic area on the city's west side, old buildings are being renovated for stores and restaurants.

To the north, Bay City lost 15% of its population from 1970 to 1980, but Bay County's numbers increased by nearly 3%, finding its biggest population growth among boaters. Bay City is the second largest pleasure craft port in the state, a walleye fisherman's heaven. There's a shortage of docking spaces and parking for trailers at launching sites, and work has begun on a state park redevelopment to add spaces.

Though a Kresge store moved out in September, downtown Bay City space is 85% occupied, according to Franklin Braman, executive director of the Bay Area Chamber of Commerce.

Bay City's old part of town is stripping the plastic from buildings and laying bricks on sidewalks to create a historic area that city officials hope to fill with shops. A 20-store Lafayette Plaza opened recently, and a Meijer's Thrifty Acres is rising near Interstate Hwy. 75. Mr. Braman says Bay City is a popular shopping spot for residents of towns to the north and west, and stores take in $1.38 for every $1 earned in Bay City.

In addition to its big Chevrolet parts plant, the city has Gougeon Bros., a boat marketer. It employs 200 people in Bay City and plans to open a plant to make flexible wooden propellers for GM in nearby Pinconning. In August, Bay City's unemployment rate was 14.8%.

Midland is also a manufacturing town, but its biggest employers are Dow Chemical (12,000 employes) and its subsidiary, Dow Corning (about 6,000). Midland is the home of the largest chemical complex in the nation at Dow Chemical.

"Our economy varies more according to what the chemical industry is doing worldwide," says Mike Asiala, communications director of the local chamber of commerce. "Even in poor economic times, we do fairly well because we aren't tied to the auto industry." The unemployed make up 11.5% of the county's workforce.

Midland has no dominant shopping area, but it has six small areas. "We can't compete with a market like Saginaw, which offers large malls," says Mr. Asiala. Sun Oil and Production recently moved a regional office from Tulsa, employing about 100.

The market has three daily newspapers, one in each city, several weeklies, three tv stations, six am and eight fm radio stations and three cable services.

Toledo, O.

Population '80	616,864
Rank	68
Est. income '82	$5,827,687,000

"We've always been known as a sleeping giant," said an executive at a large Toledo ad agency. "But now the giant's starting to open one eye—at least."

That statement characterizes the vast change Toledo has experienced over the past three years. It also underscores the optimism that has spread throughout the Toledo business community as the downtown area has blossomed with a major redevelopment project and some large retailers have entered the suburbs and apparently found fertile soil for their enterprises.

By far, the biggest excitement in Toledo has surrounded the SeaGate redevelopment of about 10 acres of urban renewal land in the downtown business district. Sparked three years ago by Owens-Illinois Corp.'s ground breaking for a new 35-story world headquarters, the building and rebuilding bug has spread quickly.

Recently completed or currently under construction are a 26-story Ohio Citizens Bank office building; a four-story Toledo Trust office building; a $27 million twin tower office structure being developed by Webstrand Corp., and the $27 million, 250-room L'Hotel Sofitel.

Retailing also plays a major part in the SeaGate project. Portside, an 80,000-sq.-ft. "festival marketplace" developed by James Rouse and his Enterprise Development Co., is under construction. Portside will house 80 small, high-volume shops and restaurants. Scheduled for completion within the next year, Portside is expected to draw some 5 million people into the area in the first year.

And the snowball of redevelopment will grow much bigger if plans jell for a 100,000-sq.-ft. convention-convocation center currently on the drawing boards. That center, to be accompanied by a 300 to 400-room hotel, would cater to regional conventions and trade shows.

Although the convention bureau is negotiating to purchase the land for the center, ultimate funding for the $40 million project is still up in the air. Nevertheless, optimistic city officials expect a groundbreaking by next summer.

City planners are also looking to the future for redevelopment of the Adams St. corridor near SeaGate into a thriving retailing district.

And although there currently is no downtown market rate housing to speak of, the planners have landbanked an area called Middlegrounds for future residential development.

"Everyone's hungry," said Ed Schulte, director of economic development with the Toledo Area Chamber of Commerce.

Traditionally tied to the business of car making, Toledo was particularly hard hit by the big squeeze on the auto industry through the long recession. Thousands became unemployed in the myriad metalworking and glass companies supplying Detroit auto makers, as well as those employed by a large General Motors Corp. transmission plant and an American Motors Corp. Jeep plant.

But with the auto industry on a sharp rebound, those suppliers have been experiencing some fresh business, and call-backs have begun. The major plants, which boldly invested a total of $770 million in new capacity and equipment during the downturn, now are running at 100% capacity, giving the area an extra boost.

Unemployment in the market still hovers between 11% and 12%, but the retailing and housing sectors are seeing strong signs of the market's recovery.

While there has been little new housing construction, real estate brokers report increases of more than 100% in sales of existing homes through September.

And if confidence is returning to the consumers, it's also affected the retailers. Kroger Co. entered the suburban market in the past year with plans for five large strip developments that would be anchored by Kroger supermarkets and include about five other tenants. Two such shopping centers already have opened.

The area's largest mall, North Towne Square, opened within the past three years and is anchored by Montgomery Ward & Co., Sears, Roebuck & Co. and J.C. Penney Co.

Other major retailers serving the market include Lord & Taylor and Dayton-Hudson Corp's J.L. Hudson department store.

A discount retailer, Hills Department Stores took advantage of the upturn in the market in September when it moved into three large stores abandoned more than a year earlier by Woolco. Since opening, the new stores have been doing "a booming business," say observers.

The Toledo market is served by one daily newspaper, a chain of seven weekly suburban papers, three tv stations, seven fm radio stations and nine am outlets. In addition, a new tv station—a uhf independent—is expected to begin broadcasting in 1984. Two cable companies service the area.

Youngstown-Warren, O.

Population '80	531,350
Rank	79
Est. income '82	$4,410,149,000

Youngstown's economy faces the challenge of transforming itself from a

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Included in the MSA are Virginia's two largest cities, America's largest coal port and one of the East Coast's primary tourist attractions. In fact, this year's tourist season was the best the area has ever seen—helped by the opening of The Waterside, a new festival marketplace on the Norfolk waterfront. Nearby a new World Trade Center is under construction. And the area has been chosen as the site of a new, high-tech National Electron Accelerator Laboratory.

But when you buy Norfolk/Virginia Beach/Newport News, you also get a bonus. A military bonus of over $300 million in on-base sales. Yet those sales aren't even included in the retail sales reports from the MSA. So our huge military concentration— including the world's largest Naval Base—makes our area shine brighter the closer you look. And our "bonus" can make your star shine, too.

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The Virginian-Pilot
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100

heavy steel and metalworking economy into a service-based, softer goods district. Fortunately, the area's massive General Motors Corp. facilities have made the former steel valley into something of an automotive center, so that manufacturing jobs still contribute to the employment mix.

However, unemployment—16% to 20% through much of 1983—still runs higher in the metropolitan area than in much of Ohio, and it's clear that the cyclical problems Youngstown once had in the mid-1970s with low demand for steel have now turned into lasting changes, especially with the vanishing mills.

The GM assembly division in Lordstown has profited from a major overhaul and the recovery in automotive sales. Its J-car production, including the fairly successful Chevrolet Cavalier, has provided steady activity for a plant capable of employing more than 8,000 workers.

GM's Packard Electric division, with headquarters in Warren, has spread factory work throughout the Mahoning Valley, establishing satellite plants in Austintown and elsewhere. Packard accounts for 8,000 jobs or more, depending on automotive demand.

In Warren, Republic Steel Corp.—now headed for a merger with Jones & Laughlin Steel's parent LTV Corp.—has built a new but modest office building, and it has reinvested substantial amounts of money in renovating its Warren plant's blast furnace.

Youngstown has made only limited progress toward reviving the mills and renovating plants abandoned by U.S. Steel Corp. and Jones & Laughlin, and it lost the locally based Republic Steel manufacturing division last year.

Positive signs include the profitable "mini-mill" at the former U.S. Steel McDonald Mills, where McDonald Steel Co. now produces rolled steel shapes, many for truck wheel rims. But the plant employs 80, where U.S. Steel once had 3,500 jobs. Also Hunt Steel Co. took over the Brier Hill Works abandoned by J&L Steel in 1979. There, Hunt will build seamless pipe for oil drilling. The company is using relatively new technology and is to employ from 200 to 500 people.

These efforts go on despite some notable failures on the business development front. The Commuter Aircraft Corp. planned to build commuter aircraft at Youngstown Municipal Airport near Warren, and a plant was built, public financing obtained and stock sold in a private placement. But the $30 million project may not result in any planes in the foreseeable future, with foreclosure on the new 250,000-sq.-ft. plant a possibility.

Another development project, the Youngstown Steel Corp., planned to put out mini-mill products with a continuous caster using parts of the closed Campbell Works, site of the first major Mahoning Valley layoffs in 1977. But the plans ended in scandal when Youngstown Steel failed to follow through on conditions of loans and grants it received from the federal government.

Other industrial plans include at least two separate schemes for manufacturing dirigibles. The new emphasis by industrial development advocates here is on diversification away from big steel plans and toward small, though sometimes steel-related, businesses.

"With steel, you had peaks and valleys," said Weston O. Johnstone, president of the Youngstown Area Chamber of Commerce. "And when the valleys came, they were deep . . . During downturns we were the first area hit and the last to recover during good times. We've got to build an economy with many more shallow valleys."

Despite the industrial troubles of the past, the Youngstown housing market can be surprisingly resilient at times, with new developments of subdivisions supported by an area that is traditionally a net savings, not net borrowing, economy as a whole, according to local savings and loan officials.

Numerous food and retail shopping franchise businesses have opened in Youngstown and Warren in spite of recession, and the area's shopping malls continue to do well, probably aided by the efforts of Youngstown-based Edward J. DeBartolo Corp., which owns Southern Park Mall in Boardman, and the Cafaro Co.'s Eastwood Mall in Niles, halfway between Warren and Youngstown. Both mall developers are perenially in the top 10 of all U.S. mall builders, with DeBartolo frequently No. 1.

In downtown Youngstown, two senior citizens housing high rises have been built, one new, one rehabilitated from an old hotel. But the city's second-largest downtown department store, Cleveland-based Higbee Co., withdrew from the market in early 1983. Similarly, Montgomery Ward & Co., beset by its own nationwide problems, withdrew from the metropolitan area.

Fisher Foods, a Cleveland supermarket chain, stumbled in the area by trying a warehouse foods concept and then beat a hasty retreat.

The Youngstown-Warren area is served by two major daily newspapers. The area has three network tv affiliates and a public broadcasting station. It has 10 am and nine fm stations, including broadcasters in nearby Salem and those in Farrell, Pa. Six cable tv companies have laid claim to territories in the Mahoning Valley.

West North Central

Kansas City, Kan.

Population '80	519,031
Rank	82
Est. income '82	$6,034,503,000

When people mention Kansas City, they usually focus their attention on the city in Missouri. But there's another Kansas City—the one across the state line in Kansas—that cannot go unnoticed. Although there are two Kansas Cities that are separate entities geographically and politically, there is a similarity in their economies because of their close proximity.

The economy of Kansas City, like its larger neighbor, is a diverse mix of agribusiness, transportation, manufacturing, wholesaling and retailing. That diversity has helped the city avoid economic troubles experienced by other cities, but has also kept it from becoming a boom town on the strength of one particular industry.

The importance of Kansas City to the rest of the nation revolves around its central location and role as a transportation hub.

For instance, 12 trunk-line railroads serve Kansas City, Kan., and grain and other agricultural products are shopped worldwide from the rail yards here. The area is in the heart of a 10-state marketing region that includes 35% of the nation's farms and 44% of its agricultural acreage.

The interstate highway system that rings the city also is a reason for the commerical presence of many of the nation's largest trucking companies.

With the economic recovery under way, local economic observers are seeing signs of a pickup in local business activity.

"The transportation and wholesale trade activity has been much, much stronger during the last six months as more goods are moving through the system and companies are restocking their inventories," said Gerald Olson, an associate professor of economics at the University of Missouri at Kansas City.

Despite such optimism, the economy of Kansas City is not without problems. The city received a major blow to its economic base in August, 1982, when the Phillips Petroleum Co. closed its refinery, idling 735 workers.

The impact of the Phillips' closing still is not completely known, but local government officials acknowledge that the city lost a major source of jobs and tax revenue. There are also problems in downtown Kansas City, an area with many vacant stores.

But some local businessmen think things are changing for the better in the downtown area, which has continued to lose retail business to suburban shopping malls since the early 1970s. The reason behind that optimism is that the Center City Mall, a controversial 12-year-old urban renewal project that many blame for the district's decline, is being torn down. Detractors of the mall had said it closed the retail district with art objects and narrow, twisting traffic lanes that annoyed and bewildered drivers.

The city has also opened a new 30,000-sq.-ft. convention center in the downtown area and is making strides with its convention and tourism industry, despite the negative effects of the recession.

City officials, however, hear complaints that there are not enough hotel rooms to attract larger conventions to the city. So they are investigating the possibility of adding a new hotel near the convention facility.

The problems and possibilities of the downtown area aside, Kansas City is a focal point for medical research in the state. The University of Kansas Medical Center is the city's largest private-sector employer, with 5,500 workers.

Another major employer in Kansas City is General Motors Corp., with 5,174 workers at its automotive assembly plant located in the city's Fairfax Industrial District.

The plant, built in 1940 to produce bombers, was converted into an auto assembly plant in 1946, when it was leased, and later acquired in 1960, by GM. Although the plant was hit by thousands of layoffs in recent years, it has found new life recently.

The GM Fairfax plant, which makes full-size passenger cars, has added about 1,900 workers since May, 1982, thanks to a leveling off of gasoline prices that caused Americans to start returning to large cars. GM officials say the plant is now almost at full capacity.

Other major companies employing between 1,000 to 3,000 workers include Certain-Teed Products Corp., Owens-Corning Fiberglas Corp., Sante Fe Railroad and Union Pacific Railroad.

In addition, the city also has a foreign trade zone area that has attracted a growing list of basinesses.

Kansas City is served by five daily newspapers, more than 30 weekly newspapers, seven tv stations, seven cable tv companies and 13 am and 19 fm radio stations.

Kansas City, Mo.

Population '80	914,427
Rank	46
Est. income '82	$9,024,357,000

The diversity of Kansas City's economy, which has helped insulate the area from economic busts experienced by other cities, failed to protect the city from the worst of the 1981-82 recession.

In fact, the seven-quarter recession punched holes in many key Kansas City industries: Agribusiness, distribution, wholesaling, retailing, service and manufacturing.

But now the economy is starting to come back. Local economic observers say Kansas City's industrial and commercial diversity is the key to the city's economic recovery.

Despite a slump that tested the resiliency of Kansas City's economy, the area has consistently managed to maintain an unemployment rate ranging from half a percentage point to nearly 2% under the national average.

Furthermore, the cost of living in the Kansas City area generally is lower than the cost of living in other major U.S. cities.

"Kansas City's economy is coming back a little bit stronger than it did after the 1973-75 recession," said Gerald Olson, an associate professor of economics at the University of Missouri at Kansas City. "The area held its own employment-wise during the recession, and now many manufacturing companies have begun calling people back to work."

The signs of economic recovery are perhaps most visible in the area's rising rate of construction activity. The cost of money has come down moderately to the point where developers believe they can afford to borrow to finance new construction.

As a result, there has been a flurry of development announcements in Kansas City.

Civic officials estimate that Kansas City's "miniboom" will add up to $1 billion worth of development areawide in 1983 for projects in downtown Kansas City and the neighborhood surrounding the famed Country Club Plaza.

Nonetheless, there are economic problems affecting Kansas City that need to be corrected, particularly the continued depressed conditions in agriculture.

Farm income is down and improved crop yields have hurt by keeping commodity prices too low. Interest rates are too high for many farmers, preventing them from buying new tractors and other heavy equpment.

As a result, some Kansas City businesses, ranging from small equipment suppliers and feed stores to Farmland Industries Inc., the nation's largest farmer-owned cooperative, have suffered right along with farmers.

Despite the importance of agribusiness in Kansas City, the largest employer in the city is government, with 79,500 workers, according to the Missouri Divison of Employment Security.

The area's largest private-sector employer is Hallmark Cards, which has about 6,900 employes. Although privately held, the Kansas City-based greeting card company said in a recent report that it annually records more than $1.25 bilion in sales.

The area's second largest private-sector employer, despite recent layoffs, is Trans World Airlines, which has about 6,600 employes. Many of those workers are employed at TWA's huge aircraft maintenance and overhaul base near Kansas City International Airport.

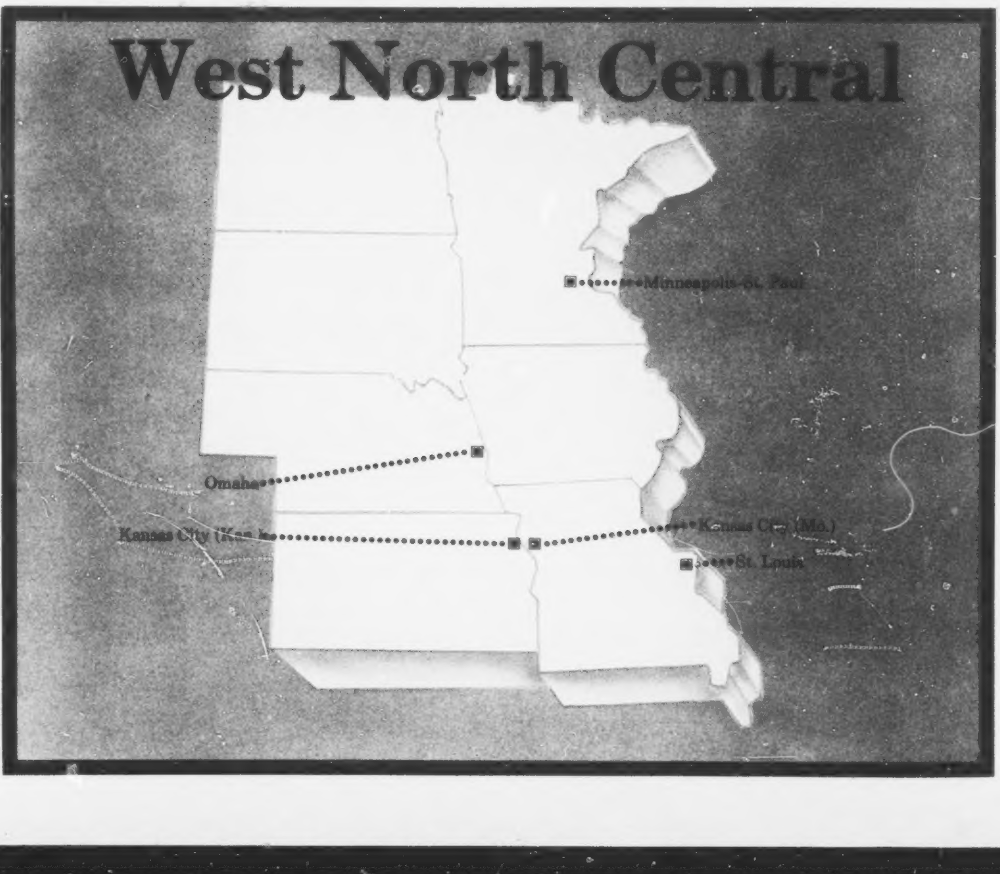
Other major employers are Bendix Corp., Ford Motor Co., which operates an auto essembly plant here, and General Motors Corp., which has one Kansas City assembly plant; another GM assembly plant is in Kansas City, Kan.

Although Kansas City is the headquarters of few *Fortune* 500 companies—Butler Mfg. and Interstate Bakeries appear on the list based on their 1982 sales—there are other sizable corporations based here, such as Kansas City Southern Industries, H&R Block and Marion Laboratories.

Kansas City also has a large graphic arts industry, ranging from printing and envelope companies to Hallmark Cards.

The city ranks first nationally in farm equipment distribution, foreign trade zone space, frozen food storage and distribution, greeting card publishing, hard red winter wheat used to bake bread and underground storage space.

Kansas City also has developed into a regional financial center, in part because of the presence of the Federal Reserve Bank of Kansas City. In addition, the city is the home of the Kansas City Board of Trade, which pioneered trading in the investment market's



first stock index futures contract.

Kansas City is served by five daily newspapers, more than 30 weekly newspapers, three network tv affiliates, two independent stations and a public broadcasting station, 13 am and 19 fm radio stations and cable programing.

Minneapolis-St. Paul, Minn.-Wis.

Population '80	2,137,133
Rank	13
Est. income '82	$23,748,181,000

There have been good times and bad times in the Twin Cities lately—a time when a newspaper died and a building boom began; a time when an airline struggled for survival and a high-tech industry flourished.

To the naked eye, the Twin Cities economy is booming. Downtown Minneapolis, especially, is in an almost constant state of renovation—so much so that by 1990, more than half of the office space downtown will have been built after 1980.

It all began with the recently opened City Center project, a square block of stores, offices and hotels in the middle of downtown. The latest addition to the project, the 606-room Amfac Hotel, opened in November.

Construction is scheduled to begin next year on what may be the tallest building in the Twin Cities, the Norwest Bldg. The building will contain about 1.5 million sq. ft. of office space, about half to be occupied by Norwest Corp. Completion is scheduled for 1987. Among the retail tenants will be a Saks Fifth Avenue department store.

Among the buildings completed in the last year are the 52-story Multifoods Tower, the 40-story Piper Tower and the 40-story Pillsbury Center.

But not all the activity has been in Minneapolis. The 25-story Amhoist Tower, containing offices and condominiums, recently opened in downtown St. Paul. Under construction is the Ordway Theatre, a $28 million, 2,000-seat opera house and concert hall that will be home to the St. Paul Chamber Orchestra and the Minnesota Opera Company.

Not all business was booming, however. The most troubled of Minnesota's major companies was Republic Airlines, which lost more than $100 million in the first six months of 1983. Republic was able to trim expenses by getting its labor unions to agree to substantial pay cuts.

Many of the area's old-line companies experienced modest growth. Meanwhile, the area's largest company, Minnesota Mining & Mfg. Co., had a 1.4% increase in revenues in 1982 from 1981, to $6.6 billion. General Mills, Pillsbury Co. and Honeywell all had single-digit rises in earnings and revenues.

The biggest winner was the Dayton-Hudson Corp. The Minneapolis retailer had increases of nearly 25% in earnings and 14.5% in revenues.

Much of the future growth is expected to be in the area's burgeoning high-tech industries. Lee Data Corp., which manufactures interactive computer terminal systems, experienced a 287% revenue increase to $53 million, and a 470% earnings rise to $11.4 million.

Dramatic increases in revenues were also reported by CPT Corp., which manufactures office automation systems; Cray Research, which makes scientific computers, and Network Systems Corp., which manufactures data communications products.

Summarizing the business climate in the area, Roger Maurer, an economist with First Bank Minneapolis, said: "Just as the local economy didn't decline as much during the local recessions in the first half of 1983, the local economy didn't recover as rapidly in the second half. But the indications in the last three or four months are that the local economy is fully participating in the national recovery."

One of those indications is that contracts for future construction rose to $166.6 million in the Twin Cities in September, up from $139 million a year ago. And for the first nine months, Twin Cities contracts were $1.41 billion, a 25% increase from the first nine months of 1982.

The employment picture was brighter, too. The Twin Cities unemployment rate in September was 5.6%, down from 6.5% a year ago.

The brightening economic picture gave the business community hope for an improving corporate climate. The state is expecting a revenue surplus of $650 million by mid-1985, raising hopes for lower corporate taxes. And Gov. Rudy Perpich said his top priority for the 1984 legislature is repeal of a 10% income tax surcharge.

The legislature cleared the way for a new Minnesota industry in 1983, when it legalized parimutuel horse racing. A racing commission will soon begin hearing proposals for metropolitan area racetracks. Wide-scale parimutuel betting isn't expected until 1985, however.

There was also vigorous activity among the local media in the past year. The most notable development was the closing of the *Minneapolis Star*. The afternoon newspaper was folded into the morning *Tribune*.

At the same time, *CitiBusiness*, a new biweekly devoted to the business community, was born. The paper, which began publishing in April, has a circulation of about 40,000.

St. Paul is served by the *Dispatch* and *Pioneer Press*. On the broadcast side, WCCO-TV christened its futuristic new communications center in downtown Minneapolis. The $18 million complex is the home for WCCO's ambitious activities in both broadcasting and cable programing.

Cable tv was finally becoming a reality in the Twin Cities. After years of law suits and political struggles, Rogers Cablesystems finally began wiring Minneapolis. Across the Mississippi River, Continental Cablevision is preparing to wire St. Paul for cable tv.

The other major entry into the Twin Cities tv market came in November of 1982 with the opening of KXLI-TV, a uhf station licensed to serve St. Cloud, Minn. KXLI's antenna, however, is located halfway between St. Cloud and the Twin Cities, which is 75 miles away, and KXLI's programing can be clearly received by many in the Twin Cities.

In all, the area is served by five vhf stations, four uhf stations and 15 am and 17 fm radio stations.

Omaha, Neb.-Ia.

Population '80	585,122
Rank	70
Est. income	$5,770,596,000

When Fireman's Fund Insurance Co. searched for a Midwest regional headquarters, the American Express Co. subsidiary said it looked at several cities before settling on Omaha.

While the company declines to name the runners-up, it was willing to say that Omaha was chosen because of its schools and what Nebraskans call the work ethic. The two factors weighed heavily, Fireman's Fund said, because they indicated Omaha would be able to provide trainable, hard-working personnel.

Fireman's Fund, which originally planned to hire 200 people, has a staff of 300 in its first months of operation. Mel Sherman, the executive in charge of the center, said further expansion is likely.

The arrival of Fireman's Fund, with a regional office, was tangible evidence that Omaha and its adjacent city, Council Bluffs, Ia., are poised for a decade of growth in the 1980s. The metropolitan area, which straddles the Missouri River border between Iowa and Nebraska, has a diversified economic base that includes the headquarters of one of the country's largest and most prosperous railroads (Union Pacific/Missouri Pacific); a large insurance company (Mutual of Omaha); a growing energy company (InterNorth), and the largest flour-milling and chicken producer (ConAgra).

Although Omaha still is regarded as an agricultural center, the economic diversification of the 1970s and 1980s

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has given new importance to high-tech companies. Omaha-based First Data Resources, another American Express subsidiary, is the country's largest bank-card processing company. It operates a large mailing operation (100 million bills annually) and Wide Area Telephone Service (WATS) center handling credit-check calls.

First Data Resources recently was selected by the U.S. Postal Service to handle calls nationwide on the new nine-digit Zip codes, a contract worth several million dollars a year.

Omaha is the home of Warren Buffett, chairman of Berkshire Hathaway, an investor known worldwide. Mr. Buffett, who started with a small stake 25 years ago, has accumulated wealth estimated by *Forbes* at more than $500 million. His holdings, most of them organized under the publicly held Berkshire Hathaway company, include the *Buffalo Evening News* and sizable holdings in the *Washington Post*, General Foods, RCA Corp. and the Nebraska Furniture Mart, an Omaha company that operates the largest furniture store in the country (1982 sales of $90 million).

Mr. Buffett, although one of the country's richest men, used to list his home telephone and address in the Omaha phone directory. He said he was forced to unlist his number because of the number of calls he was getting from people who wanted investment advice at odd hours.

Like Mr. Buffett, Omaha's fame is growing as a place to make money. The city's downtown development program has attracted regional attention and is beginning to win national praise as an example of how to rebuild with private money what once was block after block of empty, unproductive buildings.

In place of abandoned warehouses and stores, the city has mixed private and government money to construct a riverfront mall with a park-lined waterway leading to the Missouri River. The mall is completed, on either side, by new buildings costing nearly $100 million.

Soon to come are more downtown buildings, including a Farm Credit Bank, a Federal Reserve Bank and a new hotel. They would join a new twin tower office building (constructed by Los Angeles financier David H. Murdock), a new public library, Northwestern Bell Telephone's five-state headquarters and a combined state office building and conference center.

Much of Omaha's progress is attributable to commitments made by wealthy residents, a group headed in the last decade by contractor Peter Kiewit, architect Leo A. Daly and corporation chairman (InterNorth) Willis A. Strauss. Messrs. Kiewit and Daly are deceased, and Mr. Strauss has passed many of his responsibilities on to a younger generation of Omaha leaders.

Mr. Kiewit, who died in 1979, continues to be a considerable civic influence through his estate and foundation. During his lifetime, Mr. Kiewit recognized that without a commitment by private individuals Omaha would languish behind more attractive regional centers such as Kansas City, Denver and Minneapolis.

Mr. Kiewit, whose wealth exceeded Mr. Buffett's, paved the way for the downtown redevelopment with contributions that were matched by other business and civic interests. His estate has been organized in such a way that contributions to the community will continue to flow to various projects through a foundation.

A native of Omaha, Mr. Kiewit had a provincial patriotism typical of Nebraskans, a theme that is carried out in the title of the state university song: "There is no place like Nebraska."

The print media is dominated by the *Omaha World-Herald*, which Mr. Kiewit owned. He stipulated in his will that the paper be sold to its employes. The *World-Herald* also operates weekly newspapers in suburban communities. Other newspapers in the metropolitan area include the *Council Bluffs Non Pareil*, a daily owned by the Thomson Newspapers organization, and the *Bellvue Leader*, owned by Chicago publisher Bruce Sagan.

Omaha has three network tv affiliates and 12 am and six fm radio stations. The city has one cable company serving it, while others operate in Iowa and in suburban areas.

American Segments, IV

Farmtowns: Rustic cities

Ten metro areas with highest percentage rural

		% rural
1.	Atlanta	20.4
2	Indianapolis	19.9
3	Columbus, O.	18.1
4	Cincinnati	17.0
5	Pittsburgh	15.3
6	Buffalo	14.9
7	Seattle	14.1
8	Portland, Ore.	13.4
9	St. Louis	13.0
10	Baltimore	12.3

Note: All areas have more than 1 million population.
Source: *American Demographics* magazine, October, 1982.

St. Louis, Mo.-Ill.

Population '80	**1,808,621**
Rank	**19**
Est. income '82	**$18,619,343,000**

Like an unwanted guest, the recession came early to St. Louis, stayed late and consumed more than it should.

This fall the area's unemployment rate still was above the national average, but callbacks by the auto industry were expected to improve the figures.

In fact, St. Louis' economic picture appears brighter now than it has in several years. The downtown area is in the midst of a building boom; the city's historic residential and commerical districts are being rehabilitated, and three auto companies are expanding production here.

One of the biggest changes taking place in St. Louis, however, is strictly psychological. Many residents, tired of seeing their city portrayed as a dying, decaying metropolis, have regained a long-lost sense of pride. "There's a more exciting spirit around here than I've seen in a long time," said Kennett C. Johnson, president and chief executive officer of Batz Hodgson Neuwoehner advertising agency. "You can hardly walk around downtown without getting mud on your shoes. Construction barricades are everywhere. And I find many clients are more aggressive and outward-looking than they once were. That's in contrast to the rather insular conservative attitudes we've seen so often in the past."

St. Louis has, at various times, claimed identity as the top of the Sunbelt, the easternmost western city and the westernmost eastern city.

In truth, the last description probably fits best. St. Louis' physical appearance, its economy, even its personality probably are more closely akin to East Coast cities such as Boston and Baltimore than to the younger metropolises to the west or the south.

The city, however, is also rooted solidly in the Midwest—in the stubbornly conservative "Show Me" state. Marketers report the "show-me" attitude often turns up in people's cautious response to new products. "If it sells in St. Louis, it'll sell anywhere," some say. But Mr. Johnson said St. Louis consumers also tend to have stronger brand loyalty than might be found in more trendy markets.

Like its East Coast cousins, St. Louis has had to struggle with urban decay and an economic base built on heavy industrial manufacturing. It's handling the transition better than some predicted. Though the city's population has been steadily declining, the population base of the broader area has remained stable, and the city itself has become more of a commercial center.

Peter Morrison, director of the Population Research Center of the Rand Corp., says things aren't as bad as they looked a decade ago when his organization insisted St. Louis was in terminal decline. "What's noteworthy is that there's so much more new construction down here than was apparent 10 years ago," he told a conference group. "All that construction means something is happening. It means the city is becoming less just a place to live."

The downtown's revitalization is seen as an encouraging sign, especially because national developers are getting into the act. Several downtown office buildings are being rehabilitated, and new construction projects planned or under way downtown include:

- A $135 million renovation of Union Station, an old railroad terminal, into a shopping and recreational complex to be developed by Rouse Co.
- St. Louis Centre, a $186 million shopping mall and office complex to be anchored by the city's two biggest department stores—Famous-Barr and Stix Baer & Fuller—along with a 20-story tower and 234-room hotel.
- Gateway Mall, a three-block project near the Arch, which would put office buildings on the northern half of each block and open park space on the other half.

As an auto manufacturing center, St. Louis saw employment in that sector drop dramatically from 1977 to 1982, but now the outlook's improving again. General Motors just built a new plant here and put 2,500 auto workers back on its rolls. It also decided to keep its plant in north St. Louis—once slated for closing in 1982—open for at least three more years.

Chrysler converted its idled truck plant to production of the rear-wheel-drive Fifth Avenue, and its auto assembly lines now build the Chrysler Laser and Dodge Daytona. In addition, Ford is expanding its plant here and retooling for eventual production of the Ford Aerostar, a minivan.

Although St. Louis isn't exactly a high-tech center, it has its share of industries moving in that direction. The region's three biggest employers are McDonnell Douglas Aircraft Corp., Southwestern Bell Telephone Co. and Monsanto Co.

McDonnell Douglas and Monsanto, along with Washington University, explain the presence of more than 44,000 science and engineering professionals working in the region. McDonnell Douglas Automation Co. operates one of the largest computer centers in the world, and Monsanto has a plant here that produces enough silicon wafers to meet 10% of the world demand.

One of the mainstays of St. Louis media was in the news last month, when the S.I. Newhouse-owned *Globe-Democrat* announced it plans to cease publishing Dec. 31. In November, the federal Justice Department, which sanctioned the joint-operating agreement the *Globe-Democrat* has with the *St. Louis Post-Dispatch*, said it would search for a buyer for the *Globe-Democrat*. If none was found, the paper would be allowed to fold.

The two papers have been operating under the joint-operating agreement since 1979. A powerful chain of free weeklies rings the suburbs, and their advertising inroads are seen by some as contributing to the demise of the *Globe-Democrat*.

The area also has 19 am and 21 fm radio stations, and in tv, three network affiliates, two commercial independents and a public broadcasting station. Ten cable companies serve the suburbs and outlying areas. The city hasn't yet granted a cable franchise.

Is this a Twin-killing?

By M. Howard Gelfand

Folks in these parts take their professional sports pretty seriously. A few years ago, when the push was on for construction of a domed stadium, Hubert Humphrey warned that the alternative might be a life without major league sports—a life, he said, that would turn the Twin Cities into a "cold Omaha."

That chilling specter helped get the stadium—the Hubert H. Humphrey Metrodome—built. But now, after two years of domed baseball, the stadium that was supposed to keep the Twins here is facing the prospect of their departure. The cynics, of course, suggest that professional baseball has already left Minnesota. The Twins wound up in last place with a 60-102 record in their first year in the dome, and were 70-92 this year.

Those records are a large part of the problem. Fewer than 1.8 million paid to see the Twins in their first two years in the dome—compare that with the Los Angeles Dodgers, who drew about 7 million during the same period—and if things don't improve dramatically in 1984, team owner Calvin Griffith might be tempted to head south.

When the Twins moved into the dome, they signed a 30-year lease, but the lease had a loophole as big as the great indoor stadium itself. The loophole gives the Twins the right to break the lease if attendance doesn't average 1.4 million a year after each three-year period.

So now the Greater Minneapolis Chamber of Commerce has set up a committee to try to help the Twins sell enough season tickets next year to put 2.4 million people in the Metrodome. Although Mr. Griffith hasn't said he'll move the team if the effort fails, he hasn't said he won't. And that worries the downtown businessmen who saw the stadium as a way of revitalizing the inner city.

What also worries them are some highly public overtures made this summer by a group of Tampa Bay businessmen who are trying to lure a team to their own new domed stadium (*see story on Page M-40*). The anxiety reached its highest point in October, when *Sports Illustrated* quoted one of the Florida businessmen as saying Mr. Griffith was "down to where he's selecting the spot for the toilet in his private office." (The Tampa Bay group is willing to install Mr. Griffith as a team executive.)

While Mr. Griffith is playing his cards close to his vest, there is speculation that the $24 million offered the Florida group offered may no longer be enough. Dave Mona, a public relations consultant to the Twins and a member of the chamber committee designed to help market the Twins, says: "Calvin is smart enough to realize that all of his alternatives are reasonably bright. His crisis is which of several ways to get rich."

In two years, the Twins have drawn fewer than 1.8 million fans.

Indeed, even without 2.4 million fans next year, Mr. Griffith seems destined to enjoy a considerable profit. He has been breaking even with a payroll consistently among the lowest in baseball, and next year the Twins will start getting annual payments of $7.5 million from a new network tv contract.

Critics, in fact, suggest that the downtown businessmen are trying to save the Twins from themselves—in effect guaranteeing that Mr. Griffith would continue to emphasize economy rather than quality. Mr. Griffith has a reputation for peddling high-price players in exchange for players of lesser quality and considerably more modest salary requirements.

Says Julian Empson, who led a campaign by baseball purists to prevent the construction of a domed stadium: "It's interesting that the pillars of capitalism are willing to subsidize someone for running a bad franchise."

And U.S. Sen. Rudy Boschwitz (R.-Minn.), saying Mr. Griffith "systematically milked" profits and drove the team into the ground, has threatened to introduce legislation that would require a major league baseball team to allow local investors to match offers from outside interests.

Mr. Mona responds that "the effort is to preserve major league baseball in this area rather than a 'Save Calvin' effort. The appeal is to a major league quality of life. Everybody agrees that a bailout for the Twins would fail."

Mr. Mona acknowledges that attracting fan support won't be easy "in an environment that they [the Twins] have found increasingly hostile."

Beyond selling 2.4 million tickets next year, the real effort to preserve major league baseball is aimed at finding local investors. Mr. Griffith is 72 and not on speaking terms with his only son, Clark, so sale of the team seems likely in the near future.

"We don't have an indication that the Twins are for sale," says chamber of commerce president Merlin Dewing, "but we want to be prepared should that ever happen."

But, privately, everyone involved with the ticket-sale effort agrees that it is at best a short-term—and expensive—solution. Civic leaders were proud that the Metrodome, which is also home to the football Minnesota Vikings, came in under its $55 million budget. But even if the Twins drew 1 million fans next year on their own—something they were unable to do in their first two seasons in the dome—the additional 1.4 million tickets would come to about $11 million.

"It's difficult to look beyond 1984 because if the Twins have some talent, people might go to the ballpark and say, 'This is an enjoyable experience' and come back," says Mr. Mona. "The question is, will our efforts be enough to allow them to get 1.4 million on their own, or will we need another artificial insemination job three years down the line?"

It's a question the Twins can't answer, but the evidence suggests that the Twins are prepared to reap the benefits of the current outburst of civic anxiety.

The team's season-ticket brochure is hot off the press, and its cover features not any star players but the Metrodome itself. The headline reads: "The Minnesota Twins . . . Vital to Minnesota's Quality of Life."

M. Howard Gelfand, an Advertising Age correspondent in Minneapolis, contributes frequently to Magazine.

South Atlantic

Atlanta, Ga.

Population '80	2,138,231
Rank	12
Est. income '82	$21,582,976,000

It could be called the Second Reconstruction of Atlanta. There is so much building going on that tourists jokingly ask residents when the city will be finished.

Atlanta is the transportation center of the South, and as such it continues to improve its highways, rapid transit system and airport.

The world's largest and second busiest airport Hartsfield Atlanta International, opened a $500 million terminal complex in 1980 and its fourth runway is scheduled to open next year.

The Metropolitan Atlanta Rapid Transit Authority continues building its rail lines and stations, in addition to operating 800 buses, which cover 2,000 miles each day. More than $1.4 billion has been spent in building 16 miles of rail line and 20 stations. Five more stations and another nine miles of line should be completed during 1984. The plans call for 53 miles of rail lines to be laid by the end of this decade.

Atlanta's position as transportation hub is nowhere better illustrated than where the six legs of three major interstate highways converge in downtown. More than $1.6 billion of highway and interchange improvements are under way.

The downtown lodging market is also experiencing a resurgence in building.

Three major hotels are scheduled to open during 1984, coinciding with the near doubling of the 350,000-sq.-ft. Georgia World Congress Center, the city's major convention hall. Atlanta's convention bureau claims the city is the third busiest convention city in the nation. Last year, 1,000 conventions brought 1.5 million delegates, who spent $421.8 million.

One of the hotels scheduled to open next year is noted architect John Portman's latest edition to his Peachtree Complex. The 1,674-room Marriott Marquis would be the city's largest convention hotel.

Last year saw the completion of the 52-story Georgia-Pacific Corp.'s tower and the return of that company to its place of birth. The paper products company moved from Portland, Ore.

But perhaps no company will have as instant impact on a city as the new BellSouth, the telecommunications holding company forming on Jan. 1 as a result of the breakup of American Telephone & Telegraph Co. BellSouth, which comprises the operating companies of Southern Bell and South Central Bell, will instantly become the largest corporation in Atlanta. Yes, for the first time in decades, Coca-Cola Co. will be ranked second, as BellSouth will be nearly twice the size of the beverage and entertainment company.

According to the *Sales & Marketing Management* "Survey of Buying Power," the total metropolitan area had a net effective buying income in 1982 of $21 billion. The same survey found that retail sales had increased to $11.5 billion.

Metropolitan Atlanta is covered by eight daily newspapers, the largest being the *Atlanta Constitution* (morning) and the *Atlanta Journal* (evening), both owned by Atlanta-based Cox Enterprises. The news staffs of the two were merged last year, but they continue to publish separate morning and evening newspapers.

Eight tv stations, including the network affiliates, broadcast in Atlanta—half vhf and half uhf. Twenty-nine am radio stations, 11 commercial fm stations and five noncommercial fm stations can be heard in Atlanta.

And, of course, Atlanta is the home of Turner Broadcasting System, Ted Turner's superstation and cable operation. Mr. Turner recently won the war of the all-news cable programs when he agreed to acquire—from Group W Broadcasting & Cable and ABC Inc.—and dissolve Satellite News Channels. TBS' Cable News network and its CNN Headline News remain cable tv's only news programing.

Baltimore, Md.

Population '80	2,199,531
Rank	11
Est. income '82	$18,674,846,000

If one were to write a textbook on how to reshape the economy of an ailing industrial city, they would most likely turn to Baltimore Mayor William D. Schaefer for all the right answers.

During his 12-year reign as Baltimore's mayor, Mr. Schaefer has presided over one of the boldest and most successful urban revitalization efforts in U.S. history, and many believe the inner city redevelopment effort has been the single most important force behind the city's economic liberation from cyclical smokestack industries.

Since the opening of the 130-store Harborplace shopping and restaurant complex in 1980, the city has spread its revitalization efforts over 225 acres of adjoining land covering a large portion of the city's downtown business and shopping district. And, as Mr. Schaefer begins his fourth term as mayor, he is in the midst of a new push to upgrade the city's 82-acre retail district and bolster the white collar workforce.

A study released this year by Baltimore's Johns Hopkins University highlights the transformation of the economy, reporting that white collar workers in the area now outnumber blue collar workers two to one. In 1975, more than one half of the pay in Baltimore came from blue collar employment. Today white collar salaries far exceed blue collar paychecks.

Fueled by its improving economy, which now has an unemployment level below the national average, and a new subway system that opened in November, the mayor is making his second serious push to reshape Baltimore's inner city.

The focus this time is on the Lexington Market Center, an 82-acre stretch of land somewhat removed from the inner harbor area.

Consistent with the basic objective—more white collar jobs downtown—the city has made a deal with Los Angeles-based developer David Murdock, who has agreed to provide retail shopping space and at least 1 million sq. ft. of commercial office space in exchange for the right to develop the district's prime real estate.

Already, Mr. Murdock has received rental commitments for 80% of the space available in the largest project, the Atrium at Market Place, a seven-story structure that combines new construction with the historic renovation of an existing building. The corner-

American Segments, V

Migration: Mobility in motion

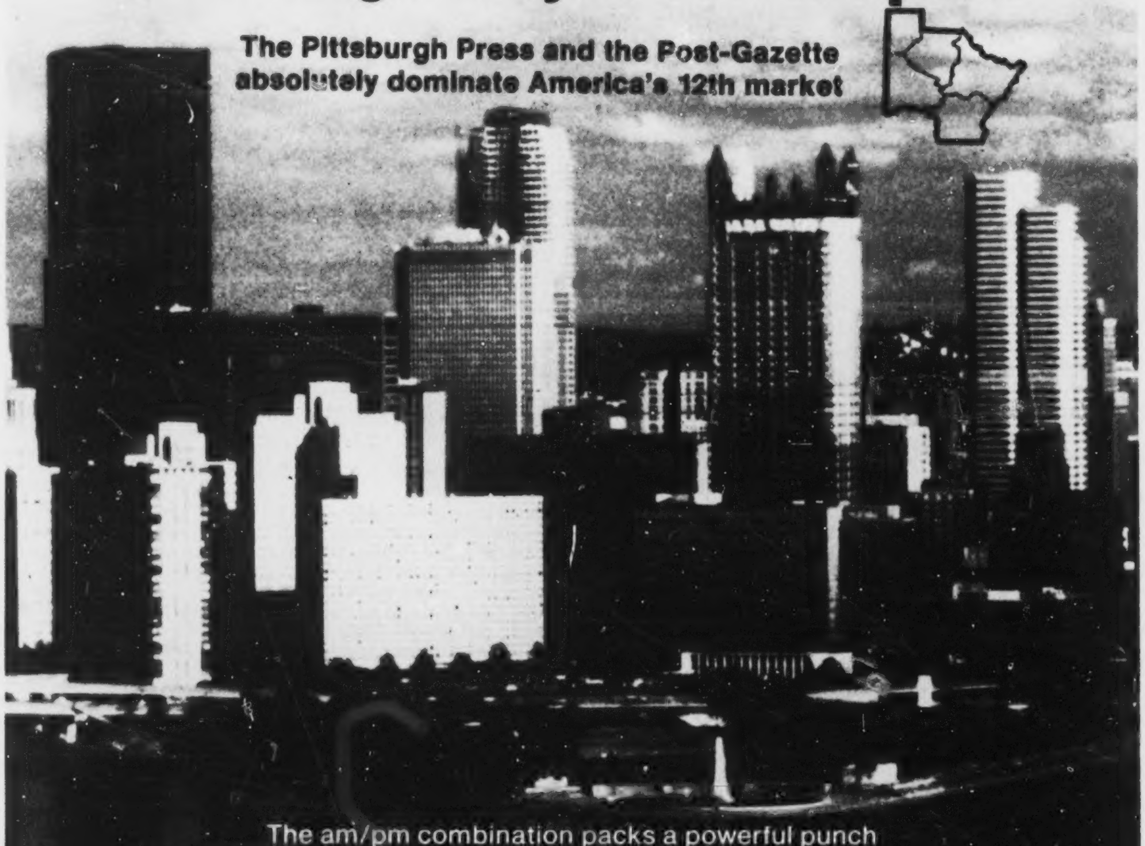
Ten states that gained more than 100,000 people, 1975-80

Arizona
Colorado
Florida
Georgia
Nevada
Oklahoma
Oregon
Tennessee
Texas
Washington

Source: *American Demographics* magazine, September, 1983.

Coverage Beyond Compare

The Pittsburgh Press and the Post-Gazette absolutely dominate America's 12th market



The am/pm combination packs a powerful punch in the five-county CMSA, where 848,000 adults read the daily Press and/or Post-Gazette.

The Sunday Press, with 1,225,000 adult CMSA readers, has outstanding (62.7%) penetration, including 85.3% of the 426,700 adults in Allegheny County's $25,000 + households.

It also delivers valuable coverage of a fifteen-county tri-state area which includes Western Pennsylvania and parts of Ohio and West Virginia.

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The Pittsburgh Press
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Pittsburgh Post-Gazette

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stone of the Atrium project will be the flagship location of Baltimore's Hutzler's department store, which is scheduled to move into the new facility next fall.

The new Market Center project also includes the renovation of several historic buildings, a 700-car parking garage, luxury residential apartments and a commitment by the city to rebuild the area's infrastructure, including streets and sidewalks.

Developer James Rouse, who designed the initial Harborplace project, continues his activity along the inner harbor area. Mr. Rouse already has 1,400 new hotel rooms under construction, and another 200 are inching off the drawing board.

In addition, theme park developer Six Flags is expected to convert a massive old unused power plant into a $22 million indoor amusement park a few blocks from the Harborplace mall. If plans continue on schedule, the park would open in 1985.

The city's consortium of business leaders, the Greater Baltimore Committee, reports that development along the eight-mile stretch of the city's new subway system has not yet blossomed, but it predicts that once the initial nine-stop system is in regular operation, land values and demand for property along the route will increase.

Even some older sectors of the Baltimore-area economy fared better in 1983 than in past years. After a two-year delay, General Motors Corp. gave concrete approval for a $250 million retooling project at its Baltimore facility that will allow the plant to produce its new line of 1984 cars. The decision to renovate rather than close the plant will save several thousand jobs.

The picture at Bethlehem Steel's Sparrows Point plant was not as bright, however. During its post-war boom, the plant had 30,000 employes. Today, plant employment is at half its peak, and 4,000 of the 15,000 person workforce is on indefinite layoff.

Employment at Bethlehem's Baltimore shipyard is also down, and many believe the economic viability of the operation will hinge on the city's ability to lure the federal money needed to dredge the harbor floor.

The Reagan administration's push for more federal defense spending has boosted the local economy, which houses research and production facilities for the nation's top defense contractors. Westinghouse Electric Corp., Martin Marrietta Corp. and Bendix Corp. are all expanding their Baltimore area facilities, and the county's planning department notes an increase in hiring and expansion among defense-related companies.

Baltimore's housing market is also showing signs of improvement. The city's planning office predicts the new subway system and increased downtown employment will increase the demand for housing in the inner city. The 19th century homes in Baltimore's west-end neighborhoods are reportedly ripe for renovation and are expected to emerge as the city's hottest neighborhoods.

The city's professional sports industry had mixed news during 1983. The hometown Orioles were the winners of the World Series and broke a home game attendance record by drawing more than 2 million fans. But the news for the city's National Football League franchise was not as upbeat. A string of poor seasons and lackluster ticket sales have many predicting that 1983 may be the last season for the Colts in Baltimore.

Both the Hearst Corp.-owned *Baltimore News American* and A.S. Abell Co.'s *Baltimore Sun* newspapers print morning and afternoon editions. The city also has eight tv and 26 radio statios (11 am and 15 fm).

Charleston, S.C.

Population '80	430,462
Rank	96
Est. income '82	$3,479,511,000

Billed as "America's most historic city," Charleston—its over-all character, its architecture, urban pattern, moderate climate and coastal location all help make the area a major national tourist attraction.

Charleston is the second largest tourist market in South Carolina, with expenditures from these visitors amounting to more than $350 million annually. Part of the reason for Charleston's popularity with tourists is the Spoleto Festival USA, "the world's most comprehensive arts festival," which comes each year during May and June.

Between 125 and 140 performances in all of the arts are offered, along with many major new introductions of works by international artists. Historic Fort Sumter and Patriot's Point Naval Park (home of the aircraft carrier Yorktown, a submarine and the nuclear-powered ship, Savannah) have long attracted tourists year-round.

Meanwhile, major revitalization efforts in the historic King St. area continue at a steady pace. The older homes, shops and warehouses in the area are being restored or converted to their former beauty for use as offices, homes, apartments and specialty shops, all designed to augment the already strong retailing base of the area.

One of the largest medical complexes in the Southeast is located in Charleston. Included are five major hospitals: Charleston Memorial, Medical University, Roper, Saint Francis and Veterans Administration hospitals.

The entire Medical University of South Carolina is located in this complex, too. A short distance away, in North Charleston, is the North Trident Regional Hospital and the U.S. Naval Regional Medical Center. Major expansion and construction work have been ongoing at all these locations.

A major economic consideration in Charleston is the South Carolina State Port Authority, which brings in $1.5 billion in direct and indirect income per year statewide, affecting about 48,500 jobs. Of this total, 14,000 are in the Greater Charleston area alone.

Of the 20 ship berths owned by the state authority—more than two miles in total length backed up by more than 2 million sq. ft. feet of enclosed storage area—Charleston has 17. More than 12,000 containers on chassis can be parked in the port's backup area.

In May, 1982, the new Wando Container Terminal was opened with three new container ship berths and four special container cranes added. The 561-acre site is across Charleston Harbor from other port authority facilities on the mouth of the Wando River, 12 miles from the open sea.

The Charleston Harbor Deepening Study, authorized by Congress in 1976, is now complete and has moved into advanced engineering and design phase. The channels, deepened to 40 ft., should be capable of handling general cargo vessels of almost every size.

Elsewhere, in 1981, the area experienced the largest increase in terms of dollars invested in the state, as well as the largest increase in new dollars invested. The value of products manufactured in South Carolina climbed 16% over 1980, with one half of this increase occurring in the area.

Among the plants expanding or locating within the area have been Airco Carbon, R-M Industrial Products Co., Homemaker Rugs, Siebe Norton Inc. and USA Inflatables.

Among other developments:

- The new Charleston Marriott, with 303 rooms and costing $23 million, opened in July.
- Site work for the $50 million in new construction was begun for the Charleston International Airport with completion expected in January, 1985.
- The new $55 million downtown Charleston Center, with 430 rooms and conferences facilities, is expected to be completed in early 1984.

The area is served by two daily newspapers, five weeklies, four tv stations, 13 radio stations and various cable companies.

Charlotte-Gastonia-Rock Hill, N.C.-S.C.

Population '80	971,391
Rank	42
Est. income '82	$8,853,294,000

The roads cross in Charlotte, and therein lies the backbone of the area. Indeed, this North Carolina market is in a location that gives it efficient access to most of the major markets of the East.

Major interstates, for instance, straddle the market, making it an important transhipment point for goods and services, with the city a key contributor to the continued stable economy and growth of the entire region.

As a major wholesale center, the Charlotte area has more than 1,800 wholesale companies within its borders. Combined, these companies bring in a total sales volume of $11.1 billion annually, with the city itself accounting for $9 billion of that total.

As a major transportation center, Charlotte also has 150 actively operating trucking companies. The closing of Johnson Motor Lines, while creating some short-term problems, has not affected the over-all picture during the past few years.

Goods are not the only things that enjoy the area's transportation facilities. More than 300 passenger and freight trains pass through Charlotte weekly. Also, five commercial airlines serve the area from the expanded modern airport on the west side of the city. Charlotte is also designated as a port of entry and has a Free Trade Zone as well.

In the construction sector, low costs are a key in the number of new companies coming into the area, as well as the numerous expansions undertaken by existing companies. The city is said to rank the second lowest in construction costs in the nation.

Construction experts cite stable wage rates, favorable weather conditions, readily available supplies of a variety of building materials, a large skilled work force and a large number of experienced contracting companies as reasons for these low construction costs.

Another consideration is the state's strong right-to-work law. North Carolina is ranked second lowest in union membership in the country.

In 1982, 17 companies began operations in the Greater Charlotte area, providing direct employment to 2,600 workers, using 3.4 million sq. ft. of commercial space and investing $197.5 million.

In the first six months of 1983, a total of 140 companies created 2,086 direct new jobs, occupied 2.3 million sq. ft. and invested $129.2 million. Among these companies were Freightliner Corp., with 100 new employes occupying 72,000 sq. ft. of new space; Guest Quarters, a new 175,000-sq.-ft. hotel with more than 100 employes and investment of $10 million; Park Hotel, a 135,000-sq.-ft., $15 million investment, and Bendix Automation.

International Business Machines Corp. expanded its operations by 115,000 sq. ft. and invested $52 million in computer-banking equipment manufacturing.

Because of the low corporate tax burden in the State of North Carolina and the uncomplicated system of taxation in Charlotte and in Mecklenberg County for businesses and individuals, taxpayers are subject to only one property tax assesment and only one tax payment. The city and county jointly operate one tax department.

As for cultural opportunities, Spirit Square, Charlotte's own "Home For the People and For the Arts," a centrally located facility for the creative arts, has become a cultural focus for the entire area since it opened in 1980. Activities offered there include performances, exhibitions, classes, demonstrations and rehearsals.

Media serving the area include two daily newspapers, eight weeklies, 14 am and nine fm radio stations, four commercial and three public broadcasting tv stations, as well as cable tv services.

Fort Lauderdale-Hollywood-Pompano Beach, Fla.

Population '80	1,018,200
Rank	39
Est. income '82	$12,281,371,000

Fort Lauderdale continued its metamorphosis from tourist town to a business mecca in 1983, and its emerging base of high-tech industries cushioned the economy from the nation's recession.

Retail sales during the three-month period ending in July rose 8.9% over year-earlier levels, to $96 million. Lord & Taylor moved to snatch a share of the market in October, when it opened the first of four stores planned for this area by 1986.

"We are right in the center of the fastest growing area of the state and companies are noticing that," said Joseph Siclari, manager of economic development with the Fort Lauderdale/Broward County Chamber of Commerce. "If companies want to sell internationally they are in the center of three international airports and ports.

"Locally, they are in the center of a region with 3.5 million people, and this region is expected to be the fastest growing in the state over the next 10 years."

Fort Lauderdale is playing to these strengths, developing an infrastructure

'Play ball!' becomes hard ball

By Fred. W. Wright Jr.

Tampa and St. Petersburg—the twin cities on Florida's west coast—have established a baseball rivalry even before the first pitch is thrown.

In fact, although neither city yet has a major league baseball team, a major league rhubarb is heating up over who is going to be first to join the Boys of Summer lineup.

Both cities want a major league baseball team, and both cities admit two such teams can't survive in the Tampa Bay area. A heated race has been under way for more than a year to see who can land the most funds and the firmest promise for a major league team.

Tampa wants to lure an existing team—the Minnesota Twins have been frequently mentioned *(see story on Page M-38)*—and build a stadium with private funds. St. Petersburg wants an expansion team and a stadium with public funds.

Here's how the two proposed stadiums compare:

In Tampa, the plans call for a replacement of Al Lopez Field, which is adjacent to Tampa Stadium, home of the National Football League's Tampa Bay Buccaneers and the U.S. Football League's Tampa Bay Bandits. The cost of the stadium, which is supposed to seat 46,000, is $50 million. There would be parking facilities for 11,000, and groundbreaking is scheduled for April, 1984, to be completed in February, 1986.

For the St. Petersburg site, a downtown location in an area known as the Gas Plant, between 9th and 16th Sts. North, has been chosen. Plans call for that facility to seat 43,000, with 4,416 parking spaces and another 16,000 nearby. Groundbreaking for the St. Petersburg site is scheduled for February, 1984, with completion scheduled for September or October, 1986.

Both stadiums would be domed, air-conditioned and offer artificial surfaces for the players. Both would be multipurpose facilities, usable for other sports, concerts and exhibitions.

In the day-to-day fluctuations of the competition, some of the players and their names change. Tampa's facility is tentatively titled Tampa Bay Baseball Coliseum. St. Petersburg started with Sportsplex.

Whatever the names and numbers, however, the rivalry is merely a current battle in a war—a war of image—that has been going on for decades between the two cities.

Tampa has traditionally maintained an image of a young business community on its way up. Its skyline has been punctuated in recent years by a half-dozen new high-rise office and hotel complexes.

St. Petersburg has traditionally held an image of senior citizens sitting on green benches, playing shuffleboard or feeding pigeons. It hurts St. Petersburg that Tampa already has two major league football franchises, not to mention the Tampa Bay Rowdies soccer team. To lose the baseball war would be one more nail in St. Petersburg's old-folks image.

"St. Petersburg and Pinellas County have a not-very-favorable image when it comes to competing for major issues with Tampa," says Robert Stewart, president of a 4,000-member booster team known as the Clutch Hitters. "To counteract the age-old image of St. Petersburg as a sleepy retirement village, the stadium is a focal point." If we don't make it with the stadium, we're going to have to regroup."

Tom McEwen, sports editor of the *Tampa Tribune*, says he believes a major league baseball franchise is needed before Tampa can have a major league image.

"A major league baseball team completes the image," he says. "Now you're on everybody's sports pages all year long—not just during the football season."

Each side—the Tampa Bay Baseball Group in Tampa, the Pinellas Sports Authority in St. Petersburg—cite reasons the team and the stadium should be in their hometown.

The impact on whichever community gets the package is in millions of dollars of added revenue. St. Petersburg boosters point to 210 construction jobs, $7.4 million in construction wages, $36 million in generated local revenue per year of operation and annual sales taxes of $1.8 million.

Tampa backers say their planning—which includes the potential to expand seating to handle playoffs and even World Series games—could bring $35 million to $50 million into the community each season if the hometown team ranks near the top of its division.

The principal arguments center on location. Because the two cities are separated by Tampa Bay and connected by a series of bridges, Tampa Bay Baseball Group backers call a St. Petersburg site "a bridge too far."

Tampa is near the center of a commuter wheel, says Ray Bennett, architect and organizer of the Tampa Bay Baseball Group. More people from the center of Florida will drive to Tampa for a weekend of games during a typical 81-game season than will drive the extra distance over one of the bridges to St. Petersburg, he says.

A local baseball team will draw an annual average of 1.3 million fans if placed in St. Petersburg vs. 2.3 million in Tampa, Mr. Bennett says. "We're near the center of the wheel rather than at the rim," he says.

All of this has not been without some humor:

One of the potential backers of a St. Petersburg franchise in Florida is Florida Progress Corp., owner of Florida Power Corp., which is the local electric company.

That has St. Petersburg sportswriters attacking their keyboards with vigor. The local team should have real power hitters, they say, and every player would be a utility infielder.

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designed to attract business to the area.

The area's Tourist Development Council began putting money aside for a convention center and hired a director with experience promoting resorts. After eight years of planning, the $262.5 million expansion of the Fort Lauderdale/Hollywood International Airport finally got under way.

Despite Fort Lauderdale's growth-oriented moves, however, the nation's recession cut into the tourist industry, and the percentage of hotel rooms occupied dropped to 62.5% during the first seven months of 1983 from 70.5% a year earlier.

Yet Fort Lauderdale saw the start of nine new hotels, including the area's first hotel-convention center. Built by Marriott Corp., the $80 million, 643-room center is targeting business travelers, not tourists, and should be completed by 1984.

Unemployment hit a five-year high in January, as the national recession side-swiped the tourism and related service sectors. But the 9.1% unemployment rate stayed well below state and national levels.

Housing starts rose 190% from year-earlier levels in the second quarter and commercial construction boomed.

The chamber of commerce reported a 23% increase in office space, while available space in industrial parks declined 10%. Mr. Siclari said there will be 2 million sq. ft. of additional office space in Fort Lauderdale by next year.

Jim Garver of the Broward County Economic Development Board said Fort Lauderdale's business sector has found a niche between Palm Beach County's high-tech center and the labor-intensive industries in Miami. Fort Lauderdale is close enough to Miami to draw on the supply of unskilled labor, yet it offers amenities to attract high-tech employers, he said.

This year Racal-Milgo moved from Miami to Plantation, Sensormatic Inc. expanded and Xerox Corp. signed a long-term lease to run its Central and South American distribution business out of Port Everglades, he added.

Fort Lauderdale's Port Everglades managed to sidestep the devastating effects the Latin American recession had on the Port of Miami. A strong dollar in Europe, where Port Everglades' trading partners are concentrated, boosted import income.

The port's campaign to improve cruise and cargo business netted a 30% increase in tonnage and a 56% increase in earnings this past year, and its new 20-year master plan shows it plowing $106 million into developing one of the most significant containerized cargo facilities in the U.S.

Mr. Garver said Fort Lauderdale will continue to grow as long as it can attract the labor-intensive high technology companies that Palm Beach County cannot support.

"Our base is comprised of telecommunications, electronics and computer operations, technology related industries tied in with two other areas, aerospace and medical technology," he said.

"Growth in these areas has attracted a cross-section of industry and we are finding that like attracts like," Mr. Garver added.

Fort Lauderdale has the morning *Sun-Sentinel* and the evening *Fort Lauderdale News* serving its area. A large portion of the area's tv programing comes from a spillover of Miami media.

The market has one independent tv station of its own, six fm and four am radio stations, and receives cable programing.

Greensboro-Winston-Salem-High Point, N.C.

Population '80	851,851
Rank	52
Est. income '82	$7,593,055,000

National recognition has come to this area yet again. In late 1981, the "Triad" was ranked by Rand McNally's "The Places Rated Almanac" as the top mid-size city in terms of livability in the nation.

In addition, Winston-Salem received an honorable mention in the City Livability Award category from the U.S. Conference of Mayors.

In January, the Winston Plaza broke ground for a deluxe 327-room hotel next to the Benton Convention Center. The complex, which carries a price tag of $27 million, will be managed by the Stouffer Corp.

In April, the downtown welcomed the Roger L. Stevens Center for the Performing Arts. And a $1 billion R.J Reynolds Industries expansion project is moving ahead on schedule.

In fact, a variety of business openings and expansions continued at a steady pace across a broad and diverse field of interests. Wilson-Cook Medical, is locating both its corporate headquarters and a manufacturing facility in the Grassy Creek Business Park; Piedmont Aviation has occupied 67,000 sq. ft. in Madison Park; Central Business Systems division of Centel Corp., moved all branch operations in Virginia and the Carolinas to the area.

Other developments: General Cinema Corp., a major bottling corporation, opened a new facility in October; North State Supply Co. completed a $35 million facility on South Stratford Rd.; Triad Life Insurance Corp. opened a new $1 million building, and Hechinger Co. opened a major department store employing more than 100 people.

Despite the national recession, the economic activity in nearby Greensboro continued to move along well through the past several years, creating an upbeat business climate.

Major corporations have opened new facilities or expanded existing ones in the market. They include Volvo-White Trucks, Procter & Gamble, Interforest Ltd., Lin-PAC Corrugated, Dun & Bradstreet, Fuji Foods, Analog Devices and Lockheed.

Also, the new $65 million Greensboro Regional Airport is spurring industrial and office park development, including the new 1,600-acre corporate campus in Eastern Guilford County.

Office developments are proceeding at such a rapid pace that the speculative building market has taken up nearly all available buildings.

A new Sheraton Hotel in downtown and a First Citizens Bank Bldg., as well as many new offices, all bode well for the downtown area's future.

In the employment arena, Greensboro's unemployment rate stands about 7.5%, below both state and national averages, with the traditional employer sectors of textiles, apparel and furniture continuing to lead the way.

The majority of economic activity for the Triad is coming from the High Point area, center of the international furniture industry, which at present exceeds $100 million in new construction or expansion projects centered in or around the downtown core area.

Among the major developments already started, completed or just breaking ground are a new $20 million Radisson hotel, convention center and parking complex and the new seven-story, 300,000-sq.-ft., $10 million Decorative Arts Center in the Southern Furniture Market Center. This center is expected to have its showrooms open year-round to serve the nation's retailing and decorating trades.

Another project—the redevelopment of Market Square from a former furniture factory—continues to progress, with 500,000 sq. ft. geared to high-quality designer showrooms, plus two restaurants.

Elsewhere in High Point, a local law firm has acquired one of many landmark buildings on Main St. to convert to general office space usage. High Point Bank and Trust Co. is expanding its offices into an adjoining building downtown.

Among industrial projects completed or under way in High Point are an expansion by Myrtle Desk Co.; an addition by Schoonbeck division of Henredon to its present operation; a new Archdale Mfg. Co. plant, and a new WGHP-TV office and production facility.

All this diverse activity attests to a perceived upswing in the economy.

IN MIAMI ONE TV STATION REACHES HALF THE MARKET.

IT TAKES 5 STATIONS TO REACH THE OTHER HALF.

SIMPLE MATHEMATICS.

A lot of media buyers make the mistake of thinking that Spanish television reaches minority households without much buying power.

Well if you make that mistake in the Metro-Miami market, get ready to say adios to a lot of your clients.

Because in the Miami-Metro market, the Spanish audience means big numbers in the ratings race. And even bigger numbers in terms of buying power.

Consider: The South Florida Latin buying power is estimated at $7 billion. Miami's Latin market comprises one half of Metro-Miami's population. The median Latin household income is a whopping $22,000 plus per year. Which buys a lot of Whoppers, Big Macs, Cervezas, soap and so on.

And in this market, the Latin television market audience does its shopping in Spanish, on television, on Channel 23. the TV channel Miami's Latins watch more and believe in more than any other TV channel in South Florida.

Consider: Channel 23 is now the Number One ranked television station in prime access time in the Miami-Metro area.*

Channel 23 is also the Number Two ranked station in the Miami-Metro area during fringe and prime time combined.**

And the Number One television station in attracting women aged 25 to 54.***

Which means if you're not including Channel 23 in your overall Miami media buy, you're not talking directly to a $7 billion market.

In plain English, you can't make it in Miami without speaking Spanish.

On Channel 23.

WLTV23
LO NUESTRO
An SIN Affiliated Station

*According to 5/83 Arbitron. ADI Share. **Source: Arbitron 5/83 Mon-Fri 7:00-8:00 pm ***Source: Arbitron 5/83 Mon-Fri 6:00-10:00 pm.

Also, while some businesses suffered some adverse effects of the recent recession, not a single plant closing occurred in High Point during that extended down period.

All forms of media are well represented in the Triad. Morning and afternoon dailies service each of the cities, and there are six weekly neighborhood papers. There are six tv stations and more than a dozen radio stations. Two cable companies offer services in the area.

Greenville-Spartanburg, S.C.

Population '80	569,066
Rank	72
Est. income '82	$4,740,246,000

A further diversification of its manufacturing base and a strong growth in the service section characterized the economy of the Greenville area as it entered the fourth quarter of 1983.

Known at one time solely as a textile center, this industry continues to be one of great importance to the area, with substantial investments made in plant modernizations.

The area has seen an increase in diversification into high-tech, metalworking and other industries. As an example, in mid-1983, the Ball Corp. announced its Unimark Plastics division is locating a 40,000-sq.-ft. manufacturing facility here along with its division headquarters. This is the first phase of what would eventually bring three manufacturing plants onto the same site in Greenville.

Atlanta Aviation is completing a $1 million expansion that would provide about 250 new jobs in aviation overhaul and maintenance services at the Donaldson Center Air Industrial Park, where approximately 90 companies are already situated.

King's Hawaiian Bakery, National Tool and W-L Molding Co. are also making significant construction developments in the area. Additionally, Verdae Properties has made available 1,800 prime acres for industrial/commercial development.

Keeping pace with this diverse business growth, Holiday Inn has announced plans for a $10 million facility, and Comfort Inn Executive Center has completed a $3.5 million renovation project.

More evidence of Greenville's diversity is apparent in the more than 50 corporate, regional and divisional headquarters located within the area. The latest to move a major division here was J. P. Stevens & Co., the New York-based apparel marketer, which brought its accounting center to Greenville.

Recently the Greater Greenville Chamber of Commerce, in conjunction with the City of Greenville, established a professional headquarters recruitment program. This is being used to interest other companies in establishing divisional centers here.

Major building projects in downtown locations involve two new office buildings. One Shelter Centre/Southern Bank Bldg. is a 17-story, 270,000-sq.-ft. office tower; the other is the 150,000-sq.-ft. American Federal Bldg.

In an unusual private/public venture, negotiations were recently completed to allow construction of a 10,000-seat outdoor stadium, which will become the home of the newly acquired minor league baseball franchise of the Atlanta Braves.

In Spartanburg County, known as "The Fresh Peach Capital of the World," more than 82 million lbs. of peaches annually are shipped out of the country in the height of the fruit season.

Not to be thought of strictly as an agriculture center, Spartanburg has more than 300 manufacturing plants within its area, with 55 of these companies coming from 12 foreign countries.

In 1982, eight new companies invested $29.5 million and brought in 1,210 direct new jobs to the Spartanburg area. They included National Lock Hardware, Carolina Throwing Corp., Filature St. Andre, Fruehauf and Gibbs Textiles. Not to be outdone, some 14 existing operations spent $84.2 million in expansion programs during 1982.

Spartanburg has also been designated as a Foreign Trade Zone.

The area is serviced by five daily and weekly newspapers, four radio stations and four tv stations, as well as cable services.

Jacksonville, Fla.

Population '80	722,252
Rank	59
Est. income '82	$6,371,537,000

Jacksonville is changing just fast enough to keep everybody guessing as to its true identity.

Jacksonville is a southern city more than a Florida city, suggests one magazine editor. While other parts of Florida have been settled and developed largely by transplanted northerners, Jacksonville maintains a big-business atmosphere with a conservative southern pace.

Jacksonville is a young city, with a median population age of 29—compared with a Florida median age of 36.

Jacksonville—compared with New York or San Francisco or Miami, cities where fashion, the arts, culture and the like play a bigger role in day-to-day life styles—is considered more of a work-a-day town. Its commercial roots lie in commerce, finance, insurance and has a major U.S. Navy presence.

Still another viewpoint sees Jacksonville as a "working man's town," with a large blue collar workforce that is easily trainable.

Whatever the image, Jacksonville is changing and growing.

Building permits through September of this year were way up over 1982 to $458 million from $346 million.

Some major companies are relocating to Jacksonville or opening new operations there. These include the Bendix Corp., which is expected to employ 800 to 1,000 people by the end of 1984, and American Transtech—a subsidiary of American Telephone & Telegraph established in Jacksonville to handle all of the stock transfers required under AT&T's divestiture. That means another 1,500 jobs within the next six months.

Both Bendix Corp. and American Transtech will be located in Deerwood Center, an office park on the south side of Jacksonville. A few miles up the interstate, at South Point Park, two office buildings are nearing completion for Barnett Bank and Atlantic Bank.

In downtown Jacksonville, expansion continues as well. Prudential Life Insurance, which is consolidating more than a half-dozen regional offices into four, is establishing one of those in Jacksonville.

Jacksonville has always had the image of Florida's insurance and banking center. Twenty-six insurance companies have regional or national headquarters in Jacksonville. Three of the six largest bank holding companies in Florida have headquarters there, as well as half of the state's 10 largest mortgage banking concerns.

For the city's population of 700,000, spread over 800 square miles that roughly coincide with the boundaries of Duval County, growth has always been a factor. It was just a question of how fast.

The St. Johns River runs through the middle of Jacksonville and continues to be the focal point for downtown development. Saison & Associates of Charlotte, N.C., is constructing a 20-story, $300 million development along the St. Johns.

Also downtown, expansion of riverfront Metropolitan Park means more outdoor concerts and public events. Similarly, the Gator Bowl, home of the University of Florida football team, has been expanded to 82,000 seats.

More important, though, the expanded Gator Bowl will be the home for a new franchise in the two-year-old U.S. Football League—the Jacksonville Bulls.

But just as important to Jacksonville and Duval County is the construction of the U.S. Navy's new Kings Bay Trident submarine base at St. Marys, Ga., 35 miles north. The $10 billion project is expected to eventually employ 30,000 people over the next 10 years, and Jacksonville is the closest major city to the base.

Finally, the Atlantic waterfront near Jacksonville is experiencing growth as well. Traditionally ignored by developers and residents alike, the waterfront is now attracting resort developers, vacationers and corporate executives looking for beach investments.

The consolidated city-county of Jacksonville and Duval is served by two daily newspapers, six television stations—three uhf, three vhf—18 am and eight fm radio stations and two cable systems.

American Segments, VI

Hispanics: The top markets

Top 10 areas of dominant influence by Hispanic population, 1983

ADI		Population
1	Los Angeles	3,133,000
2	New York	2,355,000
3	Miami	790,000
4	Chicago	734,000
5	San Antonio	718,000
6	San Francisco	686,000
7	Houston	552,000
8	McAllen-Brownsville, Tex.	480,000
9	Albuquerque, N.M.	389,000
10	El Paso, Tex.	388,000

Source: Strategy Research Corp., Miami

Johnson City-Kingsport-Bristol, Tenn-Va.

Population '80	433,638
Rank	95
Est. income '82	$3,092,203,000

High unemployment remains a grim fact of life in this eastern Tennessee/western Virginia market.

While the unemployment situation is somewhat brighter in the Tennessee towns of Kingsport and Johnson City proper, the jobless rates in their home counties is 11.1% and 10.2% respectively. In Bristol, the city that straddles the Tennessee/Virginia border, unemployment stood at 9.3% in the second quarter of 1983.

Kingsport, however, is enjoying the benefits of the $50 million expansion program of the AFG Industries glass plant in nearby Hawkins County and is anticipating futher benefits from an upcoming joint venture between AFG and the Chronar Co. The latter project carries a $6 million price tag. Also, the Strolee Co., based in California, has opened a new plant here to make baby strollers, employing 300.

Other major projects in the area include a new warehouse for Kingsport Foundry, a multimillion dollar distribution facility for the Blackburn News Agency, new offices for International Business Machines Corp. and a new psychiatric building for the Hospital Corp. of America.

Tennessee Eastman, the largest employer in the region, with 13,000 on its payroll, has been annexed by Kingsport and is expected to add $3 million annually to the city's tax coffers.

Kingsport, in turn, has been making substantial improvements in city services, including a $2 million water treatment plant, a $12.8 million sewage treatment plant, $5 million for water tanks and $1.3 million for a city garage. There have also been a number of street and highway projects scheduled, the chief ones being the widening of Wilcox Dr., Moreland Dr. and Eastman Rd., all main traffic arteries.

The Johnson City/Washington County area has seen little industrial and building growth of late, but there has been an upsurge of activity in the service sector. Nine shopping centers have been built in the region within the past few years, two of them in Johnson City. And East Tennessee State University continues to expand its medical center.

Recently, Johnson City voted in liquor by the drink, a move that, coupled with two sizable meeting facilities, is bringing in convention business. The facilities are the 8,000-seat Freedom Hall Civic Center Arena and the 20,000-seat East Tennessee State University Mini-Dome.

Bristol has been hurt by layoffs at Sperry Univac division of Sperry Corp. and Bristol Steel & Iron. Employment at Raytheon Co., though, is expected to rise gradually over the next few years, owing to a recent government contract for components for the Maverick missile. Construction is sluggish, but a large Wal-Mart complex is being built in Bristol, Tenn.

The Kingsport/Johnson City/Bristol area is served by eight am and six fm radio stations, three tv stations, three cable systems and five daily newspapers and two cable tv companies.

Miami-Hialeah, Fla.

Population '80	1,625,781
Rank	21
Est. income '82	$16,831,109,000

Latin America tightened its belt to meet debt payments to the U.S. this year, and virtually every sector of Miami's economy felt the pinch.

Hotel occupancy dropped from 63.3% to 55% during the first seven months of 1983, and Miami International Airport reported that 5.5% fewer passengers arrived from overseas.

Small retail shops in downtown Miami, upscale shopping malls like Omni International and even ritzy Bal Harbour shops noted the declining numbers of Latin American customers buying consumer goods to take home, according to Jorge C. Zayas, economist with the Dade County Office of Community and Economic Development.

Retail sales dropped 2.1% during the first quarter, and sales at Dade County department stores showed the smallest increase among South Florida's three-county area—a rise of 6.3% to $170.1 million during the three months ending in July.

Area economists say that it could be 1985 before the world's economy improves to the point where Miami can follow the recoveries of Fort Lauderdale and West Palm Beach. However, two new department stores speak to the underlying strength of South Florida's retail market.

A new Macy's opened this month in North Miami Beach, and Lord & Taylor announced plans to open a Dadeland store by 1986.

News on other fronts was not so encouraging. Exports from the Port of Miami dropped a staggering 27% in the first six months of this year. In response, international banks slowed their expansion in the first quarter, and New York-based European-American Bank closed its door, according to Tony Villamil, chief international economist of Southeast Bank N.A. in Miami.

Miami's international sector is in for another shock this year unless Florida legislators repeal a new corporate tax, Mr. Villamil added.

The so-called unitary tax is based on multinationals' instate share of their parent companies' worldwide, instead of nationwide, profits. By one estimate, it will cost South Florida's international banks $15 million a year.

Economists say it will hurt the area's reputation as a growing, international center. The state's business community agrees, and it has started a campaign to repeal the tax.

The migration from Miami to communities north continued in 1983, and the city's population grew at an annual rate of 1.1%.

Commercial building permits registered the sharpest drop in South Florida's three-county area, 39% to $73 million. Housing starts, however, during the second quarter leaped 320% over the same period last year, reaching one-third the peak levels of late 1981.

Unemployment, which rises as construction falls, has dropped since January and stood at 9.1% in September. The county reported 96,000 manufacturing jobs in June, compared with a peak of 100,300 in 1981 and 95,000 in 1982.

The city has the *Miami Herald* in the morning and the evening *Miami News* serving the area, along with Miami's daily Spanish newspaper, *Diaro Las Americas.* The area has three network tv affiliates, three educational stations, two specialty stations and one independent station. Twenty radio stations serve the area, 10 am and 10 fm. Miami suburbs are served by various cable systems.

Norfolk-Virginia Beach-Newport News, Va.

Population '80	1,160,311
Rank	35
Est. income '82	$9,547,295,000

The Norfolk MSA in Virginia now encompasses the cities of Norfolk, Portsmouth, Virginia Beach, Chesapeake, Newport News, Hampton, Poquoson, Williamsburg and Suffolk, along with the counties of Gloucester, James City and York.

A broad-based economy supported by government employment, maritime industry, a $700 million tourist industry, diversified manufacturing, agriculture, seafood harvesting/processing and all ancillary service industries are some of the reasons for June's low 5.3% unemployment rate.

Government activity alone generates $4.5 billion locally through the largest naval complex in the country, the National Aeronautics and Space Administration Langley Research Center.

One of the major recipients of defense dollars is Virginia's largest employer and the country's largest shipbuilding facility, Newport News Shipbuilding and Drydock Corp., which employs about 28,000 people.

Other major manufacturers in the area include General Electric Co., Ford Motor Co., Virginia Chemicals, Anheuser-Busch, Bendix Corp., Houmet Turbine Components and Northrup Corp.

More than 60 foreign companies, including Volvo, Mercedes-Benz, Moulinex and Stihl, operate manufacturing facilities in the area.

Along the waterfront areas, redevelopment and revitalization in several sections are extensive and continuous. The showpiece is Waterside, a $13.5 million festival marketplace in Norfolk developed by James Rouse, and the $19.4 million, 250,000-sq.-ft. Virginia World Trade Center. The center is the headquarters of the Virginia Port Authority and a center for international trade.

More than $133 million is being spent for other varied waterfront development projects currently in progress.

In Portsmouth, across the Elizabeth River and linked by a 19th century-style pedestrian ferry, is the newly completed, 25-story residential high-rise, Harbor Town, the tallest structure in the market.

Over the next 15 years, plans call for revamping the central business district in the style of Alexandria's Old Towne, as the core factor for attracting $103 million in private investment for residential and commercial projects.

In Virginia Beach, many multimillion dollar office park projects are in varying stages of completion. These include a $10 million, five-building, 300,000-sq.-ft. Corporate Center Office Park; the 36-acre office park surrounding the 10-story Columbus Center; several new hotels, and a $5.8 million rehabilitation of an electronic computer science school.

In June, a 300-room hotel and conference center opened at a cost of $25 million, as well as a 203-room, $6 million Holiday Inn executive center and a 110-unit $5 million Crosswinds Hotel on the oceanfront.

A new surge in retail store construction was heralded by the opening in 1981 of two regional malls, the Greenbrier Mall in Chesapeake, a $25 million, 678,000-sq.-ft. project, and the Lynnhaven Mall, a $55 million, 1.2 million-sq.-ft. complex.

The major existing mall, Military Circle in Norfolk, showed a marked retail sales increase during the 1982 season, despite competition from these two new malls, plus numerous strip centers.

A $1 million farmers market in a refurbished railroad warehouse called Bessie's Place was added to the 120 other speciality food and general merchandise shops in Waterside.

In Virginia Beach, Loehmann's Plaza, a 115,000-sq.-ft. facility, added 14 stores in the American Outlet Mall and 30 stores in the Virginia Beach Outlet Mall.

This retail activity produced $4.8 billion in taxable retail sales for the total MSA in 1982.

Future development projects call for $275 million in private and public investments in downtown Newport News, highlighted by twin office towers, a public square, twin luxury apartment towers and condos along a new waterfront esplanade.

In Virginia Beach, a $26.4 million strip beautification plan encompasses capital improvements to streets, lighting and utility lines, plus a multilevel Ocean Center with pier, shops, restaurant plazas, museum and theaters.

Many renovation projects are in gear, such as a department store transformed into a high-tech office building and a $4 million hotel in downtown Norfolk.

In 1984, Portsmouth waterfront will have a ferry terminal, open air theater and shops.

Keeping pace with other segments of industrial growth in the area is an $8 million British Chemical facility in Suffolk, as well as establishment of Norfolk Southern Corp. national headquarters in Norfolk.

To best serve and coordinate the economic development of the area, the five area chambers of commerce have recently merged into the Hampton Roads Chamber of Commerce.

There are 23 newspapers serving the Hampton Roads area, three dailies and 20 weeklies. There are 20 am and 24 fm radio stations, as well as seven tv stations, including affiliates of each major network and a public broadcasting station. Cable tv services are available in selected areas of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Virginia Beach and Williamsburg.

Orlando, Fla.

Population '80	700,055
Rank	61
Est. income '82	$7,003,091,000

"We should all get down on our knees and thank the Mouse." Some say that's the quote of the year, attributed last March to Orlando hotelier Harris Rosen.

Certainly the Mouse—more specifically, mega-attraction Walt Disney World and its new Epcot theme project—have been very good to Orlando-area hotels and motels. Very good indeed.

At a time when the breakeven rate for a hotel/motel is 65% occupancy, Epcot boosted Orlando-area occupancy rates to an over-all annual average of 88% last year—and at times exceeded 100% (including no-shows).

One result has been a hotel/motel building boom, with more than 13,000 new rooms now under construction—$500 million worth and due for occupancy by 1986—within a 25-mile radius of Orlando.

Epcot, an acronym for Experimental Prototype Community of Tomorrow, opened Oct. 1, 1982. In a year, it has had a major impact on central and south Florida tourism.

Pre-Epcot Orlando was seeing 2 million to 3 million visitors a quarter. Epcot has doubled that, which means Disney World itself expects a fiscal year total of 24 million to 25 million visitors—just about double the 1982 attendance of 12.6 million.

Not everyone is cheering the Mouse, however. Some of the other theme attractions in the Orlando area are feeling the impact of Epcot in a less spectacular way. At Sea World, admissions are below those of 1982, which was in itself a less-than-glorious year. A drop in attendance at Six Flags' Stars Hall of Fame forced management cutbacks and marketing changes, while at Circus World, admissions have been running slightly below last year's.

But projections for 1983 are optimistic: 24 million-plus visitors for Walt Disney World, 2.5 million-plus for Sea World, 700,000 to Stars Hall of Fame, 1.2 million to Cypress Gardens, 1 million to Circus World.

But it's not just Mickey Mouse who's making Orlando home. Big businesses are moving in, too, attracted by the boom growth of Orlando's economy and the still-plentiful opportunities for land and sunshine.

Orlando has gotten 70% of the new business or business relocations in Florida over the past two years. The major ones include AT&T Information Systems, with 2,800 jobs; Martin Marietta, already a major employer, expanding its electronics plant, with 3,000 new jobs; Westinghouse, with its steam turbine division and 800 new jobs, and Harcourt Brace Jovanovich book publisher, which is building its new corporate headquarters, along with 1,100 new jobs, adjacent to Sea World—which it owns.

Even the U.S. Navy is coming ashore with a large research and development facility at one of Orlando's industrial parks; it expects to employ 1,200 people by 1985.

In downtown Orlando, there is an on-going project with theme redevelopment. Church Street Station, already drawing more than a million people annually, has expanded to include the Cheyenne Saloon. Two bank buildings—Barnett Tower and the Atlantic Bank Building—have added 1.2 million sq. ft. of office space.

Another sign of expansion is the Orange County Convention/Civic Center, a shiny $51 million facility that opened in February and holds 10,596 people.

Its 325,000 sq. ft. mean more conventions and more conventioneers—371,000 last year, an expected 500,000 this year.

And while Orlando's big new airport has no direct international service, it still manages to chip away at 8% of the international air market, thanks to charter flights, air crews and package tours. Orlando remains the third most popular destination for international travelers.

Orlando is also maturing, in the eyes of its leaders. Growth is no longer a haphazard process. Countywide growth management plans are being formulated and followed. "We know ahead of time where to site new industry . . . and whether we can furnish services for it," said Roy Harris, executive vp of the Industrial Development Commission of Mid-Florida, which

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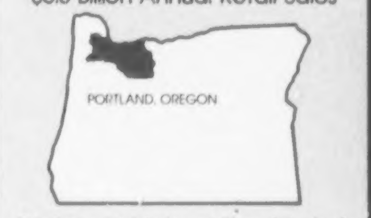

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Large companies are attracted by the spaciousness of Orlando's nearby acreage. Corporations are taking large tracts of land and setting up in campus-style environments. They're moving out of cities where there is no room for expansion to areas where future growth, and land for it, is next door.

Orlando is not just dependent on tourism for survival, Mr. Harris emphasized, but added the area's economic base "is still a three-legged stool—citrus, industry and tourism."

The Orlando area is served by one newspaper—the *Orlando Sentinel Star*—three tv stations, nine fm and seven am radio stations and two cable systems.

Raleigh-Durham, N.C.

Population '80	561,222
Rank	74
Est. income '82	$5,311,420,000

If North Carolina is rightfully the "Sunbelt Superstar," then the Raleigh-Durham/Wake County area would have to be considered one of the key reasons for the state's widespread acclaim.

With the unemployment rate for the first half of 1983 running at about 4.4% (less than half the nation's average), experts have predicted continued growth for the area for many years to come.

A strong indicator of this prosperity is growth in retail trade, up 13% for the second quarter of 1983, with numerous new shops and malls opening or being expanded regularly to meet the mounting demand.

New residential construction too proceeded at an extremely strong pace. Some 2,093 units were started during the second quarter of the year alone, and single-family housing starts outnumbered multifamily units 3 to 1. Additionally, sales of both new and existing housing units were up by 45.3% from 1982.

The vacancy rate in completed apartments in May, 1983, was down to an extremely low 3.2%.

During 1982, the area saw the arrival of 11 companies, while expansions occurred at 14 existing companies. Much of the new business relocated in or near the Research Triangle Park section adjacent to Raleigh-Durham/Wake Counts. This area, now home to more than 40 major research and development and high-tech corporations, is growing steadily.

Since 1980, the area has seen about 1.5 million sq. ft. of added office and commercial development, about 90% of which is already leased. Currently, 20 major projects, representing in excess of 2 million sq. ft. of space, are either completed or under construction.

New or expanding companies include AGA Gas, which plans to construct a $15 million air separation unit and liquifier to be in operation in 1984; Ajinomoto USA, which built a $49 million plant to manufacture amino acids for the medical and nutritional fields; and Bahlsen of America/Austin Foods, which has moved its U.S. headquarters from New Jersey.

Borg-Warner opened a $3.6 million plant on 20 acres to make electrical parts for motor vehicles to control emissions. Buehler Products built a production facility in Cary, which some predict will become the company's headquarters.

Charles River Breeding Laboratories has purchased 20 acres and plans to build a $40 million, 30,000-sq.-ft. animal breeding facility in 1984; it is earmarked for private and government research laboratory work.

GTE Corp. opened a microelectronics engineering center for miniature integrated circuits in August, with the workforce to total 200 by 1985.

General Electric has constructed a major microelectronics research and development facility with the first phase representing a $55 million investment.

Some $110 million is expected to be spent over the next five years at this facility; the workforce is expected to total 1,000 by 1987.

Glaxo Inc. has relocated its new product group and plans to build a $30 million, 150,000-sq.-ft. manufacturing plant on an 80-acre site to produce pills, capsules and aerosol sprays.

ITT Corp. is establishing its North American telecommunications headquarters here. Walter Kidde division of Kidde Inc. is building a 150,000-sq.-ft. manufacturing facility on a 40-acre site and is expected to employ 250 people.

Sumitomo Electric USA is investing $20 million to $50 million in the development of a research and development complex on a 31-acre site, with operations slated to start in 1985 on fiber optics, semiconductors and computer technology.

Texas Instruments has purchased a 135-acre site for the manufacture of a variety of products. No completion date has been announced.

Watkins-Johnson Co. opened a 50,000-sq.-ft. facility for the manufacture of electronic equipment on a 50-acre site.

On the educational level, Wake Technical College has a proven track record for outstanding vocational and technical training geared specifically to the needs of the community.

Additionally, there are nine colleges and universities in the immediate area, including North Carolina State University of North Carolina and Duke University.

The Wake County area is served by three daily newspapers and 10 nondailies. There are three network affiliates, as well as a public broadcasting station. Alert Cable TV of North Carolina services the area.

There are 13 radio stations, including seven am stations.

Richmond-Petersburg, Va.

Population '80	761,311
Rank	57
Est. income '82	$7,160,726,000

A diverse industrial mix has helped the Richmond area maintain its stable economic base and continued low levels of unemployment (5% in the second quarter of 1983).

This stability has been helped by a fiscally conscious government and a law prohibiting deficit spending by the state.

The Richmond area boasts the honor of being a leading headquarters city in the South. Some 16 national companies whose stock is publicly traded and whose sales exceed $16 billion make Richmond their home base.

These include such industrial giants as Figgie International (formerly A-T-O Inc.), Reynolds Metals, Universal Leaf Tobacco, Robertshaw Controls, A.H. Robins, Ethyl Corp., Media General and CSX Corp.

Wages and benefits are competitive with other areas of the South and offer workers a better-than-normal quality of life.

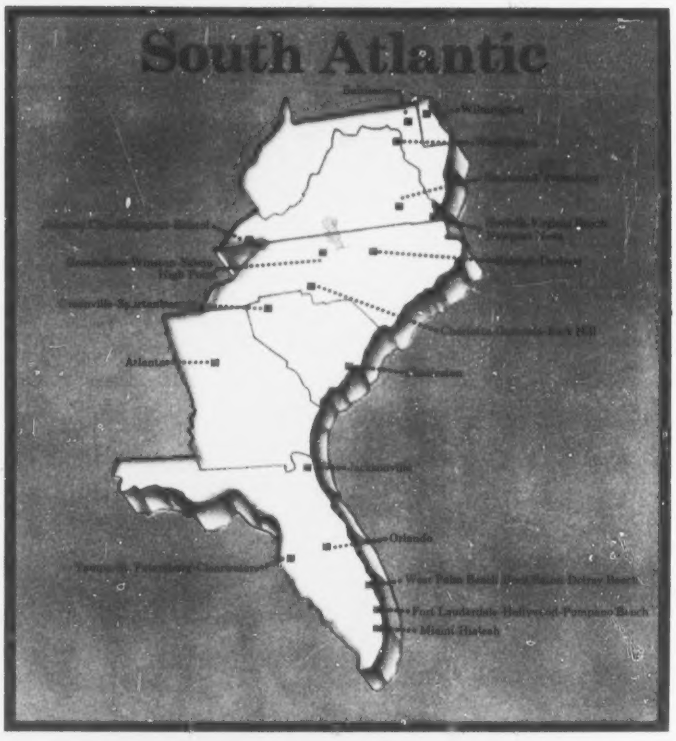
One characteristic that has made this possible is the state's strong right-to-work law and industries that have a low percentage of unionization.

What has resulted, in part, is a boom year for industrial development in 1982, with 74 companies coming into the area for the first time, expanding or relocating operations.

This has produced an estimated 1,100 new jobs directly, with an investment of about $128 million.

Some of the major new companies opening in 1982 or announcing plans to start building and rehabbing facilities included Allen Industries, which reopened a 203,000-sq.-ft. plant for the manufacture of supplies for car marketers.

Also, Fiber Lam constructed a 40,000-sq.-ft. manufacturing plant on 4.5 acres to produce laminated and extrusion papers at a $3 million investment.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Tampa-St. Petersburg-Clearwater
West Palm Beach-Boca Raton-Delray Beach
Fort Lauderdale-Hollywood-Pompano Beach
Miami-Hialeah

Raschig Corp. purchased a 120,000-sq.-ft. warehouse on 7 acres, invested $1.75 million and hired 50 new employes to handle asphalt emulsions and emulsifiers.

William Byrd Press underwent $2 million in expansion, while ICI America renovated part of a plastic film plant at a cost of $3.5 million. ICI also began construction of a 105,000-sq.-ft. manufacturing plant for Melinex polyester films, scheduled for completion in 1984.

Dean Foods built a 54,000-sq.-ft. manufacturing plant for producing margarine, while Greyhound spend $5 million on a bus terminal and maintenance facility.

For the first half of 1983, some 62 new expansion/relocation projects were undertaken in the Richmond area, resulting in investments of more than $40 million and providing direct employment to some 500 workers.

International Security Vault Systems built a 15,000-sq.-ft. security vault for computer tapes, while Chesapeake Containers spent $3 million developing a 60,000-sq.-ft. office/warehouse complex to manufacture corrugated containers.

Coler Storage Co. constructed two warehouses for tobacco storage. These total about one million square feet at a cost of $20 million.

Meanwhile, Project 1, the master plan for rehabilitation of downtown Richmond, is progressing on schedule.

Media are well-represented in the area. These include three network-affiliated tv stations, as well as two public broadcasting stations and one independent station. In radio, the area has 25 stations, 15 am and 10 fm. Chesterfield Cable Communications has cabled Chesterfield County, while Continental Cablevision has wired the city of Richmond, and Goochland and Henrico Counties. One morning and one evening daily newspaper and four weekly regional papers cover the market.

Tampa-St. Petersburg-Clearwater, Fla.

Population '80	1,613,603
Rank	22
Est. income '82	$15,566,368,000

Play ball!

That's the cry heard throughout the land—throughout the Tampa-St. Petersburg-Clearwater marketland—as professional sports and municipal cooperation mark major changes for the west coast of Florida.

The biggest of the big sports events, of course, is Super Bowl XVIII, which is scheduled to bring Tampa-St. Petersburg-Clearwater at least 100,000 visitors vying for not-enough hotel/motel rooms come that Jan. 22 weekend.

Even though the pro teams are yet to be determined, the marketing teams have been reluctantly cooperating in preparing the Tampa Bay area for the biggest event since the 1929 hurricane that changed much of the waterfront landscape.

And even as one set of task forces combine energies to promote the Super Bowl, another set is fighting to land the area's first-ever Major League baseball team, with Tampa and St. Petersburg each promising major baseball stadium construction.

In a twin-city market that traditionally has had industrial Tampa (Hillsborough County) competing with the tourist-and-retirement market of St. Petersburg and Clearwater (Pinellas County), the impact of Super Bowl XVIII and national as well as statewide economic trends are forcing cooperation, despite a spirit of latent rivalry.

Tampa, however, is momentarily back in the lead with Harbour Island, a massive, $1 billion waterfront development scheduled to take a minimum of 12 years to complete, all with private funds. Harbour Island—being constructed on a 177-acre island immediately south of downtown Tampa—would eventually become home for 14,000 residents and a place of business for another 6,000 working in offices, shops and a hotel.

Beneficial Corp., the finance and insurance company that owns the island, has even hired former President Gerald Ford as a consultant on the project. The first phase is scheduled for completion by 1985, including the first 550 of a projected 4,650 condominium units. Eventually, there would be a 300-room hotel and a 196,000-sq.-ft., nine-story office building.

Harbour Island promises to further change the Tampa skyline. Since 1980, four major office complexes have sprung up in Tampa: The 38-story Tampa City Center and the 500-room Hyatt Regency Hotel, a combined $93 million project; the 20-story, $20 million Plaza Office Tower; the 20-story, $20 million 1 Mack Center, and the 11-story, $20 million Teco Plaza.

In the West Shore area of Tampa, more than $200-million in new construction—including six office buildings and three hotels—are in various stages of construction.

There are still some rough spots. The Port of Tampa is going through a transition, due mostly to the depressed phosphate industry. But two cruise lines are beginning to originate some package tours out of Tampa.

On the other side of Tampa Bay, St. Petersburg and Clearwater share an increasingly younger population and a growing high-tech industry. Pinellas—the smallest county geographically in Florida—is the most densely populated.

The midcounty St. Petersburg-Clearwater International Airport is attracting new carriers offering daily passenger flights, and more than 2 million sq. ft. of high-tech industry is growing up around the airport.

Many of the small industries that fed the county's major electronics employers—ECI, General Electric, Honeywell—are moving out of their garages and into their small shops, contributing to the airport-area expansion.

Despite statewide declines, foreign tourism in Pinellas County helped boost the over-all total visitors up 10%, to more than 3.5 million tourists.

Pinellas also shares in the growing financial and medical fields that are finding the Tampa Bay area attractive. The Showa University Research Center, the world's first Japanese-sponsored cancer research institute outside Japan, is in St. Petersburg. Critikon, an acute care research facility, has been established in Tampa and employs more than 600 people. The equally new SmithKline Laboratories in Tampa, employing more than 300 employees, is the largest clinical lab in the Southeast.

The Tampa Bay area is also becoming one of the state's leading financial service centers for major Florida holding companies, with NCNB Corp., Sun Banks, Barnett Banks, Atlantic and Florida National all expanding in this part of Florida.

In the meantime, despite a reputation as a haven for old people, St. Petersburg and all of Pinellas County are getting younger. The median age in 1980 was down from a decade before by 2.3 years—to 45.8 years.

And people are plainly doing something besides retiring in Pinellas County. Total employment in the county rose by 43% from 1970 to 1980, while nationally the increase was 23%. Similarly, high-tech employment represents 37% of all manufacturing employes in Pinellas, compared with 13% nationwide.

In the last three years, Pinellas has created twice as many manufacturing jobs as Hillsborough. Pinellas has also led the state in new plants and major expansions for the past seven years.

More businesses are choosing to relocate in Pinellas County as well. Indeed, the attraction the Tampa Bay area has for tourists and executives alike can be measured in many ways. "Most people are here because they want to be here, not because this is where the cradle was," suggested Bill Matson, business editor of the *Clearwater Sun*. In Pinellas County, he pointed to the 26 miles of beaches along the Gulf of Mexico, and in the area in general to the lack of "smokestack industries [that] over the years have been deliberately discouraged."

For advertising executive Dickey Roeder of The Marketing Centre, the measure of living on the West Coast of Florida can be done with less dramatic statistics. After relocating from California last year, she now sees this area as a place where "the streets are clean, the traffic minimal," and while the area still lacks the big-name stores such as Saks Fifth Avenue and Neiman-Marcus, "shrimp is $17 a pound in Los Angeles and $5 a pound here."

The Tampa-St. Petersburg-Clearwater market is covered by four daily newspapers, nine tv stations—four uhf and five vhf—23 am and 16 fm radio stations and seven cable systems.

Washington, D.C.-Md.-Va.

Population '80	3,250,822
Rank	6
Est. income '82	$44,889,437,000

Washington is often described as the nation's largest "company town," and when Ronald Reagan marched into office three years ago, many thought his budget ax would take aim at the payroll of the city's largest employer—the federal government.

But the big shakeout in federal employment never occurred, and government employment in the Washington area has shrunk only about 2% during President Reagan's first three years in office.

In addition, a decade-long shift toward private-sector employment has taken hold and is adding to the stable employment base provided by the federal and local governments.

The Greater Washington Board of Trade, the city's leading business group, reports that 1983 marked the continuation of a 10-year trend that has turned around the base of the local economy. A decade ago, the public sector comprised two-thirds of the local economy; today two-thirds is controlled by private enterprise.

Even with the transition, the city has maintained its reputation as a "recession-proof" economy. The area's unemployment rate is still about half the national average, and personal income is the nation's sixth highest.

One sign of the stable economic times consists of the massive real estate ventures in the city, many of which have come to fruition during the past year. The stretch of land between the Capitol and the White House, particularly, has emerged as the hotspot for downtown development, replacing the area west of Connecticut Ave. as the center of real estate action.

More than 2 million sq. ft. of new office space and at least 1,400 new hotel rooms are either under construction, completed or have been proposed along the President's Inaugural parade route on Pennsylvania Avenue. The development of this 12-block strech is masterminded by the Pennsylvania Ave. Development Corp., a federally funded enterprise created to enhance business prospects along the capital's famous ceremonial boulevard.

Among the major projects along Pennsylvania Ave. is the renovated Old Post Office Pavilion, an inner-city shopping mall that houses 50 new retail stores, five restaurants and 60,000 sq. ft. of commercial office space. The $40 million project, which opened its doors in September, is now the largest shopping mall in the downtown business district.

Despite the success of the Pennsylvania Ave. project, some argue it will only add to the office space glut currently plaguing the downtown area. Already, the city's Builders, Owners and Managers Assn. reports that 16% of downtown office space remains idle, with the surplus expected to intensify when about one million more sq. ft. of space on 14th St. NW becomes available within the year.

Building cranes still dot the Washington skyline, as office building construction continues under the assumption that demand for space is on the rebound. PADC economic projections estimate the excess office space should be soaked up within the next two to three years.

Another project expected to fuel the downtown revitalization effort is the new D.C. Convention Center, which opened in January. Although not successful in roping the 1984 Democratic National Convention, the convention center and related enterprises are expected to add 5,000 new jobs to the local economy.

Some signs of development around the convention center can already be seen. In March, Henley Park Hotels opened a luxury facility a block away from the center, and the city's leading department store, Woodward & Lothrop, is discussing the construction of a retail and office building complex nearby.

The city's restaurant business is still among the healthiest in the country, but it witnessed a 20% decline in growth during 1983. The falloff in new restaurant openings was attributed mostly to the saturation of the market, which has the third highest per capita concentration of restaurants in the country.

Trade and professional organizations, which employ an estimated 75,000 to 80,000 local workers, were possibly the hardest hit by the recent recession. Budget cuts led to some layoffs among D.C.-based organizations, but the Greater Washington Society of Association Directors projects that some groups are now ready to rehire some portion of the idle workforce.

Tourism, the city's second largest industry, had a lackluster performance in the past year, and city officials are expecting only a 1.5% to 2% increase for the year. The number of visitors to the area had seen a slight dip in 1980 and 1981, but the industry began to rebound this spring with a modest increase every month since March.

For those who are in Washington to stay, housing costs have leveled off somewhat after the steady rise over the past decade. The average pricetag for a home, however, is still $117,000, making Washington's housing costs among the highest in the nation.

Subway expansion into the surburbs and improvements in the D.C. public school system have to a great degree stabilized movement in the area's housing market, and the Washington Board of Realtors now reports that Ward Three in upper northwest Washington has replaced Capitol Hill as the hottest real estate area in the city for young couples and families.

Despite a nationwide drop in the number of college-age people, the Washington Consortium of Universities reports steady enrollment figures this fall. Although not known as a college town, Washington's nine major colleges and universities contribute $1.2 billion to the local economy and employ 6.1% of the D.C. workers.

The Super Bowl champion Washington Redskins captured the bulk of the city's sporting interests in the last year, and the team continued its streak as an economic powerhouse as well, by selling out 130 consecutive home games. The demand for seats at RFK Stadium has kept attendance restricted to season-ticket holders, and there is a 12,000-person waiting list for the season passes.

Information-hungry Washingtonians also have several media outlets. The greater D.C. area has 13 tv stations and 18 am and 21 fm radio operations.

And the city's two morning newspapers publish on a slightly different production schedule. The Washington Post publishes seven days a week, while the *Washington Times* is printed Monday through Friday.

West Palm Beach-Boca Raton-Delray Beach, Fla.

Population '80	**576,863**
Rank	**71**
Est. income '82	**$7,400,890,000**

In the recent recession, the West Palm Beach-Boca Raton area had the good fortune to be located in a county—Palm Beach—that has the highest per capita income and the strongest retail sector in the state.

That is why Patrick Danan & Associates chose Boca Raton over Tampa, Miami and Orlando for the first of four Florida malls devoted to gourmet food. The Fort Lauderdale company claims Boca Raton is an ideal location for a $4 million mall catering to gourmet tastes and budgets. Boca Raton is a family-oriented community nestled in one of Florida's fastest growing areas, and it has a good reputation among European and Canadian tourists, the Danan company said.

Commerce officals claim that Boca Raton's sturdy base of high-tech industry helped it to coast through the recent recession. Retail sales rose 7.9% during the first quarter of 1983. In the three months ending last July, department store sales jumped 15.4% over the same period a year ago to $65.6 million.

"We are very strong on what I consider advanced technology and electronics manufacturing and there is an increasing interest in corporate headquarters and offices," explained Michael Frey of the county's development board. "Executive families are moving in, especially into the Boca Raton and Boyton Beach areas. They are younger and affluent. They reflect the companies moving in."

Patrick Danan's international food mall is set to open in mid-December, and an Ohio-based developer is building a 1 million-sq.-ft. mall in Boyton Beach, employing 3,000 people.

Projections say that Palm Beach County's population will grow 27% in the next 10 years, which would make it the third fastest-growing area in the state, according to the "Kiplinger Newsletter." Last year the population grew 3.8%, twice the rate of neighboring areas.

Mr. Frey said population growth, like growth in the retail, construction and service sectors, is tied to the county's expanding industrial base. Consider some recent developments:

- International Business Machines Corp., which makes its personal computers in Boca Raton, added in excess of 1,000 employes and announced recently that by 1985 it will have 9,500 employes, surpassing Pratt & Whitney as the county's biggest employer.
- Motorola Corp. moved its paging division and 1,000 employes from Fort Lauderdale to Boyton Beach in August.
- Castle & Cooke opened a fresh-fruit distribution operation.
- Rodime Inc. of Scotland began building a computer parts operation in

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Boca Raton.

- Sensormatic Corp. left its manufacturing division in the Fort Lauderdale area and moved its corporate headquarters to Boca Raton.

In all, Palm Beach County reported 29,400 manufacturing jobs in June, and the housing industry reflected growth in that sector. Housing starts averaged 1,684 per month during the second quarter, the best showing of South Florida's three-county area.

On the other hand, commercial building permits, after an extended rise, dipped 4% to $28 million. However, analysts say the drop stems from overbuilding, predicting that sector will resume its expansion after excess commercial space is absorbed.

Business travelers propped up a drop in tourist traffic, and domestic arrivals at the Palm Beach airport numbered 133,502 in May of this year, compared with 87,089 in May, 1981, when tourism peaked in South Florida. As a result, hotel occupancy slipped only three percentage points to 70.3% in the first seven months of 1983, the best showing in South Florida.

Media serving the area include the evening *Boca Raton News* and the morning *Palm Beach Daily News*. Serving West Palm Beach are the morning *Post* and the *Evening Times*. The area has two network tv affiliates, one independent station and one educational station, along with 13 radio stations, seven fm and six am. It also receives cable programing.

Wilmington, Del. -N.J.-Md.

Population '80	523,221
Rank	81
Est. income '82	$5,309,793,000

The buzzword around Delaware these days seems to be "pro-business." And the Wilmington area looks to be one of the main beneficiaries.

Delaware's 1981 Financial Center Development Act, the creative baby of Nathan Hayward III, director of the state's Development Office, has been a key factor in luring new business to the Diamond State. The two-year-old law permits out-of-state banks to operate in Delaware, throwing in tax incentives and throwing out the ceiling on interest rates as bait.

By October, 13 new banks—including Citibank, Chase Manhattan, Morgan and Chemical Bank—had opened subsidiaries.

More are on the way, establishing Wilmington—already one of the nation's largest chemical, petrochemical and auto importing centers—as a leading financial center.

Wilmington is also a top corporate law center, with 52% of *Fortune* 500 companies and a third of those listed on the New York Stock Exchange incorporated in Delaware.

To many, of course, Wilmington means E.I. du Pont de Nemours & Co., the nation's largest chemical company, with 22,000 employes. That also makes Du Pont this city's largest employer.

But Du Pont is not the only local veteran that has made a commitment to the city's future. Hercules Corp.—Du Pont, Hercules and ICI Americas are the state's three biggest chemical companies—laid a major long-term stake in the city's fabric about two years ago when it completed its new 13-story granite and glass headquarters downtown.

Wilmington Trust Co. also built its new 14-story headquarters at the north end of the city's Market Street Mall, and this and an 11-story structure on the old Odd Fellows site are considered keys in the renaissance of commercial construction in this area.

All of these buildings were in the vanguard of a construction boom that has pushed at least a half-dozen new office buildings onto the Wilmington cityscape in the last two years.

At an average $15.50 a sq. ft., prime office space in urban Wilmington costs approximately 11% less than it would in Philadelphia and Baltimore, 65% lower than in New York, boosters hasten to add.

State and local leaders say the availability of several major transportation systems near Wilmington and an "excellent" vocational education network that provides a steady supply of skilled labor (Delaware's unemployment rate is running about 3% below the national average) have helped foster a healthy business climate.

So has an unusually high degree of bipartisan cooperation between the city government in Wilmington and the state government in Dover in putting together financial packages and other incentives attractive to business.

Rated highly important is the state's very stable fiscal situation, a position stemming from a constitutional amendment that permits expenditures to total only 98% of anticipated revenue. Economic development has been a popular target for these "extra" funds.

Under Gov. Pierre du Pont, the Delaware constitution has also been amended so that changes in any state tax laws require a "super majority"—three-fifths of the legislature—for enactment, which, Mr. Hayward says, "puts the squeeze on government to keep taxes down."

There are those who argue that the state's graduated income tax is unreasonably high with its 13.5% ceiling rate. Even that, however, was touched by Delaware's pro-business attitude three years ago, when it was lowered from nearly 20% as part of a successful effort to keep Hercules Corp.'s expansion plan in the area.

On the retail side, Delaware has no state sales tax, which attracts a sizable group of out-of-state shoppers, bolstering what officials describe as a "very healthy" commercial scene. The Christiana and Concord malls are major suburban Wilmington shopping centers. Another shopping complex, the former Merchandise Mart on Old Governor Printz Blvd., has undergone recent renovations to emerge as Merchants Square, a discount center.

Local improvements go beyond profit-making ventures.

In town, the not-for-profit Wilmington Waterways group continues its efforts to upgrade the city's waterfront, and efforts are also under way to revitalize the local Amtrak station.

The profile of downtown Wilmington is also affected by the continuing urban homesteading program pioneered here in 1973 before spreading to other large American cities. The result: Major pockets of residential redevelopment with a noticeable increase in professional newcomers.

Tourism officials say the state and Wilmington area have good-and-growing potential. It is estimated that visitors to Wilmington and surrounding New Castle County spend a yearly $2 million-plus trekking through the collection of museums, gardens and estates—including Winterthur, where Henry Francis du Pont put together what is generally considered the top exhibit of American decorative arts.

Officials hope the new business conference center at the downtown Hotel du Pont will attract convention goers. The Hilton, on nearby Interstate Hwy. 95, completed a $3 million renovation project of its own last year, and the gleam is still on the three-year-old Radisson-Wilmington hotel.

The Wilmington market is served by five daily newspapers (including two from Philadelphia), four commercial tv stations (all from Philadelphia), one subscription tv station, several cable tie-ins and six radio stations (in addition to several from Philadelphia).

East South Central

Birmingham, Ala.

Population '80	883,946
Rank	50
Est. income '82	$7,231,296,000

A listing of 81 new and expanding businesses in the Birmingham area—Blount, Jefferson, St. Clair, Shelby and Walker counties—showed these totals for 1983: $200 million in capital investment and about 2,000 jobs created.

Still, Birmingham limps along—October's unemployment rate stood at 11.6%.

Among the significant company closings and layoffs from 1981 to 1983 were those at U.S. Steel Fairfield Works (9,000), Pullman Standard (3,000) and Loveman's of Alabama (700) and at Jim Walters Resources, with 270 idled. Other closings and cutbacks took jobs from more than 10,000.

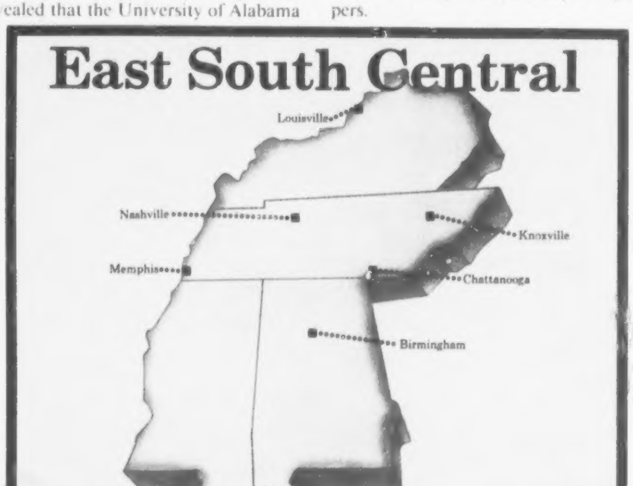
Despite all this, Birmingham has an impressive slate of construction in progress or announced. A survey of these projects as of July this year revealed that the University of Alabama in Birmingham (UAB) alone had committed $78.3 million to current and future construction; the city of Birmingham, $626.1 million (including the UAB total), and the greater Birmingham area $2.2 billion (including the totals from Birmingham proper).

Some of the significant new and expanding businesses and their announced investments include the expansion of the Alabama School of Fine Arts, with an investment of $15 million; the upgrading of the Bama Food Products facility ($2 million); the new Baptist Medical Center 524-bed hospital ($6.8 million); a new Keystone Food Co. plant ($5 million); an expanded Southern Co. Services ($115 million), and an International Forest Seed facility ($5 million).

There continues to be a good deal of construction activity in office buildings, multifamily residences and healthcare units.

But retail, warehouse and distribution projects have visibly dwindled during the past year.

The Birmingham MSA is served by 16 am and eight fm radio stations, five tv stations, seven cable tv companies and two weekly and four daily newspapers.



Chattanooga, Tenn.-Ga.

Population '80	426,540
Rank	97
Est. income '82	$3,334,089,000

In spite of some economic reverses, Chattanooga is in a generally expansive mood.

Chattanooga's sewage treatment plant has undergone $63 million in improvements; the Erlanger Medical Center witnessed a $77 million expansion, and the Provident Life & Accident Insurance Co. built a $20 million addition.

The county is developing two industrial parks, and in adjacent Dalton, Ga., the Roper Co., a marketer of stoves, has announced it is enlarging its operations.

Road and bridge construction in and around Chattanooga also is up. State Hwy. 58 is being broadened to four lanes; the C.B. Robinson Bridge across the Tennessee River was completed in 1981; a replacement for the downtown Walnut Street Bridge (which had been closed since 1979) is now under construction.

The Thrasher Bridge over one of the Tennessee Valley Authority dams has been widened. Currently, the county is building a river port near the center of Chattanooga.

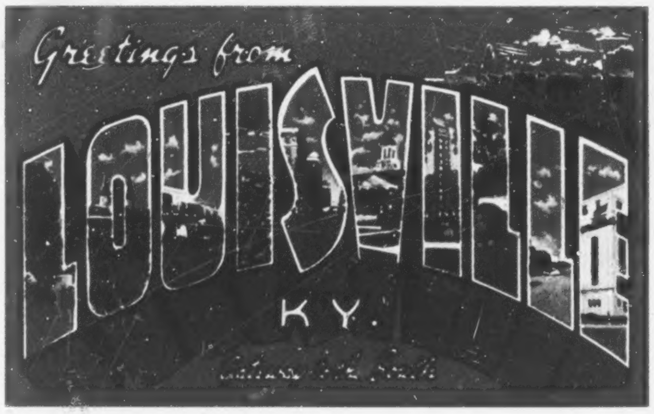
New construction includes a $45 million hotel and trade center that will boast 350 rooms and large exhibition spaces; a 1 million-sq.-ft. office building for the TVA; the $13 million Tallan Properties Bldg., and the $6 million Chattanooga Choo Choo Convention Center.

In addition, early this year, Piedmont Airlines began flights into the Chattanooga area. On the down side, there have been layoffs at Combustion Engineering, a manufacturer of nuclear boilers, E.I. du Pont de Nemours & Co., and the Rockwell International plant, which was closed altogether because of outdated equipment.

Plans for a 28-story office building had to be scuttled because of the failure of the Knoxville-based United American Bank.

The unemployment rate for the Chattanooga area, meanwhile, stands at 9.2%.

The area is served by one weekly and two daily newspapers, five tv stations, nine am and 10 fm radio stations and a cable service.



Knoxville, Tenn.

Population '80	565,970
Rank	73
Est. income '82	$4,759,381,000

The 1982 World's Fair gave the Knoxville economy a shot in the arm, but the event was far from being an unalloyed blessing.

The cost of financing it appears to have been a significant cause in the collapse of the banking empire of brothers Jake Butcher and C. H. Butcher Jr. Moreover, it never brought in the vast amounts of trickle-down tourist money its proponents had predicted.

What the fair did do, however, was bring world attention to this small city at the edge of the Great Smoky Mountains, clear a site within the city that still has great developmental promise and spark the construction of at least three major hotels.

The Knoxville bank failures, which surfaced earlier this year, counted among its casualties the United American Bank, the C&C Bank and the Southern Industrial Banking Corp.

Knoxville also suffered from the shutdown of the Knox Mfg. Co., a closing that cost 150 jobs. The textile plant, however, has now been taken over by Londontown Corp., marketers of London Fog apparel.

Much attention is currently being focused on the redevelopment of the World's Fair site. The Knoxville city council has approved plans for a shopping area there and is discussing a high-income housing development proposal, submitted by Fairfield Communities, that calls for the building of condominiums. Other on-site facilities continue to operate—either as they did during the fair or under new identities. Among these are the renovated L&N Railroad Station and the Candy Factory, both restaurants.

Recent downtown construction includes the $4.2 million renovation of the old City Hall for office use by the Tennessee Valley Authority and the $10 million Summit Towers building.

Upcoming projects are the $30 million Riverview Tower, scheduled to start by the spring or summer of 1984, and the East Town Mall, a $50 million development of 120 stores, slated for completion next July. Also near the final stage of development is the $1 million Krutch Park in the middle of Knoxville. The new fair-related hotels are the Holiday Inn (on the site), the Hilton and the Quality Inn.

Unemployment is below the state average in this region. It is at 9.1% for the Knox County and city area.

Knoxville is served by one cable company, nine am and eight fm radio stations, four tv stations and two daily newspapers.

Little Rock-North Little Rock, Ark.

Population '80	474,484
Rank	89
Est. income '82	$4,120,768,000

Little Rock-North Little Rock is beginning to claw its way out of what one resident who monitors housing construction calls a "depressing, disgusting year [1982]."

That year, while not recognized in such depressing terms in all sectors, is being put to rest by an "upsurge" in home construction permits and major commercial building activity, a low unemployment rate and renewed interest by businesses out of state to relocate in Little Rock. (Popular opinion says the city owes its name—La Petite Roche—to French explorer Bernard de la Harpe, who found a "little rock" outcrop in the Arkansas River when looking for a big green one, presumed to be a giant emerald that the Quapaw Indians told him about.)

Elsewhere, things were not as hopeful. Some 1,200 employed at the Reynolds Aluminum plant in nearby Benton County lost their jobs when the plant shut down to shift operations to Australia. And Continental Airlines dropped its service at Little Rock Regional Airport when it went bankrupt, although the six remaining airlines have picked up the slack.

Meanwhile, the Little Rock Air Center, a privately funded general aviation terminal, ramp and service facility for executive travel, has been completed at the airport. The new facility should be attractive to new business development in the area like the as-yet-unnamed addition of a major distribution center, and the move to Little Rock by a national manufacturer of electronic components that the city is keeping under wraps.

The distribution center and national components manufacturer will each employ 200 and whittle away at the unemployment rate, which averaged 7.8% from January, 1981, to May, 1983, a period in which the national unemployment rate was 9.2%. The current rate in Little Rock is 7.4%.

Nonresidential construction continued to gain momentum from the base set last year, which was 71.3% higher in value than total permits in 1981. Much of that activity is taking place downtown to take advantage of Metrocentre Improvement Funds, which offer developers considerable tax breaks in addition to capital.

Funds from Metrocentre bonds are helping in the construction of a $40 million, 35-story office complex. Some 65% of the space is already committed to seven Arkansas corporations. Completion is set for 1986.

The bond monies are contributing to financing of the $6 million restoration and conversion of the 11-story Lafayette Hotel into office space. Built in 1925 and closed in 1973, the structure would provide 100,000 sq. ft. of office space.

The final stage of a downtown development plan, which included the $50 million Little Rock Excelsior Hotel/Statehouse Convention Center complex, will be a 25-story, 247,000-sq.-ft. office building. Cost of the project, to be completed by mid-1985, could exceed $20 million.

Out of the downtown quarter, construction is under way on the 22-acre, $35 million Crystal Bay Marina development on the Arkansas River. It will include a boat marina, hotel, restaurant, retail and office space and residential quarter. Completion is set for late 1986.

The conversion of sections of Main St. and Capitol Ave. into a pedestrian mall downtown about three years ago has not stimulated retail sales in the area, primarily because of the dearth of parking, say local officials. This lack of business has influenced a number of store closures.

Sterling Stores, an institution in Little Rock for more than 60 years, ran into financial difficulties in 1983, selling out in May to Duckwall Alco Stores of Abilene, Kan. Sterling operated 47 Magic Mart Discount Stores (26 in Arkansas) and the Sterling Department Store in downtown Little Rock. Duckwall Alco converted the Magic Mart stores across the country into Alco discount stores in October and continues to run the downtown Sterling store under the same name.

State sales tax revenues, a measure of retail sales activity, increased about 6% in fiscal year 1983, ended June 30, which meant retail sales did not keep pace with inflation for the period. But an increase of 10.1% in tax collections for the first quarter of the new fiscal year indicates retail sales activity is back on a healthy schedule. Such statewide tax collections reflect the Little Rock activity because half of the state's population resides in the MSA.

Arkansas legislators, seeking extra sources of revenue, have turned their attention to advertising, to the chagrin of the Arkansas Advertising Federation, Arkansas Retail Merchants Assn. and the Arkansas Press Assn. These groups are lobbying to kill in committee a bill that would tax ad space in newspapers. Arkansas already is one of the few states that taxes preprint supplements as printed matter.

In media developments, KATV-TV, the city's ABC affiliate, changed hands this year when Washington-based Allbritton Communications purchased it from Leake TV Inc. of Muskogee, Okla. In the race for local news ratings, it runs neck and neck with KARK-TV, the NBC affiliate that Gannett Co. sold to local investors this year. An independent station, KTHV-TV started operation this summer and offers rates comparable to the leading radio stations. Storer Communications holds the cable franchise and offers 36 channels.

Competition is strong between the two local morning papers, the *Arkansas Gazette* and *Arkansas Democrat*. The *Gazette* holds a commanding lead in daily circulation and a narrow margin for the Sunday product.

Louisville, Ky.-Ind.

Population '80	1,000,621
Rank	19
Est. income '82	$8,646,201,000

Until recently, Louisville was reeling from layoffs and plant closings—but now its economy is bouncing back. Factories are recalling workers at a heartening rate, and the Derby city is in the midst of a commercial and residential building boom.

About 24% of Louisville's work force is involved in the manufacture of durable goods, a sector that has lately suffered particularly hard times. During this down period, International Harvester dropped its Louisville manufacturing division, thereby reducing its number of employes from 2,000 to 600. General Electric Co. and Ford Motor Co. have both had significant layoffs. Brown & Williamson Tobacco Corp., a subsidiary of Batus Inc., closed its tobacco plant last July and relocated to Macon, Ga. The move cost Louisville 2,100 jobs. A drop in freight traffic on the Ohio River contributed to Jeff Boats, a barge manufacturer, laying off half its workers. The Ralston Purina Co. plant was closed entirely after leaking hexane led to a huge sewer explosion.

Not all was gloomy, however. Brown & Williamson, despite its partial defection, kept its home office in Louisville and purchased an office tower in the new downtown Galleria complex. Jeff Boats, after diversifying its output, has recalled 175 employes. General Electric—although it has made a $30 million investment in industrial robots for its home appliance division—will take back 1,400 employes in January. Employment is going up at the two Ford plants in town and at the new multi-million-dollar Philip Morris storage and production facility. The ravages of the sewer explosion have been remedied, and Ralston Purina is set to reopen its plant.

Amid all of this, unemployment dropped from a high of 13.6% in December, 1981, to 10.1% in July, 1983.

The showpiece of Louisville's building renaissance is the $130 million Galleria project that opened last September. It includes two large office towers—the Brown & Williamson and the Miedinger—a department store and 60 smaller shops. Connected to the complex via a covered walkway is the Hyatt Regency Hotel. Similar walkways are to be built to the historic and recently renovated Seelbach Hotel (a $24 million effort in its own right) and to Stewart's Department Store.

The Brown Hotel, another Louisville landmark, is scheduled to be renovated during the first phase of the estimated $200 million Broadway project. The new Brown will include apartments and condominiums.

Hospital and medical research construction is also up sharply. Humana Hospital, a teaching facility that cost $64 million, opened in April, and Humana's headquarters building—slated to open in 1985—is being built at a price of $45 million. The Methodist Hospital has scheduled a $25 million expansion. And the recently opened J. Graham Brown Cancer Research Center cost $10 million.

Residential construction is up 64% from last year, according to the local chamber of commerce.

An "enterprise zone" has been set up to lure businesses into the most blighted part of downtown Louisville. To be eligible for the generous tax breaks under the plan, companies must agree to hire at least 25% of their employes from the zone. In return, they pay no taxes to the city, no state income tax on property and a smaller-than-normal inventory tax. Additionally, such companies qualify for low-interest loans and for reduced water and sewer fees. A lumber company has established an operation in the zone. The plan started in June.

Louisville is served by 11 am and 13 fm radio stations, four commercial tv stations, three cable tv services and two daily and three weekly papers.

Memphis, Tenn.-Ark.-Mo.

Population '80	913,472
Rank	47
Est. income '82	$7,871,532,000

Consider this profile of Memphis: It is a major Mississippi River port, a regional airline hub, a traditional railroad terminus and a service point for trucking lines that take goods to the rest of the country.

It is not surprising, then, to find out that Memphis is a major distribution center for the U.S.; in fact, it ranks sixth in the nation in this category.

It is also not surprising that, partly because of these factors, Federal Express chose Memphis to be its headquarters.

In April, 1982, the U.S. Department of Commerce designated areas within the city as foreign trade zones, with industries in these zones exempt from paying customs duties on imported materials until the finished products are sold in the domestic market.

One zone is on President's Island at the Port of Memphis; another is at Memphis International Airport.

According to reports published in September, new plants and expansions to that month of 1983 total 124. They generated 3,100 new jobs directly, resulted in investments of $166.4 million and used 4.4 million sq. ft. of industrial, office and warehouse space.

This increase in business kept the unemployment rate at about 9.5%,

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while increasing retail sales figures to about 10.2% above the 1981 rate.

Residential building permits in the Memphis MSA continued to show signs of strength, posting a 17.5% increase through July.

Elsewhere, Memphis is fast gaining stature as a major national and regional medical center, especially with Danny Thomas' favorite, St. Jude's Children Hospital, a short distance from the main downtown area.

Also, the Regional Medical Center in Memphis is completing a $50 million, 40,000-sq.-ft. additional facility nearby.

Other businesses either building new facilities or expanding existing ones in Memphis this year include Malone & Hyde, with a new $5.7 million dry goods warehouse; Memphis Packing Co., adding 300 new employes to its meat packing operations; General Electric Co., expanding its lighting plant with addition of 115 new employes; Raleigh Springs Market Piace, a new shopping mall developed by Austin, Peay & Yale at a cost of $6.5 million and expected to occupy 94,000 sq. ft.

The Beale Street Area Project continues apace with the world-famous Peabody Hotel and its equally renowned live ducks. Also anchoring the downtown area with the Peabody is the refurbished Ramada Inn.

The nearby Mid-America Mall project, billed as the longest pedestrian mall in North America, was initially completed in 1976 and features a mile of uninterrupted shops, boutiques and restaurants with benches, plants and fountains replacing the former roadway down its center.

The grand opening of the first major phase of the Beale Street reclaimation area is scheduled for the spring, when a variety of restaurants, night clubs and specialty shops will be featured in restored buildings. Among those personally involved in the development and establishment of businesses appropriate to the Beale Street Project are entertainers Lou Rawls and Charlie Rich.

Graceland, the home of Elvis Presley, has become a more popular tourist attraction than originally had been expected. This, along with the new Mud Island complex at the river's edge in downtown, have been a boon to the tourist industry.

Perhaps the best-kept secret in the South is the Memphis Cotton Carnival. The 52-year-old, 16-day celebration, including a music fest, is under new professional management. It drew upwards of 1 million people this summer.

Long considered only a local celebration of "King Cotton," the carnival has expanded, featuring a wide variety of activities, parades, balls and dances. By bringing progressive marketing and promotional techniques into the carnival, organizers and local residents hope to make this yearly event self-supporting, bigger-than-ever and a major economic factor in the area.

For 102 years, Memphis was served by two daily newspapers, morning and evening. With the demise of the *Memphis Press-Scimitar*, a Scripps-Howard property, in October, only the morning *Commercial-Appeal* remains.

Numerous weeklies service the market, along with 24 radio stations (12 am and 12 fm). Tv is represented by all three networks, an independent and a public broadcasting station. A full-service cable system also services the area.

Mobile, Ala.

Population '80	443,536
Rank	92
Est. income '82	$3,219,000,000

A waterway that would eventually link the Gulf of Mexico at Mobile with the mid-American heartland is expected to open in late 1985.

Barring any unforeseen problems, the 234-mile-long Tennessee-Tombigbee Waterways System would link two of Alabama's inland waterways, the Warrior and the Tombigbee, where only limited navigation is currently possible.

More than $250 million has been pumped into the area in developing the facilities at the Port of Mobile to handle the anticipated increase in business all this would generate. One of the largest, most modern coal-handling facilities has been developed, and grain elevator space has been doubled.

Total construction in the city of Mobile during the first half of 1983 showed a decrease of 10% from the same period in 1982, but the value of residential construction was up about 63% for the same period.

Total construction value for the first six months was $51.9 million in residential and nonresidential projects. The number of apartment units issued permits was up 15%, with new housing permits up more than 100%.

In addition to the $17.7 million for apartments and the $8.6 million for new houses, other major construction during 1983 included $5.3 million for retail stores and other mercantile buildings; $2.5 million for office, bank and professional buildings, and $3.2 million for schools and other educational facilities.

The February designation of Mobile as a Foreign Trade Zone, located in the Brookley Industrial Complex and at the airport, gave added impetus to over-all industrial development in the Greater Mobile area.

M&T Chemicals announced a multi-million-dollar expansion of its Axis plant for the production of thioglycolic acid and is scheduled to open in early 1984. Harding Safety began manufacturing fiberglass open and enclosed lifeboats. A $20 million expansion program for Ciba-Geigy's chemical plant at McIntosh was announced.

Also, construction began on the Herman Maisel & Co. 10-store Montlimar Place Office Park to total about $25 million in cost.

A $55 million coal-handling project was dedicated as an expansion to the Alabama State Docks McDuffie Terminal. The Riverview Plaza Complex held its grand opening during the summer as a 28-story, 391-room Stouffer Hotel, plus office tower parking.

Union Carbide started construction of a multi-million-dollar molecular sieve plant that would be adjacent to the company's existing facility. It is expected to be completed by the end of 1984.

McRae's Department Store began construction of its new $12 million outlet to be located in Springdale Plaza.

The Admiral Semmes Hotel was purchased by Equity Management Corp. of Dallas. Renovations were started in October and are expected to cost between $12 million and $15 million before work is completed early next year.

Sales tax revenues are up 7% so far for 1983, along with a 4% rise in lodging tax receipts, and a 7% jump in bank deposits, with all this indicating a healthy, strong economy and wide business base for the entire area.

Recreation and tourist-related industries continue to be a dominant growth area for the whole region. The beautiful floral displays along the 37-mile Azalea Trail each spring attract many thousands of visitors to the city.

Over the past few years, as the New Orleans Mardi Gras has continued to lose its luster and appeal, the Mardi Gras of Mobile has been growing in popularity and scope. Additionally, for the past 26 years, America's Junior Miss has been crowned each year in Mobile.

College football's Senior Bowl played in Mobile each year. Top college seniors making up North and South football squads get one last chance to show off their talent before moving, they hope, into the pro football ranks.

The USS Alabama, one of World War II's battleships, is permanently anchored in Mobile Bay and is a popular visitor attraction.

Mobile is serviced by five tv stations, three network affiliates, one independent and one public broadcasting station, as well as 15 radio stations. The *Mobile Press-Register* publishes morning, afternoon and weekend newspaper editions.

Nashville, Tenn.

Population '80	850,505
Rank	53
Est. income '82	$7,717,252,000

Tourism in Music City during 1983 suffered an 8% to 15% drop from the levels it reached the previous two years. But even with that setback, the economic picture of Nashville can be painted only as rosy. Every turn of the highway or street seems to reveal another new construction project. The music industry is recovering—although at a glacial pace—from its faith-testing recession. Unemployment in Nashville/Davidson County is down to a civic-booster's delight: A mere 6%.

One reason Nashville has such a high level of employment is that it is the state capital—as well as the Davidson County seat. In fact, the state government is Nashville's single largest employer, with a workforce of 16,325, followed by the federal government (9,425), the city government (8,585), the public schools (7,755), Vanderbilt University and Medical Center (6,630), Hospital Corp. of America (6,500), South Central Bell Telephone Co. (4,500), Avco Aerostructures Division (4,215), Opryland U.S.A. (4,175) and Kroger Food Stores (2,960).

Construction fairly bristles throughout the town and far into the suburbs—from a $161 million convention center in progress downtown to the $500 million Nissan Motors light truck assembly plant in nearby Smyrna that officially opened in October.

After years of haggling for federal funds and casting about for a commercial patron, Nashville's historic Union Station appears to have found a savior in the Elkington & Keltner Group from Memphis.

This company has agreed to restore and develop the old railroad station into a complex of offices, shops and restaurants. It is expected that the restoration, set to start this spring, will cost $30 million and take two years to complete.

Other large projects on the books or on the way include the $80 million Highland Ridge Office Center, $35 million Brentwood Executive Center, $40 million Vanderbilt Plaza hotel and office building, $40 million Koger Properties Executive Center, $60 million Third National Bank Tower, $50 million One Nashville Place office building and $45 million Opryland Hotel expansion. The Opryland Hotel, amusement park, the Grand Ole Opry, the Nashville Network cable service and WSM (am and fm) was purchased in mid-1983 by Gaylord Broadcasting, a division of Oklahoma Publishing Co., Oklahoma City.

There have also been several recent industrial expansions: Avco Aerostructures Division leased additional space and hired more workers to meet its government contract to build wings for the B-1 bomber; Baptist Hospital is building an eight-story, $17 million

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One year after

By Edward Morris

A year to the day after the 1982 World's Fair ended on Oct. 31, the *Knoxville* (Tenn.) *Journal* was running a front-page investigative series on "The Fall Of The House Of Butcher."

Cooperatively written by reporters from the *Journal* and the *Nashville Tennessean*, the series detailed the creation and collapse of the Knoxville-based banking empire of brothers Jake and C.H. Butcher Jr. The former, who failed twice in his attempt to become Tennessee's governor, was the moving force behind the World's Fair, and his banks provided much of its financing.

The fair and the Butchers have been the biggest things to happen to Knoxville in ages. Both are still very much on the minds of the citizens of this city, and both have their share of scournful detractors and eloquent partisans.

Unlike a carnival that folds its rides, packs its trucks and moves on, a World's Fair doesn't just vanish when the ticket booths come down and the souvenirs are cut to half-price. At the 72-acre fair site in downtown Knoxville, visitors can still tour the lofty Sunsphere, which symbolized the event's energy theme. Restaurants continue to operate in the sphere and in the charmingly restored L&N Depot.

The Holiday Inn that was built there especially for the fair appears to be thriving. And there are all sorts of plans afoot for turning the mostly deserted site into a "festive retail area." Amid the acres of empty concrete slabs and stairways that lead nowhere stands the empty U.S. Pavilion. If everything goes well, it will be reopened as a permanent science and technology center in early 1985.

Those who have been intimately involved with the fair look back on it with considerable fondness and pride. They tend to discount the horror stories about housing scams and traffic jams that appeared periodically in the national media during and after the exposition.

"The catalytic effect for the community has been phenomenal," boasts Mayor Randy Tyree, who presided over the city throughout the course of the fair. "It did a lot for our self-confidence." Mr. Tyree also maintains that it did a lot for state and local revenues, citing a $5 million gain for the city, $2.5 million for the county and $20 million for the state. He says that once the site is restored to commercial use, it will generate an estimated $15 million for Knoxville within its first 20 years.

The Sunsphere is a visible reminder of the Knoxville World's Fair.

In anticipation of fair traffic, Mr. Tyree says, $226 million was spent on interstate highway construction within the city and another $3 million for improvement of other local roads. Before this massive building project, three interstate highways had funneled into two-lane connecting roads to form what Mr. Tyree calls "the world's largest parking lot."

The upgrading took three years to complete, but now traffic pretty much breezes through Knoxville, and the prediction that there would be collosal traffic tieups during the fair never came true.

Carol Schroeder, a researcher with the Knoxville Chamber of Commerce, says: "The fair was marvelous. We were appalled at some of the articles that came out about it. It was the best experience we've ever had here." She admits, though, that the event may have been a disappointment for those who came seeking entertainment instead of enlightenment: "If you didn't want education, you probably didn't like it." She says the chamber gets a lot of inquiries from people who were introduced to Knoxville through their fair visit and who now want to live there.

For an event that drew approximately 11 million people, the fair was remarkably low on crime and chicanery.

Brenda Pritchard of the Knoxville Better Business Bureau says most of the complaints—around 5,000—were about housing. Many of these, she explains, were the consequence of the inadequate computer system used by the housing service and not from any calculated deception.

Ms. Pritchard's appraisal is echoed by Sgt. Steve Stinnett of the Knoxville Police Department's crime analysis unit. He says felonies during World's Fair year were actually down 5.2% from the year before. "Larceny was probably the biggest problem we had associated with the fair," he says. "You know, someone would put a camera down and someone else would steal it." Except for the addition of some parttime officers and a reshifting of assignments, the fair caused little alteration of local police activities.

Certainly, Knoxville is not caught up in collective post-pavilion depression over the closing of the 1982 World's Fair. But the ripple effects are so far-reaching in this small city that, in a way, the fair isn't over yet.

Edward Morris is an ADVERTISING AGE *correspondent in Nashville, Tenn.*

American Segments, VII

Quality: Where to live

'Places Rated Almanac's' top 10 metro areas

		Score
1	Atlanta	679
2	Washington	685
3	Greensboro-Winston-Salem-High Point, N.C.	699
4	Pittsburgh	730
5	Seattle-Everett	768
6	Philadelphia	773
7	Syracuse, N.Y.	780
8	Portland, Ore.	784
9	Raleigh-Durham, N.C.	785
10	Dallas-Fort Worth	795

Note: Score based on ratings in a variety of categories, including housing, healthcare and environment, transportation, cultural assets and education.

Source: "Places Rated Almanac" by Richard Boyer and David Savageau, copyright ©1981 by Rand McNally & Co. Used by permission.

structure as part of its $46 million expansion program; Ford Motor Co.'s glass plant is expected to spend $88 million upgrading and adding to its facility. Bridgestone Tire Co., Tokyo, recently bought the old Firestone Tire plant in suburban LaVergne and plans to invest $30 million in modernization.

As evidence of the music industry's resurging health, all the major record labels in the U.S. maintain Nashville divisions: CBS Inc., RCA Corp., MCA Inc., Mercury/PolyGram and Capitol/Liberty/EMI. There is similar representation by music publishing companies.

The city abounds with dozens of top quality recording studios, and several impressive video production companies have set up shop in the past few years. In addition, all major music trade magazines have bureaus or representatives in Nashville.

The Nashville Metropolitan Metro Airport is serviced by 15 airlines and has approximately 226 flights daily. There are 16 colleges and universities within the metro limits.

Nashville has 10 am and 11 fm radio stations, five tv stations, one cablevision service and two daily papers.

West South Central

Austin, Tex.

Population '80	536,688
Rank	77
Est. income '82	$5,249,544,000

Austin's drawing power for new industry is symbolized by its selection—after a nationwide search—as headquarters for MCC (Microelectronics and Computer Technology Corp.), the national consortium of high-technology researchers.

This Texas city sits on the edge of the hill country and at the lower end of a chain of lakes on the Colorado River. In the downtown area, the river is called Town Lake and is bordered by greenbelts and hiking and bicycle trails. Although Austin is an important retirement area, the median age in the county is under 27.

Into this surrounding, MCC will bring relatively few jobs to Austin but, in turn, it is attracting related industries with thousands of jobs. Chase Econometrics forecasts employment in Austin will grow faster than in any other U.S. city and at more than twice the national rate in the next nine years. The number of jobs will rise at an average annual rate of 4.2% from 1982 to 1992, increasing from 265,000 jobs to 400,000. The national average is 2% a year.

The Austin metropolitan area labor force grew from 293,800 people in September, 1982, to 310,800 a year later. The increase in the number of jobs available kept the unemployment rate, unadjusted for seasonal changes, at 4.4% for September, up more than one-half point from August, but lower than the 4.7% a year earlier. Austin has consistently had the second lowest unemployment rate in Texas, itself one of the more fortunate states during the recession.

Jobs in the construction sector rose to 15,300 in September, up from 14,000 last year. Wholesale and retail trade jobs were up to 62,300 from 60,000 in September, 1982. Government jobs were up from 80,400 to 81,200 this September.

Industries in Austin include Abbott Laboratories, a pharmaceutical company; Tandem Computers and Lockheed Missles & Space, both of which are under construciton; expansions of Motorola Inc. and International Business Machines Corp., and homegrown Tracor Inc. In addition to city and county government employes, Austin is the state's capital, as well as home for federal facilities, including Bergstrom Air Force Base and a regional Internal Revenue Service office.

The University of Texas at Austin, St. Edward's University and Houston-Tillotson College also are major employers and sources of potential employes. Other institutions of higher education include Concordia College and Austin Community College.

Meanwhile, developers no longer able to pour money into saturated larger markets are turning to Austin. Building permits were up 25.2% in 1983 through September, representing more than $643.1 million in construction. New commercial building permits totaled $171.7 million through September, down nearly 9% from the same period in 1982.

Part of the reason for the decline is the value of several major projects with permits issued in 1982, including $93 million for three downtown high-rise office projects.

In addition to the modern new office structures, Austin is enjoying a renovation of historic structures downtown. Sixth St., a seven-block strip of historic buildings, draws crowds to restaurants, bars and live theaters, as well as street-corner vendors. A major low-rise apartment complex is nearing completion. Two historic hotels are undergoing restoration, and the Hyatt Regency, in its second year of operation, is maintaining an 80% occupancy rate—the highest for Texas Hyatts and in the top 10 among all 70 of the company's hotels in the U.S.

New residential permits for the year through September were up 49%, compared with 1982, representing $408.4 million in construction. Permits had been issued for more than 4,400 single-family homes in Travis County and for more than 500 in the bedroom communities of Round Rock and Georgetown. The Travis County total is expected to surpass 6,000 by the end of the year. Demand for new homes is so strong that entire communities, including retail, office, industrial and school facilities, are being built within a few years. The average price of new homes sold during the third quarter was $92,280, up 18.8% from a year ago.

Home resales through September were nearly 3,800, up 30% from the same period in 1982. The average resale home price for September of this year was $86,883, up from $79,632 in 1982.

Austinites continue to be embroiled in growth vs. no-growth debates, but the question has become moot as the area continues to grow.

The not-so-good news about Austin is its energy supply. Voters, with only 15% turnout, in October defeated $583 million in bonds to finance the city's share in a coal-fired generating plant and construction of a waste-to-energy plant. The latter lost by 27 votes. Overwhelming approval, however, was given for $39 million in bonds for a series of small-scale energy conservation and solar projects.

Austin has one major daily newspaper, the *Austin American-Statesman.* There are three network-affiliated tv stations and one Public Broadcasting Service station, which is on the University of Texas campus and known for production of "Austin City Limits." There are eight fm and six am radio stations, including an all-Spanish language station, plus three stations in surrounding smaller communities.

Baton Rouge, La.

Population '80	494,151
Rank	86
Est. income '82	$4,717,945,000

A petrochemical industry on the rebound, the return of the Democrats to state office and a run-in with the law by Louisiana State University football great Billy Cannon have dominated the news down on affluent South Sherwood Forest Blvd. in Baton Rouge, La.

Baton Rouge, whose population went up 31.6% from 375,628 in 1970 to 494,151 in 1980, traces much of that upswing to its burgeoning petrochemicals business, ribboned along the Mississippi from 10 miles north of the city to 40 miles south. That sector of the economy accounts for 6% of the total workforce, but supports three jobs outside the industry for every petrochemical worker, city officials estimate.

The petrochemical industry, which usually trails the rest of the economy going into a tailspin and coming out of one as well, is just beginning to fight its way out of a depressed state that brought closures and layoffs of up to 21% of the industry's entire workforce of 14,000.

The industry, which traditionally spends $1 billion or better each year on expansion projects, has cut capital expenditures in half during the past few years. USS Chemicals, owned by U.S. Steel, closed down, throwing 500 out of work. Negotiations are under way to reopen the plant under new ownership. Ethyl Corp., affected by the recession and the trend toward more nonlead gasoline products, has cut back its workforce by about 200 people.

The corridor is seeing a slight turnaround as about 1,500 of the 3,000 laid-off employes have returned to their old jobs in recent months. The unemployment roll stood at 10.2% in August, a slight decline from previous months, but still too high for comfort.

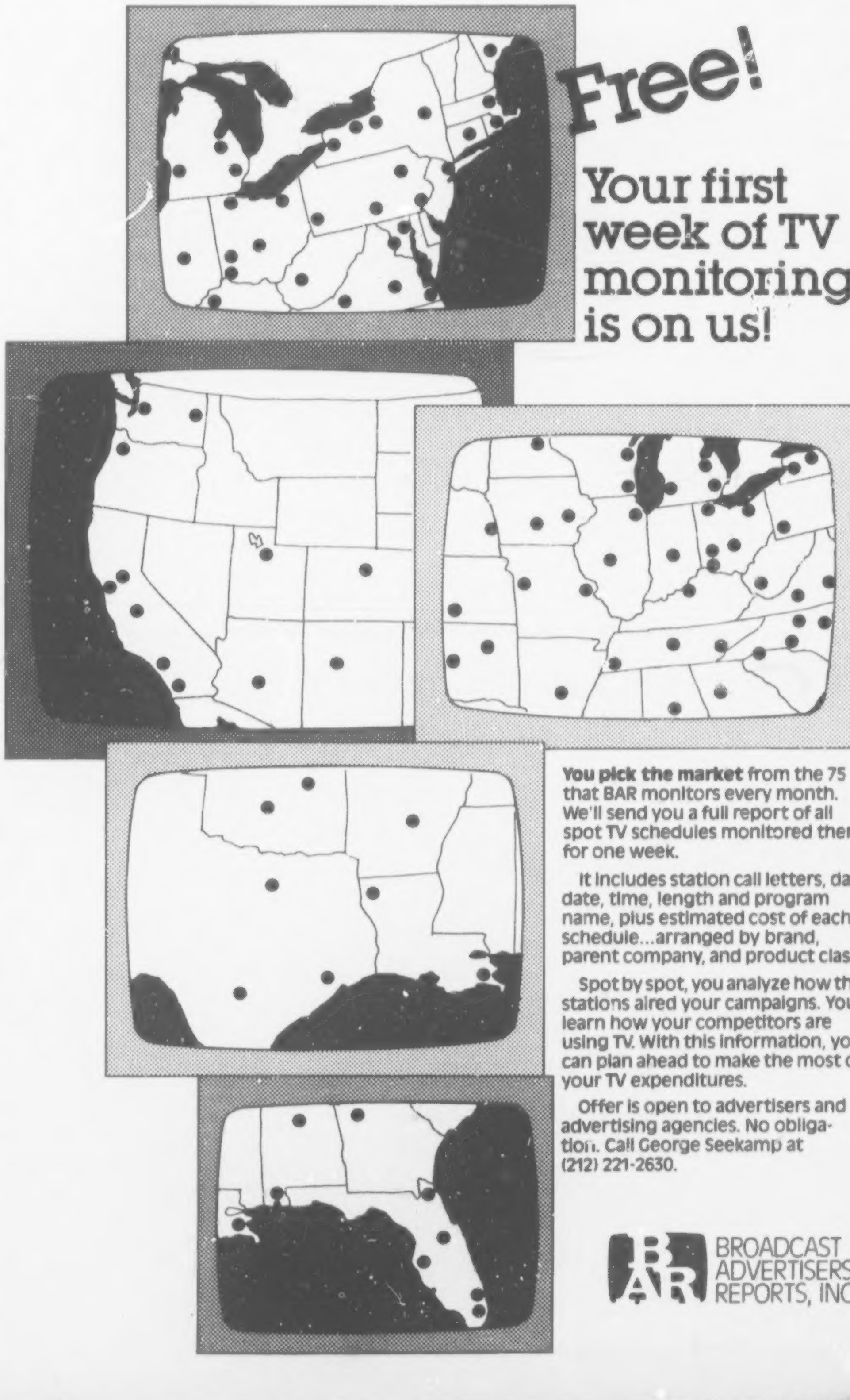
A number of government workers tied to patronage jobs entered the ranks of those unemployed in Baton Rouge, the state's capital, following the election of former Gov. Edwin W. Edwards back to the governorship. (Under Louisiana law a governor cannot serve more than two consecutive terms.) In October, Gov. Edwards defeated Republican incumbent Gov. David Treen, who had been the first non-Democrat in the state house since Reconstruction.

Despite the change in administrations, the stability of the government workforce remains a strong arm of the Baton Rouge economy, accounting for some 22% of the labor force. While much of this is attributable to the state government, a large percentage reside in jobs at LSU, a campus with 30,000 students, and Southern University, with an enrollment of 8,500.

The university system contributes heavily to the construction industry in the city, which registered a record $247 million in construction contracts in 1982, a record already broken in the first three quarters of 1983, during which $340 million in new construction (commercial and residential) were started.

Other developments include a number of small office complexes in the South Sherwood Forest Blvd. area in the city's outlying wealthy southeast quarter. Of the $35 million in new residential construction permits let in September, most are for homes in this area. This one-month figure is three times the number of permits in September, 1982, local officials say.

That area is also seeing extensive construction work at Jimmy Swaggart Ministries, headquarters for the tv evangelist/revivalist. The projects include two 12-story dormitories, an activities building and a sanctuary seating 7,000—all to be finished by September, 1984, when Jimmy Swaggart



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100

Bible College is scheduled to open to a freshman class of 500. The evangelist's newly completed World Ministry Center is nearby.

Phase 1 of the renovation of Catfish Town continues with the conversion of warehouses into office complexes along the Mississippi wharf area downtown.

A federal grant is helping finance the project. Total cost of Phase 1 is about $25 million. Phase 2 calls for restaurants and entertainment to be built in the area, which would complement other attractions along the Mississippi, including the USS Kidd, a Navy destroyer permanently anchored in the river and open to the public. Construction is in progress on the nearby Naval War Museum.

Meanwhile, Baton Rouge motel developers expect the city will not only be a stopping place for tourists heading into New Orleans to visit the 1984 World's Fair, but will serve as a base of operations as New Orleans becomes overcrowded with tourists.

Shoney's Inn recently opened for business, a La Quinta motel is almost finished, ground has been broken on the luxury Granada Royale and one of the city's three Holiday Inns has a new addition.

Baton Rouge officials already are signing up bus tours that will use the city as home base, while making forays into New Orleans for the fair and into the surrounding countryside dotted with plantation homes.

As for football legend Billy Cannon, a heart-tugging drama began to unfold during the summer when the onetime LSU star was indicted by a federal grand jury on charges of counterfeiting. He subsequently pleaded guilty and was sentenced.

Among Baton Rouge media, the *Morning Advocate* has shown steady growth. Its circulation of about 78,000 is twice the size of the *State-Times*, its sister paper. The combined papers are owned by media mogul and publisher Douglas L. Manship who also owns WBRZ-TV, the city's ABC affiliate, the combined WJBO/WFMF (fm) radio stations in Baton Rouge, as well as other media properties in Texas and Illinois. Total CATV Inc. is the local cable franchise and has a 32-channel capacity.

An upstart business monthly, *Greater Baton Rouge Business Report*, was recently named the best business tabloid by the American Chamber of Commerce. The publication, founded by Rolie McCollister, is a year old.

Dallas, Tex.

Population '80	1,957,378
Rank	14
Est. income '82	$24,829,986,000

While the economic recession took its time leaving the Lone Star State, the diversified economy of the Dallas MSA has weathered the storm nicely. Unemployment rose to 5.7% by the end of 1982, but optimistic business forecasts brightened the outlook for the new year.

The optimism surfaced in the business communities in Dallas and nearby Ft. Worth, revealing no fewer than nine new office towers dotting the skylines. Ambitious plans for construction of several new buildings signified increased confidence in the continued success of the marketplace.

One key to the area's success is the wide variety of businesses and industry. The rush of corporate relocations has cooled from the frenzied pace of the late 1970s, when Diamond Shamrock, American Airlines, Boy Scouts of America and Associates Corp. of North America moved here, leading a headlong rush to Sunbelt prosperity.

These companies have grown internally, along with a general rise in high-technology companies in the Plano-Richardson area and the newly announced "Metrocrest" area in northwest Dallas County cities of Addison, Farmers Branch, Carrollton and Lewisville. Increased military budgets have aided growth in high-tech companies in eastern Tarrant County. Companies such as E-Systems, Bell Helicopter, LTV-Vought, General Dynamics and Aerospatiale have enjoyed defense department contracts that have boosted employment.

One dark spot, however, has been the performance of the consumer products division of Texas Instruments, which forced layoffs of thousands of employes throughout TI facilities. The company announced in October that it would withdraw from the heated personal computer field.

Part of the Dallas market's financial growth was attributed to multi-million-dollar loans to the booming energy industry. The price bubble burst, however, in late 1982, and a year later several major bank holding companies announced major losses, attributable to forfeited energy loans.

Growth in the Dallas area has been led by areas such as Las Colinas, a 120,000-acre development that includes either the national or regional headquarters for companies such as International Business Machines Corp., Xerox Corp., Caltex Petroleum, Bozell & Jacobs/Southwest, Boy Scouts and Zale Corp., which built new national headquarters there.

Far North Dallas and Plano have been highlighted by phenomenal growth with Canadian-based Daon's development of The Quorum, a smaller taste of the Las Colinas idea. The Quorum development has spurred one of the largest retail spurts in the country with some nine major department stores—including Bloomingdale's, Saks Fifth Avenue, Marshall Fields, Sakowitz, Neiman-Marcus and a major test model Sears store—in four regional shopping malls within a two-mile radius.

The airline industry has enjoyed some success in the Dallas-Fort Worth area, despite the demise of Braniff International in May, 1982, and the general decline in profits among competitors in the industry.

The area of greatest competition is at Dallas Love Field, where upstart Muse Airlines, with its unusual no-smoking policy, is successfully challenging the profitable Southwest Airlines for regional passengers. Braniff, now owned by Hyatt Corp., is planning to fly again.

The area also is becoming the "Third Coast" in the motion picture industry with the opening of the Dallas Communications Complex in Las Colinas. Francis Ford Coppola recently completed filming "The Silkwood Story," starring Meryl Streep and Cher. Several rock acts, including David Bowie and Genesis, have used the new complex to produce video clips for MTV:Music Television.

One of the market's biggest hurdles in growth was vaulted in this August when voters approved the DART (Dallas Area Rapid Transit) proposal calling for the development of light rail and bus transportation from the central business district to the Dallas suburbs.

The Dallas MSA is served by two daily newspapers, the *Dallas Times Herald* and *Dallas Morning News*, five weekly publications, six tv stations, 22 radio stations, including eight am, and several cable companies.

El Paso, Tex.

Population '80	479,899
Rank	88
Est. income '82	$3,068,077,000

El Paso, Tex., and the International Monetary Fund have one thing in common—they both have been affected by the economic ills of Mexico.

At the foot of the Franklin Mountains of arid southwest Texas, El Paso and its 479,899 inhabitants are integrally linked in commerce, culture and language, with a population mass of 1 million in Juarez across the Rio Grande, just three minutes from downtown El Paso.

So when the Mexican government, under new President Miguel de la Madrid, devalued the peso three times between February, 1982, and the spring of 1983, shock waves were felt down on Mesa Ave. in El Paso, not to mention the main streets of U.S./Mexican border cities from Brownsville, Tex., to Tijuana.

The peso dropped from 25 to 75 to the dollar in the first devaluation, and citywide department store sales slumped 4%.

By the end of the year, after the second devaluation had dropped the peso to 150 to the dollar, citywide department store sales were off 18% compared to 1981, according to the Federal Reserve Bank of Dallas.

Downtown El Paso retailers were hardest hit. Mexican nationals account for well over 50% of all retail sales in that sector, and up to 80% in some major stores. The number of Mexican's crossing the border dropped 2.4% during the year, and those who did cross bought less with their devalued pesos. Merchants cut store hours, employes were laid off in this city, where 24% of the work force is involved in retail sales.

By the time the peso was allowed to float in spring, 1983—amounting to another devaluation, which has dropped the peso to about 173 to the dollar—many mom and pop stores and large retailers had been boarded up.

Department store sales in the first five months of this year dropped 21% compared with the same period in 1982, a figure even worse than it appears because of the depressed 1982 period. But the shakeout seemed to have run its course by the summer when retail sales began to rebound. In the four weeks up to Oct. 8, for example, department store sales were up 34%, although the year-to-date figure was still off 11% from the comparable period in 1982.

Unemployment has dropped—down to 10.8% in August, 1983, from 11.1% a year earlier—and, more important, the total employment base has increased by 36,000 in what local officials see as a climb out of the recession. Construction has picked up and so have the requests by companies across the U.S. for information on the

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For Tulsa, 'average' is unique

By Martin Zook

In 1981, Ogilvy & Mather looked at the northeast Oklahoma oil town of Tulsa and liked what it saw. The city, the ad agency found, had an extensive and developed cable system and a not-so-"unique" market composition. The conditions, in other words, were ideal for testing for cable.

O&M got even more than that.

The agency's first survey, conducted in May, 1981, caused ripples in the television world because it showed that in a market where there is an extensive cable system, network shares eroded steadily.

That weakening, says O&M spokesman John Hunt, has accelerated as Tulsa Cable Television has added channels, including service requiring extra charges.

The findings provoked even more interest after *Reader's Digest* used them last year as the basis for its own survey, which turned into a highly visible trade advertising campaign. *Reader's Digest* found that cable viewers, on the whole, had not sacrificed magazine reading to spend more time in front of the tube.

The results of both studies reflect emerging trends in the tv industry that likely will fragment and balkanize markets, making it more difficult to reach targets, Mr. Hunt says.

"Within the Tulsa market, there was something unique, a 36-channel cable network," he says. The system is 10 years old in January and has progressed steadily, more than tripling the number of channels it offers.

The selection of programs is diverse and representative of what the norm is expected to be in middle-America markets across the country by the end of the decade, he adds.

In addition to the basic service, which includes four superstations, Tulsa Cable offers four extra pay channels, ranging from Walt Disney to Playboy. Mr. Hunt says cable systems across the country will include one or two extra channels, as well as several superstations, by the end of the decade. Almost 60% of the households in the cable company's franchise subscribe. Tulsa Cable is the only company serving the city, and latest figures show 110,000 subscribers.

If the state of the cable art is unique in Tulsa, the market isn't, says Mr. Hunt. The market is similar to other "middle America" cities with growing cable households.

This year's survey, with results scheduled to be released soon, will show "significant" further erosion of the network share, says Mr. Hunt. He declines to quote any figures.

If the survey portends things to come to other markets, as Mr. Hunt claims, it will complicate advertisers' decisions.

The *Reader's Digest* survey showed the reader most likely to read a magazine was the cable viewer. According to Don Horton, the magazine's advertising director, the O&M and *Digest* studies paint a picture of a fragmenting advertising market, with the upper-end consumer the most likely to watch less network, more cable, but not at the expense of magazine reading.

No longer, says Mr. Hunt, can advertisers on network television anticipate reaching the comprehensive markets as often as before.

"It's a horrendous scatter shot," he says. "The whole thing is a can of worms."

The *Reader's Digest* ad campaign encouraged advertisers to expand their magazine advertising budgets. The results did not spark any direct sales, says Mr. Horton, but did open up for review the rumblings from the Tulsa market.

O&M says its study shows the need to better target advertising. Mr. Hunt also says the trend shows a need for advertisers to diversify their budgets to maximize exposure.

There may be even further revelations from the Tulsa market in coming years.

Tulsa Cable plans to establish direct communications with its customers. At first, the company anticipates adopting technology that would allow it to turn services on and off from its offices, rather than send a truck to the site. In addition to cutting overhead, it would pave the way for the company to offer other direct services, such as banking, bill paying and even shopping.

Futuristic?

"No," says George Stewart, marketing and program director at the cable company. Within a year, Tulsa Cable would like to establish that direct contact.

Martin Zook is an ADVERTISING AGE *correspondent in Tulsa, Okla.*

GOP packs its trunk for Dallas

By Tom Bayer

Republicans won't start swarming into Dallas for the 1984 GOP convention until mid-August. But some members of the press began moving into Dallas last summer to get ready for coverage of the Republican show of shows that is expected to pump a quick $20 million into the Dallas economy.

Dallas has long been a major convention city; huge numbers of delegates gather throughout the year for professional meetings, trade shows, fraternal conclaves and fashion, houseware, toy and other exhibitions. And each group deposits a tidy sum that ripples through the economy, multiplying the economic impact of those first dollars spent on convention services, hotels, entertainment, food and retail goods.

By comparison, the Republican National Convention is a small group. Expected are 2,000 delegates, 2,000 alternates, another 2,000 VIPs and spouses. The Mary Kay Cosmetics annual seminar, which had to be rescheduled for an earlier date to make room for the Republicans, expects at least 32,000 for its gathering.

The Republican National Convention, however, will have a much greater impact than the ordinary convention of 6,000 to 8,000 delegates. The GOP gathering is a major news story from start to finish.

It will be covered by 10,000 members of the press corps who will often focus their cameras and typewriters on Dallas, especially if the convention is more of a "coronation" without controversy.

The impact of that news coverage could last for 20 years or more. With that in mind, the Dallas Welcoming Committee and numerous businesses have been working overtime to accommodate the needs of the press and delegates well in advance.

Members of the press, for example, have already been sent copies of a comprehensive fact book that presents information about Dallas and neighboring Fort Worth. It even includes a straightforward and realistic statement about one controversial bit of history that always will be associated with Dallas, the assassination of President John F. Kennedy in 1963. An updated and expanded fact book will be sent to the press as the convention date nears.

The news media have already reserved the necessary parking spaces and negotiated for certain settings or backdrops for tv broadcasts. At least 23,000 of Dallas' 32,500 hotel rooms have been reserved for a minimum five-night stay, although most involved in the convention will be staying for at least two weeks.

Officially licensed souvenirs, from the trivial to the expensive, are being prepared, and volunteers are being recruited to drive VIPs, lead tours or help with other civic tasks during the convention. The committee is cataloging volunteers' names and other resources on computer so members of the press can quickly find where to go for various services.

At the same time, a city press room or Dallas Information Center is being created with shelves of books and information to be used by the press during its coverage of convention activities.

In addition to literature and information on the city and its sights, the committee is providing the press with a hospitality room and computers with pertinent databanks.

Welcoming committee officials explain that their early start was prompted not only by a desire to put Dallas' "best foot forward," but also by the problems networks will face in the summer of 1984, when they will have to cover the Democratic convention in San Francisco, shift to Los Angeles for the 1984 Olympics and then to Dallas for the Republican convention.

Tom Bayer is ADVERTISING AGE*'s Dallas bureau chief.*

maquiladora program.

Therein lies one of the strong points of the El Paso economy. *Maquiladora* is the twin-plant concept in which a U.S. company operates a distribution or manufacturing facility in El Paso and ships raw materials or subassembled goods duty free to its companion plant in Juarez. The cheap labor finishes the product in Mexico and ships it stateside, where duties apply only to the value added. The Mexican side gets employers and technology transfer; the U.S. gets the goods at low cost.

El Paso also is served in this program by Chihuahua, a city 233 miles south of Juarez that has 24 such plants employing 6,000. *Maquiladora* has attracted a relatively diversified manufacturing base to El Paso since the program was conceived in 1965, although its critics say it encourages too many industries seeking low-skilled, cheap labor in El Paso, much less in Mexico.

On the corporate side, Rockwell International is adding 300 more to its work force. Allen-Bradley is rebuilding its business after siphoning off much of it in earlier years to Taiwan. GTE is expanding its El Paso operation and Tonka Toys has moved to the city from Mound, Minn. Reflecting the shakeout in the computer games business, Atari has let 350 workers go.

The construction industry had climbed out of its tailspin by early summer when cumulative commercial and residential building permits for the first six months hit $199 million, a 22.9% increase over the year-earlier period. Residential construction alone was up 91% in value for the period.

Melvin Simon & Associates of Indianapolis, developer of the Cielo Vista Mall, a popular shopping center located about 10 miles out of the center city in El Paso's middle to upper-middle income east side, is preparing to begin construction next year on a similar shopping center on the more prosperous west side. The new center would add further pressure on downtown merchants, who have begun to hold street fairs to attract business.

The street fairs reflect a change in market strategy by the downtown merchants, proving to be a benefit to the city's two major newspapers. Traditionally, the downtown merchants have advertised in the Juarez media to reach their main customers, but they are pushing the fairs and other promotions in the El Paso English-language press in hopes of pulling in El Paso residents and lessening their reliance on the Mexican national trade.

The combined operations of the evening and Saturday *Herald-Post*, a Scripps-Howard newspaper, and the morning and Sunday *Times*, a Gannett Co. paper, lost a number of major advertisers in 1982, when the recession and peso devaluations caused a number of them to close down. They also registered sizable declines in classified, auto, real estate and employment advertising in 1982, primarily because of the recession, but those sectors are improving in 1983. Circulation has slipped across the board in the evening and morning papers.

Group W Cable of El Paso holds the local cable franchise, offering 27 channels in the city. There are 19 radio stations serving the area, including eight am.

American Segments, VIII

Suburbs: Commuter havens

Top 10 metro areas by suburban populations, 1982

		Population
1	Los Angeles-Long Beach	3,940,100
2	Detroit	3,094,500
3	Chicago	2,983,200
4	Philadelphia	2,960,700
5	Nassau-Suffolk	2,637,400
6	Washington	2,523,900
7	Boston-Lawrence-Salem-Lowell-Brockton	2,452,300
8	Atlanta	1,813,500
9	Pittsburgh	1,744,500
10	Anaheim-Santa Ana, Cal.	1,636,000

Source: *Sales & Marketing Management* Survey of Buying Power, copyright ©1983.

Fort Worth-Arlington, Tex.

Population '80	973,138
Rank	41
Est. income '82	$10,432,034,000

There is a saying in Fort Worth, aimed primarily at Dallas, its chief rival 30 miles to the East, that "Fort Worth is where the West begins and Dallas is where the East peters out."

That statement says a lot about Fort Worth and adjoining sister city Arlington, the least of which is that Fort Worth is where East and West happen to meet.

Cowtown remains the moniker for this city, although steel and glass towers rise from the knoll above the low-water crossing on the Trinity River, where 19th century cowpokes used to drive cattle along the Chisholm Trail to Abilene, Kan.

It is a city where "basic" meets "frill" without much contradiction: Angelo's, a beer and barbecue place with sawdust floor and entryway dominated by a towering stuffed grizzly, attracts the same crowds that patronize fine dining in downtown Fort Worth and Dallas. Move on to Billy Bob's, billed as the world's largest nightclub, and you'll find that the dancers improvising the Cotton-Eyed Joe on the 30,000-sq.-ft. dance floor are the same culture mavens who patronize the Fort Worth symphony and opera.

"Where the West begins" also identifies Fort Worth-Arlington with the growth region of the country. While the major eastern and northern cities (Dallas is not that far east, either) have suffered population declines, the Fort Worth-Arlington population has grown 22.4% the past decade, according to U.S. Census data.

Growth has spawned a huge construction industry, which accounts for 6% of the area's work force. The homebuilders among them are ecstatic about the recent turnaround in single and multifamily projects. Permits for single and multifamily dwelling units for the first half of 1983 totaled 19,865, compared with 5,788 for the corresponding period a year ago.

The immediate cause for the reversal is a drop in interest rates, freeing up the mortgage market. But underlying that reversal is a persistent demand reflecting the strong economic base of Fort Worth-Arlington and its surrounding Metroplex (including Dallas). Bolstered by defense, electronics,automotive parts and assembly and banking industries, the area recorded an unemployment rate of 5.4% in August, compared with the 7.6% jobless rate in Texas.

Much of the boom in the new housing is taking place in Fort Worth's affluent southwest quadrant. One such development is CandleRidge, a 1,200-acre plot designed for 13,000 residents. Regional planners estimate that up to 120,000 more will be living in this quadrant in the next 10 to 20 years, requiring the construction of freeways, parkways and possibly commuter rail lines to hustle the population into the city's downtown commercial center with a minimum of hassle.

In preparation for that growth, both in the southwest sector and in other growing parts of the city, Fort Worth citizens passed a referendum proposal Nov. 8 calling for the creation of a Fort Worth Transportation Authority to be funded by a limited sales tax.

The facelift of downtown Fort Worth that began in the mid-1970s continues. A nine-block area of Main St. coursing through the business center has been renovated in a joint venture between the Bass Bros. Enterprises and the City of Fort Worth.

New office construction has included City Center, a two-tower, 1.5 million-sq.-ft. office complex. The 33 stories of Tower I, or First City Bank Tower, already are well over half leased. Just-completed Tower II, with 850,000 sq. ft., has just come onto the market and is a big reason Fort Worth's downtown occupancy rate has slipped to 80%.

Just off Main Street is the "Caravan of Dreams," a turn-of-the-century restoration project designed to stimulate development of the performing arts. The two-story project includes a 200-seat theater, art gallery, dance studios, library, jazz and blues club, all-night restaurant and rooftop garden for desert plants. The creator is Edward Bass.

Construction remains heavy at one of the area's biggest new-business magnets, the Dallas/Fort Worth (DFW) Airport, split down the middle by Dallas and Tarrant counties. Two new runways under construction and one on the drawing boards for 1985 are among the improvements being financed by $322 million in revenue bonds issued by DFW the past two fiscal years.

The airport's reflection of economic ills facing the nation's airlines has left a bittersweet taste in the mouths of many Fort Worth area residents. Braniff Airways filed for bankruptcy last year, throwing 8,000 out of work in the local market. The void left by the Braniff loss in airport business—325,000 fewer passengers enplaning per month at the time—has been filled by six new airlines, including United, Northwest Orient, Midway, Jet America and Transamerica. Trans World Airways moved into the market just before the Braniff bankruptcy. The others came later.

The area keeps its fingers crossed that American Airlines can avoid the troubled skies.

It is Tarrant County's second largest employer at 8,000, behind General Dynamics (16,500) and just ahead of Bell Helicopter Textron (7,500), both major defense contractors.

Fort Worth media include one newspaper, the *Fort Worth Star-Telegram* and spillover from the two Dallas metropolitan dailies. It has one network affiliate and two independent tv stations. Besides Dallas-based radio stations, the market has six am and eight am stations of its own. In cable tv, it has two services, one in Fort Worth and one in Arlington.

Houston, Tex.

Population '80	2,735,766
Rank	8
Est. income '82	$37,435,660,000

Not many trends are going in Houston's favor lately. The city known as the buckle on the Sunbelt has taken on somewhat of a tarnished appearance, now that the recession has hit full force—a blow even more difficult to take as the rest of the country recovers from economic ill effects.

In the usual economic health indicators, Houston has taken it on the chin. Unemployment, for example, once well below all national averages, is expected to climb to 10% by the end of the year, up dramatically from its average of 6.6% in 1982, and 4% years ago.

Severe reductions in commercial and residential building have added to the city's diminishing reputation as a boom town. Commercial building activity is off 39% to $1.3 billion, down from $2 billion in 1982, when it had already started to taper with a 6.4% drop from 1981's whopping $3.1 billion.

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SOURCE: Audit Bureau of Circ. (ABC); Sales and Marketing Management

In residential building, the news is slightly better, as predictions indicate activity may be stabilizing at near-1982 levels. For the first seven months of 1983, residential building was up 0.8% at $1.6 billion from $1.59 billion in 1982.

Yet another indicator, hotel occupancy, shows considerable slack in the city's economic leverage. Cutthroat competition is the name of the game in the city's lodging industry, thanks to record overbuilding followed by a dramatic decline in business. Average occupancy in the city is down from 61% in 1982 to a recent low of 55%. New hotel projects are on hold in most cases, while operating hotels fight back with rate cuts, extra services and occasional raids on competition's guest rosters to help fill empty room.

And, the city once known as the energy capital of the nation is deep within a domestic drilling slump. Companies marketing drilling supplies and services to oil and gas explorers and producers have taken a dive—many ending in bankruptcy liquidations or reorganizations.

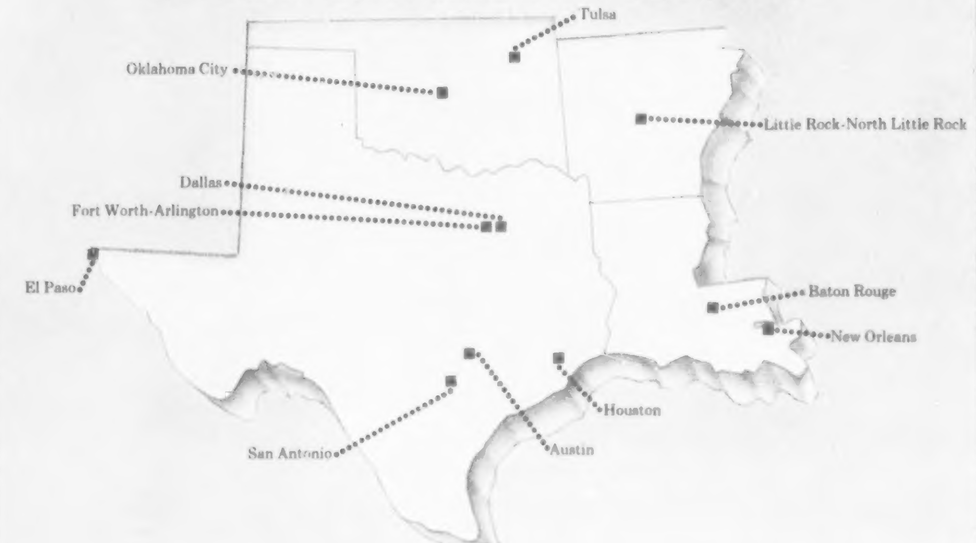
While the oil and gas business has moved out of the spotlight, however, the city's retailing picture has enjoyed a recent shot in the arm with the opening of The Park, a $125 million, 185,000-sq.-ft. mall in downtown Houston. The shopping emporium, spiced with as many as 20 food service establishments, has generated as much enthusiasm locally as the Galleria did when it opened here more than a decade ago.

Still unknown factors in the city's outlook are the results of a $500,000 ad campaign to change the city's image from a cowboy town to a sleek, sophisticated urban mecca. In addition, the recent sale of one of the city's two newspapers will contribute an infusion of new blood. The 98-year-old *Houston Post* was sold to the Canadian-based Toronto Sun Publishing Corp. for $100 million, plus the value of the *Post's* working capital, estimated at $30 million.

The prevailing thought is that regular readers of the *Post* will be in for a surprise as the *Toronto Sun* takes over. If the *Post* hopes to catch up with the *Houston Chronicle*—which has more circulation and advertising lineage—it will no doubt be remade in the *Sun's* image—grabbing readers with a tabloid replete with screaming headlines, color pictures and short, punchy stories.

The city is served by three network tv affiliates, two independent stations and an educational station, along with 26 radio stations, 11 am and 15 fm. Houston receives cable programing from Gulf Coast Cable Television.

West South Central



New Orleans, La.

Population '80	1,256,256
Rank	32
Est. income '82	$12,815,874,000

While high energy costs and high interest rates were plunging most of the U.S. into recession in the early 1980s, New Orleans, along with much of southern Louisiana, was riding the crest of an oil and gas boom.

Shipbuilding, drilling platform fabrication and oil field service and supply activities continued from the late 1970s at fever pitch until demand fell for offshore territories, their wells, fleets and hard-hat crews.

Heavy marine builders like Avondale Shipyard and Halter Marine saw contracts and payrolls shrink, sending financial shock waves through the New Orleans-area economy. By mid-1982, local unemployment began hitting records of 10% to 12%, as other industries either closed or severely curtailed production. Kaiser Aluminum shut down its Chalmette plant south of the city, and GHR, the nation's largest independent petroleum refinery, went bankrupt.

But by fall of 1983, the energy scene seemed to be stabilizing, generating enough hope and motivation for oil companies to bid a total $1.55 billion for the right to lease two billion acres of waterbottoms in the western Gulf of Mexico. (The bids were twice as high as the government had anticipated.)

Yet even in "off year" 1982, Louisiana petroleum production had an estimated value of $30.4 billion—second only to Texas and a fourth of the U.S. total of $134 billion. The Pelican State's natural gas production reached $15.5 billion, with even greater potential for future value once that commodity is fully deregulated and the Tuscaloosa sands across southern Louisiana are exploited.

Some industrial bright spots in the Crescent City did not lose their luster during the recession, including the NASA-Michoud facility, where Martin Marietta is working hard to perpetuate construction contracts that would eventually provide booster fuel tanks for at least 232 Space Shuttle flights through the mid-1990s. In 1983 the company won a three-year, $505 million pact from the National Aeronautics & Space Administration to build 26 more of the giant tanks and to buy materials for 21 more.

High-rise office building and hotel construction was a stellar performer during the early 1980s, with some of the impetus coming from the city's reputation as a convention and tourist center and some in anticipation of the 1984 World's Fair rising along the Mississippi River not far from Canal Street. The four-parish metropolitan area boasts more than 25,000 hotel and motel rooms, with three-fourths of them within walking distance or a short taxi hop to the fair site.

One of the residual benefits of the fair is expected to be the $25 million riverfront marketplace being fashioned by Rouse Co. On the West Bank in Jefferson Parish, Rouse has also bought Oakwood Shopping Center, next to which it plans to develop a $216 million corporate center.

F.W. Dodge-McGraw Hill reported that the New Orleans area saw nonresidential construction contracts total $527 million in 1981, $1.2 billion in 1982 and $247 million in the first eight months of 1983. The $500 million Canal Place, near the French Quarter, is in its second phase of construction and houses such retailers as Brooks Bros., Saks Fifth Avenue and Gucci.

An added impetus for growth in the central business district has come from the Downtown Development District, which is funded by a special property tax. The revenues fund a capital improvements program and special services, such as free noon-hour public Brown Bag Concerts.

Another big-ticket construction item has been the $750 million parallel span and approaches for the Greater New Orleans Mississippi River Bridge, which will double the current four-lane capacity between downtown and the West Bank, a booming area. Traffic flow on the new span should start by 1985, when a new elevated West Bank expressway also is scheduled to open.

The Port of New Orleans continued to suffer declines in tonnage and dollar value of commerce during 1983, though strong container cargo traffic was bucking the recessionary trends.

Calling on New Orleans' ingrained sense of history that long ago led to restoration of the French Quarter, preservationists and investors have teamed up—with a big assist from federal tax incentives for historic buildings—to rehabilitate many areas, from the warehouse district to Coliseum Square and the Irish Channel.

Popular with tourists and natives alike are the revitalized Audubon Park and Zoological Gardens, which receive close to 1 million visitors yearly and are now ranked among the top three in their class and among the top 10 for any size nationally. Millions of dollars have been spent to place zoo inhabitants in natural settings—even to the extent of recreating a Louisiana swamp, populated with alligators and other aquatic and wild life.

The market is served by one daily newspaper, 13 am and 13 fm radio stations and six tv stations, including a public broadcasting station. One cable company serves the city.

Oklahoma City, Okla.

Population '80	860,969
Rank	51
Est. income '82	$9,116,968,000

Oklahoma City's immunity to the national recession was dented when the price of oil began to recede in the summer of 1982. But the state capital's economy has remained relatively healthy because of the large number of government jobs and diverse manufacturing employment.

While the oil sector weakened, construction set records in the two residential categories. Also, General Motors began recalling workers to its plant there, and retail sales have remained level.

As a result of the oil slump, federal bankruptcy court in the city was swamped with a record number of filings by businesses. Many of the businesses were small oil-related companies that sprang up in the heady days of the late 1970s and early 1980s.

One noteworthy failure was that of the Penn Square Bank, which is still being unraveled.

At the same time, Oklahoma City's economy was not rocked as hard as Tulsa's by the oil and gas industry slump. For one thing, the capital city's manufacturing sector is less dependent on the oil industry.

Additionally, stability in the manufacturing sector has allowed it to add jobs while Tulsa was losing jobs. It is now believed that for the first time in the state's history that the manufacturing sector in Oklahoma City is larger than in Tulsa. Perhaps even more significant are those 60,000 to 65,000 jobs in the government sector. The security of the government jobs has buoyed the employment statistics.

Residential construction, reflecting lower interest rates, is well ahead of the healthy paces established in 1982. Permits for almost 6,300 multifamily units, including apartments and condominiums, had been issued through September, 240% better than last year's pace. In addition, almost 4,500 single-family permits had been issued through September, more than 200% ahead of the pace set a year earlier.

The glut of residential housing has dampened the appreciation rate. The local Board of Realtors reports only a 0.2% increase in the average sales price. Apartment vacancy rates are running between 20% and 24%.

There has been little office construction this year, after two strong years. One major downtown project, Leadership Square, is nearing completion, but is 98% unleased. It is owned by a partnership that includes Metropolitan Life Insurance Co.

Meanwhile, although it is unclear whether unemployment has bottomed out in the city, there is one major indicator that the recession in the state is in a trough. The number of active oil rigs, while down 70% from the lofty levels of January, 1982, is climbing. And although no one holds out hope that the oil industry will bounce back to the levels of the late 1970s and early 1980s, analysts are saying that even a modest recovery will stabilize the state's economy.

Oklahoma City has three daily newspapers, five tv stations, 13 am and 14 fm radio stations and one cable company.

San Antonio, Tex.

Population '80	1,071,954
Rank '80	38
Est. income '82	$8,846,365,000

Attempting to create its own identity, one apart from the other Texas giants—Dallas and Houston—San Antonio is a city in transition.

Because of that, it is a community of contrasts—old renovated buildings alongside gleaming high-rise office towers and futuristic electronics manufacturing plants near an army post founded before the Civil War.

The military presence in San Antonio—five major installations within the county limits pump more than $1 billion annually in paychecks and government contracts—remains the city's economic bedrock, as it has since World War II.

Tourism is another big factor in San Antonio, partially because of all of those transient military people. More than $800 million was spent in the area in 1982, and an expansion of the city's convention center is planned. With that expansion will come an 850-room Amfac Hotel, which, when completed in 1986, should be the city's largest.

Within the last three years, business and civic leaders, headed by San Antonio's charismatic, Harvard-educated mayor, Henry Cisneros, have made strong efforts to diversify the local economy, concentrating their efforts on light manufacturing and high technology companies.

The work has borne substantial fruit. Control Data Corp., in the center city area with a plant employing 120, will expand its facilities to four buildings and 1,000 employes. Advanced Micro Devices of California opened a $60 million microprocessor manufacturing plant this year that plans to expand and employ 2,000 by 1988. Farinon Electric, Sprague Electric and Tandy Corp. all have electronics assembly facilities in the city, and Datapoint Corp., a home-grown, automated office manufacturing company, has 3,200 employes locally.

Austin, just 70 miles north of San Antonio, was chosen as the headquarters of Microelectronics and Computer Technology Corp., a research consortium of a dozen major high-tech companies. That move is expected to bring even more high-tech research and development and manufacturing operations to the corridor between the two cities.

These companies will come, Mr. Cisneros said, because of the availability of productive, nonunion labor—San Antonio's unemployment rate is under the state's, but higher than that of Austin and Dallas—and by the city's quality of life. Chase Econometrics recently projected San Antonio would be the nation's 10th fastest growing city in the next decade, almost entirely because of those two factors. Austin, helped by advanced university programs, topped the list, while Dallas ranked 26th and Houston, No. 1 two years ago, fell to 79th.

More recently, however, Mr. Cisneros and privately funded job generation groups have targeted a portion of high technology, that of biomedical manufacturing, as the source of the Alamo City's future growth and have shifted their efforts accordingly. A large public, private and military medical research base already in place is expected to smooth that new approach to economic development.

Meanwhile, general growth was slowed but not stopped by the recession. As the city enters 1984, it will find itself with an excess of office space (more than twice as much as existed in 1980), single-family detached homes (some 8,000, or a two-year supply, are now on the market) and apartment units (1983 saw an estimated 12,000 new units built, an alltime record). Developers and financial backers say they are not worried, but are now prepared for a tremendous growth expected in 1984 and 1985.

Retailers are gearing up for that growth as well. The city has five regional shopping malls scheduled for construction within the next two years, including a luxury center downtown a block from the Alamo that will feature the area's first Lord & Taylor store. Houston-based Sakowitz and Neiman-Marcus of Dallas have both announced San Antonio stores, but have not confirmed locations or opening dates. Target, a unit of Dayton-Hudson Corp., opened six local stores last April, and officials of the Minneapolis retailer promise another subsidiary, Mervyn's, will be in town by 1985 with several units.

While devaluation of the Mexican peso slowed some San Antonio expansion plans, especially for retailers, new growth generated by people and businesses fleeing Houston, Dallas and the Northeast more than picked up the slack.

San Antonio continues to have a surprisingly high total retail sales volume, approximately $5.5 billion, but a low median household income of $19,936. The city's 1.1 million population is young (median age 28.2) and largely Hispanic (54% of the population).

There are three major newspapers in San Antonio, the morning *Express* and afternoon *News*, both owned by News America Corp., and the all-day *Light*, owned by Hearst Corp. There are five tv stations representing the three major networks, the Public Broadcasting System and the Spanish International Network, and two cable tv systems—Rogers Cablesystems with 165,000 subscribers and Bexar County Cablevision with 13,000 subscribers.

Tulsa, Okla.

Population '80	657,173
Rank	63
Est. income '82	$7,295,249,000

Tulsa, at least until the summer of 1982, enjoyed a high degree of immunity to the economic ills that beset the rest of the nation. Often the city led the country with the lowest unemployment rate, despite a migration by workers seeking employment.

But that immunity was stripped away abruptly in the summer of 1982, when the prices of oil and gas began to plummet. It brought a sobering end to the widespread notion that the city's economy was not dependent on the energy industry.

Despite the slump, there continue to be underlying signs of strength, and some economic indicators point to a modest rebound.

Tulsa's unemployment rate began an almost uninterrupted climb from a low of 2.9% in August, 1981, to a post-World War II high of 10.4% in June. Most of the gains occurred beginning in the summer of 1982.

The unemployment rate has subsided to 9.4%, reflecting some improvement in the oil and gas industry, as well as an exodus of people who had sought work in the Sunbelt city.

A number of jobs, especially in the manufacturing sector, are permanently lost, according to a handful of local analysts and employers. They point to the steady decline in the durable goods sector: At the beginning of the year, that sector accounted for 55,700 of the 324,000 jobs in the metropolitan area, dropping to 41,600 in May.

The durable goods sector depends heavily on oil rig manufacturing. With a high inventory of rigs, there is little prospect of a strong recovery.

At the same time, jobs in the service sector have been growing. Until a year ago, they increased at a pace that offset the loss of manufacturing jobs.

Residential building is setting a record for the number of multifamily units (primarily apartments), and single family home construction is well ahead of last year's pace. The more than 1,500 single family permits issued through September already exceed the 1,275 issued last year.

Sales have picked up modestly, but have not been able to absorb the supply as a record number of homes are for sale in the area. The average sales price of about $73,000 is only 2.5% ahead of last year's average price. Industry experts predict a further weakening.

Retail sales are running 2% behind last year's sluggish pace. Still, Homart Development Co. opened a 55-store addition to the Woodland Hills Mall last year. The mall is one of the top performers in the Sears, Roebuck & Co. subsidiary's chain.

Several top retailers, including Sakowitz and Sanger-Harris, are entering the Tulsa market for the first time. Sanger-Harris, with a store at Woodland Hills, reports sales have exceeded projections, but gave no figures.

Sakowitz plans to open its first store in 1984, when the first phase of the $200 million Kensington Center is opened. Tulsa has two daily newspapers, 12 am and 10 fm radio stations. There is one cable service in the city.

Mountain

Albuquerque, N.M.

Population '80	419,700
Rank	100
Est. income '82	$3,715,557,000

Thanks to a jump start from the housing industry, the Albuquerque economy is moving again.

The city issued permits for 1,805 new homes through September, compared with only 695 during the same period in 1982. The local Board of Realtors estimates its members will sell about 6,400 homes in 1983 for more than $500 million, the largest volume in the 62-year history of the board. Apartment managers here report occupancy rates of 90% to 100%. Housing officials say a persistently tight rental market in the face of record-breaking housing starts and sales indicates a continued migration to Albuquerque.

The city's share of a state-sponsored $100 million low-interest home loan program virtually sold out only one week after it began Oct. 1. The legislature authorized similar programs for following years, financed by severance taxes on oil and gas and minerals.

A city-fostered housing revival in downtown Albuquerque, stalled by the recent recession, sprang to life earlier this year with the approval of a 210-unit, $5.4 million garden apartment complex in the Alvarado metropolitan redevelopment area, to be built by Dinerstein Interests of Houston. Nearby, the first eight units of the 20-home Fruit Street Townhouse project went on the market in September.

A group of investors from California and New Mexico recently bought the old Hotel Plaza near the downtown convention center, announcing plans to restore it and open its 115 rooms to visitors in 1984.

The city welcomed record numbers of visitors in 1983. In mid-October, most of the city's 10,000 hotel and motel rooms were booked as the International Arabian Horseowners Assn. gathered at the state fairgrounds, and the Aircraft Owners and Pilots Assn. met at the convention center.

During the National Collegiate Athletic Assn. basketball tournament here this year, nearby communities played hosts to travelers who could not find lodging in Albuquerque.

In retail, Albuquerque consumers bought nearly $1.6 billion in goods during the first three quarters of 1983, or 5% more than through September, 1982. Third-quarter sales rose nearly 13% higher than during the same period in 1982, an indication of increasing improvement.

According to a recent survey, the average weekly wage here has risen during the past year from $283.29 to $300.76. Average pay in Albuquerque and New Mexico still ranks low nationally, however.

Government, service industries and sales employ 72% of the 195,400 people in nonagricultural jobs in Greater Albuquerque. One in five workers is on a public payroll. Because many of the jobs here are defense-related, the city is vulnerable to cyclical downturns of the defense industry. Manufacturing accounts for only 9% of the workforce.

The Albuquerque Industrial Development Service, an arm of the chamber of commerce, has worked to ease the city's dependence on government jobs by attracting several clean, electronics-based industries to Albuquerque in recent years.

Among them is GTE Network Systems, which employs more than 1,000. GTE produces advanced electronic communications devices here and has just started fiber optic research, development and production in its Albuquerque plant.

Sperry Flight Systems has 1,000 employes, up from 730 in January. Sperry has announced plans to eventually triple its labor force here. The company just finished a 180,000-sq.-ft. expansion of its Albuquerque plant, and should begin working next spring on another 175,000-sq.-ft. addition.

Signetics, a maker of computer chips, started production in its new Albuquerque plant in July. Signetics employs 403 and should hire another 200 by the end of 1984.

Intel Inc. should begin producing computer chips during the first quarter of 1984 in its new Rio Rancho plant on the outskirts of Albuquerque, company officials said. Intel employs 350, and should have from 750 to 900 employes here by the end of 1984.

DeVore Aviation announced in October it will build a 100,000-sq.-ft. plant here to produce its new single-engine airplane, eventually employing 400 people to build 1,000 aircraft a year. Pulse Systems will lease property this year in Albuquerque to begin producing gas lasers.

In July, the Albuquerque City Council established an $8.2 million urban enhancement fund, the earnings of which are to be spent on a variety of projects ranging from landscaping along roadways to supporting the symphony orchestra.

City officials expect federal approval early next year for a foreign trade zone in Albuquerque, offering customs and tax advantages to exporters and importers as an incentive to store goods and operate businesses here.

Pacific Southwest Airlines and Delta Airlines began operating at Albuquerque International Airport this year, and America West, a regional carrier, will begin in December. Total passenger operations at the airport through September were up 18.7% from 1982.

The city has two daily newspapers; in tv, it has three network affiliates, two independents and one public broadcasting station. A vhf station is due to start broadcasting from Santa Fe this year. Albuquerque has 12 am and 11 fm radio stations, as well as one cable tv service.

Meanwhile, the first issue of *Albuquerque Living*, a city monthly published by Starline Creative Printing, hit the newsstands in November. Worldwide Corp. and Accent West have announced tentative plans to start publishing monthly city magazines later this year.

Denver, Colo.

Population '80	1,428,836
Rank	27
Est. income '82	$16,865,657,000

Although the recession of 1981 took its toll throughout Colorado, many other states would probably envy the consistently below-average jobless rates found here. Furthermore, the state and its major metropolitan area, Denver, both have emerged with strong prospects for growth.

Energy, once the prime mover for growth in Colorado, is still in the doldrums, with relatively lower prices meaning lower income for the state's energy interest. However, gains are being logged in other areas, notably in areas such as service industries and retailing. Manufacturing is growing as well, particularly in the high-tech companies that have adopted the Boulder-Denver area as their base.

"We look at 1984 with a high degree of optimism," said Tucker Hart Adams, chief economist with United Banks of Colorado, one of the state's major multibank holding companies. "The nation, mountain region and Colorado will experience a stabilizing economy with both the business and private sectors benefitting from a continuing recovery."

Other states may have looked longingly at Colorado's experience of the recession. Unemployment stayed about two to three percentage points lower than the national rate and is expected to decline steadily through 1984 and 1985. Even with relatively high joblessness in 1982 and 1983, the state's high-tech entrepreneurs continued building their companies.

Currently, some 750 companies fall into the high-tech category, according to researchers at the University of Colorado. Ranging from small shops to one home-grown *Fortune* 500 company, Storage Technology Corp., most are clustered in the Boulder-Denver area. State political leaders, notably Gov. Richard D. Lamm, expect more growth in the high-tech sector and are working to foster it with academic programs designed to make the state more attractive to both engineers and their employers.

However, real estate in the downtown area has been depressed, with office towers going vacant and lease arrangements marked by generous concessions. Oxford-AnsCo Development Co. delayed the fall opening of the Republic Plaza, downtown Denver's tallest high rise at 56 stories, until March, 1984. It stretched out construction work on the building because less than 10% of it was leased.

Overbuilding, which rapidly changed the downtown Denver skyline in the last two years, has been blamed

American Segments, IX

Airports: Coming and going

Metro areas with the busiest airports, 1982

		Airport	Passengers
1	Chicago	O'Hare	37,743,598
2	Atlanta	Hartsfield	34,702,494
3	Los Angeles	Los Angeles	32,383,105
4	New York	JFK	26,452,508
5	Dallas	D/FW	24,726,741
6	Denver	Stapleton	24,553,249
7	San Francisco	San Francisco	21,028,788
8	Miami	Miami	19,387,619
9	New York	La Guardia	18,516,891
10	Boston	Logan	15,867,722

Source: Air Transport Assn., Washington

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for the delays. However, the collapse of the energy boom has been primarily at fault for the office construction downturn. Energy companies that use Denver as a base for the oil-rich areas in Colorado and Wyoming no longer need the amount of office space once projected for them.

Additionally, plans recently fell through for a major convention center at the city's railroad station to replace facilities considered inadequate for big-time conventions. The property, however, is said to be ripe for development if terms can be met.

One company braving the real estate development difficulties is the Tabor Group, a partnership headed by Williams Realty Developments, Tulsa. The group, which involves the ubiquitous Rouse Co., is constructing the $260 million Tabor Center, that will be the city's biggest office-hotel-retailing complex.

Scheduled for completion in mid-1985, the center will grace the end of the one-year-old 16th Street Mall, a mile-long retailing strip in the center of downtown Denver.

Mr. Adams, the United Banks economist, said he expects nonresidential construction to continue slumping generally while other areas that have remained strong are expected to continue doing so. Mr. Adams said the state's "diversification" has been the key to its weathering the recession well and will continue to be its strong suit.

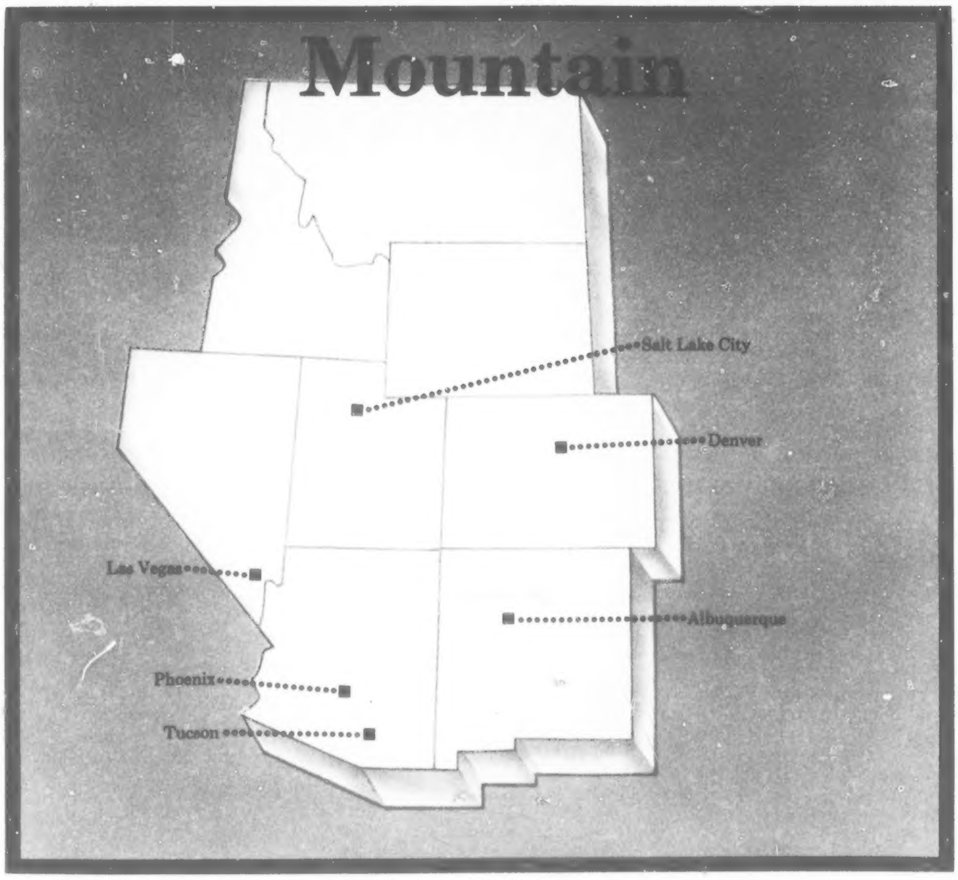
Population growth slowed substantially in 1982 after a decade of sharp increases, while Mr. Adams forecasts that 1984's growth will amount to about 2%. He expects continued steady growth somewhat less than the 2.7% annual average population boom of the 1970s.

With the expected growth will come more inflation, which has stayed above the national average consistently since about 1977. Two percentage points above the national rate is the expected pattern, yielding an inflation rate of 6% in 1983 and 7.7% in 1984. Personal income, however, is expected to grow by nearly 10% in 1984, assuring consumers more disposable income.

Retail trade in the Denver area is expected to grow nearly 9% in 1984, reaching $1.6 billion out of total personal income of about $3.4 billion.

Ski industry officials said they had a record year in the 1982-83 season, and barring snowlessness, expect more of the same in 1983-84 with the national recovery freeing up tourist dollars. Over 8 million lift tickets were sold and skier expenditures were up 7.2% in the 1982-83 season. Ski resorts, although located outside the Denver-Boulder area, bring revenue into the city through visitors who stop in Denver.

The Denver-Boulder area is served by two strong daily papers, the *Rocky Mountain News* and the *Denver Post*, approximately 30 radio stations and seven tv stations. Construction of a cable tv system is under way in Denver proper, while suburban areas have long had cable systems.



Las Vegas, Nev.

Population '80	463,087
Rank	90
Est. income '82	$4,782,445,000

It used to be a piece of cake to grow in Las Vegas. But these days it has become a real marketing challenge.

Las Vegas in the 1960s and 1970s, before competition from Atlantic City, was like the motion picture business in the 1940s and 1950s before tv. The market used to consistently have 12% to 20% annual growth rates. The average was 16%.

Anybody, seemingly, could open a store, put in some slots and some crap tables and make money. But the market matured in the last three years. Some 4,000 new hotel rooms came into being and the timing couldn't have been worse. It isn't only Atlantic City. There's also the recession, higher air fares and the devaluation of the Mexican peso (high rollers from Mexico are important to Las Vegas).

The moaning and groaning now being heard in Las Vegas appears to be coming mostly from people who rode the crest of the constantly expanding market in past years and who didn't have to do any kind of marketing and advertising to grow.

"What's happening," said Howard Anderson, former public relations and marketing director with Howard Hughes' Summa hotels organization in Las Vegas, "is that the children are getting off the street. We're talking about the people who are blaming everybody else but themselves for not being aggressive marketers."

According to Mr. Anderson, now president and owner of KRXV Inc., which operates two fm radio stations covering 200 miles of the highway across the desert leading into Las Vegas, it used to be that hotels and casinos in the market relied almost exclusively on newspaper publicity for attracting visitors. "A flack," as Mr. Anderson refers to this person, "took pictures of some bimbo out by the pool and wrote a caption about it being 80 degrees in Las Vegas before sending the picture to Des Moines, Ia., where it was 30 below."

In Mr. Anderson's opinion, that's what passed for marketing in the pre-Atlantic City days. Now, he said, marketing sophistication has come to town.

Properties that have professional marketing people in charge appear to be doing very well. The Las Vegas Hilton and Flamingo Hilton, for example, reportedly contribute nearly 50% of the total profit of the Hilton chain.

Today's marketing doesn't fight Atlantic City, instead efforts are made to tie-in with what are sister operations there. Las Vegas is being positioned as an economical place to vacation, offering more than just gambling. "Brand name fun at generic prices" is one of the advertising themes.

Promotion, publicity and merchandising are all combined to constantly push special events, some of them slightly exotic. The Tropicana, for instance, a Ramada resort and casino, last month was host of the final race of the 1983 U.S. National Championship Gas Balloon series. And, of course, it was a cross promotion with the Tropicana in New Jersey, with the helium gas ballon race beginning on the Tropicana's golf course in Las Vegas and finishing on the Atlantic City boardwalk.

The Tropicana also has scheduled a $1 million Craps Tournament for the summer of 1984, billed as the richest gaming tournament in the world. No more is there only a "flack" taking pictures at pool side. The Tropicana, typically these days, has a special events and promotions director and a separate tournament director in addition to a public relations and marketing staff.

Competition from Atlantic City can't be ignored. The trend towards the East Coast gambling center is undeniable and may be irrevocable.

Las Vegas had 11.6 million visitors last year. But Atlantic City is anticipating 27 million people this year.

Las Vegas is expecting $1.9 billion in gross gambling revenues in 1983. Atlantic City should be only a tick behind, with a $1.8 billion total.

It's not that Las Vegas is going backwards. It's just that Atlantic City, with an estimated 50 million people in close to it, is gradually overtaking Las Vegas as the gambling mecca of America.

There have been recent bankruptcies, the Riviera and Aladdin hotels among them. Previously, about 12% of people visiting Las Vegas came from the East Coast. The estimate now is that Las Vegas has lost about 7% of these people to Atlantic City.

Southern California is being called upon to make up the slack. Howard Anderson's KRXV organization claims that some 28 million people travel Interstate Hwys. 15 and 40 each year between Los Angeles and Las Vegas. The area within 400 miles of Las Vegas, which had been generating about 34% of the market four years ago, is now accounting for 48% of Las Vegas' growth. Marketing to Southern California has become much more ag-

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Grand Forks reads like Anyplace U.S.A.

By Janna Q. Anderson

Earl King is the monarch of magazine sales in one of the smallest markets in the country—Grand Forks, N.D. He has a few thoughts about what the folks in these parts read.

Situated on the North Dakota-Minnesota border, about a one-hour drive from Canada, Grand Forks is home for about 39,000 hardy midwesterners. The second-largest city in the state, it's the center of activity for the University of North Dakota, a nearby U.S. Air Force base (which holds much of this nation's nuclear strike potential), and farm folk from miles around.

Mr. King, who declines to give his age, has been in the magazine distribution business in this area since 1937. He began as a distribution clerk, took three years off to fight in World War II, then returned to sales. He worked his way up, saved his money and 10 years ago he bought out the business, renaming it King News Inc.

His company delivers magazines to vendors across the northeastern edge of North Dakota and the northwestern corner of Minnesota. He also has a retail store about 10 blocks away from downtown Grand Forks.

When you ask Mr. King about the evolution of the magazine market since the 1930s, he'll tell you straight out, "It changes every day."

"A couple of the big things that have changed, though, are prices and the adult magazines," he says. "Prices have gone up so much. *Woman's Day* and *Ladies' Home Journal* sold for 15 cents once. Now they're up to 75 or 79 cents. And when the adult magazines—*Playboy*, *Penthouse*, that type—came in, they slowly took over the sales lead."

According to Mr. King, readers in Grand Forks and the surrounding small towns are reading *People*, *TV Guide*, *Cosmopolitan*, *Good Housekeeping*, *Ladies' Home Journal* and *National Enquirer*. "They're the other top sellers," he says. "Sales used to be more seasonal years ago. More would sell than in the slow winter months, with fewer selling in spring and summer because of all the work to be done on the farms. Now it's leveled off.

"Despite what some people might guess, I'd say folks around here are pretty average magazine readers. What they read is no different from other parts of the country."

Others tend to agree with Mr. King's assessment.

Felicia McCann is magazine and accessories buyer for the 690-store B. Dalton Bookseller chain, based in Minneapolis. She decides what its stores in 48 of the 50 states will sell.

"B. Dalton brings in quite a bit of profit from its magazine sales," she says. "We have a list of 100 titles that each store must stock. In addition, we put out a list of titles the individual stores may choose from to fill out their racks. Generally, each store carries about 200 titles.

"We're constantly reviewing magazines to see if they'll fit the demographics of our customers. We decide on a title-by-title basis what to put on the lists. The sex, age, income level and education of most of our customers is pretty much the same. They're people who want to buy books—their needs tend to be specialized and they have specific ideas about what they want to buy."

According to Ms. McCann, the people who buy magazines at B. Dalton are men and women with some college background. *Playboy*, *Penthouse* and *Architectural Digest* are some of the chain's top sellers. "I wouldn't say there's not much difference at all between readers in a metropolitan market like Minneapolis and a smaller market like Grand Forks," she says. "The only thing may be nuances—*Glamour* and *Vogue* will sell better in a metro area, while *Family Circle* and Woman's Day will be bigger in a small city."

Mr. King says *National Enquirer*, *Good Housekeeping*, *People* and *TV Guide* sell best at Grand Forks grocery and convenience stores. Generally, the demographics at these places are lower in education and income.

The B. Dalton outlet in Grand Forks is located in the city's big new Columbia Mall. Manager Brenda Metcalf says the top sellers there are *Cosmopolitan*, *Playboy*, *Penthouse*, *TV Guide*, *People*, *Glamour*, *Mademoiselle*, *Woman's Day* and *Ladies' Home Journal*.

"The news magazines don't sell as well as the entertainment, adult and women's titles," she says. "It depends quite a lot on what's on the cover. During the week of the Grenada invasion and the Beirut bombing, we returned a number of copies of *Newsweek* and *Time*. If Princess Grace was on the cover, they may have sold out.

"We try to carry something for everyone, with a lot of decorating, sports, children's and art magazines. I do order every computer magazine I can get—only a few copies each of all the titles. Art magazines sell really well. *Architectural Digest*, *Art Digest*, *American Film* and *Western Art* are just some of the titles you'd think might not sell well, but they do. We also have political journals like *National Review* and *Foreign Relations*. We only get a few copies of these to sell, but they sell steadily.

"No one age group can be pegged as buying the most magazines, and it seems to be both men and women who are interested. I'd say the public's taste in magazine selection in Grand Forks is pretty much like anywhere else."

It seems about the only thing changing on the magazine scene in this corner of the world today is rack sales.

"They're always on the rise," says Earl King. "Every year they steadily increase. Business is good. So, even though I'm past retirement age, I'm sticking with work. I'm not in any hurry to sit home and watch soap operas all day."

Janna Q. Anderson is the travel/entertainment editor of the Forum, *a daily newspaper in Fargo, N.D.*

gressive.

What Las Vegas has over Atlantic City is hotel rooms, by a more than six to one margin. The current count for Atlantic City is about 8,000 hotel and motel rooms, compared with more than 50,000 for Las Vegas.

Hotel rooms mean conventions. In October, the best October in two years for Las Vegas, 63 conventions were held, attracting more than 90,000 delegates. They were estimated to have pumped some $60 million into the local economy.

That's only one of the upbeat notes. Another is a forecast by Chase Econometrics, a subsidiary of Chase Manhattan Bank, figuring Las Vegas as among the country's 10 fastest growing cities of the 1980s (in terms of employment growth).

Five tv stations serve the market, including KVVU-TV, a nonnetwork affiliated station 30% owned by Johnny Carson. There also are three network affiliates and a PBS station.

On the radio side, Las Vegas is about a 20 station market. Daily newspapers are the *Review-Journal*, *Valley Times* and *Sun*.

Phoenix, Ariz.

Population '80	1,50[illegible],052
Rank	25
Est. income '82	$15,232,668,000

Phoenix is rapidly becoming one of the high-tech centers of the Southwest and the nation. It's also getting big and occasionally smoggy.

It is estimated that more than 79% of all electronics, computer and aerospace companies in Arizona are in the Phoenix market.

Phoenix has come a long way—fast—since the days some 40 years ago when youngsters rode to school in Tempe and other parts of the market on horses. It wasn't quite that long ago that the area seemed the Dust Bowl of the West and a place to stop on the way to California.

No more. Most of the people who have come here and made the market grow are *from* California. Next in order are newcomers from Illinois, New York and Ohio. They might no longer be recognizable as they start attending rodeos, a favorite sport in Phoenix. Mercedes, Porsches and other exotic pieces of machinery are parked side by side with giant-wheeled pickups in the parking lots of elegant shopping malls and restaurants as well as the half-dozen ride-'em-cowboy arenas in and around the market.

In its rise from the "arid zone," which historians in Phoenix say is a misconception about the name "Arizona" (contending it's an Indian and not a Spanish name), Phoenix has become one of the major western manufacturing and commercial centers.

Among the companies that have relocated their headquarters, started from scratch, or shifted major western facilities to Phoenix: Amerco (U-Haul), American Express (western regional card division), Circle K Food Stores (a 7-Eleven rival), Motorola's semiconductor group, Siemens components group, Sperry Avionics and flight systems divisions, Honeywell information systems and process control divisions, and Goodyear Aerospace.

There are dozens more, including the startup this year of Phoenix-based America West Airlines, which recently began service to midwestern and Canadian destinations, in addition to California and Southwest service. Greyhound Corp. and its Armour units were earlier arrivals.

Further, the region that surrounds and feeds into Phoenix isn't "arid" anymore. Agriculture ranks third behind manufacturing and tourism among the state's major industries (nearly all of them closely related to Phoenix interests in one way or another), and it is moving up fast. Arizona just recently obtained federal rights to a large share of Colorado River water that had been going to California.

But high-tech industries and their growth has been the main story in the Phoenix market. The influx of middle-and-upper-income high-tech personnel has had a significant effect on increased retail sales and new housing.

While nationally the housing industry suffered, Phoenix showed its first annual housing start increase in five years in 1982. According to *Arizona Republic* and *Phoenix Gazette* researchers, high-tech industries played a major role in a manufacturing output increase from $3.6 billion in 1979 to $5 billion in 1982.

Electronics, computers and aerospace account for some 42% of the market's manufacturing work force. The fastest rate of growth was in the computer sector, but the highest volume of manufacturing shipments came from electronics.

High-tech industries accounted for 32% of the value of all manufacturing shipments out of the Phoenix market in 1980 and was expected to continue on the increase. By comparison, high-tech products accounted for only 6% of the value of all manufacturing shipments nationally in 1980.

By 1990, according to the *Republic* and *Gazette's* projections, the annual direct economic impact of high-tech manufacturing on the market will reach $3.8 billion, a 140% increase over a 10-year period.

Phoenix is regarded as one of the fastest growing markets for employment in the U.S., and it was in the computer electronics and aerospace industries that close to 14,000 new jobs were created just at the beginning of the boom—from 1970 to 1980.

The average age in the Phoenix market is 29.5, relatively low considering it has a retirement population of 224,000. This group accounts for 22% of households in the market, and the area's retired persons couldn't be considered low income. Eighty-five per cent of Phoenix retirees own their own homes, and 14% have second homes in the state or elsewhere.

The large retired population also accounts in part for the development of Phoenix as a regional and national healthcare center. The healthcare industry in the market has more than 40,000 employes in 29 hospitals and related healthcare facilities.

If the Phoenix market has a couple of shortcoming amidst all the "growth" figures and projections, it's the area's sweltering summer heat and perceived lack of cultural attractons. *Republic* columnist Tom Fitzpatrick has complained of a lack of entertainment, but evidence to the contrary is beginning to accumulate. His own newspaper started a free entertainment weekly in October that has been running 40-plus pages of events and entertainment listings, plus ads and features on local and visiting show business and arts personalities. The weekly, *City Life*, was started to check competition from *New Times*, an already successful free weekly that focuses much of its attention on arts and entertainment in the market.

The market has seven daily newspapers, eight tv stations, 37 radio stations, two business publications, four locally edited magazines and three outdoor companies, as well as cable services in Phoenix and its suburbs.

Salt Lake City-Ogden, Utah

Population '80	910,222
Rank	48
Est. income '82	$7,712,134,000

A relatively young community, Salt Lake City dates to 1847, when Brigham Young led a tired band of pioneers to the valley between Great Salt Lake and the Wasatch Mountains. It was the place, he declared, where they could reach twin goals of prosperity and isolation.

Descendants of those first settlers have significantly fulfilled the prosperity part of the prophecy, but it has come at the expense of isolation. The Salt Lake City/Ogden market today is booming—largely because what was once ox-wagon remote has become jet-age centrality.

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CLEVELAND MAGAZINE
COLUMBUS MONTHLY
CONNECTICUT MAGAZINE
COUNTRY MAGAZINE
D MAGAZINE
DENVER MAGAZINE
HONOLULU MAGAZINE
HOUSTON CITY MAGAZINE
INDIANAPOLIS MONTHLY
LOUISIANA LIFE
MEMPHIS MAGAZINE
MIAMI MAGAZINE
MPLS. ST. PAUL
MONTHLY DETROIT
NASHVILLE MAGAZINE
NEW JERSEY MONTHLY
NEW MEXICO MAGAZINE
OREGON MAGAZINE
PHILADELPHIA MAGAZINE
PHOENIX MAGAZINE
PITTSBURGH MAGAZINE
SAN FRANCISCO FOCUS
ST. LOUIS MAGAZINE
TEXAS MONTHLY

the Salt Lake/Ogden metro area was the ninth fastest-growing in the country. Estimates are that the area grew 9.2% from 1980 to 1983.

Companies such as American Express Travelers Cheques division and Sinclair Oil have established headquarters in the city. To house the accompanying newcomers, the city has had an unprecedented commercial building boom. Attractions for the newcomers include a favorable tax base, which in part allows tax-free warehousing of goods destined elsewhere; a stable, well educated work force; central location, and an intangible but attractive "quality of life."

No fewer than 14 major development projects are either under way or recently completed. A flood of Saudi Arabian capital is spearheading construction of the Triad Center near the city center, as well as the International Center near the expanding airport.

The first Triad Center tenant, scheduled for early next year, will be the many units of Bonneville Broadcasting, the Mormon Church-owned broadcasting giant, which counts KSL tv and radio stations among its family. When completed in 1992, the Triad Center is expected to cover 26 acres, cost nearly $500 million and house businesses, offices and residential units in a complex including a 40-story tower—the city's tallest structure.

Newcomers already in place on the city skyline are the Marriott and Sheraton hotels, to be joined soon by a 24-floor Ramada Renaissance hotel. The Salt Palace, a community sports and convention facility, recently expanded and renovated itself, and other downtown construction includes a new Symphony Hall and a renovated home for the local ballet troupe.

Other high-rise office complexes have also opened recently or are under construction throughout the valley. At least for the present, a minor glut of commercial space exists, resulting in some of the least expensive rental rates anywhere in the nation.

Population growth has brought about renewed retail activity, and the Salt Lake/Ogden area now houses 11 regional shopping malls. Four of those have opened since 1980, and three are located in the heart of the city—two in Salt Lake and one in Ogden.

And while the population has shown steady growth, it has also managed to stay busy. During July, while the nation as a whole was celebrating a drop from double-digit unemployment to a 9.5% rate, Salt Lake's jobless rate had dipped to 7.7%

The decision by Western Airlines to make the Salt Lake City International Airport, the major hub for its system, has brought about major changes in the air transportation picture. The airport recently opened an additional concourse and equipped all gates with climatized second-level loading bridges (made in Ogden). In addition, plans call for the construction of a fourth terminal.

Figures for June, 1983, revealed that passenger counts were up an impressive 16% from the previous year, while air freight tonnage increased a whopping 73%.

Of course, there are blemishes. Utah's wage scale is below the national average, as is per-capita income. Those figures may be tempered somewhat by the above-average family size and large number of youth in the state.

Utah continues to lead the nation in the number of bankruptcy filings. Chapter 11 reorganizational petitions increased nearly 50% in the first six months of 1983, compared with the previous year, and Chapter 13 personal filings were up 63%.

Still, besides the increased commercial activity, there are many areas of optimism for the local economy. Utah's mineral and energy reserves—primarily low-sulfur coal—are a potential windfall. Pacts are being drawn to ship huge quantities to the Orient, a move that would boost the mines and railroads of the region.

Tourism and recreation will continue to expand in the near future. World-class ski resorts are located just outside the city, and the accessibility is a big plus to sportsmen. At least three major resorts are being developed, and others are being expanded and enlarged.

Three vhf tv stations cover the network spectrum, while an independent uhf also shows respectable numbers. A construction permit has been awarded by the Federal Communications Commission for another station. Salt Lake/Ogden is also something of a rarity by having two noncommercial stations broadcasting—both vhf.

Through a system of translators, relays and cable, Salt Lake tv and radio signals are distributed throughout Utah and into sizable portions of six surrounding states. The Salt Lake area of dominant influence is geographically the largest in the nation.

Three daily newspapers—two in Salt Lake and one in Ogden—serve the metro area.

Tucson, Ariz.

Population '80	531,443
Rank	78
Est. income '82	$4,966,356,000

Like other Sunbelt markets, Tucson is spreading out as it grows. The market takes in all of Pima County in southern Arizona and covers 9.240 sq. miles. It has more than 90 shopping centers, with several more in the works.

To be sure, much of that territory is agricultural land or empty space, populated mainly by desert plants that bloom gloriously in the spring. They had plenty of water this past fall, as sudden record rains washed out several outlying communities and cut Tucson off from its main trading partner, Phoenix. But local officials say the September/October storms won't have any lasting effect on the economy.

"It was just a freak thing that didn't affect many people at all in the main part of the market," said Steve Vierck, manager of urban affairs for the Tucson Metropolitan Chamber of Commerce. While that comment wouldn't go over too well with families whose homes were nearly buried in mud (and not all of it occurred in Pima County), it is backed up by other government and business sources. They of course do not want to see Tucson lose its momentum as one of the Southwest's fastest-growing markets.

The population of Tucson has grown 31% since 1975, and the market is carving its own place in the Sunbelt with an influx of relocating companies and new ones springing up, mainly in electronics and high-tech areas. The market is also a popular retirement destination, with most of the newcomers arriving from California and Michigan. An estimated 25% to 35% of the market is "retired households," according to a survey by Tucson Newspapers Inc. and the Valley National Bank of Arizona.

There is also a large college market within the Tucson MSA boundaries. Enrollment is averaging close to 55,000 at the University of Arizona and Pima Community College.

With the bulk of the market's population—working people—sandwiched in between, the median age of the Tucson market comes out to 29.7, according to the newspaper and bank survey.

The survey also indicates that Tucson folk are spending less time shopping in Phoenix—about two hours northwest of Tucson—and instead are finding what they want in Tucson. Retail sales in the market were $735,000 in 1970, $2.2 billion in 1979 and $2.45 billion in 1980. Retail sales for 1985 are projected at $5.1 billion.

The U.S. government is the largest employer, with Ft. Huachuca, an Army base, leading in employment (11,065). The University of Arizona comes next, with 9,078 employes as of 1982, and Davis-Monthan Air Force Base is listed third with 7,125 employes. Two other local and national government employers—Tucson Unified School District and U.S. government civilian branches—follow. The market is heavily institution-oriented in employment, though local leaders tend to play down the military influence on the market while stressing industrial growth.

Magna Copper Co., Phelps Dodge Corp. and International Business Machines Corp. are the three commercial entities appearing in the top 10 of Tucson employers, and Magna's appearance should come as no surprise. Mining is one of the main civilian industries in the market. According to the U.S. Department of Interior's Bureau of Mines, 10 of the 15 leading copper mines in the U.S. are located in Arizona, and four of those, including Magna and Phelps Dodge Corp., operate extensively in Pima County, the Tucson market. Falling copper prices, however, have resulted in a drop of production value from a record high of $915 million in 1979 to $869 million in 1980. But that 1980 level was still 46% higher than the 1978 level.

Tourism was off slightly to about $700 million in transportation, lodging, food and other expenditures during 1980-81, according to estimates. This was blamed on the general economy. There was also, more recently, blame placed on the effect of the Mexican peso devaluation, which kept normally robust Mexican visitors and consumers at home. They still have easy access to the Tucson market from the interior of Mexico via Aeromexico, which chose Tucson as its Arizona destination during the 1960s.

The market has four daily newspapers (if you include the University of Arizona's *Daily Wildcat* and the legal Daily Reporter), seven tv stations, and 12 am and six fm radio stations.

Pacific

Anaheim-Santa Ana, Cal.

Population '80	1,932,709
Rank	15
Est. income '82	$29,158,500,000

The optimistic economic outlook in the Anaheim-Santa Ana-Garden Grove market, as expressed by the business leaders of Orange County early this year, appears to have been well founded. The recession has begun to fade, leaving this burgeoning market with such problems as congested transportation, inadequate airport facilities and high unemployment, which is still the lowest in California.

While unemployment reached 10.8% nationally and 11.1% for the rest of the state, Orange County's high thus far has been 8%, evidence that it made its way through the recession with relative ease.

And the market's economy is probably healthier than the national average, thanks to the great diversity of businesses located here. Many of them are new high-technology plants that are undermining the dominance of aerospace industries, which provided 36% of all manufacturing employment in 1982. Computer companies expanded payrolls by 63% in the latter half of the 1970s, a pattern followed by communications and electronic equipment makers. It is estimated that Orange County will receive about $13 billion in defense and aerospace-related federal contracts in 1983.

There are more than 500 electronics companies in the market, one of the eight biggest concentrations of such plants in the country. Radio and tv equipment led manufactures in 1981, followed by computer equipment, oil field machinery, aircraft equipment and nonelectrical components. Japanese plants, including Toshiba, Mitsubishi, Yamaha USA and Ricoh, have opened in recent years.

Top employers in the market include Hughes Aircraft with 13,600 employes, Rockwell International (10,000), Pacific Telephone (8,000), McDonnell Douglas Astronautics (5,600), Beckman Instruments (5,385), Disneyland (5,000), Fluor Corp. (5,000) and Smith Tool (5,000).

Although Orange County is not home base for any of the major energy-producing companies, three of the market's largest corporations—Baker International ($2.5 billion in revenues), Smith International ($1.2 billion) and Varco International ($100 million)—all depend on oil exploration as an outlet for their goods and services.

Migration into the area continues, but at a slower pace as newcomers are met by out-of-reach housing prices. Average price of a new home is about $260,000 and that of a resale about $135,000. The Economic Development Corp. has all but stopped soliciting new business to the area, yet new endeavors continue to move in.

Santa Ana, the county seat and second largest city in the market behind Anaheim, is making a massive effort to upgrade a somewhat worn image with the development of a new $14 million world trade center, a multimodal transportation center, and a refurbishing of many of the existing old buildings around town. The transportation center will be a main station for both Amtrak and the new high-speed "bullet train," which is scheduled to travel between San Diego and Los Angeles starting in 1988.

The recent opening of the new world trade center emphasizes developers' aims of becoming a major force in international trade. More than 25% of the businesses in Orange County are reportedly involved in foreign trade, with one out of seven local jobs dependent on it.

Elsewhere, executives at John Wayne Airport are preparing a 20-year master plan with an environmental impact study that forecasts annual increase in airport traffic from 2.6 million passengers today to 6.1 million and then on to a peak of 8.1 passengers per year. But the airport's 905 acres are already congested and lack land for expansion.

Costa Mesa's South Coast Plaza is said to be the largest regional shopping center in the U.S. and contains such prestigious department stores as Neiman-Marcus, which has chosen the plaza and the Newport Center/Fashion Island in Newport Beach as the site of its West Coast stores.

Tourism is another big plus for Orange County's economy. Home of Disneyland, Knott's Berry Farm, the California Angels and the Los Angeles Rams, the area offers varied sports and entertainment. Expansion projects were recently completed at the area's theme parks, as well as at the Anaheim Convention Center, where new hotels are rising and on the drawing boards to handle increased visitor traffic. A record-breaking 160 conventions and 720,000 convention delegates are expected to use the facilities this year.

In addition to the spillover coverage by the major metropolitan daily newspapers in neighboring Los Angeles County, the area has four major dailies, 20 independent weeklies and another 30 weeklies published by chain newspaper operations. There are also numerous other ethnic, student and business publications; two am and seven fm radio stations; three tv stations and eight cable services.

Fresno, Cal.

Population '80	514,621
Rank	84
Est. income '82	$5,426,369,000

To most Californians, Fresno, located just about halfway between Los Angeles and San Francisco, has been the state's outback. But although it is located in the most productive agricultural county in the world, according to the local chamber of commerce, it is shedding its farm image and taking on a boom town look.

According to a new report by the National Planning Assn., Fresno County is among the five California counties expected to see the "most growth in the absolute number of jobs" by the year 2000. And the economic upturn is already taking effect.

In August, Macy's opened a $28 million department store in a Fresno shopping mall and of the 500 employes, all but 35 were hired from the local area. *Fresno Bee* business editor Ted Reed said the new store is probably the most significant business event for Fresno in 1983.

"What it did was elevate the level of mass marketing because of the Macy's image," Mr. Reed says.

According to Mr. Reed, the location of Macy's in a shopping mall away from the downtown was a sore point in the store's development. The city council and chamber of commerce had wanted the new store to locate in the downtown area, but Macy's planners were adamant that the mall was more suitable.

"County services and other offices are located downtown, but shopping has gone to the malls," says Mr. Reed, pointing to a lack of development in the downtown area.

In October, a $20 million 322-room Centre Plaza Holiday Inn was opened, bringing in an additional 400 jobs. Other hotels in the city saw a strong increase in business. The 167-room Ramada Inn had an occupancy rate of about 93% during the summer, compared with 78% the summer before.

Fresno is the only city in the United States within a two-hour drive to three national parks. With Yosemite's natural wonders only 94 miles away and Kings Canyon and Sequoia National Parks within easy driving distance, it has become a stopover for travelers from throughout the state.

One sour note for Fresno was that after years of being one of the top five test markets in the nation, it was dropped altogether from the influential Dancer Fitzgerald Sample test market list in 1983.

Mike Robbins, account executive with Theilen & Associates, one of the major ad agencies in town, says that because Fresno has been geographically isolated, with a minimal media spillage from San Francisco or Los Angeles, it has been used to test everything from cigarets to detergents. The reason given for its elimination as a test market, says Mr. Robbins, was that media rates were not consistent with the rest of the country. In particular, Fresno's tv ad rates were allegedly higher than similar markets elsewhere in the country.

Fresno's financial base is the multibillion-dollar agricultural industry, including cotton, almonds, rice, wheat, grapes, citrus fruit and cattle. But California's harsh 1982 and 1983 winters took their toll on many of these industries.

Late plantings and crop destruction from record rains resulted in losses estimated at between $275 million to $300 million, according to the state's Department of Food and Agriculture. And when the agricultural industry hurts, jobs hurt, with youth and minorities particularly hard hit.

The region does have a large minority population, with 30% of the people having Hispanic surnames. The Fresno area of dominant influence has the 11th largest Hispanic community in the U.S., according to Strategy Research Corp., Miami.

The warm Mediterranean climate that Fresno offers and its closeness to mountains and lakes have made participatory sports and activities a large part of community life. Fresno has a symphony, several theaters, one of the most progressive zoos in the state, an arts center and a new Metropolitan Museum of Art, Science and Natural History.

The market is served by two major

daily papers, the *Fresno Bee* and the *Clovis Independent*. There are three network tv affiliates, a SIN International Network Spanish affiliate and several independent tv stations. It has 21 radio stations, including 10 am signals.

Honolulu, Hawaii

Population '80	762,565
Rank	56
Est. income '82	$8,094,301,000

If you grew up in Honolulu in the 1960s, you were sure to come across old 45 rpm discs bearing the label of "49th State Records." The local company that put them out had jumped the gun a bit.

Through some adroit political machinations, Hawaii's nonvoting congressional delegation overcame opposition by choosing to let Alaska go first when the question of statehood came up for consideration in 1958.

Such was the genesis of Hawaii's becoming the 50th, not the 49th, state in the union in March, 1959.

That was nearly 25 years ago, when Honolulu—the island of Oahu, really—was more or less a sleepy tropical metropolis, though one filled with the potential that would transform it into a vibrant and alluring urban phenomenon.

It has been alluring enough for Honolulu's population to grow by more than 250,000 in the years since. Currently, the Honolulu market area accounts for about 80% of the state's population.

As Hawaii steps into its silver jubilee year, Honolulu is a market at the hub of transition. The influence of agriculture—mainly sugar cane and pineapple growing—has waned steadily in the 25 years since statehood. From 1940 to 1980, according to the research department of the First Hawaiian Bank, the sales value of sugar and pineapple as a percentage of the gross state product dropped from 38% to 7%.

To fill the vacuum, the state's economy has diversified into one based primarily on service industries. Long known for its natural beauty laced with exotica, Hawaii has become one of the world's leading tourist destinations. No surprise, then, that tourism and tourist-related businesses are the No. 1 revenue producer in the state today.

In 1982, Hawaii recorded 4.2 million visitors, the most ever and an increase of 4.3% from the previous year. Through July of this year, the visitor count reached nearly 2.6 million, up a slight 2.6% from the same period in 1982. Honolulu, of course, serves as the primary arrival, accommodation and departure point for most of these visitors.

But tourism and its attendant problems—sensitivity to economic cycles and the sometimes disconcerting paradox inherent in mixing natural beauty with man-made developments—have led state and local leaders to seek an even more diversified base.

One current topic of considerable interest is the luring of high-tech industries to the market, something that has gained a kind of cachet in various areas throughout the country.

Heightening interest in this area was Castle & Cooke's recent purchase of a 20% interest in Intelect Inc., the state's leading high-tech company. C&C, which owns large parcels of land through its long-standing Dole pineapple operations, has developed a program of land-cost subsidies for companies locating in its proposed Mililani high-tech park, 10 miles from the Honolulu city limits.

According to First Hawaiian Bank estimates, currently there are about 142 high-tech businesses accounting for $200 million in annual revenues and 4,000 jobs in the states. The state has committed itself to increasing these numbers through its support of a body called the High Technology Development Corp., which was created to promote the development of high-tech facilities by helping in site selection, construction and issuance of revenue bonds.

Supporters of this approach to diversification point to Hawaii's central location, between the Mainland and the Far East, as a prime advantage to developing high-tech interests. But all of this is not likely to come easy. Business interests in Honolulu and the state single out "restrictive" laws and taxes as needless obstacles to furthering development.

An acidic *Forbes* article in January reflected this argument: "The 'paradise' state is a veritable purgatory for business, with a stagnant agricultural economy and a powerful political and labor union bureaucracy that has smothered attempts at industrial development."

Indeed, both the city and state have had a long tradition of liberal politics often antagonistic to business interests. But indications are that state and local leaders are lending a more sympathetic ear to promoters of business, especially as Honolulu emerges from the recession hard hit, though not as hard as many more industrialized markets.

The economic effects of the recession, as with other events, hit Honolulu later than the Mainland. But the market is recovering. The unemployment rate in Oahu stood at 5.9% in July, down from 6.2% the year before (the Neighbor Island rates were higher). Construction, however, has slowed a bit, dropping by 2.3% through June to a value of $677.9 million from the same period in 1982.

One market condition that could hamper efforts to expand business in Honolulu is housing cost, among the highest in the nation. The average price for a single-family home on Oahu stood at $182,600 in July, and the figure keeps escalating.

Nevertheless, if the last 25 years have proved anything, it is that Honolulu continues to attract more residents and businesses, those seeking pleasant tropical surroundings and an outdoor life style.

Honolulu is served by five daily newspapers (including ones serving the Japanese, Korean and Chinese communities), five tv stations (including three network affiliates and one public broadcasting station), 17 am and nine fm radio stations and two cable services.

American Segments, X

Services: Helping themselves

Ten metro areas with the highest percentage of service workers

		% of service workers in labor force
1	Anaheim, Cal.	17.80
2	New Orleans	15.19
3	Tampa-St. Petersburg	14.35
4	San Diego	14.19
5	St. Louis	14.11
6	Pittsburgh	13.89
7	Detroit	13.77
8	New York	13.75
9	Sacramento, Cal.	13.73
10	San Antonio	13.71

Source: "The Book of American City Rankings," ©1983, published by Facts on File Publications

Los Angeles-Long Beach, Cal.

Population '80	7,477,503
Rank	2
Est. income '82	$53,359,755,000

Business analysts are already weighing the economic impact of next summer's Olympic Games in the Los Angeles-Long Beach market, but by any measurement, the significance of the XXIII Olympiad in this market should be enormous.

In addition to preparing the scattered sites for 20 or more separate athletic events, the city fathers and organizers have spearheaded some frenetic activity aimed at presenting the best of all possible appearances for the area. The huge, sprawling MSA includes all of Los Angeles County and covers 4,080 square miles, 75 miles from north to south and 70 miles from east to west.

In late October, word was released that the $272 million construction project to add new terminals and roads to Los Angeles International Airport will be completed on target, before the start of the Olympics next July 28. With other improvements being paid for by the airlines, including the new $100 million United Airlines terminal, the total bill for the refurbishing could hit $750 million. And as the countdown to the start of the games progressed, the Los Angeles Olympic Organizing Committee (LAOOC) reported a total of 30 individual sponsors, as well as licensees for everything from beer mugs to playing cards.

The Los Angeles-based Economic Research Associates, hired by the LAOOC, estimated the over-all economic impact of the Olympic games at $3.3 billion. This includes all of Southern California (the five-county area), although a bulk of the money—$948 million—would be in Los Angeles County.

One of the sports-oriented work projects not directly related to the Olympics was the new $100 million, three-to-five-year expansion program at Hollywood Park racetrack. Work on the $30-million first phase is now under way and is scheduled for completion by November, 1984.

Visitor facilities in Los Angeles may have been a bit spotty before, but the new downtown appears to be getting its act together as the area's prime hospitality center, with an eye on the upcoming Olympics, of course. Supporting this objective this past spring were such openings as the Sheraton Grande hotel and the magnificent Crocker Court complex, new restaurants and numerous other services.

But the steady decline of retail sales in the downtown area over the past decade was recently highlighted when May Co. California said it will move its corporate offices from its downtown building to a remodeled flagship store at Laurel Plaza in North Hollywood. The company said it would keep its downtown store open, but other retailers, including the Broadway, have moved west toward the Harbor Fwy. Declining sales also forced the closing of Bullock's downtown store in June, after 75 years.

Except for the bankruptcy and closing of Schwab's Pharmacy, the 51-year-old Sunset Blvd. soda fountain where new screen stars were said to be discovered and Hollywood legends were born, the movie-tv-entertainment business appeared to be booming. Among the tv producers looking for yet other profitable investments—some outside the state—were MCA Inc. and Lorimar.

Meanwhile, total employment in Los Angeles fell by 2.4% in 1982 from the previous year, with manufacturing and construction industries showing the biggest decline. Transportation equipment factories showed the largest losses of any major industry group, with motor vehicle and the aircraft and parts sectors accounting for most of the job losses.

But after two years of job declines and the worst unemployment since World War II, there are signs the Southern California employment outlook is brightening. Hughes Aircraft, Northrop, General Dynamics, Rockwell International and other aerospace companies are hiring thousands of engineers for new defense projects. Major supermarket chains, department and discount stores and other retailers are staffing up and expanding payrolls to take advantage of the emerging recovery. For all of 1983, about 175,000 jobs will have been added in Southern California, with employment accelerating to 250,000 in 1984, say economists.

In the high-tech area, about 268,000 workers are involved in making such products as space vehicles, missiles, aircraft and parts. And in one of the biggest industrial transitions in this century, 225,000 jobs in the manufacture of computer and electronic equipment were created in Los Angeles in only a few decades.

Among the area companies that reported heavy losses in the volatile videogame and home-computer business was Mattel Inc., which attributed a $156 million loss in the second quarter this year to its electronics division. On the other hand, Los Angeles-based Western Airlines, prepared to file for bankruptcy five years ago, has made some drastic cost reductions and streamlined its management and appears on the road to recovery.

The Ports of Long Beach and Los Angeles appear ready to dominate U.S. international trade in the decade of the 1980s. The Port of Long Beach, recognized as the West Coast's leading seaport, posted a record 4,650 ships carrying nearly 50 million metric tons of cargo and the number keeps growing. A commitment to the shipping needs of the next several years has sparked a five-year, $500 million capital development program at the Port of Los Angeles, second busiest passenger port in the U.S., with shipments of 39.9 million metric tons of cargo also recorded for 1982-83.

Adding to the luster of the revival of downtown Long Beach were the recent openings of the $60 million Hyatt Regency hotel, the $15 million IDM building, the $7 million Shoreline Village and the $60 million twin Arco office towers. Altogether, these projects are expected to add 17,000 jobs to the once moribund downtown area.

Developers are putting up condominium and apartment projects in downtown Long Beach at a record pace, with more than 500 such housing units in 14 separate projects either pending approval or under construction. One spur toward development has been the decline in interest rates for mortgage bonds, plus the over-all development of downtown Long Beach, an area that covers six square city blocks, or 421 acres of the central business district. More than $1.2 billion in new construction is committed, and that figure is expected to rise to $3 billion by 1990.

The rich and varied media mix serving the Los Angeles-Long Beach market includes 22 daily newspapers, four of which are considered major metropolitan papers that extend beyond the market; more than 150 weeklies produced by 35 different newspaper chains; 21 am and 26 fm commercial radio stations; seven vhf and five uhf tv stations; 24 cable tv companies providing service to the metropolitan area and outlying communities, and a wide variety of ethnic, student and business publications and city magazines.

Oakland, Cal.

Population '80	1,761,759
Rank	20
Est. income '82	$25,091,535,000

It has taken more than 100 years, but Oakland, Cal., is finally coming out from under the shadow of San Francisco as its own market.

"If we hadn't been lumped together with San Francisco all these years, we'd probably already have a better image," says John Christenson, manager of the Oakland Economic Development Department. But the image of Oakland, in Gertrude Stein's words, as a place where "there's no there there," is a haunting one, and the new Census Bureau breakdown of Oakland as its own market could go far to aid the city's image.

"There is a definite trend of businesses moving out of San Francisco and into Oakland," said Bruce Koon, business editor of the *Oakland Tribune*. It's been marked in 1983 by the

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move or announced move of at least five major companies, including AT&T Information Systems moving its West Coast headquarters to Oakland, Equitech Financial Group, Sperry Corp. and IMS (a major holding company) all relocating to Oakland. Matthew Bender & Co., a major legal and accounting publishing company, is moving its headquarters to Oakland in early 1984.

Other major companies already headquartered in this East Bay city include the Clorox Co., Safeway Stores and Kaiser Industries.

Two of the key factors encouraging businesses to make the move to Oakland are its excellent transportation and available housing. It puts companies, employes and "affordable housing" in reasonable proximity, according to Mr. Christenson. Oakland is headquarters for Bay Area Rapid Transit (BART), a high speed rail system that has connected Oakland not only with San Francisco, but with all points of this sprawling market.

Because of the tremendously high cost and low availability of housing in San Francisco proper, it has been common for San Francisco workers to live on the opposite side of the bay and make the 20-minute commute.

At the Oakland Airport a new commuter terminal is scheduled to open in early 1985, linking the area even more conveniently with Los Angeles and other points in Southern California.

Located on the mainland-side of the San Francisco Bay, Oakland is a unique city in many ways. It is one of the few cities in America with a majority black population, and often "black" and "poor" tended to come across in the same breath. But it's not necessarily so. In Oakland, ethnic diversity crosses all classes and economic levels. Oakland has a large and powerful black middle to upper middle class, which has had a significant influence in business and politics.

Perhaps one of the most glamorous signs of a cultural and business "renaissance" in Oakland was the opening in 1983 of the Oakland Hyatt Regency hotel. For October, the new hotel had 62% occupancy and expects to see that improve throughout 1984.

Other hotels are expanding and remodeling as fast as they can, hoping to pick up more of the expanding visitor and convention business, which saw 49,000 convention delegates in the city this year.

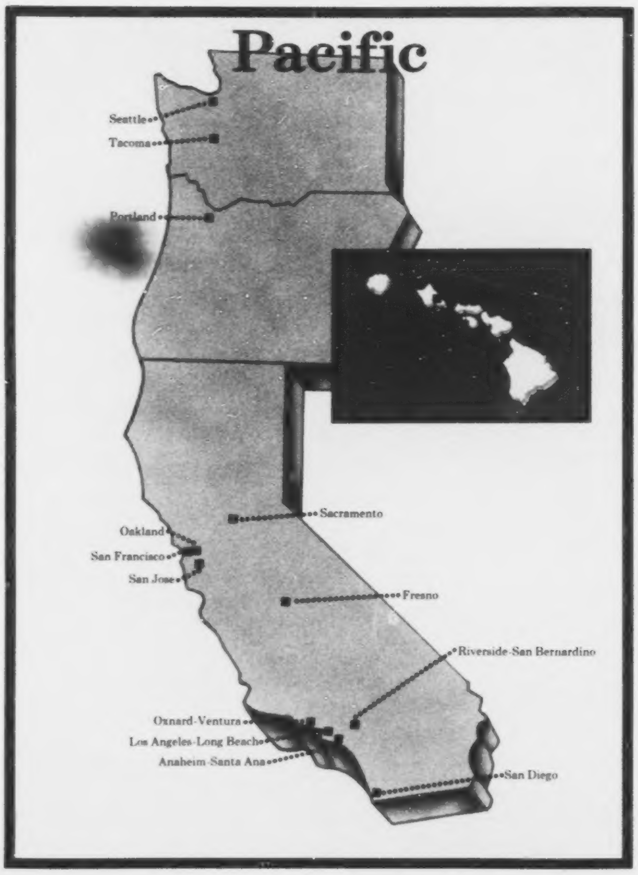
The Port of Oakland, a major West Coast facility, is just completing a 20-year modernization program that has turned the port into the second largest containerized port in the U.S.

But for all that has happened in Oakland, there are still projects that have not come to fruition. As an example, Mr. Koon cites the announcement two years ago that Bechtel Corp. would be building its new headquarters in Oakland, but when economic hard times hit, those plans were stalled.

Another area that has not yet felt the surge of new dollars is the downtown retail enterprises. Between the regional shopping malls and the pull of the classy downtown San Francisco stores just minutes away, retail expansion has been at a virtual standstill.

One major change on the media scene in Oakland this year was the sale of the *Oakland Tribune/East Bay Today* by Gannett Co. to a group headed by Robert Maynard, who had been editor of the paper.

Oakland's primary daily newspaper is the *Oakland Tribune*, but it is served by both the *San Francisco Chronicle* and the Brown Publishing Group. It has one tv station of its own—independent KTVU—but is served by all the San Francisco-based stations. Radio stations include three am and one fm station, in addition to signals received from San Francisco stations, and Oakland is wired by one cable company.



Oxnard-Ventura, Cal.

Population '80	529,174
Rank	80
Est. income '82	$6,996,341,000

The economic difficulties that have engulfed the rest of the nation somehow seem less noticeable in Ventura County. That's probably because a diversified economy that includes agriculture, government and military employment—as well as an expanding light industry and business base—have helped to minimize the over-all effects of the passing recession on this Pacific coastal market.

The area continues to absorb the overflow population from neighboring Los Angeles and the San Fernando Valley, but there are signs that controls on new housing and commercial development may be making an impact. Thousand Oaks, near the county line, and Ventura, the county seat, have already enacted growth control ordinances limiting residential construction. On the other hand, Simi Valley and Camarillo have been the most popular areas for recent growth, including new high-tech companies, because of the "open door" policy that prevails for major new industrial plants.

Although 1982 was an off year as far as new construction was concerned, a surge of activity at the end of the year buoyed optimistic hopes for a rebound this year. About $50 million in new projects that would boost the sagging building industry has been launched by Oxnard businessman Martin V. Smith. It includes a $2 million renovation of the Oxnard Produce Center, which would generate 1,000 new packing and farm-related jobs in the city.

The past year was one in which many long-planned or proposed projects took shape and moved ahead in the revitalization of downtown Oxnard. Among these programs was the start last spring of the $34 million Ocean View office high rise, a 12-story office and retail center that represents just the start of more than $200 million in planned construction in the business district.

Over-all economic hard times nationally had no visible effect in the area in 1982, with shopping malls generally reporting slight sales increases over the previous year. However, the recession managed to keep retail sales from increasing more than 5%.

On Oxnard's retail front, the building that once housed the defunct Fed-Mart store until late 1982 reopened last spring as a Target store, one of 19 such outlets to open its doors in Southern California, creating 450 jobs. Adjacent to the Target, a unit of Dayton-Hudson Corp., Minneapolis, is the site of a new 45,000-sq.-ft. Ralphs supermarket, which is scheduled to open in late 1983. In other retail building activity, Lemon Grove Plaza, a $5 million neighborhood shopping center, was completed early this year, and Esplanade Mall, the largest mall in the area and second largest in Ventura County, has begun major additions.

In Ventura, work continued on the downtown sector, much of which has been designated a redevelopment area, and several renovation projects were completed. Military installations continue to have a great economic impact. The Pacific Missile Test Center at Point Mugu has an annual payroll of more that $131 million. Of that, civilian pay is reportedly more than $109 million and about 80% of that figure is spent in the market.

Port Hueneme, the only deep-water harbor between Los Angeles and San Francisco, posted record-breaking profits in fiscal 1982, a reported 58% jump over the district's profits a year earlier.

Port Hueneme, which celebrated its 35th anniversary this spring, is expected to continue to experience increased shipping and cargo business, with most rapid growth coming in the offshore oil support industry based at the port. Movement of drilling supplies rose from 108,000 metric tons in 1981 to 167,000 metric tons last year.

The port's facilities are overcrowded, however, being committed to both deep-draft cargo vessels and offshore oil boats. Because of the space squeeze, the harbor district has launched an aggressive campaign to acquire an adjacent Navy wharf and 26 acres of backup land at the U.S. Naval Construction Battalion Center, the Seabees.

The harbor also supports the port needs of Vandenberg Air Force Base in the space shuttle program, the army's National Training Center at Fort Irwin and naval construction projects in the Pacific. The total economic impact of the Navy in Ventura County adds up to more than $1.06 billion.

Media covering the market includes some penetration by the big metropolitan newspapers in neighboring Los Angeles as well as five major dailies within the area. There is also considerable radio spillover from Los Angeles and nearby Santa Barbara, plus five am and six fm radio stations within the market. The area is served by tv stations located outside the market, in addition to seven cable services, two of which are based in Ventura.

Portland, Ore.

Population '80	1,105,699
Rank	36
Est. income '82	$11,045,191,000

Like many cities in the Pacific Northwest, Portland is coming out of the recession fitfully. The city's pros-

Asian refugees: An invisible market

By Bruce Williams

There are some 22,000 immigrants and refugees from Southeast Asia living in the Seattle-King County area.

Yet they seem to have dissolved into the manmade thickets of this international city as effectively as they once disappeared among the tropical jungles of their native lands. Moreover, the local business community has made little effort to find them, despite its recent exertions to attract and serve Japanese and Chinese visitors.

Washington was the third most popular destination for refugees and immigrants fleeing Southeast Asia after the Vietnam War; only California and Texas attracted more of the newcomers. During the peak influx, from 1979 to 1980, about 70 to 100 school-age children joined the Seattle School District's bilingual program each week, overwhelming the staff's efforts to place them in the proper classrooms. By January, 1982, approximately 35,000 Asians lived in King County.

But when the Reagan administration cut the length of their resettlement aid from three years to 18 months, an exodus began, which, to date, has shrunk their numbers by about 18%, says Bill Pierre, who chairs a refugee forum of King County.

Those who remain still seem to be invisible. "[The white society] doesn't know where to reach them," remarks Assunta Ng, publisher of the *Seattle Chinese Post*, the city's weekly Chinese-language newspaper. "A lack of knowledge hinders the [few attempts]," she says.

A local merchant who reached out to the Southeast Asians because of his religious convictions agrees. "I'm afraid the attitude is one of distrust and dislike," the merchant says. "They're not being openly accepted unless they have money."

The American businesses that do try to cater to the new market indeed find it confusing and diverse. Roughly 40% of the immigrants are Vietnamese; about 35% of those Vietnamese are really ethnic Chinese. The remaining 60% is a nearly even mixture of Laotians, Cambodians and Cambodian hill people from the Mung and Ming tribes.

"I would be surprised if anyone was reaching out to the [Southeast Asian] market," replies the advertising manager of a large department store here when asked if he was pursuing their business. "It took a while for everyone to get going on the Japanese and Chinese."

Last spring, when United Airlines and Japan Air Lines began nonstop service to Tokyo and Hong Kong from Seattle, doubling the number of flights among those cities, local hotels, stores and restaurants began a concerted effort provide interpreters, international signs and special services.

"We've got interpreters, brochures, menus and handouts in [Japanese, Chinese] French, German, Italian and the Scandanavian languages," says the ad manager. "We've targeted the tourists." He suggests that merchants believe Southeast Asians read neighborhood newspapers, watch local tv and listen to the radio, unlike visitors who stay only a few days.

Ms. Ng sees things differently. She is frustrated that Safeway, which has increased "tremendously" its variety of ethnic foods and has hired some clerks who speak Southeast Asian languages, won't advertise in her paper, which has a circulation of about 5,000. Although the refugee forum headed by Mr. Pierre will for a fee translate advertisements into several languages, Ms. Ng says businesses harbor an "attitude of suspicion" about ads rendered into Asian tongues. Of the city's big advertisers, only Sears has placed ads in her paper, she says.

Tv and radio seem to be media even less likely to reach the Southeast Asian communities. Mr. Pierre says the more affluent Southeast Asians make a videocassette recorder player one of their first big purchases. "American commercial tv is not relevant to them," he explains. They buy tapes out of Hong Kong, where programing in their own languages and related to their cultures is readily available.

Yet Mr. Pierre thinks there are several untapped opportunities to be exploited. He notes that Seattle City Light, the city's electrical utility, has published many of its brochures in the major Southeast Asian languages, and he suggests that insurance companies could sell a large number of auto policies if they made an effort to reach the minority communities.

There are some stirrings of interest among businesses here, however. An advertising executive who handles the regional account for a major fast-food chain recently told the company's marketing staff that Seattle soon may have a significant Asian population.

More important, perhaps, the Southeast Asians seem gradually to be integrating themselves. Mr. Pierre says that the rate of unemployment among the immigrants is showing a "steady improvement," although it remains very high, at 30% to 40%.

Vicki Raider, supervising teacher in the Seattle School District's bilingual program, comments that Southeast Asian children are acclimating themselves rapidly, sometimes so fast that they dismay their parents. She emphasizes that there remains a wide disparity between those immigrants who lived in the cities and were part of the college-educated, professional class and the tribal people who lived among the hills throughout Cambodia and Laos.

"The Vietnamese and Laotians who were on the college level fit right into Western culture. The difficulties are with families that lived in the country on the land," she remarks. "Parents are freaking out. They don't understand their children and their children don't understand them."

Still, for the moment most of the commerce in the Southeast Asian community is conducted by neighborhood businesses, which, Mr. Pierre hastens to point out, are not just food stores or shops selling traditional cooking utensils and clothing.

"There's a new, large number of Southeast Asian businesses," he says. Until they become a significantly larger economic force, however, there is not likely to be much of an effort to reach them or their customers.

Bruce Williams is an ADVERTISING AGE correspondent in Seattle.

perity always has been heavily dependent on the fortunes of the wood products industry, and relatively recent diversifications into high tech haven't dampened significantly the roller-coaster rides on which the housing cycle periodically takes the Portland economy.

Tektronix, which makes video display products, oscilloscopes and other computer-related hardware, remains Portland's major industrial employer, and the past couple of years haven't been very good for the $1.2 billion company. Earnings have been flat, and an austerity program continues to reduce employment at the company, largely through early retirement programs and a hiring freeze. Tektronix currently has about 117,000 workers on its payroll in the Portland area; employment dropped by about 300 in the company's first fiscal quarter and should continue downward through the year.

The company's results improved significantly in the first quarter, however, the most promising statistic being an alltime record for first-quarter orders, which totaled $300 million.

Over-all, the unemployment rate in the Portland area improved steadily in the first half of the year, dropping from 12% in January to 8.9% in June, but rose a full point in July, to 9.9%. The rate declined again in August, to 9.8%. Still, state officials said employes remain cautious and prefer increasing overtime to hiring new workers.

The recession, which hit Oregon harder than its neighboring states, is illustrated by a couple of startling statistics. In 1982 Oregon's population declined by 4,550, the first year-to-year loss in the state's history. State officials expect population growth to average about 1.2% a year in the 1980s, less than half the 2.6% rate achieved in the 1970s, when many residents tried to dissuade people from migrating to Oregon. Total nonagricultural employment in Oregon has dropped by more than 90,000 from the 1979 peak of 1.05 million.

Yet development continues, even in the face of gloomy conditions. The office vacancy rate in Portland reached 16.9% in June, the fourth highest rate recorded in 24 major cities in the nation, but developers have been undeterred; 1.2 million sq. ft. of office space was added in the metro area in 1982, and this year another 1.4 million sq. ft. are slated to rise amid Portland's skyline.

Cornerstone Development Co., a Seattle company owned in part by Weyerhaeuser Real Estate Co., plans to develop the $83 million South Waterfront Project along the Willamette River in downtown Portland. The project features 51 residential units, a luxury hotel, two restaurants, retail shops, an athletic club and a marina for 207 boats.

Residential building activity also soared this summer, with the number of building permits issued in the Portland area rising 91% in June, compared with weak figures from a year ago. The area continues to account for almost all of the single-family homes being built in the state.

Trade and travel have emerged as particularly bright spots in Portland's economy. Since airline deregulation began, 10 airlines have started service at Portland International Airport, and after three years of declining traffic, 1983 may prove an exceptionally good year, with passenger counts exceeding the record set in 1979. As part of its major expansion into international service, United Airlines has begun nonstop service from Portland to Tokyo, eliminating the need for travelers to stop first in Seattle. A new master plan for the airport terminal envisions a three-phase expansion of the facility that initially would permit the airport to accommodate 5 million passengers annually. Later additions and modifications would allow the airport to handle up to 12.5 million passengers annually, or three times the current level.

The visitors bureau at Portland reported that the number of visits to its office jumped 24.2% over last year in August; most of the new tourists came from California and Canada, but 21% of the 7,705 visitors were Oregonians.

The Portland area is served by seven tv stations and a cable franchise, 27 radio stations and one major daily newspaper, the *Oregonian*. Specialized business and neighborhood papers publish on a variety of schedules.

Riverside-San Bernardino, Cal.

Population '80	1,558,182
Rank	24
Est. income '82	$17,497,223,000

Promising commuters from adjoining Los Angeles and Orange Counties a refuge from smog and high-price housing, the Riverside-San Bernardino-Ontario market has begun to live up to its billing as one of the "fastest growing" markets in the U.S.

It's a boom that real estate brokers and construction executives attribute to overcrowded conditions in the neighboring markets.

They say it leaves the two-county market (San Bernardino and Riverside counties) as the next obvious area for growth and expansion in Southern California.

This is evidenced by a resurgence in the housing industry; this spring, housing starts outnumbered those of Los Angeles for the first time. Current residential building contracts are running 81% ahead of 1982. Over-all growth of the market has averaged 3.1% annually from 1970 to 1980, according to the U.S. Census Bureau.

While spillover from Los Angeles and Orange counties accounts for much of the growth, lower housing costs, fewer constraints on land use, a favorable mixture of industry likely to experience expansion and defense growth (MX missile activity at Norton Air Force Base) are contributing factors.

The market also has an advantageous position as a central distribution center. Riverside, for example, stands at the convergence of three railroad lines and many major freeways intersect the area. During the economic downturn of the early 1980s, Riverside County actually increased the number of retail business establishments, adding 626 new businesses, and it also added 113 new plants or companies to the roster of manufacturers.

Ontario International Airport is already the third largest volume freight distribution airport in California, with 14 regularly scheduled carriers flying in and out in increasing numbers. Airport sources predict passenger traffic for 1983 will hit near 2.4 million for the best year in the facility's history.

Near-term growth in the market is expected to take place in western San Bernardino County, which has adopted a "pro-growth" attitude and is offering the availability of industrial development bonds and building grants. Most likely growth areas are the western communities of Ontario, Rancho Cucamonga, Fontana and Montclair, where the market's transportation assets all come together.

The western part of the market is the site of numerous future industrial and commercial developments, such as the Chevron Land & Development Co. Ontario International Center, located at the former Ontario Motor Speedway, and Ontario Industrial Partners' 1,350-acre Commerce Center just east of the airport.

But because the Interstate Hwy. 10 corridor between San Bernardino and Redlands is a more attractive place for executives to live, some economists say the area may have more potential for commercial and industrial growth than the Ontario Airport area. In comparing the east and west San Bernardino Valley, the airport is a key factor in stimulating land sales, but the east valley has the same cheap land, large parcels of it and good access to freeways.

Meanwhile, the era of steelmaking and auto racing, once two of the market's most notable activities, finally came to an end this year with shutdown of the last blast furnace at the Fontana mill of Kaiser Steel and demolition of the Ontario Motor Speedway, the so-called "Indy 500 of the West."

The Kaiser shutdown eliminated 700 jobs and yet another 2,000 employes are scheduled to be laid off by year's end.

Demolition of the 80,000-seat Ontario Motor Speedway, a site now owned by Chevron Land & Development Co. and where attendance was declining, began in July, a project that by the end of the year will leave the land ready for Chevron's planned $1-billion, 8 million-sq.-ft. commercial/light industrial/residential development. It's a project that's expected to add at least $12 million in annual revenue to the City of Ontario's operating budget.

The City of Riverside stands in the middle of the explosive growth taking shape in the market. The city and county are headquarters for such industrial companies as Bourns Inc., a leading manufacturer of critical measurement instruments; Fleetwood Enterprises, largest manufacturer of mobile homes and recreational vehicles in the U.S.; Butcher Boy Frozen Foods; the Moistomatic divison of the Toro Co., which manufactures sprinklers, and grocery wholesaler A.M. Lewis. The county's largest industrial employer is Rohr Industries with more than 2,000 employes. Rohr is one of the nation's largest manufacturers of aircraft engine pods and high-tech engine components for rocket and aircraft engines.

Riverside is also a vital part of the nation's defense operations. The Air Force command center for all bombers and missiles covering the western states and Pacific area operates out of March Air Force Base, the oldest field on the West Coast, covering 8,000 acres east of the city.

Media serving the market includes three major daily newspapers (plus spillover from neighboring Los Angeles) and 12 weeklies; four am and two fm radio stations; two tv stations and three tv cable services.

Sacramento, Cal.

Population '80	1,099,814
Rank	37
Est. income '82	$13,594,799,000

While other California cities have gone wild with high-technology growth industries, Sacramento may be developing into the biotechnological capital of the future. Already two major genetic engineering companies—Calgene and Plant Genetics—have moved into the Sacramento area, and experts point to the tremendous intellectual resource of the University of California at Davis, a nationwide leader in agricultural research, as a major lure to new biotech companies.

Although so far no biotech company has made money, venture capitalists are betting millions that current research will turn this into a multi-billion-dollar industry.

But by no means has Sacramento turned away from the high-tech companies. In fact, according to a Bank of America survey, Sacramento is the No. 1 market cited by Silicon Valley companies when it comes to discussing their expansion plans.

A proposed sports complex would include a stadium with a capacity of 55,000 and a 17,000-seat arena.

A group of investors, led by the current owners of the National Basketball Assn.'s Kansas City franchise, has proposed building the facility at no cost to the city, but construction depends on rezoning agricultural land in the northern part of Sacramento.

The new stadium, if approved, would pave the way for a major sports franchise to come into the Sacramento market.

Reasonable land costs have put the average price for an existing single family home at about $79,000 in 1983, which is $35,000 less than the California median house price and $42,750 less than the median for California's coastal metropolitan counties, according to the California Assn. of Realtors.

The tourist industry in Sacramento has taken a mighty leap. Once Sacramento, although historically interesting and the state's capital, was simply a stopping point for travelers on their way to Lake Tahoe or the Sierras. The lovely weather and many attractions of the area, however, brought in over 10 million tourists in 1983. Income from the tourist industry should reach $500 million this year, with projections of a 10% increase in 1984.

Traditionally, because government has been the largest employer in the region, with trade and services, the employment rate has been vary stable. In 1983, however, the unemployment rate hit a high of 11.5%, and although predictions call for a decline to about 9.9% in 1984, it is a result of the seasonal nature of the agricultural industry, which pushes the rate way up during the winter months.

On the industrial front, Hewlett-Packard has built the first of several plants that the company expects to construct in the community of Roseville. Currently about 1,000 employes are working there, but tentative plans include a future 500-acre complex that could employ up to 23,000 people.

One side development of the high-tech growth of Sacramento and the trend in recent years for city dwellers to move to more rural areas has been the development of a new planned community called Eaglecrest, in the Sierra foothills. According to the economic report by the Bank of America, this may be a glimpse of the future.

Eaglecrest "is designed to create a self-contained community of electronic cottages in the midst of a mountain forest." Each house would be connected by cable so that computer communications between homes and offices would be possible. High-tech workers would have a homework station for "telecommuting" to work. According to the report, if telecommuting catches on, electronic cottages will offer more people the opportunity to live in rural environments while holding well paid professional and technological positions.

Interestingly enough, Sacramento, for all its high-tech look, still has minimal cable tv access. The city reportedly had a difficult time deciding on a cable contractor and now is having a hard time coming up with a contract. Thus cable tv is a minor factor.

The two major newspapers in town are the *Sacramento Union* and the *Sacramento Bee*, both morning dailies. Also, there are five tv stations and a multitude of both am and fm stations. Although local media is not much influenced by San Francisco, the major am stations with large Sacramento audiences are San Francisco-based.

San Diego, Cal.

Population '80	1,861,846
Rank	18
Est. income '82	$21,788,162,000

One way of looking at San Diego is to walk along the ocean side and the bay side of Mission Beach, with a few twists and turns up and down the alleys and narrow sidewalks of this four-mile spit of land between the Pacific and Mission Bay.

Fifteen years ago, Mission was a funky place to live, populated largely by hippies and others trying to make the rent while figuring out what to do with their lives. The landmark Belmont Park roller coaster, in a state of near collapse, was shutting down. Hardly anyone ever wore shoes.

Today, Mission Beach is cute, trendy, in a seemingly constant state of renovation, filled with upwardly mobile young couples with young children—and it's expensive. Even the old roller coaster is being restored. On Sundays, the whole length of Mission Beach is alive with runners, joggers, cyclists and tv sets blaring the San

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Golden Gate slowly opens to gay market

By Lynn Berling-Manuel

The San Francisco gay market is coming out of the closet, and business is sitting up and taking notice.

Although there are no "official" data on the percentage of gay people in San Francisco, estimates put it at anywhere from 10% to 20% of the population and higher. But demographics are hard to come by because it is a market segment that crosses all economic levels, social strata, occupations and races.

And although San Francisco may be more upfront and accepting of its gay population than many areas of the country, there are still many gay men and women not excited about identifying themselves.

"Actually, the National Gay Business Assn. is right now looking at a proposal to implement a national marketing study," said Roger Gross, president of the Golden Gate Business Assn. (GGBA), an organization of gay-owned businesses and businesses sympathetic to the gay community.

With more than 700 San Francisco Bay Area businesses within its membership, including some "straight" companies—Crocker Bank, Hibernia Bank and Hyatt Regency Hotel, for instance—the GGBA has become the leading advocacy organization for gay business in San Francisco.

"We're being identified as an entree for business organizations in San Francisco that want to reach the gay market," said Mr. Gross, a practicing local attorney. And there seems to be little doubt of the potential clout of the gay market when mobilized.

Atlas Savings & Loan opened its doors two years ago in the heart of San Francisco's predominately gay Castro Street district. Its advertising and marketing program targeted the gay community specifically, and it has identified itself as a gay institution. And since it opened its doors, it has broken virtually every industry record, going from zero assets on opening day to $80 million two years later.

"Most traditional banks are pleased if they can show $1 million to $2 million in assets after the first year," said Todd King, now manager of Crocker Bank's Castro district branch, but who was hired away by Crocker from Atlas.

Peter Frisch, publisher of *The Advocate*, a national gay newspaper with 83,000 subscribers, confirms the gay market's loyalty to brands and products that have targeted that market. "Our national accounts are coming to realize that, for example, if one of our readers has a choice of several comparable brands of gin and one advertises with us, our gay reader will go out of his way to buy that brand," Mr. Frisch said.

In fact, national advertising accounts have begun to identify the gay market as a viable segment. Besides *The Advocate*, which has more than 17,000 subscribers in the San Francisco Bay Area, the *Bay Area Reporter*, a 14-year-old gay newspaper with 28,500 circulation in and around San Francisco, has also seen such a breakthrough.

"We've certainly had success with certain kinds of companies and products," says Bob Ross, the paper's publisher. Alcoholic beverages, hospital plans and "growing companies" have been key accounts for the *Reporter*, he says.

The Advocate has just received the results of its 1983 readership survey, as conducted by the Simmons Market Research Bureau, and the findings are revealing. Because a large percentage of its readership is in San Francisco, all categories were broken down for San Francisco, as well as its other primary markets. (San Francisco is actually *The Advocate's* third largest circulation area, with 17,000, after New York and Los Angeles.)

The median household income is $42,600 per year for its San Francisco readership, about $8,000 a year higher than its over-all readership. More than half (56.6%) are managerial/professional, 96.2% are employed and 57.5% are college graduates (15.3% have master's degrees and 10% have doctorates).

Another telling point is that the average household size is 2.1 persons, and this explains much of the lucrative potential of the gay market. The trend appears to indicate that often a household is composed of two working people, usually with no children, thus a much higher level of disposable income is available.

But it is not wise to stereotype this market too much. In many cases, as noted by several people interviewed, it's become more common for other family members, such as an aging parent, to move in with a gay son or daughter. Because there are usually no children involved, there can be more flexibility.

The Advocate has targeted three areas for its 1984 advertising sales plans: Personal computers, videocassette recorders and travel. The reason is clear from its survey data, according to Mr. Frisch: Of its readers, 44.2% own a vcr and 36% intend to buy one; 12.5% own a personal computer and 20.4% plan to acquire one. On the travel side, 20% had taken five or more trips in the last 12 months.

But even within the gay market, there are segments.

"We're seeing the emergence in the last three years or so of a distinct gay women's market," notes David Lopez of the San Francisco Chamber of Commerce.

Mr. King, the Crocker Bank manager, concurs. "My experience has been gay women are much more conscientious about their personal finances than gay men. The point is you just can't group everybody together," he says.

There are some pitfalls for products and businesses looking at the gay market. "There can be real resentment, if it's thought that a business has approached the gay market simply for speculative reasons," points out Mr. King. "On the other hand, gays can almost blindly support a business because it bills itself as gay, and a lot of people have been ripped off because of it."

The Castro district's "battle of the banks," as its been dubbed by some of the GGBA members, is an interesting look at companies trying to find a position they're comfortable with in the gay market.

There are six banks or savings and loans within a three block area in the Castro, including Atlas, Crocker, Bank of America and Hibernia, with Atlas apparently king of the hill. It's approach has been to clearly position itself as a gay bank.

Crocker opened its doors in January, 1983. The Castro area was an untested market, but there had been speculation on just how successful a bank in the gay neighborhood might be. So far, virtually all of its advertising has been in gay-oriented media and so far, according to Mr. King, probably 75% of the bank's clientele is gay.

The Crocker powers that be, however, couldn't quite commit themselves to naming the bank the Castro branch, which would have clearly labeled it as a gay neighborhood bank; it pulled up short and named it the Market-Noe Street branch, two nearby cross streets, but not anything that would connote a gay neighborhood.

Still, old ways die hard. There is still great sensitivity about marketing by sexual preference, but like the targeting of blacks or Hispanics, the gay market expects to have an impact.

The closet door will never be shut again.

Lynn Berling-Manuel is a free lance writer in Oakland, Cal.

Diego Chargers football game. There are still a few junkers and modest cars around, and there are still a few "summer rental" signs, but for the most part Mission Beach has become upscale and rather serious about itself.

It represents a facet of San Diego that hasn't yet shown up clearly—that it's a young market moving up rapidly in several business areas.

The market still relies heavily on tourism, but not quite as much as in the past. The only recurring graffiti theme noted in the beach areas is "Tourists Stay Out," or words to that effect. According to the San Diego *Union* and *Tribune*, the tourist business in San Diego had its weakest year in a decade during 1982, when visitors dropped 0.8% from the 1981 level. The nationwide economic recession was blamed.

The San Diego Zoo and Sea World reported attendance decreases in 1982 of 1% and 9.3%, respectively. Business from Tijuana and elsewhere in Mexico was down 6.6% from 1981. This was mainly because of two major peso devaluations during the year. More recently, the peso was devalued again, and the Mexican banks were nationalized, meaning Mexicans and U.S. citizens living in Baja California could visit and shop in San Diego only by exchanging their pesos on the U.S. side at tremendous losses.

Department store sales during 1982 were 12.9% below 1981 in the city and down 9.7% in San Diego County. But business in the beach areas, La Jolla, Del Mar and other communities in the northern part of the market is reported to be keeping pace with past years and growing in several areas primarily retail, including fashion boutiques and restaurants.

This reflects a shift in which housing in these areas is becoming far more for permanent living than for summer vacationers—which in turn reflects the growth in the market of high-tech industries and the relocation of older, established companies. Examples are Signal Cos. (Mack Trucks among its many subsidiaries), which moved its headquarters to the La Jolla area from Beverly Hills, and Wickes Corp. Another is Lexocorp, which has consolidated Los Angeles and Orange County operations in San Diego and is challenging the giants of the computer and word processor industry with a standard electronic typewriter/computer/word processor hookup system.

A recent Office Products and Systems Show at the San Diego Convention and Performing Arts Center had more than 30 San Diego-based exhibitors in computer, word processing and related fields.

Personnel staffing these and other new high-tech and light industry companies come from a population that has grown an average of 3% a year over the past 12 years. The average age as of 1980 was a surprisingly low 28.8, and most of the increase in population (from 1,357,854 in 1970 to 1,861,846 in 1980) was in the 25-to-34 age group.

The market in general didn't sparkle quite so much as its affluent enclaves. Total "civilian" employment was down 1.5% from 1981. "Civilian" is a word used often in San Diego because of its large military population. Government accounted for 20.7% of employment in the market in 1982 and was the third largest employment sector in the market behind services and wholesale and retail trade.

San Diego is a big college market, with 11 separate colleges and universities and eight community colleges. Total enrollment as of 1982 was more than 170,000, including 44,212 in community colleges and 31,265 at San Diego State University. The population, as of the 1980 U.S. Census, also included nearly 200,000 retired people, or at least people over the age of 65.

The shopping center boom in San Diego—from four in 1955 to 193 as of 1982 figures—is helped by the area being so spread out. It takes in 4,261 square miles. There is also income, at last count estimated at an average of $19,501. County sources said it would be safe to speculate that that has gone up considerably since 1980.

According to Copley Newspapers, San Diego ranked fifth in total personal income among the major markets as of 1982 and fourth in income growth from 1980 to 1981.

Like many other markets, San Diego has discovered the charm of its older sections and is making a spirited effort to restore them and clear the way for private developers to play a major role. The main restoration—"renaissance" as local leaders put it—is taking place in downtown San Diego and along the formerly commercial and semiblighted main waterfront.

The San Diego market has two daily newspapers—Copley's morning *Union* and afternoon *Tribune*—plus affiliates of the three major tv networks, one independent tv station, a public tv station and 35 channels available on cable. More than 40 radio stations reach the market from local facilities and from Orange County, Los Angeles and Mexico. There are more than 100 weekly newspapers in the market.

San Francisco, Cal.

Population '80	1,428,836
Rank	27
Est. income '82	$23,008,390,000

San Francisco has been a city without cable cars for almost 20 months, but come June, 1984, the legendary transportation system should be climbing halfway to the stars once again.

The $58.2 million project is scheduled for completion June 1, in time for the Democratic convention, which opens July 16 in the city's Moscone Convention Center. A total of 30,000 people are expected to be in town for the event, including delegates, alternates, guests and media personnel. The same month, San Francisco is scheduled to be the host of the Lions Club international convention, which will be as big or bigger than the Democrats' gathering.

The tourist industry is San Franciso's No. 1 revenue producer and for the fourth year, that business has been flat. Although figures for 1983 are not compiled yet, 1982 was down 8% from 1981, and San Francisco Convention and Visitors Bureau estimates for 1983 indicate that there might be some growth, but not much.

But San Francisco is holding its breath for 1984, which brings not only the Democrats and Lions Club, but the Major League Baseball All-Star Game, and the city is predicting that many of the half-million sports enthusiasts pouring into Los Angeles for the Olympics will include San Francisco on their vacation itineraries.

The catalyst for much of the convention business that's expected in San Francisco is the $126 million George R. Moscone Convention Center, which opened in December, 1981, on an 11-acre site. Plans call for the 21-acre Yerba Buena redevelopment complex that houses the Moscone complex to be encircled by a bevy of hotels now under construction or in the planning stages. An 1,800-room Marriott hotel is scheduled for completion in 1987 and a 1,033-room Ramada Renaissance is slated to open nearby in May, 1984.

In all, nine hotels are projected to be built near the center by 1987, with three additional hotels planned for construction near the San Francisco International Airport.

With prime land going for hotels and office buildings, and the general trend to downzone many other desirable areas of the city, housing has become a problem of both fabulous cost and limited quantity. Rents for the smallest apartment in the least desirable area of town begin at about $400.

One trend that has had a major impact on San Francisco housing is the movement of gay professional and managerial people into the old neighborhoods, where they are buying up the old Victorian homes and turning them into architectural and design showpieces.

Neighborhoods that were once predominately black and Chicano are now populated by wealthy and white upper class gays. The quality of the neighborhoods has improved, but lower-price housing has simply vanished from the city limits.

The affluent-scale market is also served by an endless array of boutiques, gourmet shops and restaurants.

"The side effect of this is that the business community is leaping into the old neighborhoods like North Beach and Chinatown," noted Donald White, business editor of the *San Francisco Chronicle*. These were traditionally ethnic, family-oriented neighborhoods, but housing is rapidly turning into office space and restaurants, and the homes and lower-income hotels are being pushed out.

The movement of people to outside of the San Francisco market, meanwhile, has created a tremendous commuting and parking problem.

Currently, the office vacancy rate is a mere 5%, and prime space is very high. Thus, few new companies are moving their headquarters or corporate offices into San Francisco. But it is still a premier location for corporations such as Levi Strauss & Co., Standard Oil of California, Crown Zellerbach and Foremost-McKesson.

One major new project proposed in 1983 is a new domed stadium to be built in the Cina Basic district of San Francisco, a light industry area. If the plan is approved, this area would provide optimum locations for shopping, high income apartments and office buildings.

The impetus for the new stadium is the San Francisco Giants baseball team, which has made it clear to the city fathers that if a domed facility cannot be built, it plans to move its franchise elsewhere at the end of its contract period. The team plays at Candlestick Park, an outdoor stadium famous for being the coldest and windiest location for a major league baseball game.

If the new stadium is approved and constructed, Candlestick would probably be torn down, at an estimated cost of $10 million, to make way for low-income housing.

The city has two major dailies, the morning *Chronicle* and the afternoon *Examiner*. The market is served by three network tv affiliates, two major independents and one public broadcasting station. It has 11 am and 20 fm radio stations. It is also served by one cable system.

San Jose, Cal.

Population '80	1,295,071
Rank	30
Est. income '82	$19,958,376,000

The San Jose market is one thing: Rich with a capital R.

This market of 13 different communities, all linked by the computer and high-tech industries, has the highest median income in California, the second largest proportion of personal investors in the nation (next to Stamford, Conn.) and a business founded firmly on the silicon chip. Silicon Valley, as it has been dubbed, has seen a decade of growth virtually unparalleled in American business history, and expansion is the byword.

But that same expansion and growth has put a premium price tag on all land in the market. Marriott's Great America, a popular local theme park in Santa Clara, will be sold in 1984. Developers made the Marriott Corp. an offer it seemingly couldn't refuse when they bid $900,000 per acre on the park's land, bringing the total price to about $80 million. But according to Jim Tucker, executive director of the San Jose Economic Development Office, industrial land throughout the region is approaching that same $900,000-per-acre price.

And the prices of land and the rapid industrial growth have made San Jose a victim of both a limited supply and high prices of housing. Prices for existing homes are about double the national median price. In most parts of the country $100,000 will buy you a showplace, but in San Jose it will buy you a starter home, or maybe a nice "fixer-upper." The housing shortage is attributed not only to the declining availability of land, but also to increasing restrictions on development in an effort to control "the quality of life."

Because of the very high housing costs, many people have moved out of the area and commute, with resulting traffic jams that rival Los Angeles at rush hour. But, according to Mr. Tucker, transportation planners in the area are "euphoric" about the new Guadalupe Corridor, a combination light rail and expressway system for which state and federal sources have approved funding. The $400 million project would be completed in phases, with construction beginning in 1984 and completion set for 1989.

The computer industry, meanwhile, has seen changes of its own. Semiconductor companies, after difficulties, are recovering. Currently, the San Jose market produces 34% of the nation's semiconductors, with sales up 15% in 1983 and a projected increase of an additional 24% in 1984.

Unemployment has dropped from a high of 8.1% in 1982, during the height of the recession, to 6.9% this September. Much of the unemployment stemmed from layoffs in the semiconductor industry.

Economic developments are happening outside the computer industry as well. In May, the San Jose City Council opened Coyote Valley, an 18,000-acre site that's being transformed from agricultural land to industry. Controversy has surrounded the Coyote Valley development. Some partisans have pointed to delays in the project as evidence of a "no-growth" attitude by the city.

The area's $120-million-a-year agricultural industry continues apace. But rather than the orchards of a decade ago—San Jose was once known as the prune capital of the world—high cash crops that can be grown on small pieces of land form the base of production. Garlic, mushrooms and other "gourmet" high-profit crops are the most common.

In 1983, three area canneries closed because, between the demise of the big crops and the cost of land, they found more suitable locations.

The automobile industry, which once employed nearly 10,000 people in Santa Clara County, basically left the area this year when the Ford plant in Milpitas closed its doors.

The San Jose market also boasts the greatest concentration of venture capital investments in the U.S. According to 1983 Regional Perspectives on Santa Clara County, published by the Bank of America, of the $7.2 billion in venture capital now invested in the U.S., more than one-third is in California and more than half of California's share has gone to companies in the San Jose market.

The three major reasons, according to the report, include a concentration of talent, past successes and a competitive, knowledgeable banking community. In 1983 and 1984, close to 100 companies will receive infusions of venture capital, and along with the growth and investment of the last 10 years, this is the foundation for the "continued economic prosperity" of this tremendously wealthy market.

The market, covered by spillover from the San Francisco market, has one network tv affiliate and four independents of its own. The two major daily newspapers in the market are the morning *San Jose Mercury* and afternoon *San Jose News* editions (they combine editions on Sunday), as well as the *Peninsula Times-Tribune* in Palo Alto. There is also a weekly business paper, *Business Journal—San Jose*, which was launched in mid-1983. The market has six am and seven fm radio stations. It has two cable services.

Seattle, Wash.

Population '80	1,607,469
Rank	23
Est. income '82	$18,824,832,000

It's clear Seattle has been in a recession—a reduced rate of layoffs at Boeing Co. passes for "good" economic news here these days. And as Boeing goes, so goes much of Seattle.

After nearly three years of major reduction, employment at Boeing seems to be leveling off. The payroll at the area's largest employer stands at about 58,000, down 13% this year and off nearly 30% from the record high in December, 1980. But earlier estimates that employment in the state's aerospace industry would fall 11% in 1984 and a further 4% in 1985 have been revised, and many local experts now call for layoffs to bottom out by the end of this year or early 1984.

Another indicator of stability is that the number of orders for new Boeing airplanes announced from July 1 through September exceeded the total for the first half of the year; by the end of last month, the value of this year's orders had surpassed that for all of last year.

The upturn at Boeing is only one hopeful sign for the Puget Sound region. The rate of unemployment in Washington state fell from 10.4% in June to 9.9% in August, marking the first time the indicator has been below 10% in two years. The rate of unemployment in Seattle remained even at 9.3% in large part because more than 7,100 workers in major industries were on strike. But a year ago the rate in the city stood at 10.5%, and nearly 10,000 more people from a smaller workforce were without jobs.

Although Seattle has lost 2,192 residents since the 1980 Census, its suburbs and neighboring cities continue to grow. Of the 154,519 people who have moved into Washington state since 1980, a total of 74.6% have come to the Puget Sound region.

It is not surprising then that housing is perhaps the most dramatic indicator of Seattle's improving economy. The number of building permits issued in King County by October was more than double last year's total figure, and banks in the area issued 5,638 mortgages in August, compared with just 3,469 in the same month a year ago.

Although 47.6% of the housing units in the city limits are rentals, vacancy rates have fallen dramatically in the last six months. In the city of Seattle the vacancy rate was just 4%, but the greatest improvement was evident in the suburbs, where rates have been cut nearly in half in the last six months, from the middle teens to single digits.

Commercial developers appear particularly optimistic. Although recently the office vacancy rate has ranged from about 9% in Seattle to around 20% in suburban office centers to the east, developers have invested in three office towers that will add a total of 3 million sq. ft. of space in Seattle between now and early 1985. First Interstate Bank of Washington recently opened a 48-story tower, the first of the new buildings to be finished. The state has begun to work on a $100 million convention center that will straddle Interstate Hwy. 5, which runs through the city just east of the business district.

A considerable amount of renovation continues along Seattle's waterfront, much of it undertaken by the Cornerstone Development Corp., in which the Weyerhaeuser Co. is a major partner. Many of the projects combine retail and office space with condominiums and apartments.

In the past four years, 2,500 hotel rooms have been added here, and the number of airlines serving the Far East from the Henry M. Jackson International Airport (formerly Sea-Tac International) doubled to four last spring, when United Airlines and Japan Air Lines began daily service to Tokyo and Hong Kong. Plans call for Seattle to host a convention of travel agents and tour operators from all over the world next summer, part of the city's growing effort to become a major tourist destination.

In addition, civic leaders continue working to improve trade with China and Japan, as the Port of Seattle battles to remain among the top three container shipping terminals on the Pacific Coast.

The media in Seattle have been making front-page news themselves recently. A long legal battle over a joint operating agreement between the *Seattle Times* and the *Seattle Post-Intelligencer*, the city's two major dailies, finally ended Oct. 11 when the U.S. Supreme Court refused to review a lower court's ruling that the arrangement could stand. The joint operating agreement allows the two papers to merge all but their editorial departments. The Hearst Co.'s *P-I*, classified a "failing newspaper" under the Newspaper Preservation Act of 1970, had long run far behind the *Times*, owned by Seattle's Blethen family and Knight-Ridder Newspapers, in circulation and advertising sales.

Seattle is home to three network affiliates, a Public Broadcasting Service station owned by the University of Washington and two cable operators. Two independent stations with headquarters in Tacoma also broadcast here. About 20 commercial radio stations, half of them fm, call Seattle home.

A number of neighborhood papers and suburban dailies supplement Seattle's major media. *The Weekly*, a news magazine, and *Pacific Northwest Magazine*, a regional monthly, also are based here.

Tacoma, Wash.

Population '80	485,643
Rank	87
Est. income '82	$4,297,993,000

Tacoma suddenly seems to be a new city. A number of ambitious civic projects have been completed in the last year, and when they are considered with the city's recent commercial successes, the triumphs suggested that Tacoma finally has reason to get over its feelings of inferiority to Seattle, only 30 miles north.

The most visible symbol of Tacoma's new look is the huge Tacoma Dome, a multipurpose arena that opened last April. Made of wood, the dome's blue roof rises next to the freeway on the city's east side in what was recently a rundown neighborhood. Comparisons with the taller Seattle Kingdome are inevitable, but Mike Gebauer, manager of the city-owned facility, insists the Tacoma Dome isn't a stadium, although it can accommodate every sport except baseball and swimming. He prefers to call the dome an "arena," pointing out that an adjoining convention center provides ample exhibition space for trade shows and that sophisticated sound and video systems make the dome ideal for concerts. Indeed, the arena already has played host to everything from the Billy Graham Crusade to a concert by David Bowie. This season, the Seattle SuperSonics basketball team will play several home games under the dome's wooden beams.

This fall the city also opened the Pantages Theater, once a vaudeville house, now a performing arts center that was remodeled at a cost of $4.5 million. The Pantages is a part of a new downtown that includes a renovated train station and a marina.

Tacoma's biggest business coup over the last several years undoubtedly was luring Sea-Land, one of the world's largest container shipping companies, to a new terminal at its fast-growing port on Commencement Bay. Sea-Land was the Port of Seattle's best customer, accounting for 12% of $1.9 million of the agency's marine revenues, and one-third of Seattle's container shipping volume. Tacoma had to promise $30 million in improvements to bring Sea-Land to the undeveloped site, but when Sea-Land completes the move in 1984, about 2,000 jobs and a $27 million annual payroll will sail the city's way. The port also is developing a $15 million world trade center that will include 140,000 sq. ft. of space for a variety of businesses on the waterfront, including Sea-Land. The first part of the center is scheduled to open in May, 1985. Tacoma's bread and butter employers continue to be Weyerhauser and Tacoma Boatbuilding, a large shipyard.

Tacoma Boat, in the headlines recently because of a strike and changes in top management, has rehired the 2,200 workers it fired during the walkout.

Weyerhaeuser is recovering from what chairman George Weyerhaeuser often refers to as the "worst forest products industry depression since the 1930s." In 1979, at the height of the last building boom, Weyerhaeuser earned $511.6 million, or over $4 a share. Earnings plunged to $277.9 million in 1980, and fell all the way to $168.9 million, or 90 cents a share, in 1982. The company undertook a major reorganization, cutting overhead by about $150 million a year and reducing its salaried work force by 20%, but analysts expect Weyerhaeuser's earnings to pick up this year.

These improvements have not yet translated into a booming economy in Tacoma, however. In August, the rate of unemployment in the city stood at 11.1%, down from the 11.5% in July and 12.3% a year earlier, but still significantly higher than in Seattle.

Bordering the city are two big military bases. More than 29,000 active duty personnel are assigned to McChord Air Force Base and Ft. Lewis; another 49,555 dependents live on and off base. Their influence is hard to calculate, but while Seattle, Everett and other cities to the north have experienced wild fluctations in vacancy rates over the past year, and even greater swings in other indicators such as building permits and new construction, Tacoma's numbers have remained almost unchanged.

Tacoma's major media include the daily *Tacoma News Tribune* and the *Pierce County Herald* (published three times a week). The city has 10 radio stations; five of them are fm, including one public radio station operated by Pacific Lutheran University. Two independent tv stations are headquartered here; network programing comes from affiliates in Seattle.

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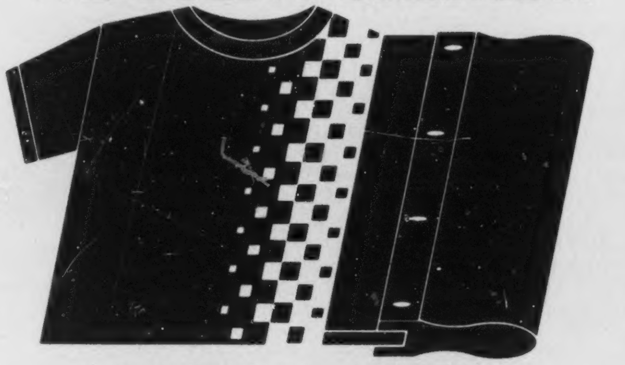

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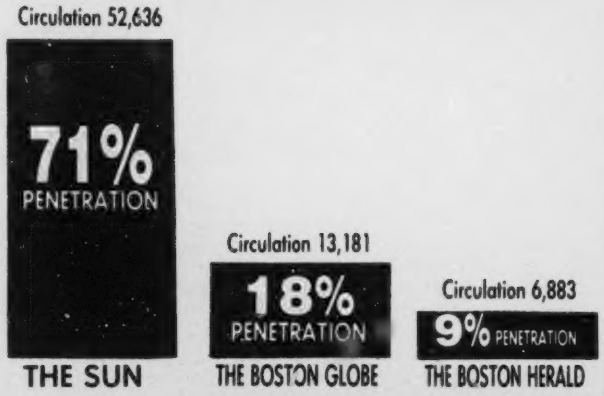

(Source: 1982 ABC Audits)

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Cameras top paper ad gains

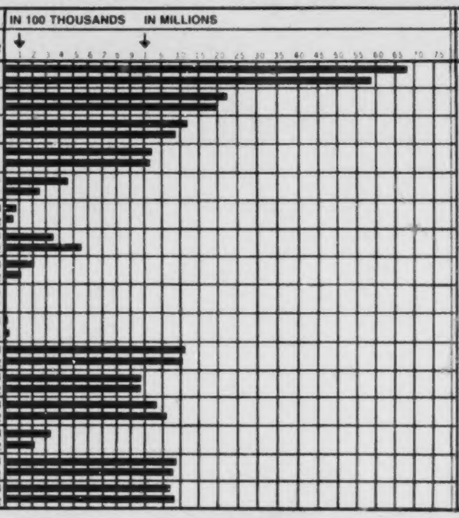
New York—Advertising spending in newspapers increased in 11 of 16 measured categories in September, according to figures compiled by Media Records.

The biggest gains were shown by cameras and photo supplies, up 83%, to $473,800; cosmetics, makeup and manicure products, up 66%, to $333,200; soaps and cleansers, up 48%, to $207,300, and alcoholic beverages, up 37%, to $2.7 million.

Declines in year-to-year spending figures for the month were recorded by headache remedies and sedatives, down 95%, to $1,800; soft drinks, down 39%, to $343,400, and cigarets, down 36%, to $3.8 million.

This Flash Report of newspaper ad investment is compiled for Advertising Age by Media Records from tabulations of 35 dailies and 24 Sunday editions in 15 cities.#

FLASH REPORT: Newspaper advertising investment for September



September 1983		DOLLARS		CHANGE	
CATEGORIES	YEAR	1983	1982	ACTUAL $ G OR L	% G OR L
Department stores	1983 1982	$68,705,599	$58,641,468	+10,064,131	+17.2
Food stores	1983 1982	22,844,766	20,290,465	+2,554,301	+12.6
Radio, tv, phonographs, records	1983 1982	12,059,338	8,970,548	+3,088,790	+34.4
Alcoholic beverages	1983 1982	2,658,435	1,940,417	+718,018	+37.0
Cameras, photo supplies & services	1983 1982	473,770	258,498	+215,272	+83.3
Beverages: coffee and tea	1983 1982	98,028	90,127	-7,901	+8.8
Beverages: soft drinks, diet/non diet	1983 1982	343,402	561,093	-217,691	-38.8
Soaps, cleansers & polishes	1983 1982	207,272	139,937	+67,335	+48.1
Cold, cough & sinus remedies	1983 1982	0	0	0	0
Headache remedies & sedatives	1983 1982	1,836	35,299	-33,463	-94.8
Publishing & media	1983 1982	11,034,385	10,187,227	+847,158	+8.3
Sporting & Leisure time equipment	1983 1982	984,514	983,296	+1,218	+0.1
Cigarettes	1983 1982	3,850,075	6,030,188	-2,180,113	-36.2
Cosmetics, makeup & manicure products	1983 1982	333,180	200,774	+132,406	+65.9
Airlines	1983 1982	9,762,294	8,425,400	+1,336,894	+15.9
Passenger cars-new	1983 1982	7,914,097	9,556,504	-1,642,407	-17.2

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington.#

Source: Media Records Inc.

Olympic eagle hitting the road

Chicago—A joint promotion by Olympic Games sponsors Budget Rent a Car Corp. and Southland Corp. (7-Eleven) is taking the Games' official mascot on a 50,000-mile trip around the country.

A costumed "Sam, the Olympic Eagle" began the 10-month tour last week in Bangor, Me., with appearances at 7-Eleven stores in the area.

Traveling in a specially equipped Ford truck supplied by Budget, Sam and his entourage will visit all 48 contiguous states before ending the promotional swing July 28, 1984, in Los Angeles for the Summer Games' opening ceremonies.

Providing transportation for Sam is Budget's second Olympics-related joint promotion. Earlier this year, car-rental customers were offered an Olympic warmup suit (manufactured by Games sponsor Levi Strauss & Co.) for half the retail cost (AA, Oct. 10).

Children will get to have their pictures taken with Sam during the 7-Eleven appearances and will be given a "1984 Olympic Games Fun Book" with games and puzzles.

While the children's book clearly announces it is provided courtesy of Budget and Southland, restrictions against use of the Olympic mascot for "overtly commercial purposes" preclude advertisements by the companies within it.

Similarly, neither company will use Sam in print or broadcast advertising.

The benefits for Southland are obvious, but the promotion fits Budget's interests as well. A company spokeswoman explained that with its large number of off-airport, neighborhood locations, Budget has sought greater visibility for the truck-rental side of its business. A Budget truck will be sitting in the parking lot at each 7-Eleven Sam visits.

Also, Budget next year will sponsor a pro-stock drag racer on the National Hot Rod Assn. circuit.

The Budget logo will appear on both the car itself and the trucks that carry car and crew from race to race.#

Clairol offering Jazzing

New York—Clairol is introducing Jazzing, a new semipermanent salon hair-coloring line, which will be handled by Wiseltier & J.A. Handman Ltd.

The agency also is responsible for creating new-image print advertising for the professional products division, which will be appearing in consumer and trade publications.

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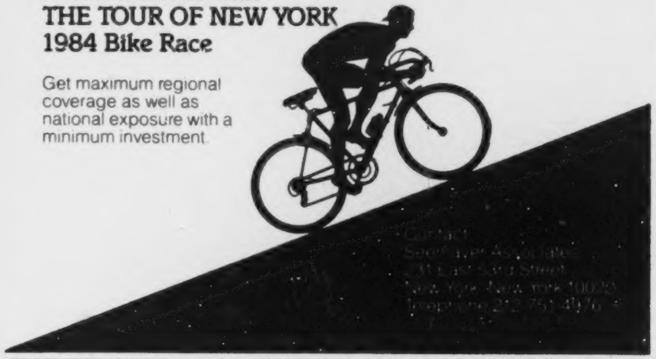

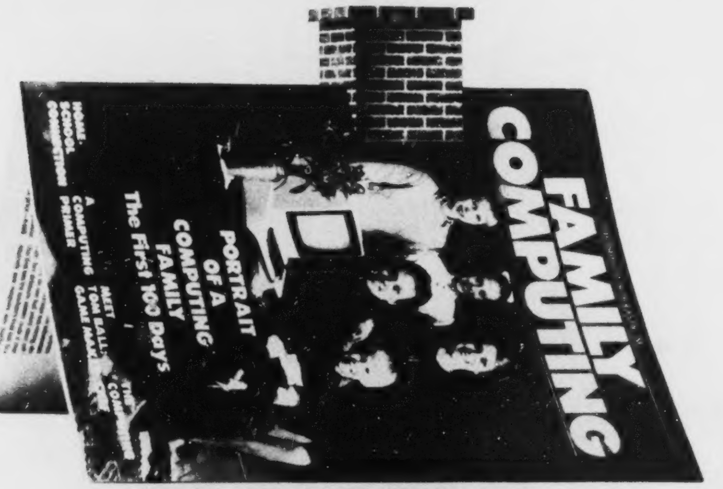
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12/14/83
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The $10,000-a-word commercial - Magazine

That's entertainment marketing - Special report

Japanese beating P&G in diapers - International section

Advertising Age

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$1.25 a copy; $50 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *December 12, 1983*

Plymouth Voyager: A whole new way to get around.
Voyager seats 5 with plenty of carrying space
It's 3 feet shorter than a big wagon. Garaging is simple
With rack and pinion steering, it parks like magic
Or, would you believe, an option for 7.
Voyager is designed for easy, graceful entrances and exits.
Front wheel drive keeps it going through snow and wet spots.
With 2 passengers, Voyager has more carrying space than a big conventional wagon: 129 cubic feet.
The Ins and Outs of Voyager are unbelievably versatile
Would you believe it handles like a car? Believe it!
Voyager: America's most versatile wagon.
Would you believe the mileage? 37 24
A little magic goes a long way
Would you believe a 5 year or 50,000 mile Protection Plan?
You won't need Magic to own one
Plymouth. Best built. Best backed.

In addition to some unusual promotions, Chrysler Corp. will run print ads for the Plymouth Voyager that include the line, "You have to see it to believe it." The campaign was created by Kenyon & Eckhardt.

Chrysler aims minivan promos at women, via shopping malls

By JESSE SNYDER

ATLANTA—Chrysler Corp. will turn to some offbeat methods to market offbeat vehicles—the new Dodge Caravan and Plymouth Voyager minivans.

The official January introduction of the small, front-wheel-drive van-station wagon will be backed by a heavy conventional advertising campaign. Early teaser ads break in print Dec. 19 and on tv Dec. 24, to build awareness, and the first-quarter blitz starts the first week in January.

But Chrysler will unleash a series of promotions aimed at getting nontraditional Plymouth and Dodge buyers behind the wheel. They range from a shopping mall test-drive program to a Kellogg's cereal sweepstakes. Women are prime targets because the seven-passenger wagons are family-oriented, and Chrysler executives believe women will make or influence a majority of the purchases.

Mr. Campana would not reveal spending, but said the vehicle will get Chrysler's biggest push of the 1984 model year.

The heavy initial tv schedule, which begins on the

(Continued on Page 70)

P&G slates cable ad hike

By MAURINE CHRISTOPHER

NEW YORK—Procter & Gamble is poised to give cable tv a big shot in the arm, with reports indicating its spending in the medium will more than double next year.

One report circulating here is that P&G, the largest national advertiser and widely regarded as a trendsetter, is calling for a specific percentage of its over-all tv ad budget to be allocated to wired tv for brands using the medium.

P&G confirms that its cable spending is increasing, but would not acknowledge a revamped policy on cable or that it will specify a percentage *(see earlier story on Page 12).*

Sources suggest that the Cincinnati company will aim for a spending level substantial enough to compensate for the fact that cable homes are considerably more difficult to reach with conventional network tv shows than are non-cable homes.

Eldridge Plowden, P&G cable ad manager, would not comment on a report that its future strategy calls for cable to be included from the early brand-planning stages in the over-all budgets of most advertised brands at a level of about 5.6%.

A P&G spokeswoman said that cable is getting regular consideration in budgeting already, and that most of the company's 65 advertised brands are using it. Brands not using catv currently are Dash,

(Continued on Page 69)

Y&R, Dentsu set venture revamp

TOKYO—The international joint venture of Dentsu and Young & Rubicam is slated to change dramatically this week, sources say.

To improve the agency's potential for growth and to position it separately from its parents, Dentsu and Y&R officials are giving the agency its own chairman and president for the first time and renaming it, these sources contend.

The new chairman will be Alexander Brody, formerly Y&R's international president before becoming a consultant last January, and the new president will be a high official of Dentsu.

Up until the change, a four-person steering committee made up of equal representatives from the two agencies has been running the

(Continued on Page 66)

last minute news

Zila to introduce herpes-relief ointment

LAS VEGAS—Zila Pharmaceuticals plans to introduce Zilactin, an ointment that claims "treatment for symptomatic relief of herpes virus infections," in at least five western states by the end of the month. The company has named Sullivan & Brugnatelli, New York, to handle Zilactin and other drugs that will be introduced by mid-1984.

NBC wins Magid news consultancy from ABC

LOS ANGELES—NBC-TV has hired Frank Magid Associates, an influential tv news consultancy, away from ABC. Frank Magid is expected to head a team that will check in at NBC News in January, after his company's contract with ABC expires. Mr. Magid said talks are under way for his company to consult ABC stations in Detroit and San Francisco.

(Continued on Page 8)

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New Rondelle Labs unit readies laxative

Johnson tests 2nd lotion

By PAT SLOAN

S.C. Johnson & Son is testing new Curel skincare lotion in Tucson as a possible entry into the therapeutic segment of the estimated $500 million hand and body lotion market.

The effort comes just as the company gets ready to make its first move into the over-the-counter drug business (AA, May 24, '82).

According to sources, Johnson's new Rondelle Laboratories will launch its first such product within the next few months, possibly a laxative.

Curel, although from the personal care division, could be considered a bridge product between personal care and otc because it's a therapeutic entry. It would compete with Westwood Pharmaceuticals' Keri lotion, and in fact takes on Keri through direct comparisons in advertising created by Foote, Cone & Belding.

Ads also state that "seven out of 10 consumers prefer Curel to the leading therapeutic lotion."

It is no secret that the personal care division at the Racine, Wis.-based company has produced few success stories in recent years, and it could use a winner.

In 1982, Johnson withdrew Achieve conditioning shampoo from test market. Enhance, a shampoo and conditioning system, has never really caught on in its shampoo form and as a conditioner lost ground after initial success, dropping from close to a 5% market share to less than 3%.

Soft Sense, a skin lotion introduced in 1981 with an ad campaign that emphasized "All you feel is soft," was on target with a 7% share by 1982, according to the company, although competitors maintain it never achieved original share goals and has been declining since.

Chuck Goldthwaite, personal care division general manager and a former Chesebrough-Pond's executive who worked on Vaseline Intensive Care, the No. 1 hand and body lotion, maintains Soft Sense is the No. 3 lotion over-all and No. 2 in drug and mass merchandisers.

Although Soft Sense originally stressed a cosmetic positioning, the later "Healin' Feelin'" campaign had therapeutic overtones.

According to Mr. Goldthwaite, both Soft Sense and

(Continued on Page 69)

Body Flowers
BODY SPRA
PERFUMED DEODO

"It follows you everywhere," says advertising for Gillette Co.'s new Body Flowers deo-cologne spray. The Advertising to Women-created spots break in early '84, and Gillette has set a $12 million ad and promotion budget for the introduction (AA, Oct. 3). N W Ayer will soon be taking over the brand from ATW, which was fired last week *(see story below)*.

Gillette departure stuns ATW; other accounts stand by shop

New York—Gillette Co.'s abrupt decision last week to fire Advertising to Women not only stunned the agency, but also fueled speculation that personnel cuts and further client defections could be next.

Spokesmen for ATW's four remaining accounts, however, denied any plans to review or drop the agency.

"We did not anticipate losing the account," said ATW exec vp Walter Kiores, whose agency was informed it would lose $20 million of Gillette business only hours before the formal announcement Dec. 6. ATW had been planning staff additions to handle the January introduction of Gillette's Body Flowers deo-cologne.

On Wednesday, Gillette executives from Boston flew here to meet with the agencies winning pieces of the ATW business. Spokesman for Young & Rubicam, Marschalk Co. and N W Ayer all agreed that it was far too soon to predict what marketing moves lie ahead for the various products.

Y&R gains Silkience and For Oily Hair Only (FOHO) skin and haircare lines ($14 million), Ayer adds Body Flowers ($11.1 million) and Marschalk gets Toni ($4 million).

Gillette's decision to terminate its seven-year relationship with ATW resulted from corporate reaction to negative publicity surrounding ATW chairman John Ernst's guilty plea in August on charges of tax evasion. Mr. Ernst since has resigned from the agency.

In a prepared statement, Gillette said the action "follows a review of the tax proceedings in which Adver-

(Continued on Page 68)

DDB shuffles account team on Polaroid

By GAY JERVEY

Over the past several weeks, Doyle Dane Bernbach has restructured the staffing on the $50 million to $60 million Polaroid account, which now is divided into two divisions.

Group vp Rein Luik was given responsibility for the instant camera giant's troubled domestic business.

DDB's decision comes at a time of increased pressure on Polaroid account team members, who have undergone frustrating months of trial and error, according to a source close to Polaroid.

Over the past year, no Polaroid campaigns—and several different tacks have been attempted—have achieved satisfactory levels in recall testing.

Last month, Ogilvy & Mather was awarded Polaroid's new videotape business in a competition involving DDB and several agencies. At the time, according to a Polaroid spokesman, the decision was made in order that DDB could concentrate on the instant camera and film business.

The source close to Polaroid agreed that the company was concerned that DDB's talent and manpower might be diluted by incremental business. However, the source also noted that the selection of Ogilvy arose out of Polaroid's increasing orientation to market research, a movement fueled by the company's new marketing management.

As such, Polaroid's marketing cadre is putting increasing pressure on DDB's creative staff to conceive and implement ideas that are guided by certain objective parameters of market research, a well-known Ogilvy strength.

James McConnell, who since

(Continued on Page 69)

NBC shreds sked; CBS adds 5 new shows

By DIANE MERMIGAS

NBC-TV is preparing to introduce as many as six new series in January to boost its generally languid prime time performance.

The third-place network is expected later this week to announce the changes, which likely will affect every night except Sunday.

Meanwhile, CBS has decided to drop its Saturday movies and will fill that slot and others with five new series.

In some cases, NBC will move some existing half-hour comedies to new time periods to achieve more compatible program lineups, an NBC source said.

The only certain change is the introduction Jan. 6 of Lorne Michaels' "The New Show." The live hourlong satirical brainchild of the original executive producer of NBC's irreverent "Saturday Night Live" is scheduled to air three times a month at 10 p.m. (ET) Friday.

The same time period will be filled on the fourth Friday of each month, at least until spring, by a new Dean Martin celebrity roast, which was once a seasonal staple on NBC.

For more than a month, NBC has aired movies in the 9 p.m.-to-11 p.m. time slot, replacing "Manimal" and "For Love and Honor." The shows now are getting a second-chance broadcast.

But NBC sources say both series, along with "Rousters," another new fall entree, are sure to be canceled due to poor ratings.

Sources at NBC say a total revamp of Friday is expected to be built on "The New Show." One scenario is that "Mr. Smith" and "Jennifer Slept Here" (which have each averaged about a 10 rating/16 share this season) will be canceled and replaced at 8 p.m. Friday by the new adventure, "Leg Men."

NBC programers last week reportedly were contemplating pairing the Fred Silverman comedy "We've Got It Made" (which has been yanked temporarily from the schedule) in the 9 p.m.-to-10 p.m. Friday time slot with a new half-hour comedy like "Double Trouble," a saga about mischievous twins from Embassy Television.

Another thought being pondered by NBC program executives last week was how to di-

(Continued on Page 66)

highlights

Monday, December 12, 1983

Media General Broadcast Services is the new name of William B. Tanner Co. as the company attempts to overcome negative publicity from a federal investigation. *See Page 6.*

Public tv's Lawrence Grossman has been picked by Grant Tinker to head NBC News. *See Page 6.*

Red Lobster Inns of America is moving its $30 million account from D'Arcy-MacManus & Masius to Backer & Spielvogel. *See Page 10.*

Anheuser-Busch remains the leader in cable tv advertising spending, but Procter & Gamble, the top spender in commercial tv, is gaining fast. *See Page 12.*

National Business Network made its first big sale in its regional business publications, to AT&T. *See Page 14.*

Retailers are hoping that the improved economy this year will help reduce the problem of shoplifting. *See Page 14.*

The sweeps aftermath yielded such tidbits as CBS owing its November win chiefly to weekly series, and three-network rating gains reversing a four-year slide. *See Page 16.*

"The Day After" not only proved advertisers will buy time in controversial tv shows, but also that viewers will stick with serious fare, a special study shows. *See Page 16.*

Major food marketers are planning new entries into the $110 million retail market for snack dips, but there is little indication of an increase in ad spending for the category. *See Page 36.*

Armour Food Co., capitalizing on the success of its Dinner Classics frozen meals and the public's concern with weight and health, breaks advertising soon for a low-calorie spinoff, Classic Lite. *See Page 37.*

CORPORATE CLOSEUP

K mart Corp., following a successful shift to higher quality and name-brand merchandise, will test in-store investment centers and stand-alone home centers, and is seeking to expand its cafeteria restaurant business. *See Page 4.*

INTERNATIONAL

Procter & Gamble Co. is fending off an onslaught of Japanese competitors to its Pampers diapers in Japan, and these competitors are making noises about taking on Pampers in the U.S. market. *See Page 40.*

A.C. Nielsen Co. and AGB Research, London, are battling over which audience measurement service will dominate the growing international market. Nielsen is moving into Brazil, Venezuela and Mexico and looking at Australia and South Korea. AGB, already in 20 countries, is in Australia through its subsidiary McNair Anderson and is looking at Japan. *See Page 40.*

The French Assembly is expected to debate this week a controversial new law designed to prevent monopolies in the press. If the law is passed, it could extend state control over the media in France. *See Page 45.*

VIDEOTECH

Blair Television has upset syndicators with the release of the first in its planned series of "realistic" analyses of barter syndication. *See Page 54.*

USA Cable Network is introducing movies and other entertainment to prime time as it tries a more varied programing mix to attract more women viewers. *See Page 55.*

Group W Cable has named Harry Murray as its new chief executive officer. *See Page 55.*

MAGAZINE

British Airways' "Manhattan Landing" has stirred some controversy, but for the company it was a bargain. *See Page M-4.*

Entertainment Marketing: Marketers of movies, plays and other traditional entertainment vehicles turn more sophisticated in the wake of more home entertainment availability. *See Page M-9.*

A photographer rebuts an earlier article critical of residuals assessed by those who practice the craft. *See Page M-28.*

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ABC says 'Amelia' will sell

By JAMES P. FORKAN

New York—ABC-TV, which officially has not placed "Something About Amelia," a tv drama about incest, on the market or arranged screenings for interested agencies and clients, expects the prime time movie to sell between now and its Jan. 9 air date.

Due as an "ABC Theater" drama at 9 p.m. on Jan. 9, a Monday, "Amelia" deals with father-daughter incest, with Ted Danson of NBC's "Cheers" as the father of a 13-year-old girl.

Despite its taboo subject, an ABC spokesman said after checking the ad sales department, "We don't anticipate it being a [sales] problem."

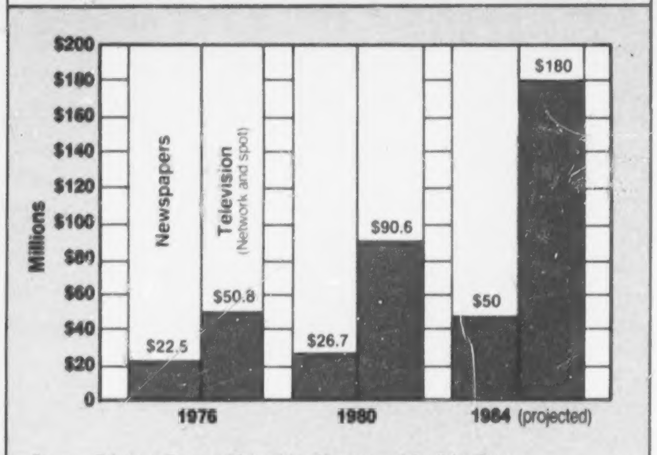
Some family-oriented accounts such as General Foods or Procter & Gamble undoubtedly will avoid the drama, various sources agreed. But the ABC spokesman said there are no sponsor "pullouts," simply because the Monday movie package (replacing "Monday Night Football" as of Dec. 26) yet has to be offered for sale.

Besides running "parental discretion" advisories before "Amelia" as well as in tune-in ads in newspapers and *TV Guide*, ABC will follow the movie with a spe-

(Continued on Page 69)

Tv's grip on political ads

Political ad spending, tv vs. newspapers



Sources: Television Bureau of Advertising, Newspaper Advertising Bureau

Newspapers actively seeking politicians' 'vote'—for ad buys

By STUART EMMRICH

New York—"The newspaper challenge ...is to demonstrate that issue advertising can win elections."

That statement from a Newspaper Advertising Bureau booklet being sent to newspapers might be termed the medium's battle cry for 1984, as it moves to capture a much bigger share of the political advertising money.

In a bid to combat the clear dominance of tv in political advertising, NAB has begun a program to woo campaign operatives on the national, state and local levels (AA, Dec. 5).

Representatives of NAB made a pitch for newspaper advertising to the Republican National Committee and the Republican Congressional Committee last month, and are scheduled to bring their newspaper advertising story to the Democratic National Committee this week.

Individual presidential candidates will be approached early next year.

NAB also has prepared brochures, work kits and slide presentations that tell local newspapers what they can do to more effectively attract political advertising.

'84

Marketing the Candidates

And the bureau isn't alone in its efforts. Papers as diverse as the *Eugene* (Ore.) *Register-Guard*, the *Tampa Tribune* and the *Kingston* (N.Y.) *Daily Freeman* have all started programs to attract political advertising from local candidates. They have sent out letters offering help, held seminars on political advertising, created sample ads and vigorously presented cases for newspaper advertising.

While newspaper executives around the country acknowledge there is little they can do to stop the lion's share of a candidate's ad budget from going to tv, they are determined to make sure that in

(Continued on Page 68)

Buyout may trigger big Metromedia shift

By DIANE MERMIGAS

Top executives of Metromedia have decided to close a year of roller-coaster stock prices and fortunes with a proposed $1.5 billion leveraged buyout that represents the largest merger/acquisition in broadcasting history.

They say being a privately held company will give them more control to expand interests in areas such as independent tv programing and cellular radio.

But the proposal offered last week by John W. Kluge, 69, Metromedia chairman-chief executive officer-president, and his three top lieutenants is being perceived by some as a possible first step toward even more dramatic developments for the Secaucus, N.J.-based company and the industry.

The offer consists of cash and notes valued at $43.50 for each share of Metromedia stock. In a leveraged buyout, the assets of the company being acquired are used as collateral to finance the purchase.

In addition to Mr. Kluge, the prospective buyers are Robert M. Bennett, senior vp of Metromedia and president of Metromedia Broadcasting; Stuart Subotnick, senior vp-finance and administration, and George H. Duncan, senior vp-telecommunications. The four men, who will collectively contribute 4.5 million shares of their own stock to the deal, will form a corporation with Boston Ventures Limited Partnership, which specializes in buyouts.

Previously, the largest broadcasting transaction was A.H. Belo Corp.'s offer last summer of $606 million for six tv stations owned by Dun & Bradstreet. That offer still is under review by the Federal Communications Commission.

Some industry observers believe that if the Metromedia buyout is successful, it will spur other broadcasting companies to do the same. Companies mentioned as being ripe for similar leveraged buyouts include Storer Communications, United Television and Chris-Craft Industries.

Analysts such as Anthony Hoffman of Cralin & Co. are speculating that last week's announced buyout could be a step toward an eventual merger with a large company such as Gulf & Western Industries, Coca-Cola Co. or 20th Century-Fox.

Such a merger would be especially advantageous before the FCC lifts a rule limiting ownership of tv stations to seven—a move that would increase the market values of Metromedia's outlets. Such a merger would assure Mr. Kluge of sufficient cash reserves to follow through on his current cellular radio development.

> "The whole focus of Metromedia. . .will be [on] cellular radio. I think [the plan for] a fourth network will go by the wayside."
>
> — ***analyst Anthony Hoffman***

"The whole focus of Metromedia as a private company will be to raise money for cellular radio. I think their aggressive attempt to build a fourth network will go by the wayside," Mr. Hoffman said.

Metromedia has spent between $400,000 and $1 million applying for each of about 50 cellular radio licenses

(Continued on Page 70)

Lauds improved regulatory climate

Helm eager for ANA work

By RICHARD L. GORDON
and NANCY GIGES

P. Allport

D.F. Helm Jr.

New York—The presidential heir-apparent selected by the Assn. of National Advertisers, DeWitt F. Helm Jr., is a package goods executive credited with successfully taking his drug company into cosmetics, toiletries and pet care products.

The Helm choice sets the stage for the first change in the association's presidency in 23 years. ANA leaders noted that in addition to his marketing experience, he has been involved in two other trade groups, the over-the-counter drug industry's Proprietary Assn. and the Cosmetics, Toiletries & Fragrances Assn.

The selection of Mr. Helm was made late last month (AA, Dec. 5), though the official announcement by ANA chairman Robert Goldstein, vp-advertising at Procter & Gamble, was not made until last week.

Reached at ANA's Washington office last week, Mr. Helm said he has no prepared agenda and plans to spend the coming months getting to know the ANA board and membership.

"I'm fortunate to have a period of time to meet with a lot of members and ask a lot of questions without being saddled by a lot of day-to-day questions," he said.

Mr. Helm, former president of A.H. Robins Co.'s consumer products unit, said he'll make his first appearance at an open ANA function Dec. 13 at the market research workshop in New York.

A self-described "preacher's kid," whose North Carolina and Virginia roots can be heard when he speaks, Mr. Helm praised what he called a greatly improved regulatory climate for advertisers in Washington.

"I believe in fighting when you have to fight, when the pendulum swings too far the other way," he said. "But the situation has improved."

The exec vp position was created by the board in anticipation of

(Continued on Page 70)

Ad Age going twice-weekly

Chicago—Advertising Age will begin twice-weekly publication next April with the introduction of a midweek edition that readers will receive in addition to the current Monday edition.

"This decision, which we've had under consideration for several years and serious study in recent months, is a natural evolution for us," said Rance Crain, editor-in-chief of Ad Age and president of Crain Communications Inc.

"There has been an enormous growth of news of immediate interest to the entire marketing community and an increasing appetite for such news among our business readers. Our move to increased frequency will enable us to respond to that and to better serve our readers."

Ad Age has been published weekly on Mondays since it was founded in 1930 by G.D. Crain Jr.

In addition to the usual strong Ad Age emphasis on delivering significant and timely news to its readers, the new midweek edition will include the Magazine section, which will move from its current home in the center of the Monday edition.

The Magazine section was established in its present format in February, 1982. It will continue to include each week an in-depth "Special Report" on a specific marketing, advertising or media topic, plus feature articles and such popular AA columnists as James Brady and Michael Gartner.

"Our Magazine section has come to be recognized as an increasingly important part of Ad Age," said Rance Crain. "Comments from readers and advertisers, as well as our research surveys, which show more than half our readers save some of the Magazine sections for permanent reference, tell us this."

Current subscribers will receive both issues of Ad Age each week as part of their basic subscription.

"The electronic revolution, which has helped whet the business community's appetite for more and speedier information, also has made it possible for us to make transitions to respond to that need," explained Todd Fandell, editor of Ad Age. "Reporters in our major news bureaus write and transmit material from video display terminals. Their stories are edited and made into ready-to-print page forms in a matter of hours in our Chicago office.

"This speed capability allows us to step up the pace of our news coverage without inhibiting our companion mission to bring superior perspective and depth to our reporting of the 'why' of news events and trends," Mr. Fandell said.#

world news roundup

Chicago—**Beatrice Foods Co.** is considering a realignment of its international agencies, following the consolidation of its domestic business (AA, Nov. 14). The decision is expected early next year.

Paris—**Tobacco and alcoholic drink** marketers, banned from advertising on traditional French tv, will be able to do sponsor programs on Canal Plus, France's pay tv channel, following a decision last week. Canal Plus will start up at the end of next year.

London—**Atari has consolidated** all its non-U.S. advertising, worth nearly $10 million, with Doyle Dane Bernbach's London office. The account had been split between DDB, which handled games, and Young & Rubicam, which handled Atari's $2.25 million non-U.S. computer business.

Bonn—**Apolinaris Brunnen**, marketer of Apolinaris mineral water, will soon launch a half wine/half water beverage called Winzer Schorle in German restaurants and bars. Agency is Inex, in Koblenz.

London—**Gannett Co.** will decide by Jan. 1 whether to pursue plans to publish a European edition of *USA Today*, sources here say.

Manila—**McDonald's Corp.** is fighting a boycott instigated by political and business foes of the government of President Ferdinand Marcos. A widely circulated boycott list cites McDonald's four outlets

(Continued on Page 40)

Media General renames Tanner

By STUART EMMRICH

Four months after William B. Tanner became the target of a federal investigation into possible tax fraud and bribery charges, the media services company of which he had been chairman has been renamed.

William B. Tanner Co., based in Memphis, is now Media General Broadcast Services.

The new name more clearly reflects the company's ownership by Media General and the new management team now in place at the subsidiary, according to Alan Donnahoe, vice-chairman and chief executive officer of Media General, the Richmond, Va.-based parent company.

May ease negative publicity

The name change also is expected to help the wholly owned subsidiary overcome the negative publicity prompted by the federal investigation in August (AA, Aug. 15) and to assure clients that the company is not about to close.

Mr. Donnahoe declined to attribute the name change to the federal investigation—which is not expected to reach any resolution for at least another month, according to sources—but acknowledged that "a great deal of adverse publicity" was caused by the investigation into Mr. Tanner's operations.

"This seemed the logical thing to do at this time," Mr. Donnahoe said.

Soon after the federal investigation began, Mr. Tanner and another associate, company senior vp-treasurer Earl Funk, took what Media General described as a leave of absence to put together their defenses against possible federal charges.

Now, however, James Linen IV, who had been acting as president-chief executive officer of the subsidiary, has succeeded Mr. Tanner as chairman-chief executive officer, and L. Donald Robinson, president-ceo of Independent Television Sales, a Katz Television subsidiary, has been named president.

Although Media General has not made a public announcement on Mr. Tanner's status with the company, Mr. Donnahoe said that Mr. Tanner has resigned as chairman of the company and will act as a consultant to Media General Broadcast Services.

In discussing the changes at the company he now heads, Mr. Linen said the Media General subsidiary has not been unduly hurt by publicity that surrounded Tanner Co.

Client list intact

"We've lost some clients and we've gained some clients, but the basic client list has remained intact," Mr. Linen said.

He did acknowledge the name change was one effective way to assure both present and future clients that the company was on solid footing.

"We wanted to make sure that there was no concern about the future viability of this company," Mr. Linen said. "This is an important part of Media General, and the company is going to stand behind it."#

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NBC lands Grossman for news

By DIANE MERMIGAS

Lawrence Grossman, president of the Public Broadcasting Service for nearly eight years and a former network ad executive, will succeed Reuven Frank as president of NBC News next May.

Mr. Grossman, 52, will leave his public tv post in February or March, when he begins a three-month transition into his new network post.

The PBS board last week immediately established a committee to find a successor.

Mr. Frank, 63, a 30-year veteran of NBC News and one of the earliest producers of network news documentaries and prime time magazines, will remain with the network as coordinator of the network's election year coverage through the summer conventions, as he earlier said he would do.

Afterwards, Mr. Frank will revert to producing news programs for the network. Mr. Frank's departure from the news presidency was anticipated (AA, Dec. 5).

Mr. Grossman was considered by many industry observers to be an unlikely replacement candidate given his heavy advertising, non-news background in broadcasting.

Grant Tinker, NBC chairman, was instrumental in the pursuit of Mr. Grossman, and explained that he was more interested "in the person than in his experience."

Mr. Grossman worked with Mr. Tinker, Mr. Frank and NBC president Robert Mulholland while vp-advertising for the network from 1962 to 1966.

Tom Petit, exec vp-news, was passed up for the job. However, Mr. Grossman said in an interview he plans to retain Mr. Petit in his current post.

Mr. Grossman has been instrumental in making public tv more competitive with the commercial networks. He was responsible for persuading PBS stations to support the one-hour expansion of "The MacNeil/Lehrer Report," which occured last fall.

Affiliates 'magic'

NBC officials could be looking for Mr. Grossman to work the same kind of magic with network affiliates, who have been resisting one-hour expansion of the "NBC Nightly News" for years.

Mr. Grossman headed his own advertising and production company, Lawrence K. Grossman Inc., from 1966 until he joined PBS as president in 1976.

Mr. Grossman began his media career in 1953 on the staff of *Look* and joined the advertising division of CBS Television in 1956.#

corrections & clarifications

- Contrary to an earlier item (AA, Dec. 5, P. 109), Richard Barthelmes is the new advertising director of *Gourmet*.
- The toy retail sales figure of $9 billion quoted by Toy Manufacturers of America in last week's wrapup (AA, Dec. 5, P. 112) was for 1982. Latest estimates for 1983 by various industry sources put retail volume at $10 billion or more.
- *Boston Business Journal* erroneously reported its ad linage figures for October. The correct figures are: 1983-81.8, 1982-42.5, year-to-date 1983-640.4, year-to-date 1982-354.0 (AA, Nov. 21, P. 56).

Here's the certain way to deliver your advertising message to more than 75,000 decision makers in the industry that buys the most computers and office automation equipment.

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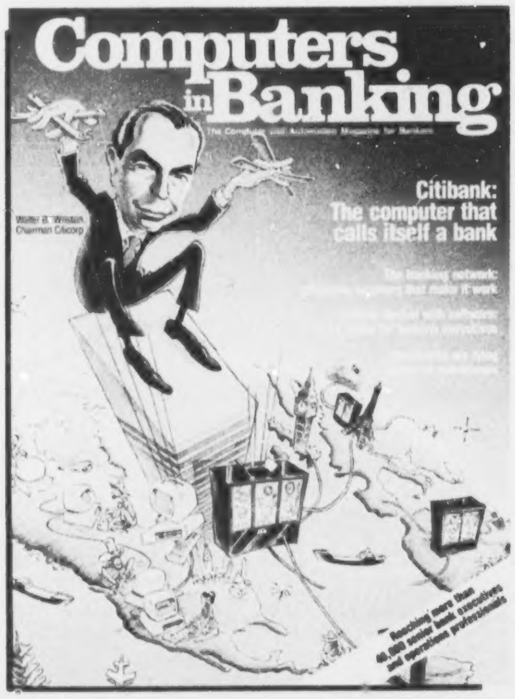
THE NEXT WALL STREET CRASH ?
Quote Vendors Joust for Space On Brokers' Desks
Back Offices Win Control of PCs On Wall Street
Dow Jones Starts A New Business: Software Selling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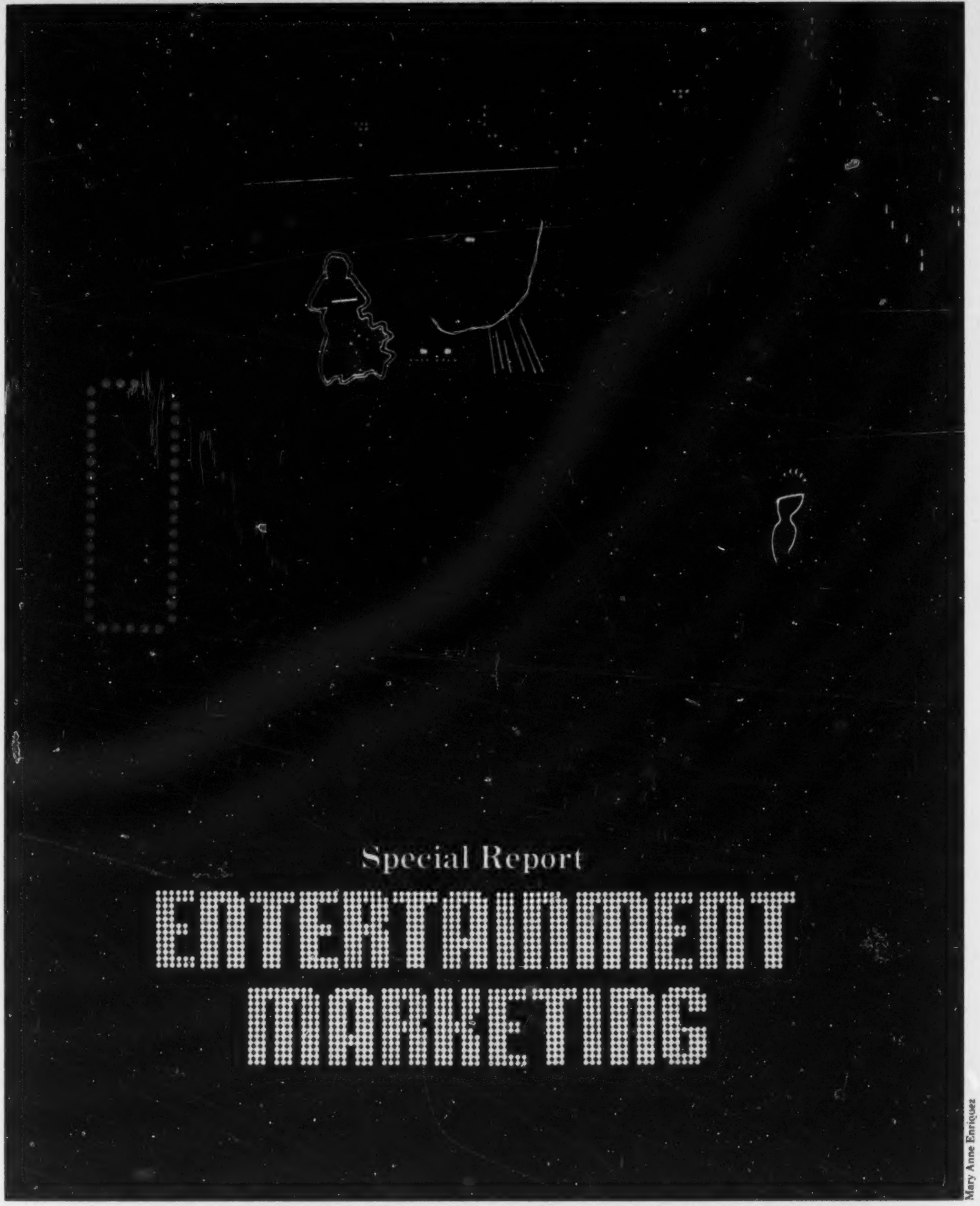


Mary Anne Enriquez

Stage and screen put to the test

By Louis Weisberg

A home is no longer merely a castle. It's also an amusement park.

And, as the emphasis on home entertainment options increases, so do the worries of Hollywood and Broadway producers. Indeed, while Hollywood boasts about its recent bonanzas at the box office, it is silent about the grim fact that ticket sales have shrunk from roughly 90 million per week in 1946 to 20 million today, while production costs have mushroomed to an average of $12.8 million per picture.

True, cable and pay-tv have opened up a new market for the studios, but, like foreign films and rereleases, income from this new source is rarely substantial enough to take a picture from the red to the black. Likewise, while much hoopla has been made about the phenomenal sales of consumer product spinoffs from movies like "E.T." and "Annie," few films offer this potential.

On the Broadway scene, the Great White Way has attracted more attention of late for the decline of its audiences than for its plays. Add to this unpleasantry skyrocketing production costs—the average Broadway musical now has a pricetag of $4.5 million—and you've got the scenario for the kind of corporate melodrama that is all too familiar these days.

So how are producers finding relief? Through beefed-up advertising campaigns and increasingly sophisticated marketing strategies. Once an ad in the *New York Times* and a few posters were all any play worth its proscenium needed. Now Broadway producers set aside 10% to 20% of their weekly box office grosses to help sell more tickets.

New Yorkers are showered by upwards of 50 tv spots a day featuring enticing glimpses of Broadway's latest hit. While Broadway ad budgets are still too small for Madison Avenue, there are several agencies in New York, such as Ash/LeDonne and Serino, Coyne & Nappi, that specialize in promoting plays.

Back in Hollywood, the growth of the advertising and marketing industry has been of nothing less than Cecil B. DeMille proportions. Fewer than 10 years ago, a successful film grossed roughly $7 million. Now studios spend an average of $6 million just on marketing a nationwide release.

"Nineteen years ago," says Steve Rose, senior vp-marketing at Paramount Pictures in New York, "there were only about three smaller agencies involved in film marketing. These first agencies were primarily creative resources. About 10 years ago, the Madison Avenue agencies realized the enormous potential revenues the movie business represented and began going Hollywood."

There are several difficulties inherent in the nature of show business that make the marketing of entertainment products unlike any other. One is that "there is no brand loyalty to studios and producers the way there is to other manufacturers," says Richard Porter, management supervisor of J. Walter Thompson's entertainment group in Los Angeles. "Every product is entirely new and entirely on its own," he adds.

Thus, corporate image campaigns are useless, and even a successful campaign might not work for another film of the same genre.

The nemesis of show business marketing is the extremely short shelf life of the product. "A film is a retail product," says William Soady, executive vp-general sales manager at MCA/Universal Pictures, "but unlike toothpaste or pantyhose, it has only one to two weeks to convince an

(Continued on Page M-10)

Louis Weisberg is a Hollywood-based free lance writer.

Test

(Continued from Page M-9)

exhibitor to keep it on his shelf."

Computerization could be making the heat to open "hot" even greater. According to Vincent Canby of the *New York Times*, computerized bookkeeping now makes it possible "virtually from the first hour of the first day of the first engagement of any movie in any city . . . [to] predict what that movie will earn during the next 20 years."

Also making it harder to sell exhibitors, whom Gordon Armstrong, MCA/Universal Pictures' vp-advertising, publicity and promotion, describes as the "real customers" of movies, has been the recent passage of "antiblind" bidding laws in 22 states. "Blind bidding" refers to the Hollywood practice dating back to the 1940s of requiring theater owners to pay upfront guarantees and pledge a percentage of box office receipts for films they've never seen.

Antiblind laws mean that filmmakers have to pay for advertising—from $2.5 million to $3 million just to open a film—without guarantee of placement.

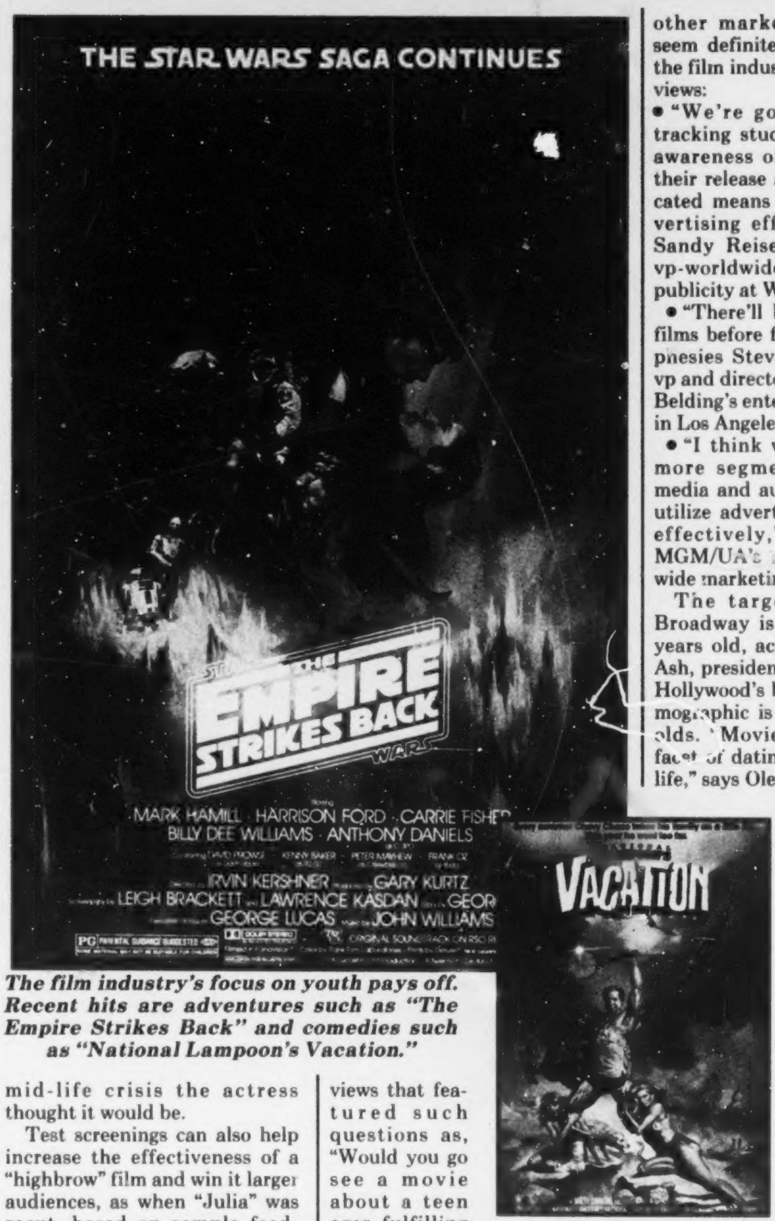
To ensure that a film will open strong, advertising is carefully formulated and scrupulously tested, usually more than six months in advance of an opening. Manning Rubin, president of Creative Alliance in New York, a boutique agency that has been involved in campaigns for "The Empire Strikes Back," "The Best Little Whorehouse in Texas" and "National Lampoon's Vacation," among scores of others, is sometimes brought in before shooting starts.

"We're often given only the script and a list of the stars and asked to come up with several different concept ads," Mr. Rubin explains. "The studios test different looks to find the one that positions or categorizes the picture in the best place commercially."

Market research is playing an increasingly important role in positioning. When Richard Lederer, vp-advertising at Orion Pictures, discovered through research that few people seemed to know who Somoza was, he decided to position "Under Fire," a highly politicized film about Nicaragua and the Sandinistas, as a romantic adventure. Print ads showed stars Nick Nolte and Joanna Cassidy looming larger than life over a collage of battle scenes, *a la* "Gone With the Wind."

Industry sources almost unanimously deny that studios consciously try to lure audiences with misleading advertising. They claim that it's word-of-mouth that ultimately sells tickets, and attracting the wrong audience would almost certainly create bad word of mouth.

But changing a film if test screenings reveal ways of making it more attractive is widely acknowledged. This practice can attenuate the artistic value of a film, as when actress Jacqueline Bisset's "Class" was cut, based on test screenings, into a light, teen sexploitation film rather than the study of a woman's mid-life crisis the actress thought it would be.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VACATION

The film industry's focus on youth pays off. Recent hits are adventures such as "The Empire Strikes Back" and comedies such as "National Lampoon's Vacation."

Test screenings can also help increase the effectiveness of a "highbrow" film and win it larger audiences, as when "Julia" was recut, based on sample feedback, to make it stronger and less confusing.

Another "practice" the major studios deny and decry is concept testing, or testing ideas for pictures. They maintain that it is impractical, because a story is only as good as its execution. By the time a movie based on feedback from questionnaires is released, the public's tastes may have changed.

Nonetheless, some movies, such as this year's "Private School," are more inspired by researchers than muses. "Private School," produced by Barry & Enright Productions, was said to be conceived as a result of interviews that featured such questions as, "Would you go see a movie about a teenager fulfilling his sexual fantasies with an older woman?"

What evolved—through what many industry observers consider an unnatural process of selection—was a standard teen sexploitation epic released by Universal Pictures. "Private School" failed to set anything but critics on fire, in spite of its meticulous inclusion of the correct smattering of jokes about breast size to please the young males and its avoidance of too much toilet and genital humor to please the young females—all as per test findings.

While the future doesn't augur well for concept testing, other marketing techniques seem definitely in the stars for the film industry. Here are three views:

- "We're going to see more tracking studies to test public awareness of movies prior to their release and more sophisticated means of monitoring advertising effectiveness," says Sandy Reisenbach, executive vp-worldwide advertising and publicity at Warner Bros.
- "There'll be more testing of films before final releases," propnesies Steve Hayman, senior vp and director of Foote, Cone & Belding's entertainment division in Los Angeles.
- "I think we're going to see more segmentation of both media and audience in order to utilize advertising dollars most effectively," says Irv Ivers, MGM/UA's president of worldwide marketing.

The target audience for Broadway is females 24 to 40 years old, according to Jeffrey Ash, president of Ash/LeDonne. Hollywood's best supporting demographic is the 14-to-24-year-olds. "Moviegoing is a major facet of dating and young adult life," says Olen Earnest, vp-marketing research for MCA/Universal Pictures. No wonder, then, that Hollywood is focusing more and more on the youth market.

Promotions for Paramount Pictures' hits, "An Officer and a Gentleman" and "Flashdance," illustrate how effective segmentation can be, particularly for reaching that all-important youth market. Capitalizing on youth's propensity for music, Gordon Weaver, Paramount's president of marketing, played the Pied Piper and based his campaigns for "Officer" and especially "Flashdance" on the pictures' appealing songs.

"Long before we began visible marketing [of "Flashdance"] Mr. Weaver explains, "we supplied rock videos to MTV and to the growing number of shopping malls and record shops that show them—all excellent forums for reaching young people. We even supplied videos to a chain of gas stations in France and to theaters in Germany, where they are shown as short subjects."

After the music became popular, Mr. Weaver used it in creating trailers and tv and radio spots. "Up Where We Belong" and "What a Feeling," the titles of the movies' hit songs, were used as slogans in the print ads. "Coordination of all media is essential in an effective campaign," asserts Mr. Weaver.

Through Paramount's nationwide network of 42 agencies, Mr. Weaver was able to buy time on local tv and radio stations that draw a young demographic. Approximately 4,000 "Flashdance" trailers were supplied to theaters at the beginning of 1983, even though the film wasn't released until April.

"Movie marketing is an awareness of what's happening in the world," sums up Mr. Weaver. "I get updated profiles of 500 U.S. cities every three months. You've got to treat each market on the basis of its own unique characteristics."

More delicate handling is required for films like "On Golden Pond," "Chariots of Fire" and "The Big Chill." Although these pictures have done extremely well, nothing about them has obvious mass sales appeal. The strategy for selling films like this is to open "small" and allow time for good reviews and positive word of mouth to build. "On Golden Pond," for example, opened in December, 1981, in only one Canadian and two U.S. cities. Ad costs were thus kept down while the movie got a chance to win favorable interest. More than 1,000 prints were released in January, with print and tv ads featuring quotes from lavish reviews. By the time of the full-scale release in March, the public was primed. "On Golden Pond" went on to win several important Oscars and become a box-office champ.

Surprisingly, Broadway, which is generally considered an "artier" arena than Hollywood, is no more anxious than tinsel town to take expensive chances on long shots these days. Thus, while Hollywood plays it safe with sequels like "Jaws 3-D," Broadway does likewise, especially with blockbuster musicals and revivals.

The result has been the demise of Broadway as the center of theatrical creativity. "While Broadway will probably always be the big pot-of-gold for theater as far as making money is concerned," says Frank Levy, copartner of the prosperous way-off-Broadway Catalina Productions in Sherman Oaks, Cal., "for developing material Broadway is obsolete. It's just too expensive."

Broadway advertising focuses primarily on tv. In 1975, Ash/LeDonne used tv spots to help turn the musical "Pippin" from a flop into a hit, and now tv is as common for Broadway shows and their road companies as Maalox in the stars' dressing rooms.

Segmentation of audience and media in promotions for plays is a recent development. "The Wiz" was advertised extensively on minority radio stations with great success. Mr. Ash, who handles all the advertising for the Schubert theaters, uses a larger proportion of his budget on radio spots for Los Angeles than New York productions. Future theater marketing will probably feature more segmenting.

Will the increasing emphasis on marketing and commercial considerations affect the quality of the plays and movies of the future? "No," maintains Richard Fischoff, president of Carson Films, whose background includes pushing for such high-quality projects as "Kramer vs. Kramer" and "The Big Chill."

"Serious projects," he says, "have traditionally had rough going. But there are always people who feel passionately enough about a worthwhile project to persevere through all the rejection and see it through." The show must go on.

Variety's top 10 rental* champs

Picture	Rentals to date
1. E.T.	$209,323,000
2. Star Wars	$193,500,000
3. The Empire Strikes Back	$140,000,000
4. Jaws	$133,435,000
5. Return of the Jedi	$127,000,000
6. Raiders of The Lost Ark	$115,035,000
7. Grease	$ 96,300,000
8. Tootsie	$ 92,960,000
9. The Exorcist	$ 88,600,000
10. The Godfather	$ 86,275,000

Reprinted with permission from *Weekly Variety*, July 20, 1983.

*Rental—what the exhibitor (the theater) pays to the distributor (usually the studio). Amounts to an average of 50% to 60% of gross. Gross is total box office receipts nationwide.

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42nd St. sings the blues

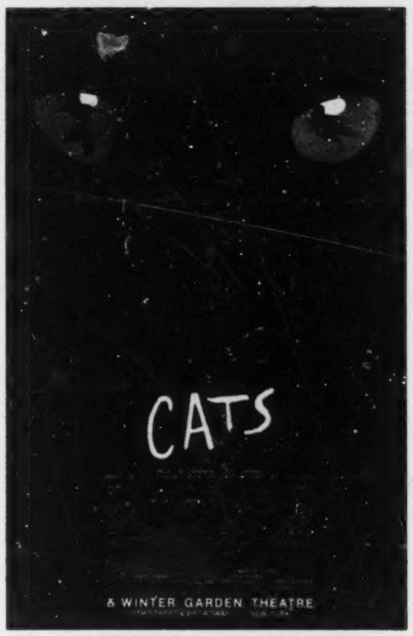
By Barry H. Slinker

Despite the sensational success of the boa-dripping, high-heeled men in this season's hit musical "La Cage Aux Folles," Broadway producers are faced with the prospect of another disappointing year on the Great White Way.

Statistics for the first 20 weeks of the 1983-84 Broadway season, combined with a skeptical forecast of the months to come, are putting producers' ability to draw customers to a severe test.

"We're not faring very well so far this year," says George Wachtel, director of research for the League of New York Theaters and Producers, the industry's trade association. Mr. Wachtel notes that for the first 20 weeks of the season, ticket sales, the chief indicator of how well the theater is doing, were down 10% from this time last year, to 2.7 million. Likewise, only seven shows have opened, seven fewer than last season. Only four of these are still running, alongside eight holdovers from last season and five survivors of more than two years.

Indeed, Times Square and environs look positively gloomy, as only 17 houses out of 36 on Broadway are lit (not including several shows in previews). And this only two years after Broadway was enjoying its biggest boom in a decade.



"Cats," a British musical, was Broadway's box office champ last season.

On the more positive side, Broadway had hardly rolled out its carpet this year when "La Cage" proved a huge critical and popular hit, matching last season's superhit "Cats." And with the rest of Broadway riding on "La Cage's" frock-tails, theater capacity is up 15%, with 88% of all seats filled. As of the 23rd week of the season, gross receipts, at $90 million, are also up 6% from the 1982-1983 season.

Still, producers are spinning sad stories of spiraling costs and tumbling creativity. Even the most successful producers shun optimism.

For instance, Francine LeFrak has co-produced such recent hits as "Crimes of the Heart," "Nine" and "My One and Only," but she readily points out that "the economics of Broadway are crazy." She and other producers bemoan the cost of mounting musicals, which has risen to more than $4 million; even dramatic plays can cost several million. Meanwhile, ticket prices have soared to an average of almost $30, including discounted tickets, compared with only $8.33 a decade ago. The American theater, which Wolcott Gibbs once called "the aspirin of the middle classes," today costs more like a session

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Barry H. Slinker is a New York-based free lance writer.

Carr

(Continued from Page M-18)

Mr. Carr wasn't through yet with "Tommy." He sent out each of the film's stars solo to promote the film in different territories. When Mr. Carr was finished, "Tommy" ended up breaking house records in 90% of the venues it played.

After "Tommy," movie companies weren't throwing up their arms any longer. They were throwing open their doors, crying for Mr. Carr to do promotional work for them.

But he could not be bought. For no fee (you read correctly—zip), he consented to assist the producers in promoting "The Deer Hunter," a grim saga about the Vietnam experience that starred Meryl Streep and Robert De Niro. "Lord Delfont [a prominent British film producer] personally called and asked me to help," remembers the humble Mr. Carr.

The producers pegged "The Deer Hunter" as a "hard sell" that could result in one big bundle of money being lost.

Not to worry. Mr. Carr arranged for some very important private screenings of the film in major markets, just to get a little word of mouth going, you know. He then recommended that the movie open for one week only at a small theater in New York and a big one in Los Angeles.

The movie would play for a week in late December to qualify for Academy Award consideration. It would be a one-week run and out, figured Mr. Carr.

"I knew they'd kill each other trying to get in in New York," says Mr. Carr. "I wanted to get the movie talked up on the cocktail circuit in New York. It worked. In Los Angeles, they added midnight showings for the week it played. There was incredible demand to see the movie."

Mr. Carr and the producers prepared to wait for the Academy Award nomination annoucements in early February. Mr. Carr confidently predicted "Deer Hunter" would get multiple nominations.

Sure enough, the film picked up the nominations. "The Deer Hunter" opened nationally the week the nominations came out and eventually became a financial success.

Mr. Carr's involvement with "Deer Hunter," however, went further. He designed a series of ads to attract different segments as the weeks wore on. There were ads to pull in the female romantics and the Clint Eastwood action crowds, among others.

Mr. Carr's track record leaves little doubt that he knows something about promoting a Hollywood product. "The biggest mistake that's still made in promoting movies," says Mr. Carr, "is misjudging a movie's audience. Producers still assume they know more than they really do. And there's no substitute for creating an aura of excitement when you're advertising a movie."

He also believes many movies bomb because producers and distributors don't give enough attention to the timing of a movie's release. Good movies get lost too often, says Mr. Carr, when they're released at the end of a big season with a lot of mediocre junk. "They get buried in the shuffle," he says.

Putting his Hollywood expertise aside, Mr. Carr marched into uncharted territory last summer when he opened "Cage" on Broadway.

"Cage" went into rehearsal late last spring as an unknown quantity. The show had plenty of name talent working on it—including Jerry ("Hello Dolly") Herman composing the score, Arthur ("Gypsy") Laurents directing and Harvey ("Torch Song Trilogy") Fierstein writing the book.

Talent alone, however, wouldn't make "Cage" work. "It had to be an event," adds Mr. Carr. "People don't pay $35 or $45 for nothing. They expect to see an event." His first time out on Broadway, Mr. Carr really never had to test his promotional mettle.

Before the show's out-of-town tryout in Boston, Mr. Carr printed up a few bus cards and unveiled a big sign in New York's Grand Central station with the colorful "Cage" logo—a chorus "girl" swathed in a red feather boa. An anchor tattoo decorated one arm suggestively thrown forward.

"We did spend many weeks

with a Park Avenue psychiatrist.

These economic problems are compounded by a dearth of good writers and directors working for Broadway. They appear to have fled the high-stakes gamble of spending months or even years on a play only to have it close opening night.

Jeffrey Ash, president of Ash/LeDonne, an entertainment advertising agency, says his hopes for a better Broadway season were dashed because "it seems there's still a lack of good product."

To Judy Gordon, co-producer of "Barnum," a hit musical of several seasons back, the need for more talented writers and directors poses an even more crucial problem for Broadway's future than do high costs. "The talent just hasn't been developed for the theater," she says. "These people can get so much more upfront money from television and films."

Times Square and environs look gloomy, as only 17 houses out of 36 on Broadway are lit . . . two years after enjoying its biggest boom in a decade.

While these problems nag producers, marketing strategies are constantly being tested to broaden and entice the theater-going public.

And whereas in the past producers would advertise by running just a big quote ad in a New York paper, the emphasis today is definitely on tv.

"A good commercial is essential," says Ms. Gordon, who believes tv is the most important aspect of marketing a show.

Mr. Ash, while concurring with Ms. Gordon, says he believes that the most crucial aspect in Broadway advertising is creating a strong over-all campaign.

Says Mr. Ash, "Producers' budgets can't compete with the Burger Kings and Fords, so they have to take advantage of every penny." To Mr. Ash, this means tying together the campaigns for tv, redio, print and posters, thus letting each medium reinforce the other.

If there's one thing producers want to capture on tv, it's the razzle dazzle in a play or musical.

Because the theater is mostly a visual medium, Mr. Ash says, tv is its best showcase. And if there's one thing producers want to capture on tv, it's the razzle dazzle in a play or musical. The advertiser's trick is putting that dazzle in a 30- or 60-second spot, which preferably is then broadcast several weeks before the show opens in New York. The object is to build a heady advance sale and create a buffer to possibly indifferent or even hostile reviews.

Ash/LeDonne typically creates tv spots while the shows are out of town, then has them ready when the box office opens in New York. The agency's successful spot for "La Cage" was a special case.

"With 'La Cage,' we went to Boston to film a spot just for the Boston market," recounts Mr. Ash. "We filmed only the chorus' legs and wigs because the costumes and sets weren't even complete." But the spot proved so successful that it was shown in New York, where an advertising blitz and favorable word-of-mouth messages sent advance sales of tickets soaring.

Normally, a profusion of tv spots doesn't pay off directly in terms of ticket sales. Rather, it is the producers' hope that they will spur enough initial business to create the kind of word of mouth necessary to keep a show running. But the failure of a re-

(Continued on Page M-22)

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making sure we were happy with that logo," says Mr. Carr. "That's something we knew we would have to live with for a long time."

When "Cage" opened in Boston, Mr. Carr didn't have to worry a second longer about promoting the show into an event. "We saw those ultraconservative Bostonians jumping to their feet to applaud 'Cage,'" says Mr. Carr, "and we knew this was going to be big."

Magazines and newspapers called, wanting to do features on the show. RCA Records asked to record the cast album *before* the show opened. Mr. Carr consented, and the album hit the streets three days before its Broadway opening.

Aside from the free promotional fallout generated by the show's hit status, Mr. Carr is spending money only for weekly print ads in New York papers.

A slew of "La Cage" promotional tie-in products aren't planned. (There'll be no toilet paper, although it was suggested to Mr. Carr.)

Even though the dough is rolling in from "Cage" faster than he can count it, Mr. Carr says he has no intention of retiring from show business.

"I made enough money off of 'Grease,' to retire, if I'd wanted to," says Mr. Carr. Humbly. No, retirement isn't what he wants. He wants more hits. More events. More of anything that he can promote like crazy to a populace starved for entertainment.

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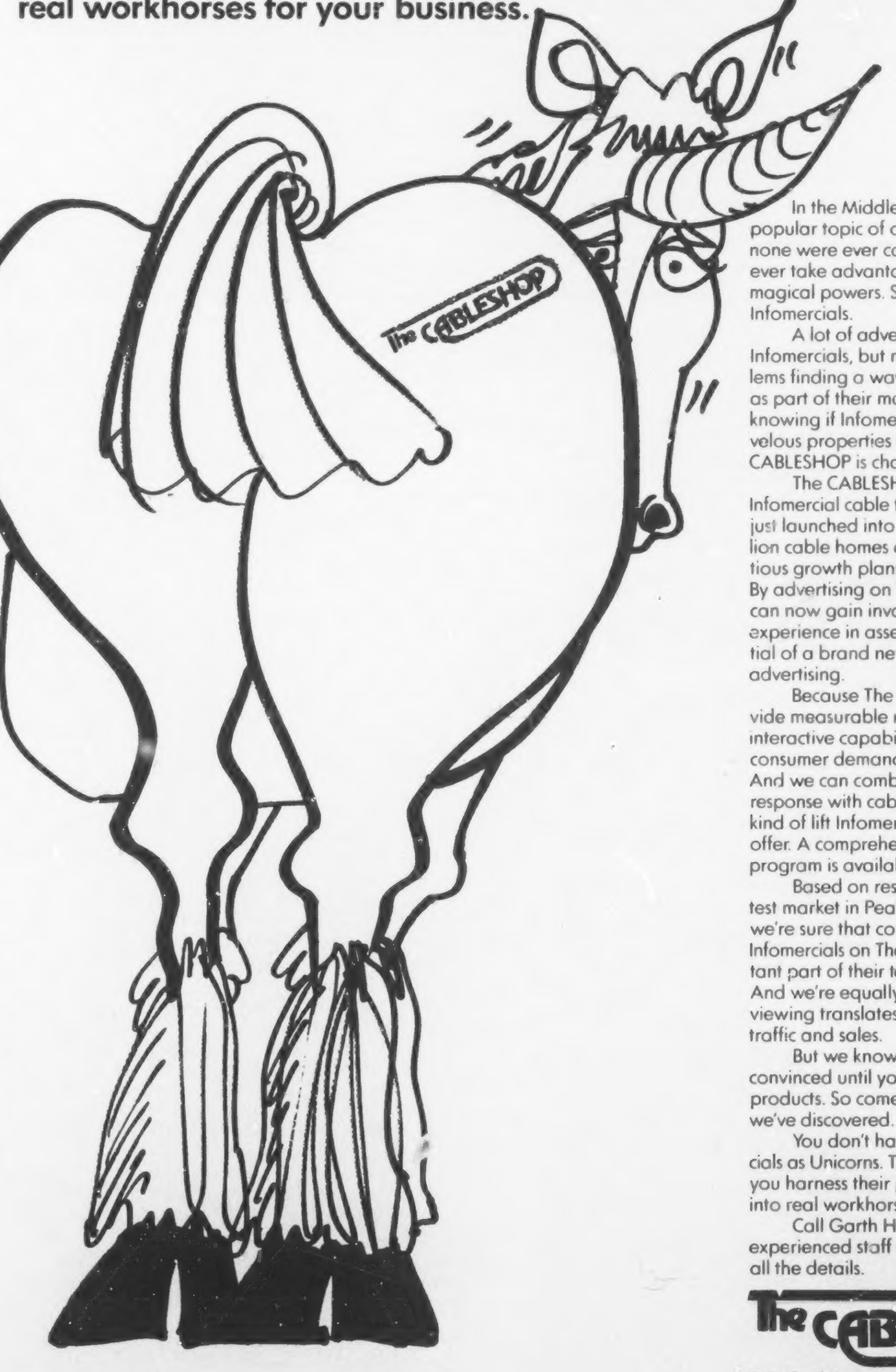

In the Middle Ages Unicorns were a popular topic of conversation. Alas, since none were ever captured, no one could ever take advantage of the Unicorn's magical powers. So it is today with Infomercials.

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A jug of wine, a loaf of bread, a Fifth of Beethoven

Outdoor concerts are a breath of fresh air for music lovers

By Mark Liff

You'd think an outdoor classical music concert on a sultry summer evening in an idyllic suburban setting would need no special promotion. For the most part, these performances do sell themselves.

Two of the better known outdoor music concerts, the Ravinia Festival in Highland Park, Ill., and the Tanglewood music festival in Lenox, Mass., draw crowds of classical music lovers (and avid picknickers) each year.

Each festival's setting is appealing, but each has its own way of being heard.

Ravinia, with its marketing efforts, leaves nothing to chance; the Boston Symphony Orchestra's Tanglewood festival in the picturesque Massachusetts Berkshires believes that the opportunity to unwind in sylvan surroundings with the sound of live classical music is enough of a selling point.

Ravinia offers discount coupon books for its outdoor music series; there are special buses from the downtown business district and northern points to make the trip a bit easier to the suburban Chicago site; park-and-ride service drops off music lovers at its gates.

Selling the 12-week Ravinia summer season is more. It also includes mail distribution of flyers, a print effort and a television and radio advertising campaign.

But selling the 12-week Ravinia summer season is more. It also includes mail distribution of flyers, a print effort and a tv and radio advertising campaign prepared with the assistance of its advertising consultant, Leo Burnett USA.

Also, working with Foote, Cone & Belding's research department and nearby Northwestern University, Ravinia is conducting a computerized analysis of its audience demographics and interests.

Concertgoers at Ravinia have a choice of seating: Reserved seats in the pavilion or blankets on the lawn.

Tanglewood has attracted more than 300,000 music lovers in each of the past two years for its nine-week season. The festival spends nearly all of its $230,000 annual promotion budget on print ads and 400,000 flyers, which are mailed to those who inquire about upcoming events and distributed to inns, hotels and shops in the community.

"You come [to Tanglewood] to find the Boston Symphony in a magnificent setting, performing great music," says Vera Gold, promotion coordinator for the Boston Symphony. "There is a different program on Thursday, Friday, Saturday or Sunday. If a tourist came for the weekend, he could come to Tanglewood three or four times and see different things."

Tanglewood's marketing begins in the spring, with print ads in the *New York Times*, *Boston Globe* and several Connecticut-based papers, Ms. Gold says. There also is a radio ad campaign.

The first ads list the complete summer series. "Many of the people are serious music lovers and that [print ads] is how they find out about our program," Ms. Gold says. "Many tickets are sold through the mail. We've had several concerts sold out completely in advance last summer—that was through advertising."

The first ads run the entire program so the potential audience member can plan ahead, Ms. Gold says. When the summer season begins in July, the *Berkshire Eagle*, the area's major paper, runs ads listing programs.

Also, Tanglewood prints 400,000 brochures, which are distributed throughout New England—in shops, inns and other places where tourists might stop, Ms. Gold says. "We mail 45,000 of them to 'Friends of Tanglewood,' the festival's contributors who have an opportunity to purchase tickets before they go on sale to the general public," she adds. Brochures also are sent to anyone who requests one.

Though attendance has stead-

Mark Liff is a New York-based free lance writer who claims music sounds best under the stars.

42nd St.

(Continued from Page M-21)

vival of "Mame" this fall points out the fallibility of even the most heavily advertised venture.

"Mame" producer Mitch Leigh saturated the New York tv market as many as 50 times a day for three to five days a week well before opening night. But negative reviews and mediocre word of mouth closed "Mame" within weeks of its opening.

On the other hand, Mr. Ash successfully kept the musical "On Your Toes" running despite its being all but panned by Frank Rich, the *New York Times'* powerful theater critic. Aided by good word of mouth, the advertiser sought to attract dance aficionados, as well normal theatergoers, keying ads on the show's star, ballerina Natalia Marakova, and on the famous "Slaughter on Tenth Avenue" ballet sequence.

The importance of getting a quick jump on attracting ticket buyers prompts many producers to rely on revivals and British imports—with no guarantee of success. Then what is it that best sells a show? A star name? A list of critics' raves?

A star name is not always a bankable commodity. The two shows (both revivals) that have already closed this season boasted big names—Ms. Lansbury in "Mame" and Cicely Tyson in "The Corn is Green." And last season, the publicists' dream cast—Elizabeth Taylor and Richard Burton—in a revival of Noel Coward's "Private Lives" did little to prevent it from dying at the box office.

As Mr. Ash says, "In the end you have to have good product —that's the crux."

But Ms. Gordon believes that Lansbury, Tyson and perhaps even Taylor are no longer the type of stars that will draw the increasingly young Broadway audience.

Today, nearly 50% of theatergoers are 35 years old or younger. Mr. Gordon says it's such actors as Dustin Hoffman (who will star in a revival of "Death of a Salesman" later this season) and Al Pacino (now appearing in "American Buffalo") who are the sure-draws.

Likewise, while every producer can name a play that died despite critical raves or thrived despite terrible notices, they do not slight the power of the pen. Mr. Ash even goes further. "Despite whatever else happens with a show, in 90% of cases the *New York Times* review is critical in determining success or failure," he says.

The top 10 longest running Broadway shows*

	Show	Performances
1.	**A Chorus Line**	3,473**
2.	**Grease**	3,388
3.	**Fiddler on the Roof**	3,242
4.	**Life with Father**	3,224
5.	**Tobacco Road**	3,182
6.	**Hello Dolly**	2,844
7.	**My Fair Lady**	2,717
8.	**Annie**	2,377
9.	**Man of LaMancha**	2,328
10.	**Abie's Irish Rose**	2,327

*As of Dec. 11, 1983
**Still running
Source: League of New York Theatres and Producers

Before fretting about reviews, producers first have to line up backers for their multi-million-dollar extravaganzas. Rising costs have ended the days of "angels" putting up a few thousand dollars to back a new show. Fortunately, Hollywood has come to the rescue in search of product to film, and movie studios are co-producing more and more Broadway shows.

Ms. LeFrak, who co-produced "Crimes of the Heart," with Warner Bros. and "My One and Only" with Paramount, sees Broadway as a natural source for moviemakers. "I went to 'My One and Only' last night, and there were so many Hollywood business people there it wasn't to be believed," she says.

MCA/Universal Pictures, one of the backers of the new musical "Doonesbury," has instructed Ash/LeDonne to film a two-minute promotion to run in New York area movie houses and perhaps on airlines bound for New York.

Producers' attempts at advertising on cable and public tv have proved less fruitful.

According to Ms. LeFrak, the pioneering public tv spots were dropped because "we couldn't judge their effectiveness." And producers have backed away from cable, too, because of residual payments, which are made on a different scale than network tv, thus raising costs.

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ily gone up, Tanglewood faces some competition from the Saratoga Music Festival, on the other side of the Berkshires in New York State. "That would take more of the New York crowd now," Ms. Gold points out.

Still, she maintains, there is no real competition with Saratoga for the serious music lovers —there are enough to go around, it seems.

"We would like to have enough money to increase the advertising budget where we could possibly do some television advertising," Ms. Gold says. "We could possibly reach a different audience, a broader audience with a wider range.

Tv advertising also could serve as a "backup for print advertising, too," she adds.

Rock and country music concerts also are held at Tanglewood, but these are presented by a promoter who contracts with the festival site. "It is a big seller that goes back to the early '70s," Ms. Gold says.

Tanglewood itself does not offer any special promotions or tie-ins with lodging services. Tourists are referred to the "Berkshires Vacation Guide," published by the Berkshires Hills Conference, to find housing during the music season. Inns, hotels, motels and even private homes for miles are packed throughout the Berkshires, with reservations necessary months in advance.

By comparison, Ravinia is more a "commuter" festival, drawing a large part of its audience from the Chicago area. As such, it does other things to get the music lover into the suburban park, including the park-and-ride and special bus services; the Chicago & North Western Transportation Co. also runs trains to Ravinia's west gate.

Unlike Tanglewood, Ravinia also has a coordinated tourist program, featuring tie-ins with various hotels. The Ambassador East Hotel in Chicago, for example, offered a $196 per couple deal last year, featuring two nights deluxe accomodations, Ravinia Pavilion seats for a night, wine and cheese tray on arrival and full breakfast each day.

The Hyatt Lincolnwood in that Chicago suburb offered a $49 single ($59 double) package, with deluxe accommodations for one night.There also was a blanket for a Ravinia picnic and lawn admissions tickets.

But key to Ravinia's current promotional effort is its audience survey.

"Similar questionnaires were distributed on carefully selected performance evenings to the festival's lawn audience [general admission] in 1982 and to the pavilion audience [reserved seats in the open-air pavilion] in 1983," a Ravinia spokesman says. "The objective was to gather the needed information to form an objective base of data on Ravinia's audiences."

The survey examined the audience demographics, the decision-making process in purchasing tickets, when the decision was made, where the audience member found out about the performance, advertising awareness, factors influencing the decision to attend and audience behavior.

Ravinia's print ads run in the Chicago dailies and in the surrounding communities, depending on the performance being sold, the spokesman says. Tv spots are 10 seconds and 30 seconds in length that "span the season from [James] Levine to [Pinchas] Zuckerman," the spokesman says. Print ads also ran last year in *The New Yorker*.

Viewers are directed to call R-A-V-I-N-I-A, a special phone number, to charge tickets. The phone system has been increased in recent years to handle a larger audience. There also are various mailings throughout the year.

One of the most popular marketing techniques Ravinia claims to have initiated—and now sees copied elsewhere—is its coupon book offering a 20% discount.

More than 1,000 volunteers in 75 communities throughout the area sell these $25 books for $20, giving potential customers a chance to essentially work up their own subscription series. Discount books also are available in banks and shopping malls.

It all makes listening to music under the stars that much more worthwhile.

Actor George Hearn, dressed to kill, co-stars in "La Cage aux Folles."

Meanwhile, no one's yet given up on the current season. Producers are crossing their fingers in hopes of more hits on the order of "La Cage" that might spark a creative and financial resurgence.

Possible contenders include such musicals as "The Rink," starring Liza Minelli, and "Going Hollywood," a remake of the Kaufman/Hart play "Once in a Lifetime." Hopes are highest for a nonmusical British import, "Noises Off."

In the meantime, the sound of sharpening knives is heard as the tough New York audience awaits.

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Politics

(Continued from Page 3)

next year's elections, daily papers do a better job of snaring a significant portion of that money.

"This is something we are keenly interested in," says Hank Dain, NAB's director of political advertising.

"The committee [that sets bureau priorities] felt there was a real void here that had to be filled."

In moving to fill that void, newspapers are bucking a strong trend favoring tv.

In 1976, political candidates spent $50.8 million on tv advertising, more than twice the amount they put into newspapers. In 1980 that spread grew: The $90.6 million spent on air time for tv commercials by candidates represented more than three times the total attracted by newspapers.

Newspapers lag badly

While Mr. Dain said he expects that the bureau's efforts will help newspapers attract approximately $50 million in political advertising in 1984, he acknowledged that newspapers will still lag far behind tv. (The Television Bureau of Advertising is projecting that tv will get $180 million in political advertising next year.)

So far, the bureau's efforts have been encouraging, Mr. Dain asserted, explaining that the Republican national committees were especially interested in the "one order/one bill" system that allows national candidates to place an ad in any paper in the country through the NAB.

In 1980, President Reagan spent $2 million on newspaper advertising through the one order/one bill method.

The Republicans also were pleased that newspapers were switching to Standard Advertising Units, a change that makes it easier for national advertisers to place the same ad in a variety of newspapers, he said.

In Iowa, where the eight Democratic candidates are now slugging it out in a crucial party caucus campaign, the *Des Moines Register* is trying to make sure that the pattern of previous elections—where almost all of the candidates' advertising dollars went to tv and radio—isn't repeated in 1984.

"We are more aggressive than we have ever been in going after political advertising," said Charles Edwards, advertising director of the *Register*.

The paper started working early this year on attracting political advertising. It is contacting the local and national offices of the various candidates, has been holding seminars on newspaper advertising and sending out brochures and sales materials on the newspaper and its readership.

The paper also is sponsoring a debate among the Democratic candidates Feb. 11, and is publishing a special tabloid section on the upcoming caucus the next day.

Advertising in that tabloid is "pretty much a must for candidates who want to reach our voters," Mr. Edwards said.

Another paper said to be gearing up for the 1984 elections is *USA Today*, which as a national newspaper may be in a unique position to attract political advertising.

In trying to compete with tv in the upcoming elections, however, newspapers face the problem of a crowded and quick primary season, two factors that increase the necessity for grabbing the voters' attention.

■ "Newspapers are good when you want to discuss the issues in a campaign, but newspapers can't do what tv does, and that is to show the candidate as a person, to show how he looks, how he sounds, how he comes across to people. And that, in the end, is going to elect a candidate," said Raymond Strother, media consultant to Sen. Gary Hart (D., Colo.).

Candidates are increasingly relying on the "emotional effects of tv" to get across a certain image to the voters, NAB's booklet acknowledges, and "a lot more than image is needed to elect a candidate," Mr. Dain points out. "You have to get the facts across about the various issues in the race, and you have to provide real logic as to why a candidate should be elected. That's where newspapers come in," he said.

The NAB suggests that newspapers can also compete with tv for "image" advertising by convincing candidates to run high-frequency, small-space ads that can act as reinforcement for more in-depth issue advertising.

In the upcoming Democractic presidential primaries—which because of the wide field of candidates will generate more advertising dollars than the Republican race—newspapers also have to overcome a belief by some media consultants that the print medium is not cost-efficient in reaching Democrats.

Although a 1981 survey by Simmons Market Research Bureau found that newspapers are read by 72% of people who voted in the last political election, another survey by Market Opinion Research indicated that those voters are more than likely Republicans.

The survey by MOR showed that 64% of the people who identified themselves as Republicans said they read campaign stories in their newspapers almost every day, while only 55% of the people who called themselves Democrats said they did so.#

Ethical ads in politics asked

Washington—American Assn. of Advertising Agencies president Len Matthews challenged a roomful of political advertising experts Dec. 9 to join the ad industry in a collective effort to improve the ethics of the 1984 campaigns.

Asserting that many people believe ethics hit a new low during the 1982 congressional campaign, Mr. Matthews told the bipartisan group that only labor leaders and car salesmen ranked below advertising executives and politicians in a July Gallup study of the public's view of various professions.

"The best way for politicians to move up that Gallup poll in public credibility is to act more responsibly and ethically," Mr. Matthews said. He explained that the Four A's is concerned about what unethical and misleading political advertising does to the public's image of advertising generally.

Charles Adams, Four A's exec vp, outlined the six-point Code of Ethics for Political Campaign Advertising, adopted by the association in 1982 and listing specific practices that are considered unfair.

The code also specifies that the advertising agency must stand as an independent judge of fair campaign practices.

Sharing the platform with Four A's leaders were Paul Kirk, treasurer, Democratic National Committee; William Greener, communications director, Republican National Committee; Dorothy Ridings, president, League of Women Voters, and Nicholas Lemann, national correspondent, *Atlantic*.#

High Court eyes cost of time

Washington—The U.S. Supreme Court last week asked the Reagan Administration to say whether it believes states or only the federal government can control the rates charged by radio and tv stations for political ads.

The justices are debating whether to review a Texas law, struck down by the lower courts, that requires broadcasters to make discount ad rates available to political candidates and political issue groups year-round.

Federal law requires stations to offer discount rates to candidates for the 45 days before a primary election and 60 days before a general election; no discounts are required for political issue advertising.

The High Court last week also permitted tv and radio stations to air commercials financed by the tobacco industry without disclosing the industry as the sponsor.

The court turned aside a petition from a California antismoking group contending that broadcasters should have identified ads placed by "Californians Against Regulatory Excess" as tobacco industry advertising.

The CARE group was formed, with heavy funding from the industry, to defeat a 1980 state referendum calling for mandatory "no-smoking" areas in most enclosed public places in the state.#

BERNARD A. MITCHELL

Chicago—Bernard A. Mitchell, founder of Jovan Inc., the Chicago-based fragrance company, died here Dec. 5. He was 71.

Mr. Mitchell gained recognition in the fragrance business when he launched Jovan in 1968, which marketed Musk Oil and later extended its line to include such products as Oil of Mink, Sport Scent, Sex Appeal, Man by Jovan and Woman by Jovan fragrances. Mr. Mitchell sold Jovan to British-based Beecham Group Ltd. for $85 million in 1979.

Before founding Jovan, Mr. [illegible]ell founded and headed Mitchell Manufacturing Co., which marketed fluorescent desk lamps and air conditioning units, and later formed Fulton Industries, an industrial conglomerate.

JOHN E. JAYME JR.

Leesburg, Fla.—John E. Jayme Jr., 78, founder of the Jayme Organization, died here Nov. 22.

Before launching the Jayme Organization, a Cleveland advertising agency, in 1947, he worked for Westinghouse Electric Corp. and Goodyear Tire & Rubber Co.

He served as chairman and president of the agency from its founding to 1965, and continued as chairman through 1972, when he sold his interest to key associates.#

Gillette departure stuns ATW

(Continued from Page 2)

tising to Women's former chairman was involved in federal court earlier this year. . .events surrounding that proceeding had led to a strain in the client/agency relationship."

For beleaguered ATW, last week's news only confirmed that 1983 has been a very bad year.

In addition to its chairman's run-in with the law, the agency lost the $3 million Minnetonka account, although not as a result of the tax charges. Unable to resolve what were described as mounting differences over creative philosophy and execution, the two split last August.

Creative satisfactory

As recently as October, Gillette said it would stick by ATW, despite Mr. Ernst's tax problems. Sources close to Gillette said the brand groups were satisfied with ATW's creative work, particularly for the new Body Flowers drive.

"If they gave them Body Flowers, they were clearly happy with them," said Smith Barney analyst Jack Salzman. "That is potentially a very big introduction for them."

As such, speculation mounted that last week's decision came from someone high up in the corporation. However, a Gillette spokesperson denied those reports, saying, "When something like this happens, somebody higher up may be informed, but this was a divisional, Gillette North America decision. The personal care division was the client, ATW was the agency and it all resulted from a review of client-agency relations."

Longtime Gillette watchers say the company simply would not allow its reputation to be soiled through an association with Mr. Ernst.

What remains unclear is whether Gillette's exit will encourage other clients to follow suit. The loss leaves ATW with a scant list of clients: Charles of the Ritz, *Good Housekeeping*, National Coffee Assn. and G.D. Searle & Co. consumer products unit.

Laurie Wright, new-products director at Searle's consumer products unit, confirmed that ATW currently is working on some Searle assignments, and said there is no consideration of dropping the agency from its roster. The Skokie, Ill.-based company splits its consumer unit new-product projects between ATW and Cunningham & Walsh, Chicago.

According to a spokesman for National Coffee Assn.—now ATW's biggest client, spending $20 million-plus—there are no plans to leave or review its account.

Robert Miller, Charles of the Ritz Group president, said: "No, we're not planning to split. They continue to be our agency." According to Leading National Advertisers, Charles of the Ritz spent $10.8 million, excluding newspapers, last year though ATW.

Jack Siegrist, promotion director, *Good Housekeeping*, also said no agency review is planned. In 1982, *Good Housekeeping* spent $300,000 in advertising, according to LNA.

Whatever the future of Advertising to Women, one thing is clear: The Gillette reassignment comes at a time when the personal care division—particularly some of the brands handled by ATW—could use a marketing transfusion.

Gillette's personal care division swung into the 1980s on the highly successful launches of Dry Idea deodorant/antiperspirant and Silkience haircare products.

They were followed in 1981 by Aapri apricot facial scrub, whose sales surprised even Gillette. In less than a year, Aapri managed to snare 9% of the $133 million facial cleanser market, and Wall Street embraced Gillette as one of the hottest new-product performers.

Since then, however, the division has had some disappointments, most notably Silkience's share erosion—from 3.6% in shampoo to 3% and from 6% to 4.3% in conditioners over the past year—and FOHO's inability to generate consumer interest.

"FOHO and Silkience are waning brands," said Salomon Bros.' Diana Temple. "In hindsight, the positioning of FOHO as a concept did not have as much appeal as Gillette had predicted. I think they will wait it out on that one to see how Revlon's and Lever Bros.' new products do." (Revlon early next year will introduce Hair's Daily Requirement, and Lever is rolling out Dimension shampoo.)

Silkience revamp seen

As for Silkience, Young & Rubicam is expected to overhaul the brand as it did Right Guard deodorant. Indeed, Y&R's work on Right Guard, which over the years had slipped from being a household favorite to an also-ran, clearly led to its latest assignments.

Analysts also said Gillette may drop the Silkience skincare offshoots, which have not matched the success of the original hair line.

"Plus," said Smith Barney's Mr. Salzman, "they made a mistake by pulling back support on the original Silkience hair products. They thought the advertising for the skin [lotion] could carry both.#

This story was written by reporter Gay Jervey, with contributions from senior reporters Pat Sloan and Christy Marshall.

Coffee ad probe sought

Wailuku, Hawaii—A consumer group here has asked the National Advertising Division of the Council of Better Business Bureaus to investigate claims made in the Advertising to Woman-created campaign for the National Coffee Assn.

The group, Consumerwatch, has challenged the NCA ad's contention that coffee has a calming effect on people. Earlier this month, the Center for Science in the Public Interest, a Washington-based consumer group, urged the Federal Trade Commission to investigate a number of claims made in food advertising, including the NCA ads (AA, Dec. 5).

Aimed at 18-to-34-year-olds who grew up on soft drinks with caffeine, the NCA ads claim that coffee "picks you up and calms you down," ending with the message, "Join the coffee achievers."

"Yes, there is an inquiry and we have responded," said NCA spokesman Bill Brooks. He declined further comment.

The yearlong $20 million campaign is using tv and cable exclusively. Flights are running on all three networks and on three syndicated shows: "Thicke of the Night," "Solid Gold" and "Fame." Three cable services are also in the media mix: MTV: Music Television, USA Cable Network's "Night Flight" series and WTBS' "Night Tracks."

The ads are clearly upbeat: Rock music entreats consumers to "hold on tight to your dreams." The camera cuts quickly to a variety of celebrities, including singers David Bowie and Joe Jackson, Cincinnati Bengals quarterback Ken Anderson, marathon runner Allison Roe, the singing group Heart, author Kurt Vonnegut and actresses Cicely Tyson and Jane Curtin.

However, the claims about coffee's calming attributes are based on attitudinal research between 1961 and 1979, rather than clinical scientific study, the Hawaiian group contends.#

C2710-14

Minneapolis a hot agency town - Page 3

Learning computer animationese - Magazine

Janie Fricke: From jingles to country stardom - Magazine

Advertising Age®

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Atari founder develops revolutionary tv

By TOM BAYER

SUNNYVALE, CAL.—Officials of Atari founder Nolan Bushnell's Catalyst Technologies Inc. are quietly showing investors, programing executives and major advertisers a "smart black box" that is being described as the first innovation in tv since the advent of tv itself.

The company claims the revolutionary development has the potential to engulf advertisers, the tv industry and consumers in a futuristic new world much earlier than had been imagined.

Its developers believe the system—named ACTV and pronounced "active"—could thrust consumers, advertisers and programers into a new interactive age.

Tv advertising could be aimed at homes with preselected demographics and psychographics; present measurement techniques could become obsolete; tv programs could actively and instantly involve viewers, and education could change radically.

ACTV and its new technology have been enthusiastically endorsed by industry leaders who have seen the system in its rough, first-generation form.

Officials of Lucasfilm Ltd. have expressed interest in being a supplier of programing. A major national consumer goods advertiser has expressed an interest in being a charter advertiser for ACTV, and in funding research to be conducted in a pilot city.

CT executives would not reveal the identity of the advertiser, pending contractual agreements and actual research plans.

ACTV is based on a sophisticated microprocessor that is attached to a viewer's tv set, and on new methods of program production. Catalyst Technologies expects that within the next two years it will contract with programers and cable networks to produce and distribute this type of programing.

The development has the potential to eclipse Mr. Bushnell's own creation of Atari, which he introduced in 1972 with Pong and simi-

(Continued on Page 52)

last minute news

Squibb moves Theragran vitamins to O&M

PRINCETON, N.J.—Squibb Corp. will assign the $8 million Theragran vitamin account to Ogilvy & Mather following a review that included incumbent Jordan, Case & McGrath and two other undisclosed agencies.

Izod parts company with Grey Advertising

NEW YORK—Izod LaCoste, a division of General Mills, and agency Grey Advertising have parted company. The makers of the alligator shirt apparently have not yet named a new agency for the estimated $2 million account.

Ogilvy talking with Rolf Werner Rosenthal

NEW YORK—Rolf Werner Rosenthal, one of the last major independent medical communications agencies, is now in merger discussions with Ogilvy & Mather International. The negotiations concern a stock exchange. RWR would "operate separately but as a full member of OMI," a spokesman said. In 1982, Rosenthal reported a gross income of $5.3 million on billings of $38 million. A full announcement (or completion of negotiations) is expected in January.

(Continued on Page 8)

GM considers reorganization by car size, not brand name

By JESSE SNYDER

DETROIT—General Motors is eyeing sweeping organizational changes that would alter sharply the way its cars will be marketed, industry sources said.

The changes include creation of a "small-car" group consisting of Chevrolet and Pontiac and a "large-car" group composed of Buick, Oldsmobile and Cadillac. "In a year, you won't recognize GM," one observer said.

Each group would be headed by a group executive and would take over the marketing and administrative functions, to the extent of having single marketing staffs—one for Chevrolet and Pontiac, for example.

But the changes would also allow for authorizing more dual dealerships, in which a dealer could structure his inventory by consumer segment and across car group lines. For example, Pontiac could be teamed frequently with Buick to appeal to "expressive" or "style-conscious" car buyers. Chevy and Olds often would be paired at the dealership level to attract those who prefer conservative styling.

Cadillac, at the top of the price ladder, would continue to be marketed separately most often.

A GM spokesman declined comment on any plans. He did say that "about 15 months ago we announced the appointment of John Debbink, former general manager of Delco Morraine division, to coordinate a corporate organizational review. That review goes on and there is absolutely nothing to report from it. We said this group would look at the whole organization and in time get back."

Under the reported plan, Chevrolet and Pontiac would offer nothing larger than an intermediate-size car such as the A-body Chevy Celebrity-Pontiac 6000.

Buick, Olds and Cadillac (BOC) would lose their

(Continued on Page 52)

Divested Bells head into uncharted terrain

By ROBERT RAISSMAN

In the world's largest business reorganization in history, at midnight on Dec. 31, AT&T will divest itself of its wholly owned telephone companies and $154 billion in assets, giving birth to seven new and independent regional holding companies.

With that move, AT&T itself plunges into a market that already has in a short time become one of the most competitive ever. While much has been made of that, not much attention has been focused on the 22 regional phone companies, now reorganized and operating under the new holding companies.

The new year finds them wrestling with a number of communications problems, not the least of which is shaping advertising messages to a somewhat puzzled public.

The entire advertising process is changing for these companies and a lot is at stake. They have to explain why their customers may be getting six different telephone bills, who they must call if a telephone line snaps, who to call if the phone is out of order.

These external communications challenges, and new marketing challenges likely to come, will keep a steady stream of advertising coming from the 22 general ad agencies that now serve them *(see accompanying chart at right).*

According to ad managers at the regional phone companies, the budgets to be funneled through agencies will remain low for the present,

(Continued on Page 53)

> "I have advertising ready that will have. . . the others running for shelter."
>
> **— *Brian B. Sullivan, New England Telephone***

Ma Bell babies' agencies

BELLSOUTH	
Bell South (corporate)	Burton-Campbell
Southern Bell	Tucker Wayne & Co.
Southern Central Bell	Luckie & Forney
NYNEX	
Nynex (corporate)	Young & Rubicam
Nynex Business Systems	Cabot Advertising
New York Telephone	Young & Rubicam
New England Telephone	Cabot Advertising
PACIFIC TELESIS	
Pacific Telesis (corporate)	Foote, Cone & Belding
Pac-Tel Communication	Ketchum Communications
Pac-Tel Mobile Access	No agency
Pac-Tel Publishing	No agency
Pacific Telephone	Foote, Cone & Belding
US WEST	
US West (corporate)	Fallon McElligott Rice
Mountain States	Tracy-Locke/BBDO
Northwestern Bell	Bozell & Jacobs Bermudez Associates (Hispanic)
Pacific Northwest Bell	Chiat/Day
First Tel	Bozell & Jacobs
NewVector	BBDO
InterLine	Fallon McElligott Rice
US West Direct	No agency
Bell Atlantic	
Bell Atlantic (corporate)	Bozell & Jacobs, Ketchum
Bell Atlantic Mobile Systems	Lewis, Gilman & Kynett
Bell of Pennsylvania	Lewis, Gilman & Kynett
Chesapeake & Potomac (all areas)	Ketchum
Diamond State Telephone	Lewis, Gilman & Kynett
New Jersey Bell	Bozell & Jacobs
Southwestern Bell	
Southwestern Bell (corporate)	Gardner
Southwestern Bell Telecommunications	D'Arcy-MacManus & Masius
Southwestern Bell Publications	Gardner Advertising
Southwestern Bell Mobile Systems	Bozell & Jacobs/Southwest
Southwestern Bell	D'Arcy-MacManus & Masius
AMERITECH	
Ameritech (corporate)	J. Walter Thompson USA
Ameritech Mobil Communications	Compton
Ameritech Communications	No agency
Ameritech Publishing	No agency
Ameritech Development	No agency
Illinois Bell	N W Ayer Vince Cullers (Minority-Black) OMAR (Minority-Hispanic)
Michigan Bell	Ross Roy
Indiana Bell	Prime Handley & Miller
Ohio Bell	Marschalk
Wisconsin Bell	Cramer-Krasselt

NEWSPAPER

Top auto ad execs shift at Ford, K&E

DETROIT—The new year will find some auto marketing veterans missing and at least one new face, as Edsel Ford moves to advertising manager of Ford division.

A number of marketing executive changes were made at Ford last week.

In the Chrysler Corp. ad-executive suite, John J. Morrissey is leaving as chairman of Kenyon & Eckhardt here after five years. The Birmingham, Mich.-based operation will now be headed by Peter Dimsey, exec vp-manager.

Mr. Morrissey joined K&E from Ford division general marketing manager back when Chrysler's survival was in doubt.

"There is no question Chrysler has turned the corner. But I wouldn't want to spend that five years over again," Mr. Morrissey said in an interview.

His contract with K&E had run out. "Both sides lived up to our agreement, and the time has come to do some other things in advertising and marketing," he said.

There have been no talks with Chrysler, he said, and J. Walter Thompson USA, where he worked before joining Ford, "does not beckon again."

At Ford Motor, there were a number of executive changes in addition to the new position of Mr. Ford.

Ross Roberts is moving to general marketing manager of the Lincoln-Mercury division, from Ford division market representation manager, and B.J. Coughlan shifts to general sales manager

(Continued on Page 52)

Edsel Ford knows the ads he likes

By RALPH GRAY

Edsel B. Ford II is moving into advertising and marketing on his way to making the Ford, name on the Ford Motor Co. buildings stand for his.

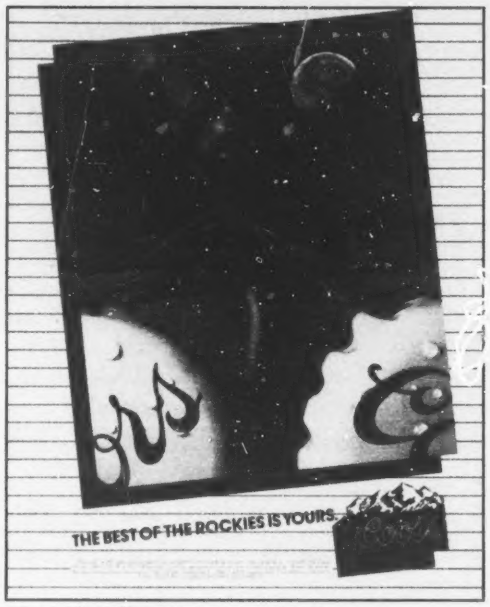
Edsel Ford is the great-grandson of founder Henry Ford, and last week was named advertising manager of the Ford division. He was marketing product plans manager.

Douglas T. McClure, who was Ford division ad manager, becomes ad director of the Ford corporate marketing staff, a vacant position.

"Getting the opportunity to go into advertising is a rounding process that I believe in the long run is going to benefit me," Mr. Ford said in an interview. "I'm a product man and I'm excited about having the opportunity to create messages that talk about the great stuff we've got."

Mr. Ford has been marketing product plans manager of

(Continued on Page 52)



Controversial print ad for Coors beer.

Coors pulls campus ads

GOLDEN, COLO.—William Coors, chairman of Adolph Coors Co., has ordered the discontinuation of a print ad campaign that he believes is "tasteless" and improperly using sex to sell Coors beer.

The color ad appears in the Dec. 22 issue of *Rolling Stone*.

That ad features a surrealistic view of a swimsuit-clad female perched between two Coors bottlecaps. Copy offers a poster for $2. The ad uses Coors' flagship theme: "The best of the Rockies is yours."

Foote, Cone & Belding, Chicago, created the ad, which is part of a two-pronged print campaign aimed at the college market. Other ads depict "physcially fit" males and females in similar settings, says a Coors spokesman.

Mr. Coors reportedly ordered the campaign's end after agreeing with complaints aired in a letter to him from the editor of the *University of Colorado Daily*, who charged the ads were tasteless and using sex to sell a product.

Regardless, the poster campaign has had a "four-to-one" favorable response from those who have contacted the brewery, said the company.#

Quaker rolls snack 'candy'

By JANET NEIMAN

Quaker Oats Co.'s long-awaited encore to its Chewy Granola Bars will come in February, when the company begins marketing nationally new Granola Dipps.

The four-item line of milk chocolate-covered, chewy-style granola bars will be backed by $24 million in advertising.

For nearly a year, Quaker chairman William Smithburg has been hinting about additions to Quaker's lineup in the wholesome snack products category (AA, Feb. 28).

The Granola Dipps line includes all four flavors in which Chewy originally was introduced: Chocolate chip, honey & oats, peanut butter and raisin & almond.

Dipps is said to have a slightly crisper texture than Chewy, and one trade source likened the taste to Hershey Foods' Whatchamacallit candy bar.

While retailers appear predisposed to take on the new line, several say they are faced with shelf-space problems. In western regions and some parts of the Midwest, the Dipps introduction follows a rollout of General Mills' Nature Valley Chewy Granola Bar.

Some buyers say they will be exchanging Dipps for some of the hard-texture Nature Valley products; others may eliminate Carnation's Trail Mix granola bars and some of Hershey's New Trail line.

Foreseeing heavy demand for Granola Dipps, one retail buyer fears Quaker will run into supply problems if it goes through with a national introduction in February.

When Quaker Chewy debuted on the East and West Coasts in 1981, Quaker was forced to pull the line out of eastern markets and put it on allocation in the West because of supply problems.

Dipps represents Quaker's second salvo at General Mills' leading position in the nearly $300 million granola bar category.

Quaker has made at least one obvious change in its marketing strategy this time around—choosing a name that could not be copied by Nature Valley.

The $24 million in support being pledged for Dipps tops the $20 million budget Quaker promised when it introduced Chewy, as well as the $17 million General Mills said it would spend on Nature Valley Chewy.

Tv, heavy couponing and newspaper ads will accompany the introduction. Quaker-owned Ad-Com is believed to have the Granola Dipps assignment.#

highlights

Monday, December 19, 1983

The U.S. government has changed its policy on ad accounts to channel more work to minority shops and allow agencies longer contract periods. *See Page 6.*

International Ladies' Garment Workers' Union is launching a new campaign to encourage consumers to buy American-made products. *See Page 10.*

Polaroid plans to introduce Supercolor videocassettes into the U.S. next month. *See Page 10.*

Arby's will ring in the new year with its new breakfast menu. *See Page 10.*

USA Today is preparing its crucial big push for advertising in 1984. *See Page 12.*

Ladies' Home Journal celebrates 100 years of publication. *See Page 12.*

Beecham Inc. is asking the Federal Trade Commission to lift the cease-and-desist order banning its "tired blood" Geritol ad. *See Page 14.*

The National Advertising Division of the Council of Better Business Bureaus challenged ad claims of nine marketers last month. *See Page 14.*

Ziebart Rustproofing Co. is expanding its advertising beyond its "us or rust" claim to include its diversified services. *See Page 34.*

E-Com, the U.S. Postal Service's electronic mail medium, is drawing criticism. *See Page 48.*

Time Inc. gets more involved in magazine development, adding staff and funding to its efforts. *See Page 55.*

First-quarter spot tv is proceeding briskly for some, but slightly below initial projections for others. *See Page 56.*

CORPORATE CLOSEUP

Pizza Hut president Arthur Gunther in 3½ years has increased the PepsiCo subsidiary's profits 600%, tripled ad spending and organized local ad co-ops, changing the company from a product-oriented to a marketing-driven organization. *See Page 4.*

INTERNATIONAL

Multinational advertising agencies and marketers, many of whom went into 1983 with uncertain prospects for international growth, are finding that their forecasts were exceeded by wide margins. *See Page 30.*

Japanese voters who streamed to the polls today to determine who will form their next government have not yet had to face one American export: U.S.-style political campaigning. *See Page 30.*

A U.S.-U.K. doll war has broken out this Christmas in Britain between Mattel Toys' Barbie and Pedigree Toy Group's Sindy. And it's a contest that is likely to extend beyond the holidays and into the rest of Europe. *See Page 30.*

VIDEOTECH

National Cable Television Assn. Cable Programing Conference's main topic was the need for cable to do a better consumer marketing job. *See Page 40.*

McCann-Erickson will be positioning cable as a must for active people who value leisure time as it takes on the Council on Cable Information's account. *See Page 40.*

Two studies from Ogilvy & Mather and BBDO show that national tv networks still face trouble from independent stations and pay and basic cable services. *See Page 42.*

MAGAZINE

'Me and my RC' and other commercials helped propel singer Janie Fricke to country music stardom. *See Page M-4.*

International/Toronto: Canada's largest city has come a long way from its days as a provincial capital known as "Hogtown." *See Page M-9.*

After his introduction to the world of computer graphics, an adman created a glossary of terms to get the first-timer through a computer animation shoot. *See Page M-26.*

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GE plans new drive via Chiat

By PAT SLOAN

Early next year, General Electric will begin its first business-to-business campaign in 30 years.

The campaign will aim to serve all the company's various operations with the obvious exception of consumer products.

Observers expect the campaign gradually will increase in scope as GE strives to position itself on the leading edge of high technology for the 1980s. One source noted GE is communicating that on a small scale, "but it's going to get much bigger."

With industry spending for capital improvements on the upswing, the GE campaign will be timely.

The initial $5 million effort created by Chiat/Day, New York, will portray GE's divisions as synergistic units that are advantageous to do business with.

GE said it was not ready to comment on its new ad plans yet. Bart Snider, project manager of corporate marketing, also was vague about the fate of business commercials being aired by consumer agency BBDO. Shown on such programing as "Monday Night Football" and "60 Minutes," these spots began two years ago as extensions of its consumer campaign.#

"There used to be a major reason to leave this town. I don't believe that's true anymore. . .There was a lack of sophistication. . .that has changed and now we're finding a readiness to work with local agencies. . ."

— Tom McElligott, founder, Fallon McElligott Rice

"One of my goals is to increase the creative reputation of the agency. I've worked real hard on that since I've been here. . ."

— William Dunlap, new chairman, Campbell-Mithun

Hot agencies sparking new Twin Cities interest

By M. HOWARD GELFAND

MINNEAPOLIS—If you're talking visibility in the Twin Cities advertising community, 1983 has been the year of Fallon McElligott Rice.

While many of its competitors were quietly recovering from the recession, the upstart agency, now in its third year, was grabbing attention, awards and accounts.

Yet there's been plenty of other activity in the Twin Cities lately—activity the Fallon McElligott Rice phenomenon at once underscores and obscures.

Only a decade ago, many outsiders viewed the Twin Cities as a two-agency town: Campbell-Mithun and Everyone Else. Business was leaving for larger New York and Chicago.

No more. Many accounts are leaving home for the Twin Cities these days. The success of Fallon McElligott Rice, already claiming billings of $18 million, helps illustrate the area's continuing emergence as a creative and financial spot on the advertising globe.

At the same time, the attention given to FMR shadows the accomplishments of the more established agencies here.

Says Tom McElligott, the leading creative force behind the agency: "There used to be a major reason to leave this town. I don't believe that's true anymore. Ten years ago, there was a lack of sophistication here. People here didn't understand how to

(Continued on Page 57)

'U.S. News' mulls offer for its purchase

By RICHARD L. GORDON

WASHINGTON—Future ownership of U.S. News & World Report Inc. is up in the air as management of the nation's No. 3 newsweekly ponders a big-dollar purchase offer from an undisclosed bidder.

The bid for control of the 50-year-old company—employe-owned since 1962—was confirmed by company president James H. McIlhenny last week. He refused to identify the bidder, and one likely candidate—real estate millionaire Mortimer Zuckerman, chairman of *Atlantic Monthly*—claimed he is not involved.

Mr. McIlhenny said employes will get more information "as early as possible," but he said, "We're not anywhere near any significant next step."

No single *U.S. News* employe owns a significant block of stock in the company, and the greatest number of shares are held in trust for employes in the company's profit-sharing fund, a staffer said.

U.S. News & World Report president McIlhenny refused to discuss the number of shares outstanding, or identify the profit-sharing fund trustees who can vote those shares.

Employes were told in a memo only that the offered price for the company is "significantly above its appraised value."

Staffers put the current value at $420 a share. There were rumors that the offering price could be as much as four to five times the company's book value.

"We intend to conduct ourselves completely in the best interest of our employes," Mr. McIlhenny said. He indicated there has been interest from other would-be purchasers over the years. "There's a difference between idle conversation and an offer," he added. "This is an offer."

There was immediate speculation about a Zuckerman connection to *U.S. News* because he and the company are already partners in a $200 million office building,

(Continued on Page 55)

world news roundup

TORONTO—Thomson Newspapers and Southam Inc., Canada's largest newspaper chains, were found not guilty by the Ontario Supreme Court on Dec. 9 of "conspiracy to lessen competition unduly." The trial began last September and stemmed from 1980 closures of one Thomson and one Southam newspaper, giving each a local monopoly.

NEW YORK—Grey Advertising is renaming all of its foreign offices "Grey Advertising" or "Grey (country or city name)."

CHICAGO—Leaf Inc., the new U.S. arm of Helsinki-based Huhtamaki Group, plans to break new tv and print ads by February for recently acquired Good & Plenty, Clark and Milk Duds candies, which will receive increased ad budgets via N W Ayer. Next year it will also launch its first U.S. corporate ad campaign via Ayer.

PARIS—Benton & Bowles' French agency will sell its 20% stake in French agency group GRP to Feldman Calleux Associes next month.

LONDON—Alberto-Culver Co. is consolidating its $4.5 million U.K. account at English agency MWK&P—its fourth agency in two years. The haircare marketer fired Abbott Mead Vickers/SMS last June and has not officially had an agency since then.

TOKYO—Japanese publisher Kyoikusha last week launched the first issue of its heavily promoted business magazine "Common Sense." The magazine has a no-ad policy.

LONDON—Rupert Murdoch's Satellite Television, set for a major expansion in 1984, has been renamed Sky Channel, and will start beaming programs to three British cable operators near London in Jan-

(Continued on Page 30)

Low-alcohol beers on tap

By ROBERT REED

A rash of low-alcohol beers is expected to hit the market next year as brewers try to thwart declining sales and find a way to address the public's growing concern about alcohol abuse.

Already, two regional brewers have introduced low-alcohol brews, and most of the major beer makers are "looking into" the category and formulating test plans, sources say.

These beers have less than 2% alcohol by weight, less than those of regular brews, which range from 3.6% to 4% in alcohol content.

C. Schmidt Brewing Co., Philadelphia, entered last week with its Break Special Lager, and in September, Cincinnati-based Hudepohl Brewing Co. premiered Pace beer.

Of the major players, No. 1 Anheuser-Busch, already set to bring out a number of new products in 1984, is going to introduce a low-alcohol beer next year, competitors say (AA, Dec. 12).

Stroh Brewery Co. and G. Heileman Brewing Co. executives say they are examining the possibility, while Miller Brewing Co. is "looking at the category but not seriously looking," according to a company spokesman.

Robert Rechholtz, exec vp-marketing for Adolph Coors Co., says the segment is "the natural evolution of the light beer market," (which now garners about 20% of beer sales) and is in line with the American consumer's move to moderation of drink and diet.

Mr. Rechholtz declined to say if Coors also is working on a low-alcohol entry.

But when A-B does come to the fore, it is likely the others will follow, analysts say. The brewing industry is approaching a new-product explosion, and each brewer is attempting to offset flat or declining sales by creating new market niches such as low-alcohol or even flavored beers.

"To give the [low-alcohol] segment credibility, a big brewer will have to come up with it," says Bob Pohl, exec vp-general manager of Hudepohl.

"The others [larger brewers] will follow," says William Elliott, president of Schmidt. "A lot of extra brewing capacity out there has to be filled."

Mr. Elliott added that the low-al-

(Continued on Page 55)

AA's Washington bureau relocates in Press Bldg.

Effective Dec. 19, the Washington bureau address for ADVERTISING AGE is Suite 814, National Press Bldg., Washington, D.C. 20045. The new phone number is (202) 662-7200.

Ad spending seen climbing 13.8%

By CHRISTY MARSHALL

NEW YORK—Advertising spending will be up 13.8% to $85.4 billion in 1984, according to Robert Coen, senior vp-media of McCann-Erickson.

Speaking at the annual Paine Webber Media Outlook Conference, Mr. Coen reported that in '83 ad spending totaled $75.1 billion, 12.5% more than in '82.

"Advertising spending in 1983 was stronger than many of us predicted a year ago when we were expecting a slow and delayed economic recovery," Mr. Coen said. Earlier this year, he estimated national broadcast would be up 11%, national print 8% and other national 10%. In reality, all three areas were up 12%.

"A year ago, we didn't think consumers would start spending until after the tax cut in the middle of the year," Mr. Coen said. "However, they didn't wait and they came out much stronger and faster than we expected; '83 has really been a very good year."

Looking forward to 1984, the McCann executive said national broadcast would be up 13% to $15.2 billion.

Of that, network tv would increase by 12% to 13%, spot tv will be up 13%, radio (network and spot) would be up 12% to 14% and cable advertising would be up 20% to 30%. National print (magazine and national advertisers in newspapers) will be up 14% to $7.8 billion. Other national spending will be up 14% to $24.9 million. For the grand total, the media outlook for 1984 tallies out to a 13.8% increase to $85.4 billion.

The biggest gain in spending this year was enjoyed by the direct-mail industry; spending was up 14% from '82 to $11.8 billion. Magazines were a close second with a 13.5% increase, attributable primarily to increased buys from automobile and cigaret advertisers, Mr. Coen said.

Network tv advertising was up 12.5% to $7 billion; radio grew 12% to $1.3 billion; spot tv increased 10.5% to $4.8 billion; newspapers were up 9.5% to $2.7 billion, and other media climbed 9.4% to $10.4 billion.

For the total ad picture, local newspaper increased 14.5% to $17.4 billion, local tv was up 14% to $4.3 billion

(Continued on Page 56)

The outlook for 1984

	Change over '83 (%)	**Millions of dollars**
National		
Broadcast	13.0	15,205
Print	14.0	7,835
Other	14.0	24,890
Total	**13.5**	**47,930**
Local	**14.2**	**37,470**
Grand total	**13.8**	**85,400**

Source: Robert Coen, McCann-Erickson

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GERBER
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U.S. shifts ad account policy

WASHINGTON—A new top-level government strategy has been approved to see that chunks of the government's big ad accounts are channeled to minority-owned ad agencies and agency suppliers.

At the same time, the new policy opens the way for agencies holding major government accounts to get longer contract periods without renewal competitions.

The new directive was issued by the White House office of federal procurement policy, part of the White House office of management and budget.

Under the plan, which became effective last week, agencies holding major government accounts will be called in twice a year by White House purchasing policy officials to review their subcontracting programs.

Discarded in the new Reagan strategy is a controversial Carter administration policy requiring that ad agencies have a chance to compete for the government's major accounts every three years.

The American Assn. of Advertising Agencies had protested that the mandatory competition every three years was wasteful and artificial, and it discouraged top ad agencies from pitching for government accounts (AA, Jan. 25, '82).

That change is most important in military recruiting, which accounts for about three-quarters of the government's $200 million ad spending.

While the Air Force already uses five-year contracts, the Army, Navy, Marine Corps and joint-service ad programs have stayed with the three-year contracts that are objectionable to the Four A's.

A 1978 federal law requires holders of government contracts worth $500,000 or more to develop subcontracting plans aimed at minority companies. In one such agency plan, Army agency N W Ayer has targeted 9% of its subcontracted business for minorities, a Pentagon purchasing official said last week.

The new policy represents a trade-off for ad agencies holding government contracts. The closer inspection of subcontracting performance by a new layer of reviewing officials means more paperwork. But the longer contract periods mean fewer renewal competitions.

In theory, the three-year competition cycle was meant to prevent agencies from locking up choice government accounts under long-term contracts. With more opportunities to bid, minority companies stood a better chance, the argument went.

In practice, fewer agencies have been willing to go to the expense of competing for the biggest government accounts. Even where there is competition, incumbents rarely have lost an account. Even without serious competition, the incumbent must go through the cost of pitching the business.

Growing impatience with the system led the Four A's to begin lobbying the Reagan administration nearly two years ago. The organization's proposal, which split Defense Department ad executives, called for extending the government ad agency contract to a maximum of nine years. Pentagon executives later told the White House they supported a switch to a five-year maximum.#

Merged cable networks set launch

By MORRIE GELMAN

ANAHEIM—The cable tv shakeout continues as the Entertainment Channel joins with ARTS to become an advertiser and cable system-supported service on Feb. 1, and Spotlight pay cable service ends on the same date.

The new service is to be known as the ARTS & Entertainment Network, or simply A&E. Hearst Corp., ABC Video Enterprises and RCA Cable each will own one-third of the cable network.

The Entertainment Channel, which folded March 31 after less than a year of operation and with less than 50,000 subscribers, was a joint venture of RCA and Rockefeller Center. The latter holds an interest in RCA Cable.

Advertising, as it is with the Hearst/ABC Video Enterprises ARTS service, will be a key source of financial support for what will be a basic cable service when the Entertainment Channel is added.

A president and key officers of the new A&E company, which will be based in New York, still are to be selected.

As A&E comes on as another high-profile attempt to tap the cable audience, Spotlight becomes another high-visibility dropout.

The service has been managed by Times Mirror Satellite Programming since May, 1981, and is owned by four major cable companies—Cox Cable Communications, Storer Communications, Tele-Communications Inc. and Times Mirror Cable Television.

After folding its around-the-clock pay cable movie service Feb. 1, Spotlight's assets will be acquired by Showtime/The Movie Channel, giving these services an opportunity to close the wide gap that Home Box Office has opened in the pay tv competition.

Showtime/The Movie Channel, which operates as a separate 24-hour-a-day pay tv service, has more than 7 million subscribers.

It was imperative for Spotlight, if it was to compete in the marketplace, to market itself outside the cable systems of its four partners.#

Ogilvy hands over reins

NEW YORK—David Ogilvy, founder of Ogilvy & Mather and its worldwide creative guru, officially passed the torch last week to Norman Berry, creative director of O&M's office here.

Mr. Ogilvy had been creative head of Ogilvy & Mather Worldwide. At the age of 72, he announced it was time for a successor.

"For 10 years, I have functioned as creative head of OMW at the international level," Mr. Ogilvy said. "The time has now come to give this impossible job to someone a bit younger.

"I nominate Norman Berry, provided he can also continue as head of New York, where he is indispensable. Norman has a genius for leading creative people. He is a glutton for hard work. His enormous experience here and in Europe is matched only by his monumental common sense."

Mr. Berry, 52, founded Davidson, Pearce, Berry, Spottiswoode, London, now a subsidiary of Ogilvy & Mather. He joined O&M in mid-1979 and now sits on the board and the O&M executive committee.

The news of the Berry ascension came last Thursday morning as the entire agency staff was getting ready for the agency's annual Christmas fete that includes a Broadway matinee. This year it was off to the Shubert Theatre to see "A Chorus Line."#

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corrections & clarifications

- Direct marketing in Japan grew from 0.6% of all sales in 1980 to 0.8% in 1932 (AA, Nov. 28, P. M-32).
- Kentucky Fried Chicken Corp. currently operates nine restaurants in West Germany. An earlier article incorrectly reported that number (AA, Nov. 28, P. 58).
- Bacardi Imports, Miami, is a licensee of Bacardi & Co. Ltd., which owns the Bacardi trademark (AA, Nov. 21, P. 4). In addition, the same article should have noted that Bacardi Imports discontinued marketing Terry brandy.
- East/West Network incorrectly reported its November, 1983, and 1983 year-to-date figures for 10 publications (AA, Nov. 21, P. 55). The correct figures, respectively, are as follows: *Amtrak Express*, 49.5-470.0; *Continental*, 69.2-720.3; *Eastern Review*, 134.3-1,147.5; *Ozark*, 54.7-514.2; *PSA Magazine*, 110.3-1,008.7; *Republic Scene*, 84.0-650.9; *United*, 130.0-1,079.4; *US Air*, 74.0-705.4; *Western's World*, 85.3-699.6; *Pan Am Clipper*, 47.8-470.9.

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*December*

Art & antiques

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Artist	55.0	48.0	779.0	660.0
Antiques	113.3	119.0	1,558.9	1,726.9
Art in America (11X)	125.0	91.8	1,314.3	1,154.3
Plate World	76.0	112.0	494.0	332.0
Portfolio (6X)	—	71.3	266.5	368.8
Southwest Art	104.9	82.5	1,129.8	1,289.2
Total Group	**474.2**	**524.6**	**5,542.5**	**5,531.2**
% change	**−9.6%**		**+0.2%**	

Auto/cycle/rec. vehicles

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
AutoWeek	104.2	106.8	1,474.0	1,589.0
Car & Driver	124.2	105.7	1,122.8	1,013.0
Car Collector & Car Classics	27.4	25.6	264.3	274.1
Car Craft	67.0	57.7	858.6	875.5
Cycle	37.1	47.0	684.4	851.5
Cycle Guide	21.8	32.4	482.0	581.4
Cycle World	28.4	34.9	584.6	663.2
Dune Buggies & Hot VWs	84.1	58.8	875.2	670.4
Family Motor Coaching	91.0	86.4	1,369.5	1,146.6
4 Wheel & Offroad	63.8	62.2	806.1	613.1
Four Wheeler	66.3	31.8	544.7	331.7
Hot Rod	60.5	45.8	683.0	672.3
Motorcyclist	15.9	25.4	416.5	560.2
Motor Trend	80.1	57.9	787.4	696.3
Motorhome	73.3	—	875.9	648.9
Pickup, Van & 4 WD	29.9	23.8	300.2	320.8
Road & Track	115.2	111.2	1,207.4	1,133.7
3 Wheeling	30.4	25.8	337.4	273.0
Trailer Life	106.5	90.5	1,287.2	1,245.1
Total Group	**1,227.1**	**1,029.7**	**14,961.2**	**14,159.8**
% change	**+19.1%**		**+5.6%**	

Boating & yachting

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Boating	88.9	73.2	1,341.6	1,259.8
Chesapeake Bay	18.3	15.5	324.4	313.3
Cruising World	110.2	83.0	1,731.6	1,543.5
Lakeland Boating	31.5	29.0	497.5	489.5
Motor Boating & Sailing	100.4	86.5	1,599.0	1,434.0
Sail	83.1	63.9	1,415.2	1,550.8
Sea & Pacific Skipper	47.2	64.5	768.7	859.0
Small Boat Journal (6X)	31.6	27.7	226.8	200.3
Trailer Boats	—	—	248.3	249.4
Western Boatman (6X)	—	—	114.3	—
Yachting	126.1	116.1	1,800.3	1,912.4
Total Group	**637.3**	**559.4**	**10,067.7**	**9,812.0**
% change	**+13.9%**		**+2.6%**	

Canadian

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
L'Actualite	79.5	62.7	687.9	663.4
Chatelaine				
English Edition A	97.0	92.4	1,182.1	1,158.7
French Edition	95.9	83.8	1,061.1	941.8
City Woman (5X)	62.2	—	206.1	157.0
Equinox	—	—	243.5	163.4
Financial Post Magazine A	37.0	27.1	402.1	464.0
Flare A	58.3	40.3	624.2	574.5
Homemaker's Magazine	85.5	87.4	926.7	902.9
Madam Au Foyer	64.0	68.3	724.6	680.3
Macleans A (52X)	118.9	75.3	1,218.0	1,288.7
Quest Magazine (8X) A	41.6	51.5	396.4	446.5
Reader's Digest				
Canadian English A	90.7	100.1	983.8	1,009.4
Canadian-French A	80.0	83.3	903.7	954.8
Toronto Life	159.3	157.4	1,150.3	1,215.5
Vancouver	112.2	119.6	999.6	1,031.9
Total Group	**1,182.1**	**1,049.2**	**11,710.1**	**11,652.8**
% change	**+12.6%**		**+0.4%**	

Civic/fraternal

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Legion	18.7	19.0	323.9	57.7
Elks Magazine (10X)	—	—	251.7	242.2
Kiwanis Magazine	—	—	150.3	135.1
Lion (10X)	6.0	5.5	81.3	80.3
Moose Magazine	18.0	18.0	213.0	229.0
Rotarian	10.6	9.5	162.3	165.1
V.F.W. (10X)	11.0	—	323.0	279.5
Total Group	**84.3**	**52.0**	**1,505.5**	**1,488.9**
% change	**+23.6%**		**+1.1%**	

Comics

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Archie Comic Group (6X)	10.0	10.0	60.0	60.0
DC Comics	9.0	10.0	96.0	90.0
Marvel Comics Group	10.0	10.0	118.0	119.5
Total Group	**29.0**	**30.0**	**274.0**	**269.5**
% change	**−3.3%**		**+1.6%**	

General

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Forests	7.3	12.3	115.4	133.3
American Health (6X)	54.3	36.3	244.0	143.0
American West (6X)	—	—	150.7	174.5
The Atlantic A	45.3	34.2	522.2	373.3
Audubon Magazine (6X)	—	—	217.7	190.0
Bon Appetit A	123.8	94.7	994.8	1,017.5
Changing Times	47.8	31.7	510.9	438.9
Cuisine Magazine	65.0	52.5	522.9	460.9
Ebony	86.8	82.3	1,049.9	979.9
Fifty Plus	23.5	20.8	315.5	330.9
Food & Wine	50.0	66.6	470.1	413.4
Games	29.9	32.8	329.9	238.3
Geo	37.8	22.5	336.9	212.9
Gourmet	118.8	100.0	931.8	842.6
Home Entertainment (6X)	—	—	[illegible]	—
Harper's Magazine A	25.4	15.1	219.3	210.5
Life	86.4	84.5	733.6	622.9
Modern Maturity (6X)	25.2	29.5	235.4	192.0
Money	151.8	123.3	1,429.9	1,332.4
Moneysworth (4X)	—	—	72.1	132.1
Mother Earth News (6X)	40.3	44.1	307.8	301.9
Mother Jones (10X)	17.0	12.7	159.9	136.7
Museum (6X)	—	—	—	—
National Geographic	26.3	22.4	282.7	259.3
Natural History	38.4	33.0	466.9	386.8
Prevention	58.2	70.0	909.2	849.0
Psychology Today	21.2	25.5	307.6	392.5
Reader's Digest A	108.9	95.6	1,032.9	1,093.0
Saturday Evening Post (9X)	35.5	42.2	380.4	393.2
Signature	40.6	40.9	659.8	616.4
Smithsonian	85.2	76.0	938.5	934.9
Success	34.8	27.7	413.6	349.4
Town & Country	211.9	188.5	1,814.3	1,716.9
Travel/Holiday	24.5	25.8	472.9	523.5
Travel & Leisure	101.2	102.8	1,090.2	1,116.6
Vanity Fair	37.9	—	513.8	—
Video	84.7	72.3	770.1	702.1
Video Review	78.3	78.8	779.2	743.7
Writers Digest	24.6	21.8	312.3	265.6
Yankee	86.6	80.0	1,049.7	1,030.6
Total Group	**2,135.2**	**1,899.2**	**22,286.2**	**20,251.4**
% change	**+12.4%**		**+10.0%**	

Home

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Americana (6X)	—	—	212.5	201.1
Architectural Digest A	144.3	159.5	1,566.0	1,614.3
Better Homes and Gardens	131.8	96.1	1,353.0	1,335.5
Colonial Homes (6X)	77.8	80.1	384.7	401.9
Country Journal	36.9	36.7	531.3	546.4
Country Living	47.1	28.5	631.7	420.2
Dallas/Ft. Worth				
Home & Garden	83.8	80.0	844.3	711.4
Early American Life (6X)	—	—	167.1	178.7
Family Food Garden (6X)	—	—	319.9	254.3
Family Handyman (10X) A	49.5	42.3	715.9	683.1
Flower & Garden (6X)	37.3	40.0	234.1	263.6
Home	32.8	18.3	456.2	314.6
The Homeowner (6X)	—	—	166.9	147.9
Horticulture	21.5	27.3	287.0	296.0
House Beautiful	91.3	85.5	1,081.5	956.2
House & Garden	93.9	42.5	826.1	965.3
Houston Home/Garden	130.2	129.7	1,281.9	1,383.7
Metropolitan Home	75.5	61.4	729.9	801.1
New Shelter (9X)	—	—	443.0	390.5
1001 Home Ideas	26.3	20.3	401.2	311.1
Organic Gardening	63.8	69.1	839.5	813.8
Phoenix Home/Garden	57.0	50.3	582.4	582.3
San Diego Home/Garden	71.1	71.7	814.8	686.2
Southern Accents (4X)	—	—	310.6	320.3
Southern Living	118.4	114.4	1,543.2	1,493.8
Sunset Magazine A	125.3	131.1	1,698.8	1,640.0
Texas Homes	86.2	74.1	887.1	934.8
Workbench (6X)	—	—	396.4	385.7
Total Group	**1,601.8**	**1,458.9**	**19,707.0**	**19,033.8**
% change	**+9.7%**		**+3.5%**	

In-flight & other passenger

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Aboard Group (7) (4X)	—	—	102.5	157.3
Alaskafest	43.8	44.7	561.7	513.1
American Way	93.4	74.5	1,122.9	954.9
East/West Network				
Amtrak Express	31.7	32.0	501.7	461.0
Continental	—	48.3	720.3	646.4
Eastern Review	102.2	69.8	1,249.7	956.0
Ozark	37.5	34.5	551.7	499.3
PSA Magazine	90.5	76.0	1,099.2	1,003.6
Pan Am Clipper	35.3	44.3	506.2	479.1
Republic Scene	50.5	37.7	701.4	300.8
United	83.2	72.0	1,162.6	914.5
USAir	55.8	43.3	761.2	573.4
Western's World	62.2	53.7	761.8	299.3
Halsey Publications				
Air Cal	40.0	—	485.5	—
Delta Sky	64.0	52.2	800.3	635.1
Skylite	19.2	—	222.0	88.6
Hawaii	22.1	18.5	211.2	235.2
Pace (6X)	—	—	257.5	198.9
Spirit of Aloha	22.6	20.5	209.5	234.1
Southwest Airlines	89.8	84.0	1,169.9	1,146.8
Webb Publications				
Frontier	31.2	35.0	421.8	460.7
Northwest Orient	29.3	33.5	459.3	355.4
TWA Ambassador	45.3	35.7	652.2	565.9
Total Group	**1,049.6**	**910.2**	**14,692.1**	**11,679.4**
% change	**+15.3%**		**+25.7%**	

Men's

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Esquire	291.2	101.8	1,312.3	807.2
Firehouse Magazine D	47.2	42.0	651.5	603.3
Gentlemen's Quarterly A	146.4	136.0	1,452.5	1,340.0
Penthouse A	92.4	70.1	711.9	715.6
Playboy A	126.3	116.4	1,025.2	1,204.8
Total Group	**703.5**	**466.3**	**5,153.4**	**4,670.9**
% change	**+50.9%**		**+10.3%**	

Metropolitan

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Aloha (6X)	25.2	42.7	165.3	181.3
Atlanta	70.4	76.3	892.5	801.5
Baltimore	101.4	93.8	756.1	751.8
Boston	176.9	167.3	1,629.5	1,603.9
California	70.9	99.2	797.4	872.0
California Living	68.8	94.0	718.8	829.6
Charlotte (10X)	24.7	25.3	318.6	224.6
Chicago	217.5	190.3	1,768.1	1,748.6
Chicago's North Shore	111.7	83.9	1,026.9	867.0
Cincinnati	60.7	55.8	669.9	697.4
Cleveland	139.6	84.3	952.4	795.0
Coast (38X)	79.0	80.0	2,990.2	2,808.0
Columbus Monthly	81.9	75.8	876.9	893.5
Commonwealth	43.9	41.9	370.9	708.4
Connecticut	84.2	72.7	906.9	893.7
Country Magazine	35.3	27.5	377.8	312.1
County Life	50.0	39.0	612.0	463.0
D/Magazine, Dallas/Ft. Worth	164.0	156.5	1,456.9	1,401.3
Denver	45.1	49.2	444.6	443.2
Exclusively Yours,				
Wisconsin (15X)	78.0	77.9	889.9	921.0
Grand Rapids	46.0	52.5	617.2	520.5
Gulfshore Life (10X)	79.5	57.5	575.7	579.5
Honolulu	66.5	68.1	790.8	806.4
Houston City	100.0	92.0	903.4	873.8
Indianapolis	41.8	49.4	558.8	619.8
Kansas City	50.0	31.6	386.6	306.3
Long Island Life	36.0	30.0	432.0	355.0
Los Angeles	299.0	272.0	2,457.5	2,428.0
Louisiana Life (6X)	102.8	87.4	460.6	392.4
Madison	80.0	65.0	536.0	482.8
Miami/South Florida	137.0	98.7	1,080.6	1,048.8
Milwaukee	52.1	45.1	289.4	368.0
Minneapolis/St. Paul	124.2	97.6	1,038.0	932.3
Monthly Detroit	72.5	105.4	665.0	713.1
New Jersey Monthly	67.7	59.3	649.0	675.9
New Mexico	38.1	41.6	332.0	387.3
Ohio	52.1	45.9	609.8	518.0
Oregon E	41.7	19.4	304.7	243.7
Orlando	75.8	67.0	902.7	821.0
Palm Beach Life	114.2	87.7	517.9	515.4
Palm Springs Life	131.6	100.0	1,472.1	1,437.9
Philadelphia	175.7	159.9	1,611.6	1,571.0
Phoenix	97.0	92.7	952.6	968.0
Pittsburgh F	85.6	59.1	754.7	610.1
St. Louis	90.3	82.5	727.3	789.7
San Diego	176.3	142.9	1,672.5	1,563.7
San Francisco	90.6	73.5	748.0	625.4
San Francisco Focus	56.0	52.8	588.8	483.8
Shenandoah/Va.				
Town&Country (6X)	—	—	285.2	222.6
Tampa Bay	42.5	—	346.6	—
Texas Monthly	151.7	160.5	1,504.0	1,601.8
Twin Cities	90.8	694.7	75.5	601.8
Washington Dossier	69.7	74.7	626.0	497.4
The Washingtonian	165.2	161.5	1,743.6	1,623.8
Total Group	**4,831.2**	**4,941.4**	**45,637.8**	**44,400.4**
% change	**−2.2%**		**+2.7%**	

Movie/romance/radio/tv

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Macfadden's Women's Group:				
Modern Romances	24.0	25.9	316.2	341.8
Secrets	24.0	25.9	316.2	341.8
True Confessions	24.0	25.9	317.2	355.5
True Experience	24.0	25.9	316.2	341.8
True Love	24.0	25.9	316.2	341.8
True Romance	24.0	25.9	316.2	341.8
Sterling Women's Group:				
Daytime TV	27.5	30.3	353.3	365.0
Modern Screen	19.5	32.3	229.7	262.7
Movie Mirror (6X)	—	—	178.3	198.1
Soap Opera Stars	—	24.3	240.3	273.0
TV Movie Screen (6X)	—	—	126.6	166.5
TV Picture Life (6X)	—	—	113.9	196.7
Teen Bag (6X)	7.7	—	45.5	37.7
Total Group	**198.7**	**242.3**	**3,185.8**	**3,564.2**
% change	**−17.9%**		**−10.6%**	

Music/entertainment

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Film (10X)	43.5	33.5	343.0	316.8
Audio	67.3	48.4	663.3	439.9
Circus Magazine	41.2	31.5	360.8	359.3
Dance Magazine	74.9	77.6	753.2	744.4
Musician	73.0	68.0	780.0	678.0
Playbill	68.7	78.5	664.8	678.6
Record	23.3	7.5	142.0	83.8
Stereo Review	55.8	73.5	604.0	651.1
Total Group	**447.7**	**418.5**	**4,311.1**	**3,951.9**
% change	**+6.9%**		**+9.0%**	

Newspaper, Sun. magazines

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Family Weekly A	42.6	68.6	816.9	885.6
Parade	41.6	70.5	758.4	808.9
Total Group	**84.2**	**139.1**	**1,575.3**	**1,694.5**
% change	**−39.4%**		**−7.0%**	

Outdoor & sport

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Alaska	54.6	51.2	507.2	548.9
The American Handgunner (6X)	38.2	43.1	236.4	226.6
American Hunter	27.8	32.5	266.6	230.6
American Rifleman	22.0	22.9	347.1	379.5
Backpacker (6X)	—	—	310.7	276.9
Bass Master (8X) A	—	—	416.8	439.8
Bicycling (9X)	—	—	896.5	760.8
Field & Stream	66.4	62.5	1,023.7	925.3
Fins & Feathers A	27.4	17.9	469.1	416.2
Fishing World (6X)	—	—	225.8	194.9
Florida Sportsman	65.7	47.3	812.9	748.8
Flying	48.3	43.8	511.9	547.8
Fur-Fish-Game	21.9	28.8	287.4	327.2
Golf Digest	92.0	73.1	1,053.3	879.3
Golf Magazine	50.0	45.3	750.6	783.7
Guns	32.5	34.0	356.3	392.0
Guns & Ammo	38.5	49.0	593.3	622.2
Outdoor Life	50.4	41.4	844.9	808.2
Petersen's Hunting	26.2	40.5	478.4	490.7

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. 1983 figures include Buyer's Guide. E. December, 1983, and January, 1984, figures combined. F. 1983 figure includes 16-page insert. G. Combined issue in 1982. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

(Continued from Page 35)

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
The Runner	41.7	32.8	502.9	429.2
Runner's World (13X)	43.3	42.8	584.2	524.7
Salt Water Sportsman	38.2	39.0	632.8	651.4
Shooting Times	36.9	27.9	448.6	404.0
Ski (8X) A.	155.3	127.8	759.4	734.8
Skiing (7X)	166.8	138.5	883.4	786.5
Skin Diver	72.1	65.7	863.0	782.4
Southern Outdoors (8X)	—	—	379.8	379.3
Sport	50.7	42.8	503.4	487.3
Sports Afield	83.1	69.8	1,005.8	1,050.4
Tennis	65.3	51.5	924.1	759.2
Western Outdoors (10)	35.4	22.8	342.9	345.0
World Tennis	45.1	39.7	605.7	516.6
Total Group	**1,495.8**	**1,334.4**	**18,824.9**	**17,860.2**
% change	**+12.0%**		**+5.4%**	

— Photography —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
American Photographer	56.2	54.3	621.6	591.3
Petersen's Photographic	52.9	55.3	460.2	540.2
Popular Photography	113.3	139.4	1,336.5	1,561.6
Total Group	**222.4**	**249.0**	**2,416.3**	**2,693.1**
% change	**−10.6%**		**−10.2%**	

— Religious —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
BBI Jewish Monthly (10X)	22.4	28.8	243.2	256.9
Christian Herald	40.7	35.8	445.4	436.2
Christian Life	49.6	32.7	362.0	358.9
Christianity Today	32.0	23.5	733.8	776.9
Inside (4X)	—	—	293.1	282.4
Moody Monthly	52.3	43.3	575.7	568.7
Today's Christian Woman (4X)	70.7	49.0	215.0	160.0
Total Group	**267.7**	**213.1**	**2,868.2**	**2,840.0**
% change	**+25.6%**		**+0.9%**	

— Science/electronic/mechanic —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Compute	215.1	145.6	1,790.8	1,205.3
Computers & Electronics	47.6	62.4	701.5	700.4
Creative Computing	197.3	244.9	2,143.7	1,681.7
Discover	45.9	60.3	508.5	441.6
Electronic Games	66.7	63.0	564.7	252.6
Mechanix Illustrated	59.5	61.1	835.8	791.7
Omni	82.5	83.2	814.1	726.8
Personal Computing	221.4	205.5	2,426.6	1,858.0
Popular Mechanics	88.3	83.1	1,185.1	1,205.2
Popular Science	97.7	77.6	1,063.0	989.5
Science Digest	50.1	29.6	424.6	329.8
Science 83 (10X)	48.5	40.9	414.4	369.6
Scientific American	75.8	80.8	749.2	911.1
Spectrum	84.3	53.7	1,042.6	829.3
Total Group	**1,380.7**	**1,291.7**	**14,664.6**	**12,292.6**
% change	**+6.8%**		**+19.2%**	

— Women/fashion/service —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Bride's Magazine (6X) A.	—	—	1,819.2	1,675.2
Cosmopolitan A.	221.4	195.2	2,464.1	2,289.3
Essence	86.0	73.7	966.7	935.3
Family Circle A.	122.8	121.2	1,789.8	1,694.0
Glamour	149.0	128.5	2,031.6	1,885.6
Good Housekeeping A.	207.3	165.9	2,096.0	2,014.8
Handmade (4X)	—	—	117.9	118.5
Harper's Bazaar	118.9	118.9	1,558.3	1,382.0
Health	—	—	—	—
Ladies' Home Journal	96.8	73.2	1,177.4	930.4
Ladycom	—	—	356.4	326.3
Lady's Circle	11.8	7.9	105.0	115.2
Mademoiselle	98.5	107.8	1,573.6	1,525.4
McCall's	94.6	95.4	1,120.5	1,052.7
Modern Bride (6X)	—	—	1,518.5	1,440.0
Ms	—	—	—	—
New Woman	39.7	39.5	564.3	485.5
Parents Magazine A.	74.2	65.2	921.3	869.3
Playgirl	40.9	46.6	461.3	483.3
Redbook	102.7	76.8	1,102.1	1,049.4
Self	72.0	58.3	928.1	833.1
Seventeen	85.3	78.2	1,311.6	1,307.4
Soap Opera Digest	17.2	24.5	362.3	325.3
'Teen Magazine	46.6	34.3	650.0	555.6
True Story A.	57.5	50.8	692.3	706.0
Vogue	240.1	210.3	3,104.6	2,795.6
W Magazine	91.0	85.9	1,202.6	1,101.3
Weight Watchers	25.0	25.1	333.9	343.4
Woman's Day A.	138.6	97.8	1,604.2	1,464.6
The Workbasket (10X)	—	—	397.3	385.1
Working Mother	83.1	74.5	855.1	848.3
Working Woman	94.0	94.0	1,184.7	1,016.9
Total Group	**2,415.0**	**2,149.5**	**34,370.7**	**31,954.8**
% change	**+12.3%**		**+7.5%**	

— Youth —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Boys' Life	20.6	31.5	278.0	263.8
Campus Life	30.6	34.2	438.6	470.7
Total Group	**51.2**	**65.7**	**716.6**	**734.5**
% change	**−22.0%**		**−2.4%**	

November

— Business —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Atlanta Bus. Chronicle (52X)	49.4	31.2	391.2	291.6
Barron's (52X)	229.5	230.5	2,275.8	1,922.3
Black Enterprise	49.7	60.3	656.7	562.4
Boston Bus. Journal	80.3	70.3	720.7	459.7
Business Week (52X) A.	512.1	463.8	4,224.3	4,052.7
California Business	89.6	83.9	821.6	805.9
Capital District Bus. Review	33.6	28.8	398.6	337.8
Corporate Report/Kansas City	59.8	60.7	571.2	589.9
Corporate Report/Minnesota	96.6	94.8	866.9	895.9
Crain's Chicago Bus. (52X)	159.4	167.0	1,408.5	1,220.4
Crain's Cleveland Bus.	63.4	66.3	574.5	416.9
Dallas/Ft. Worth Bus. (52X)	44.9	51.2	433.9	459.3
Dun's Business Month	91.4	71.8	725.2	751.3
The Executive	121.8	80.4	993.1	999.0
Financial World (24X)	55.0	30.9	410.3	505.3
Florida Trend	81.4	59.9	827.0	742.3
Forbes (26X)	429.9	346.0	3,036.4	2,681.7
Fortune (26X) A.	355.1	374.3	2,955.8	2,488.7
Frequent Flyer	67.4	60.6	531.8	378.3
Hawaii Business	52.4	38.0	532.6	451.7
High Technology G.	37.9	61.1	318.4	275.5
Houston Bus. Journal (52X)	156.0	204.2	1,670.8	2,003.9
Inc. Magazine A.	149.5	118.8	1,179.8	960.6
Income Opportunities (10X)	51.4	41.5	450.4	425.4
Industry Week (26X) A.	131.5	128.5	1,162.4	1,231.7
Indianapolis Business Journal	93.4	101.7	956.0	789.7
Nation's Business A.	45.9	36.9	312.0	387.4
New England Bus. (20X) B.	66.7	60.2	738.2	666.6
New Orleans Citibusiness (26X)	110.8	103.0	1,199.2	840.0
Pacific Business News (52X)	116.3	109.1	1,111.7	1,012.2
Philadelphia Bus. Journal	61.7	44.8	740.0	338.6
Pittsburgh Bus. Times (52X)	68.3	61.0	596.0	494.0
St. Louis Business Journal	100.2	110.3	1,185.3	1,056.8
Texas Business	76.3	49.8	718.7	586.5
Venture	126.4	60.6	716.7	429.9
Total Group	**4,135.5**	**3,777.7**	**35,659.2**	**32,711.1**
% change	**+9.4%**		**+9.0%**	

— Newspaper Sunday magazines* —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Arizona Republic	73.0	123.3	711.3	1,054.9
Boston Globe	289.2	289.4	2,102.8	1,990.1
Chicago Tribune	121.5	132.9	949.3	1,077.2
Cincinnati Enquirer	104.7	97.6	840.7	994.5
Cleveland Plain Dealer	91.5	94.3	928.4	875.0
Columbus Dispatch	58.6	55.7	516.5	586.2
Dallas Times Herald	68.0	75.8	833.9	805.0
Denver Post	192.9	263.2	1,292.5	1,469.5
Detroit News	90.5	91.0	993.1	1,061.2
L.A. Times Home Magazine	137.3	103.0	1,070.2	1,086.7
Louisville Courier-Journal	113.9	106.9	967.4	1,066.9
Miami Herald	55.1	66.8	581.7	670.2
New York News	51.8	49.8	640.9	612.3
New York Times Magazine	450.9	413.0	3,862.9	3,788.9
Philadelphia Inquirer	69.5	67.5	629.6	702.4
Toledo Blade Magazine	49.5	49.2	497.7	505.5
Washington Post	129.2	132.3	1,233.2	1,309.8
Total Group	**2,147.1**	**2,211.7**	**18,672.1**	**19,656.3**
% change	**−2.9%**		**−5.0%**	

— Weeklies/bi-weeklies —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
The Advocate (25X)	119.3	97.1	1,186.0	918.6
Army Times Military Group:				
Air Force Times (52X)	178.4	213.1	1,633.8	1,632.6
Army Times (52X)	175.0	204.1	1,604.0	1,598.8
Navy Times (52X)	193.9	234.7	1,805.4	1,890.2
The Times Magazine	12.5	15.3	156.4	164.6
The Blood-Horse (52X)	1,946.2	1,941.3	6,605.7	6,490.1
Capper's Weekly (26X)	23.6	25.2	290.0	271.3
Commonweal (22X)	12.9	8.6	73.6	78.2
Golf World (43X)	35.2	35.8	812.2	739.6
Grit (52X) A.	26.4	24.1	284.1	288.9
National Review	44.1	43.5	353.9	328.8
New Republic (48X)	48.9	47.7	374.5	347.2
New York Magazine (50X)	305.4	252.0	2,569.0	2,232.3
New Yorker (52X)	507.6	538.7	3,303.3	3,573.8
Newsweek (52X) A.	394.3	414.5	2,677.7	2,591.8
People (52X)	445.0	456.1	3,080.9	3,197.4
Rolling Stone (25X)	102.4	100.1	1,031.0	980.2
Sporting News (52X)	55.1	74.7	621.7	605.9
Sports Illustrated (52X) A.	267.8	324.4	2,548.6	2,486.2
Time (52X) A.	291.9	371.0	2,483.6	2,433.0
Travelhost (52X) C.	2,963.0	2,764.0	32,317.0	28,200.0
TV Guide (52X) A.	383.4	355.4	3,341.3	3,400.3
Us Magazine (26X)	45.7	48.2	495.4	529.9
U.S. News & World Report (52X) A.	195.1	221.7	1,626.0	1,600.4
Total Group	**8,773.1**	**8,811.3**	**71,275.1**	**66,580.1**
% change	**−0.4%**		**+7.0%**	

— Foreign —

	Current month 1983	Current month 1982	Year-to-date 1983	Year-to-date 1982
Buenhogar:				
Central America	5.0	5.0	23.0	43.5
Chile	3.0	3.5	16.0	18.8
Colombia	85.5	77.2	459.3	646.8
Dominican Republic	23.3	7.5	139.8	143.0
Ecuador	27.0	16.2	131.5	142.2
Mexico	111.0	80.0	514.0	669.5
Peru	50.8	44.3	275.2	384.2
Puerto Rico	28.5	22.0	147.7	202.5
U.S.	13.0	11.7	126.5	81.2
Venezuela	45.0	78.5	252.7	463.8
Coqueta:				
Central America	—	—	—	5.0
Colombia	5.0	2.5	30.5	43.0
Mexico	9.5	5.0	32.5	67.8
Peru	—	—	—	5.0
Puerto Rico	1.3	1.0	4.3	17.0
Venezuela	4.0	8.5	30.0	64.0
Geomundo:				
Central America	9.0	10.0	57.0	75.0
Chile	6.0	14.0	54.0	87.0
Colombia	15.0	35.0	120.5	182.8
Ecuador	4.0	9.0	44.0	58.0
Mexico	14.0	16.0	77.5	147.7
Peru	7.0	13.0	70.0	103.5
Puerto Rico	7.0	13.0	45.0	85.0
Venezuela	42.5	29.0	144.2	194.0
Hombre De Mundo:				
Central America	11.0	11.8	65.3	65.7
Chile	11.0	12.5	67.0	65.5
Colombia	23.5	22.5	129.5	159.7
Ecuador	11.0	9.0	66.0	54.8
Mexico	33.7	34.0	161.5	233.3
Peru	12.0	11.0	68.0	75.8
Puerto Rico	12.0	17.5	71.3	100.3
Venezuela	16.5	40.3	153.8	328.8
Ideas Para Su Hogar:				
Central America	1.0	3.0	3.0	9.0
Chile	1.0	2.0	1.0	10.0
Colombia	64.0	73.0	318.5	413.7
Ecuador	6.5	11.0	40.5	84.7
Mexico	17.8	42.0	153.2	270.8
Peru	28.0	30.3	120.2	157.8
Puerto Rico	0.3	3.3	6.3	20.8
Venezuela	23.2	55.7	148.3	306.7
Intimidades:				
Central America	—	1.0	—	17.0
Chile	—	1.0	5.5	6.5
Colombia	1.5	1.0	9.5	17.0
Mexico	2.5	4.0	22.0	50.5
Puerto Rico	—	2.0	6.2	29.0
Venezuela	3.5	6.5	42.5	63.0
Mecanica Popular:				
Argentina	7.2	11.2	80.3	100.5
Central America	17.2	17.7	141.8	192.3
Chile	7.5	11.5	71.2	78.5
Colombia	22.8	28.7	193.5	256.5
Mexico	13.0	22.7	106.7	249.5
Peru	24.7	28.2	225.2	279.5
Puerto Rico	18.5	16.8	164.7	176.0
Venezuela	20.0	28.5	222.0	288.8
The Ring en Espanol:				
Mexico	—	1.0	—	16.0
Puerto Rico	—	4.0	—	41.5
U.S.	5.3	5.0	38.5	50.5
Venezuela	—	2.0	7.0	33.0
Vanidades Continental:				
Central America	15.3	18.3	85.5	172.7
Chile	2.0	16.3	33.5	150.2
Colombia	101.2	144.5	739.7	1,040.7
Dominican Republic	27.0	28.5	203.0	306.7
Ecuador	20.8	27.0	147.0	247.0
Mexico	196.7	179.7	1,152.2	1,339.8
Peru	44.7	68.0	331.2	514.8
Puerto Rico	53.7	69.3	385.2	496.2
U.S.	51.7	66.3	507.0	593.5
Venezuela	55.2	125.7	483.5	925.5
Business Week Int'l.	229.0	275.1	1,698.3	2,096.8
Cosmopolitan Foreign Editions:				
Australia	104.8	140.9	742.4	775.7
Brazil	68.0	64.0	508.2	571.6
France	126.3	114.9	1,067.5	1,124.5
Germany	103.7	54.7	668.8	300.8
Great Britain	172.0	178.0	1,266.9	1,281.0
Greece	90.0	100.0	565.0	616.0
Holland	66.0	62.0	482.5	272.0
Italy	94.0	135.0	758.0	852.7
Japan	44.7	55.0	425.0	411.6
Cosmopolitan en Espanol:				
Central America	5.5	6.3	26.3	41.5
Colombia	36.2	28.7	175.7	232.0
Ecuador	4.5	4.8	12.5	33.7
Mexico	118.8	104.7	664.5	764.2
Peru	15.5	22.3	80.5	154.7
Puerto Rico	40.5	36.2	230.3	288.0
U.S. (Spanish language)	27.3	20.5	206.2	203.2
Venezuela	30.3	54.7	157.0	325.5
International Communications:				
African Business	38.2	24.0	331.4	329.0
New African	15.7	38.0	206.5	269.3
The Middle East	24.2	29.0	284.7	254.4
International Herald Tribune	113.9	105.3	976.9	917.2
International Management:				
Africa	14.3	13.7	174.5	152.5
Europe	62.7	56.8	466.8	458.7
Latin America	13.0	17.2	138.0	150.7
Middle East	27.7	21.0	256.5	228.2
Pacific	17.3	18.7	170.3	189.2
Johnston International:				
Alam Attijarat	56.0	67.3	671.0	775.4
Ejecutivo	25.5	24.2	99.5	140.6
Modern Africa	23.0	25.2	141.4	201.3
Modern Asia	39.2	41.8	391.2	398.4
Newsweek International-A:				
Atlantic	136.9	145.4	1,051.8	1,043.4
Latin America	32.0	41.7	332.7	335.6
Pacific	104.1	104.8	815.1	835.1
Progreso (9X)	11.8	10.6	102.3	135.3
Reader's Digest:				
Arabic	17.5	19.5	145.0	154.5
Asian	322.5	255.0	2,508.3	2,020.0
Australian	125.3	101.2	802.0	855.0
Belgian-Flemish	162.5	130.5	945.5	879.0
Belgian-French	123.0	106.0	709.0	699.0
British	98.6	108.1	685.0	696.6
Chinese-B.	169.5	133.0	1,223.8	1,061.0
Danish	44.5	57.8	374.2	372.1
Dutch	57.0	61.8	395.1	490.5
Finnish	56.0	76.0	721.0	584.6
French	81.6	125.4	626.2	789.5
German	122.1	95.8	823.6	802.1
Greek	—	—	11.5	99.5
Iberian	19.5	33.0	193.0	304.5
Indian-English	77.0	121.5	790.8	929.5
Indian-Hindi	—	11.5	44.5	168.5
Italian	66.5	107.0	521.5	658.5
Japanese	48.9	57.3	537.9	529.5
Korean	31.0	20.8	236.2	222.5
Latin American:				
Argentina	23.5	22.0	173.5	195.5
Brazil	8.0	19.5	93.5	140.3
Central American	15.0	22.0	129.5	165.0
Chile	11.5	31.0	168.0	235.0
Colombia	47.0	88.0	394.0	542.0
Ecuador	14.0	20.0	123.0	150.0
Mexico	71.2	74.4	519.2	682.4
Peru	18.0	21.0	119.5	153.5
Puerto Rico	14.0	15.0	77.5	141.5
U.P.B.	14.0	21.0	117.5	182.5
U.S. Spanish	18.5	18.5	158.0	177.5
Venezuela	17.5	36.0	159.0	259.5
New Zealand	113.0	121.5	971.8	820.0
Norwegian	66.3	56.3	448.1	502.2
Portugal	70.0	80.0	503.6	492.1
South African	161.0	176.0	1,136.0	1,305.0
Swedish	27.0	18.3	225.0	279.8
Swiss-French	41.0	59.0	329.0	374.5
Swiss-German	55.3	72.0	420.3	470.8
Time International:				
Time-Asia	125.3	146.4	1,128.2	1,122.1
Time-Atlantic	173.1	164.3	1,253.5	1,197.3
Time-Canada	271.6	263.2	1,778.5	1,751.6
Time-Latin America	76.9	112.1	556.1	777.0
Time-South Pacific	207.6	237.0	1,521.1	1,744.8
Visao (52X)	160.3	243.3	1,878.8	1,900.6
Vision/Latin America (26X) A.	48.2	55.3	344.0	436.0
Total Group	**7,384.3**	**8,122.0**	**56,572.9**	**61,475.0**
% change	**−9.3%**		**−7.9%**	

Flexibility a plus, exec says

By SARAH STIANSEN

DALLAS—Advertisers with the most flexibility in their media mix will fare the best in the coming year, according to Hugh O'Brien, senior vp-director of media for Bozell & Jacobs/Southwest.

Factors influencing the media picture in the year ahead will include a tightening of broadcast advertising availability due to the Winter and Summer Olympics and political advertising, Mr. O'Brien said at a media outlook news conference here.

Summer will be particularly tight, he says, because of the summer games and national political conventions, providing networks with a better chance than they've had in the past to do well in the scatter sales market.

Mr. O'Brien also sees a "dramatic growth in radio, both local and national," and points to many advertisers that have rediscovered the effectiveness of the medium.

However, he sees slowed growth in the startup of radio networks.

Fm continues to be strong, according to agency research, with 62.3% of listeners.

Prices will increase 9% and 8% for spot and network radio, respectively, he predicts. The highest predicted cost increase will be in spot tv, with an 11% increase from year-earlier costs, followed by nighttime network tv, with a 10% jump in prices. Increases for other media should all be less than 9%, he says.

Those cost increases, Mr. O'Brien says, represent a "good news, bad news" situation for advertisers. While price increases are still higher than the rise in consumer prices, they are lower than the double-digit increases the industry has seen in recent years.

While predicting increasing fragmentation of audiences for all media, Mr. O'Brien points to several positive effects of growing competition.

He sees the newspaper category benefiting from the launch of *USA Today*, which has caused many papers to improve color, introduce special sections and consider satellite transmission of news.

He also points to more aggressive marketing by the newspaper industry, the repositioning of many of the women's service magazines and networks' "awakening" to the cable challenge, planning their programing more competitively.

For the networks, he says, we will see more experimentation but also more stability. He mentioned increases in game shows on daytime tv, miniseries and made-for-tv movies as examples.

For cable tv, Mr. O'Brien sticks by what he calls Bozell & Jacobs' "revisionist" philosophy. While cable has not provided the programing breakthroughs once expected, it is viable for advertisers, although he sees a "massive shakeout" in services.

Local cable could be a growth area, especially for retailers, which he says are becoming more sophisticated in their choice of media.#

LIFE.STYLE.
Spiegel

Living it up

Spiegel Inc. continues to aim for the coveted affluent audience with a new $1.5 million ad campaign beginning this month in fashion and home furnishings magazines such as *Glamour, Town & Country* and *Vogue*. Marsteller Inc., Chicago, handles.

First-quarter growth for spot tv ads in limbo

By JAMES P. FORKAN

NEW YORK—The beauty of national spot tv's first-quarter growth appears to be in the eye of the beholder.

Some broadcast executives at a financial seminar thought the quarter's spot tv increase might not be as strong as expected as recently as last month, while other executives saw no blemishes ahead.

Blair Television, the No. 1 national tv sales representative, expressed satisfaction with its sales bookings so far and was "reasonably optimistic" about a healthy quarter and year ahead.

Roger Rice, Television Bureau of Advertising's president, when asked if the spot picture looked softer than expected, replied, "Oh no! First quarter's taking off."

ABC stations probably will jump by 20% in first-quarter business, Mr. Rice figured, while the other stations should see gains of about 14% over the first quarter in '83.

At Blair Television, Jim Kelly, senior vp, said its orders are "running nicely ahead, say 12% to 14%," for the first quarter.

TvB projections for full-year 1984 a few weeks ago stood about 16% for national spot (AA, Nov. 21), but that could be lowered to about 14%, Mr. Kelly said. The slow fourth-quarter scatter sales pace and spot business may "dampen" the initial quarter somewhat, chiefly in prime time, he said, since the networks' daytime, early-morning and late-night dayparts are "tight."

Among Blair's bookings for the initial quarter, Mr. Kelly disclosed, are "pretty big spot buys" by the automotive, package goods and fast-food categories, with airlines and the phone companies also offering promising signs.

Videogames have been "off all year" in tv spending, so "there'll probably be no influx" in the first quarter, by which time these marketers "generally have shot their wad" in any case, the senior vp said.

The home computer companies, however, may be active spot buyers, he added, citing Coleco Industries, which has placed orders for its Adam computers, and International Business Machines, which probably will be a "heavy" first-quarter client, for its PCjr.

At the media outlook conference staged by Paine Webber Mitchell Hutchins here early last week, a broadcast panel indicated that the spot marketplace would be softer than expected.

"In recent weeks, tv broadcasters have lowered their estimates of over-all [spot] revenue increases for all 1984 to an average of 12%," down from the earlier projected 14% or better gain, one panelist, James T. Lynagh, president, Multimedia Broadcasting, Cincinnati, said.

Another panelist, John J. McCrory, Greenwich, Conn.-based president of Times Mirror Broadcasting, when contacted several days after the conference, said the "dramatically eroded" network market in the '83 final quarter has caused many broadcasters to become "more conservative."

Indicating that not only Blair but Katz Communications, Petry Television, Harrington, Righter & Parsons and others already are enjoying strong first quarters, Mr. Rice said the broadcasters at the Paine Webber session were "corporate broadcast people" and thus "not as up to date" on a nationwide basis as the national sales reps.

The TvB executive remained confident that 1984 "is going to be a strong year" for tv in general, although he said there are "wide swings" in sales performance from one market or region to another, as well as between network affiliates and independents.

Another group owner with stations across the U.S. said the failure by the tv networks to sell much of their fourth-quarter inventory (AA, Nov. 7, *et seq.*) has hurt spot business, since clients historically address their spot buying after network business is set.

An ADVERTISING AGE panel on the '84 outlook foresaw "extraordinary demand" for spot tv due to political spending and to the Olympics sharply cutting network tv availabilities (AA, Nov. 7). But according to this group owner, the Olympics and political advertising may not be as big a plus for local stations as originally thought.

Many accounts are staying away from the non-ABC affiliates during the Winter and Summer Olympics coverage, especially in prime time, he said, noting that their rationale is that "maybe it's a good idea to hold back those dollars till after the Olympics."

As for political spending, this executive said the local campaign spending generally brings in more dollars to the stations than does the presidential campaign.

David Poltrack, vp-research, CBS/Broadcast Group, said that from the networks' perspective, the outlook is "still fairly bullish."

Full-year 1984 should find network volume up 12.5% to 13%, with another 2% to 3% owing to the Olympics, he added.#

Ad spending seen climbing 13.8%

(Continued from Page 3)

and other local media advertising increased 13.2% to $11.1 billion. In total, local and national media spending was up 12.7% to $75.1 billion.

For the third straight year, the gross national product has continued its surge, increasing 7.8% in 1983, and Mr. Coen forecasts it will be up another 10% next year.

Ad growth was 12.7% in '83, and Mr. Coen hedged on '84, confessing he is not convinced advertising will outpace the economy again.

Comparing the first nine months of '83 to the same period in '82, Mr. Coen found both automobile and restaurant (*i.e.*, fast-food chains) advertising was up 21% in the three media (network and spot tv and magazines).

Food and toiletry advertising in network tv, spot tv and magazines was up 7%; drug/remedies up 13%; cleaners/waxes up 8%, and candy/soft drinks up 10%.

While Mr. Coen does not expect automobile spending to increase another 21% in 1984, he does predict continued strong growth in all the other categories.

Of the secondary product categories, Mr. Coen found cigaret (magazine) advertising was up 20%, apparel (network tv and magazines) up 21%, beer up 18%, pet foods up 5% and insurance up 18%, while liquor dropped 13% and oil companies declined 17%.

"Liquor has been dropping for a couple of years," Mr. Coen said, adding that the liquor business has been badly affected by the economy. "It should show some improvement next year," he added.

For the first year, Mr. Coen presented a separate slide on cable tv. "I am just starting to see big numbers and to see cable starting to siphon some money off the networks," he said. "It is begining to be a source of dissolution."

Mr. Coen found, for the first nine months of '83, cable ad revenues were up $169 million, a 55% increase over the same period in '82. For the year, he expects it to be up to $250 million, as compared with $164 million in 1982. And he predicts yet another 20% to 25% gain in 1984.

In a study of spending patterns in election and Olympic years, Mr. Coen has found the networks profit heavily from the events. For instance, in 1980, in spite of the U.S. boycott of the Moscow Olympics and the recession, network tv spending was still up 11.5%. That year, spot tv was up 13.8%, local tv up 10.6%, spot radio up 17.1% and local radio up 10.3%.

Advertising in magazines has turned around. Magazine ad pages in the first 10 months of 1983 have been up 8% as opposed to the first 10 months of '82. "There is a lot of potential ad growth next year," Mr. Coen said.

A longtime watcher of the surge in direct mail, Mr. Coen saw that growth rate dip to 8.3% in the first half of 1983 from 9.6% in the same period a year earlier. But that backslide is temporary, he said.

Newspaper growth was slight in the first three months of 1983—up a mere 1%, flat but better than the same period in '82, when it was down 3%.

He predicts steady growth in retail linage—it "is going to start taking off," Mr. Coen said. "That will be the biggest volume gain of any category except classified." Classified linage was up 11% in the first nine months, compared with a loss of 5% in the same period of '82.

Taking an international look at ad spending, the U.S. is up 13% in '83 over '82; Japan is up 7%; Germany is up 5%; France is up 9%; the U.K. and Canada each are up 11%, and Italy is up 27%. While U.S. ad spending will increase to $85.4 million in '84, the rest of the world will be up 11.2% to $66.7 million.

Mr. Coen also explained how media availability in international countries is starting to expand, *i.e.*, in Sweden with advertising on videocassettes, in France on free radio and regional tv, in Germany in a cable tv test and in the U.K. through a new satellite system, a second commercial channel and the expanded amount of programing in the early-morning hours.

Probably the greatest surge in commercial spending has come in Italy where private tv advertising has gone from $49 million in 1976 to $727 million in 1983.

In 1990, ad spending will be up to $147 billion in the U.S. and $140 billion for the rest of the world. The trend to bigger and better media budgets continues.#

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Advertising Age®

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U.S. demands data on tv sports ad deals

By CRAIG REISS

The Justice Department's antitrust division officially has initiated a sweeping investigation into the three tv networks' sale of product exclusivities in live sports programing.

It has demanded all pertinent records and contracts from 1981 through 1983 from the networks, the nation's three largest breweries and their advertising agencies.

The investigation, which is limited to Anheuser-Busch, Miller Brewing and Stroh Brewery and concerns only live sports programing, could have a fundamental impact on the way hundreds of millions of dollars are spent on network tv.

Furthermore, the investigation could have ramifications for the millions of dollars spent with tv stations that broadcast local sports events.

If the practice is found to violate fair trade laws in sports, it could be banned or restricted in other types of programing in which exclusivities are sold, such as miniseries and specials.

Stroh chairman Peter Stroh has championed the challenge to exclusivities, claiming in essence that network deals with A-B and Miller prevent Stroh from gaining access to what is considered the most effective programing vehicles for reaching the beer target audience (AA, June 20, *et seq.*)

In the last few months, Stroh representatives have appeared before Justice Department officials at least twice to present facts supporting their arguments against exclusivities.

Mark Sheehan, spokesman for the antitrust division

(Continued on Page 22)

Giving in to a smooth pitch

Tv spots by Compton Advertising for Dannon's new Y.E.S. (yogurt extra smooth) show why you "Can't say no to Y.E.S." It is testing in Arizona, Colorado, Florida, Boise and Salt Lake City (AA, Oct. 25).

last minute news

BBDO getting Apple's European account

London—Apple Computer will be moving its $11.3 million European ad account in April from Leo Burnett Co. to BBDO International. Burnett handled the Cupertino, Cal.-based company in the U.K., Germany, Holland and Italy. BBDO has Apple in Latin America and Africa.

Budweiser return to U.K. readied by A-B

St. Louis—Anheuser-Busch reportedly is preparing to reenter the U.K. with Budweiser and has reached an agreement with Watney Mann & Trueman, which will make the brew. A-B had pulled out of the U.K. earlier this year. A-B did not return phones calls regarding this action.

McDonald's warms up Sausage McMuffin test

Oak Brook, Ill.—McDonald's will move its Sausage McMuffin into Chicago and possible other test markets next week, as part of what sources say will be the chain's heavy first-quarter emphasis on breakfast. Broadcast advertising, via Leo Burnett USA, will support the introduction.

HBO buys rights to Leonard comeback fight

New York—Home Box Office has paid $1.85 million for exclusive cable rights to boxer Sugar Ray Leonard's comeback fight, a 10 rounder set for

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NEWSPAPER

AA
DC20014CONGL 1 EMJF M
CONGRESSIONAL INFO SERVICE
SB1 ACQUISITIONS
EAST-WEST HWY #800
NGTON DC 20014

Roman Meal sets Olympics tv spots

Tacoma, Wash.—Roman Meal Co. hopes to persuade a younger, more active consumer to try its multi-grain variety breads in a new $2 million tv campaign. It breaks during ABC-TV's telecast of the Winter Olympic Games, Feb. 8 to 19.

Two tv spots identify the product with nutrition, health and fitness, continuing the theme introduced last year after Cole & Weber replaced McCann-Erickson on the account: "Roman Meal. When you know what's good for you."

In one spot, a young boy drops down and spins into the popular break-dance routine made famous in the film "Flashdance."

The spots for Roman Meal, the official bread of the Winter Olympics, will continue for eight weeks following the ABC telecast, with spot tv, radio and print media in about 80 markets.

Budget for the total campaign is expected to equal the amount spent during the first six months of 1983—almost $3.5 million, according to Leading National Advertisers.

Roman Meal bread traditionally has appealed to nutrition-conscious women over 50, but lately has been aiming to tap the aging fitness-focused baby boomers, both men and women, age 25 to 49.

The company further is capitalizing on the health and nutrition trend with a new line of Natural Foods products in limited rollout in the West (AA, Nov. 7).#

Forecast & Review

COMING NEXT WEEK:

- **Adman of the Year.**
- **People who made news in '83.**
- **Products that made news in '83.**
- **Events that moved the market in '83.**
- **Categories that will make news in '84.**

Lansdowne folding creates conflict at JWT

Ty-D-bol looks for shop

By BESS GALLANIS

Two new products in the expanding automatic segment of the toilet-bowl cleaner category are moving into national distribution. And one is looking for a new agency to handle the introduction.

Drackett Co.'s Vanish Bowl Brite is scheduled to roll out nationally in the first quarter of 1984 with heavy ad support (AA, Dec. 19), and Ty-D-bol Double Action recently began shipping nationally after an 11-market test earlier this year.

But Ty-D-bol, marketed by Jamaica, N.Y. based Knomark Inc., now finds itself in the midst of an agency search.

The search was begun because Lansdowne Advertising, which has handled all Ty-D-bol products, is being folded into J. Walter Thompson USA, New York. Lansdowne had operated as an independent unit of JWT Group, holding company of the U.S. agency.

The problem is that JWT handles R.T. French Co., which has an entry in the category, called Bully.

Jean Goldberg, vp-sales and marketing at Knomark, said that when the company was informed of the consolidation it became necessary to look for a new shop, because of the conflict situation. There was no perceived conflict on the part of Knomark until that time, he said.

Since JWT client R.T. French is a bigger advertiser, he added, it is Knomark that must go elsewhere.

Ad support for the new Ty-D-bol Double Action will include spot tv in 28 markets, and cable advertising is being considered. Also, on-package 40¢-off coupons will be used along with two couponed newspaper ads in New York and Boston beginning early in January, according to Mr. Goldberg.

A 30-second spot produced by Lansdowne and aired in the test markets showed the product coming up over the horizon, preceded by a flotilla of existing Vanish brand products. Drackett's Vanish line leads the entire category.

In the case of new Bowl Brite, a competitor says he

(Continued on Page 20)

Wrigley uses NutraSweet in sugar-free bid

By JANET NEIMAN

CHICAGO—Wm. Wrigley Jr. Co. will become the first major chewing gum company with aspartame-sweetened, sugar-free gum when it puts Wrigley's Extra into West Coast markets early next year.

But its test-market introduction will be nearly concurrent with the limited introduction of aspartame-sweetened bubble gum from Menlo Park, Cal.-based National Chicle Co. And it is likely to be followed within months by aspartame-sweetened bubble gum from the Leaf Confectionery division of Huhtamaki Group's Leaf Inc.

Wrigley's Extra, in spearmint and peppermint flavors, is said to use a "patentable" new technology to create a gum that will be advertised as having "extra refreshing flavor that lasts an extra, extra, extra long time."

Extra represents a new attack by Wrigley in the sugar-free market, where American Chicle's Trident and Life Savers' Care*free each hold about 10% of the unit volume of the total gum market, and American Chicle's Chewels holds about 2.5%.

Each of those products is sweetened with saccharin; Wrigley's Orbit sugar-free line has mannitol and sorbitol. Orbit has had little impact on the category since its original sweetening agent—xylitol—was removed following a cancer scare in the late 1970s.

The NutraSweet (G.D. Searle & Co.'s brand name for aspartame) content is expected to be prominently promoted in the advertising.

Wrigley is promising "unprecedented advertising support," via BBDO, featuring up to 44 commercials per week during the introduction, and direct-mail samples to one in three homes in the test markets, including Portland, Ore., and Seattle.

Five-stick packs of Extra will sell for 30¢ a pack, a price comparable to other sugar-free gums, but 10¢ higher than Wrigley's Orbit sugar-free gum and 5¢ more than its regular line.

Introductory promotion for Extra will include special 15¢ retail pricing.

If Wrigley is successful in marketing a sugar-free gum, it could

(Continued on Page 22)

Behind-scenes look at Cabbage Patch pr

NEW YORK— When you've handled the pr for a product phenomenon like the Cabbage Patch Kids, what do you do for an encore?

"The challenge facing us now," said Robert Wiener, exec vp, Richard Weiner Inc., Coleco Industries' pr agency, "is how to maintain the momentum so it doesn't dissipate."

Agency president Richard Weiner gave credit to the pr account team, headed by Bob Wiener, for the phenomenon, while Mr. Wiener, in turn, shared the laurels with Barbara Wruck, Coleco's own pr manager, and with the advertising agency, Richard & Edward's. "Obviously, pr played a major part in the Cabbage Patch success," said the exec vp, "but it was a team effort, working with the advertising developed by Richard & Edward's."

As is usually the case with so-called "overnight successes," the dolls were not assured hits from the start. Since early November, "things have been happening on their own momentum," Mr. Weiner

(Continued on Page 18)

This year's auto shows will feature a number of stunningly aerodynamic prototypes you can't buy.
And two you can.
From Germa[illegible] 5000S luxury sedan
and wagon.
Audi: the art of engineering.

New Audi battle cry: Wagons, ho!

Audi is taking on the likes of Mercedes. BMW, Volvo and Saab with the introduction of the Audi 5000S wagon. An ad campaign breaking in January emphasizes the Audi brand name and cites Audi engineering advances. The "Audi: The art of engineering" campaign is mostly print, with long copy blocks explaining aerodynamics, design and an extended warranty. *(See story on Page 22.)*

Busy signal? Fairchild, others dial into telecommunications

By STUART J. ELLIOTT

NEW YORK—The scramble for position in the communications and telecommunications industry is reflected in the rush by the business press to launch publications covering this booming market.

The new year will bring several new projects, including one from powerhouse Fairchild Publications (AA, Dec. 19). The reason? Thanks to deregulation, the breakup of AT&T and other recent developments, the field is "going bonkers," as one observer put it.

AT&T's expansion into newly contested fields means the availability of more advertiser and subscriber dollars to support more publications.

Fairchild's publication, which is "in the planning stage," according to president Daniel Newman, probably will debut in early '84.

There have been reports that two Fairchild trade papers, *Electronic News* and Multichannel News, have been working on ventures for the market. While Fairchild "started out with two conceptual approaches," Mr. Newman said, "I'm sure it'll blend into one."

CMP Publications, Manhasset, N.Y., will introduce *Communications Week* on Jan. 30, with an initial controlled circulation of 50,000 to 60,000.

The publisher also owns such titles as *Computer Retail News, Information Systems News* and *Electronic Buyers' News.*

Initially, the frequency of the CMP tabloid newspaper will be every-other-weekly. An increase to weekly frequency is projected for the latter part of '84.

Tom Cooper will be group publisher of *Communications Week* and Jack Dolce will be associate publisher. A b&w page is $5,900; a color page is $6,750. For those not in the industry, a one-year subscription will cost $65.

Television Digest, Washington, publishers of such newsletters as "Television Digest," "Satellite Week" and "Communications Daily," will bring out—probably in February—a weekly newsletter called "Common Carrier Week."

The circulation goal is 1,000 within two years of launch. An annual subscription will cost $327.

These publications are not expected to be the only newcomers in the field.

Other business publishers also are said to be readying entries, though none appear to be ready to discuss their intentions.#

highlights

Monday, December 26, 1983

Jack Kopp, retiring chairman of Leo Burnett Co., maintains the key to success in advertising is the nurturing of creativity. *See Page 6.*

Paramount Pictures has licensed its movies exclusively to Showtime/Movie Channel, providing the first real challenge to HBO since it pioneered the pay cable business in 1975. *See Page 6.*

CBS and Comsat have agreed to explore together the feasibility of distributing direct broadcast satellite programing. *See Page 6.*

The newspaper industry is expecting to feel strongly the benefit of a rebounding economy next year. *See Page 16.*

J. Walter Thompson USA has formed a Performance Group to specialize in service to motorsports clients. *See Page 16.*

INTERNATIONAL

Carrefour, one of France's biggest "hypermarket" chains, started a comparative advertising campaign last month. This kind of advertising is growing in France now that several big French advertisers have decided to ignore an unclear law barring the ad strategy. *See Page 12.*

Bophuthatswana will launch a tv service this week without authorization from any international broadcast authority. This service will be the first significant competition for the state-owned South African Broadcast Co. *See Page 12.*

Videotech Update will resume in the issue of Jan. 9.

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'Thicke' awaits station renewals

By BOB MARICH

HOLLYWOOD—"Thicke of the Night," the ambitious syndicated talk show from MGM/UA Television, is awaiting word on its fate after wrapping production here.

"We are guardedly optimistic" that stations will extend "Thicke" past its original 26-week commitment, said Fred Silverman, the former network tv executive whose production company makes the syndicated series. "I would say within the next week to week and a half, we'll hear from [tv stations] one way or another."

Metromedia's seven-station group, a partner in the show and the backbone of "Thicke's" lineup because the stations reach about 24% of U.S. tv homes, wants to continue with the show, Mr. Silverman said.

Bob Bennett, Metromedia senior vp-tv broadcasting and production, threw his weight behind continuing "Thicke," saying that its ratings "have been moving in the right direction," and "when you're that close, it deserves to go on."

MGM/UA Television Group president Larry Gershman said "Thicke's" current station lineup reaches about 83% of the U.S. A 70% clearance is needed to continue.

National advertisers in the barter series have been promised a 2.0 rating, he said, and "we've been below that, but only marginally so." To date, 100 90-minute-long programs, enough to carry "Thicke" through the February sweeps as planned, have been made.#

GM 'division by size' on January agenda

By JESSE SNYDER

DETROIT—General Motors may approve a move to consolidate its car divisions into large and small-car groups (AA, Dec. 19) as early as Jan. 9, when its board meets to consider sweeping organizational changes as part of a continuing review of operations by a special group.

Top brass at GM wouldn't confirm or deny the change, which would see large cars form the Buick, Oldsmobile and Cadillac group and Chevrolet and Pontiac become the small-car group. But one senior executive said the big/small car move was on.

President F. James McDonald would say only, "We've been doing things the same way a long time and ought to take a look to see if we can do it more efficiently some other way." But the result of the review group might be to leave the divisions where they are, he added.

Chairman Roger Smith said of the ADVERTISING AGE report, "That's your story. You wrote the story. I'm not going to deny your own story."

At any rate, the review group is considering the option of the two-unit car reshuffling, which also would divide the assembly division and Fisher Body.

Under the plan, one group vp would control the large-car group with no cars smaller than midsize except exclusive divisional "image" cars. The small-car group wouldn't have anything larger than midsize.

Administration, marketing development and engineering functions would be combined within groups, sharply reducing divisional autonomy.

Under the plan, each of the divisions would gain a more distinctive market image than in the past, when each division offered a broad range of sizes and price was the dividing line.

GM's consent agreement with FTC. See Page 18.

Instead, Chevrolet and Pontiac would market small, inexpensive cars designed to appeal to youthful buyers just entering the new-car market. Olds and Buick would offer larger, more expensive vehicles. Cadillac would have the highest price, mostly large cars in a variety of styles (AA, Nov. 14).

GM would authorize more dual dealerships, most frequently linking Chevy and Olds for buyers favoring more traditional, conservative styling and Pontiac and

(Continued on Page 22)

United's awareness hitting lofty heights

By SCOTT HUME

adWatch

In winter, a consumer's fancy turns to thoughts of. . .the Winter Olympics and getting away to someplace warm.

That's one possible explanation for the dramatic rise in awareness for United Airlines' advertising during November.

Last month, 221 or 17.7% of the 1,250 adults sampled named United when asked what airline advertising first came to mind from all seen in the previous 30 days.

That percentage represents the highest share of first responses United has garnered in the 20 months ADVERTISING AGE's exclusive adWatch poll has been conducted.

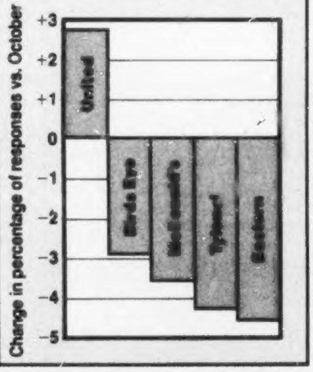
Coupled with a 4.7 percentage point drop in awareness for Eastern Air Lines, United's gain made it No. 1 in the airline category for the second time this year.

United unveiled two new advertising campaigns during the time the survey was conducted, both from Leo Burnett USA, Chicago. The

(Continued on Page 19)

November's winners and losers

Question: Of all the advertising for (product category) you've seen, read or heard in the past 30 days, which ad first comes to mind? *Note:* A change of plus or minus 2.8 points is statistically significant.



Source: SRI Research Center, Lincoln, Neb.

Murdoch stirs wrath of Royko

By ROBERT REED

CHICAGO—Rupert Murdoch officially takes over the *Chicago Sun-Times* next month, but only after thwarting an 11th hour bid from a local investor group attempting to buy the tabloid out from under the controversial press baron.

Mr. Murdoch's arrival means the departure of the popular Pulitzer Prize-winning columnist Mike Royko. He is taking "a leave of absence" because he believes the sale to Mr. Murdoch means an advent of sensationalism, staff cuts and "a sacrifice of serious journalism" at the newspaper.

Mr. Royko announced his decision Dec. 21, the same day parent company Field Enterprises signed a definitive agreement with Mr. Murdoch's News America Publishing.

Up until 24 hours before the deal was finalized, a local real estate investment group, JMB Realty Corp., was pushing a counteroffer of $100 million for the *Sun-Times*, its real

(Continued on Page 20)

world news roundup

TOKYO—**Mattel will open** an office here in February to expand its product line in Japan. Mattel will cooperate with Takara Co., the local licensee of Mattel's Barbie doll.

SCHWALBACH—**Procter & Gamble** plans to introduce a Citrus Hill-type orange juice in Europe next year, sources say. The agency is expected to be Grey Duesseldorf. Spending has not been announced.

SAO PAULO—**Alpargatas**, Brazil's largest jeans marketer, has moved its $3 million U.S. Top brand account from J. Walter Thompson Co. to Talent, a local Brazilian agency. JWT retains $3 million worth of Alpargatas sportswear business.

SYDNEY—**Monahan Dayman Adams**, the leading Australian-owned agency, is looking to purchase a share in a Los Angeles agency to aid in servicing major client Qantas Airways.

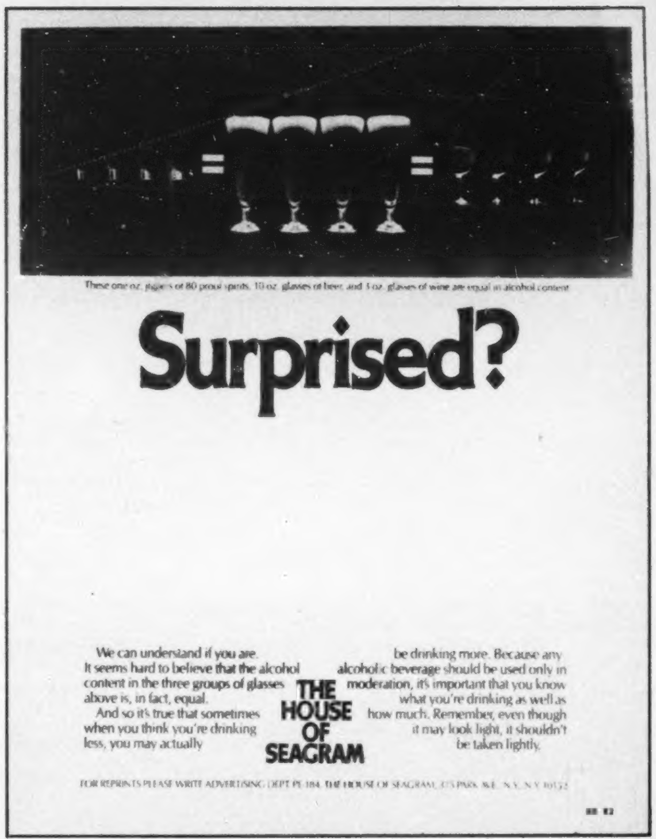
TOKYO—**Dentsu**, the world's largest advertising agency, will provide original programing and advertising on a one-year trial basis to the 15-station Japanese cable network, which debuts Jan. 1.

CANBERRA—**Saatchi & Saatchi's** application to take over 60% of Australian agency Gough, Waterhouse (AA, July 18) may be approved next week, following a positive recommendation from the country's Foreign Investment Review Board.

HAMBURG—**Benton & Bowles** is closing its office here on March 31. The office has a gross income of $800,000 and clients Deutsche Texaco AG, Spiegel Verlag and the Finnish Tourist Board.

VANCOUVER—**Baker-Lovick** will handle the new $6.5 million North American account for Expo '86 in Vancouver.

DUESSELDORF—**The West German Post Office** has awarded its $5 million telecommunications account, formerly with Lintas:Hamburg, to Team/BBDO here.



These one oz. jiggers of 80 proof spirits, 10 oz. glasses of beer, and 5 oz. glasses of wine are equal in alcohol content

Surprised?

We can understand if you are. It seems hard to believe that the alcohol content in the three groups of glasses above is, in fact, equal.

And so it's true that sometimes when you think you're drinking less, you may actually be drinking more. Because any alcoholic beverage should be used only in moderation, it's important that you know what you're drinking as well as how much. Remember, even though it may look light, it shouldn't be taken lightly.

THE HOUSE OF SEAGRAM

FOR REPRINTS PLEASE WRITE ADVERTISING DEPT PE-184, THE HOUSE OF SEAGRAM, 375 PARK AVE., N.Y., N.Y. 10152

Longtime alcohol-moderation advertiser House of Seagram currently is running a print ad headlined, "Surprised?"

Spirits marketers get word: 'Tis the time for caution

By GAY JERVEY

This holiday season's annual moderation messages from the distilled spirits industry may prove to have a greater than usual impact on celebrants, thanks to heightened anti-alcohol sentiment.

Companies such as Seagram and Bacardi Imports and industry associations such as the Distilled Spirits Council of U.S. have been conducting such cautionary efforts for years, warning partygoers not to drink and drive.

But this year's efforts come at a time of increased public awareness and concern about the issue of drunken driving, as well as growing pressure on the alcoholic beverage industry to confront the issue of alcohol abuse and perhaps modify its year-round ad programs.

During the past year, such groups as Mothers Against Drunk Driving and Students Against Drunk Driving have been gaining attention, not only from the public but among federal and local government officials as well. Their ammunition? Grass-roots support has been fueled by the despair and outrage of victims and their survivors.

The President's Commission on Drunk Driving, noting that half the 50,000 highway deaths each year "involve the irresponsible use of alcohol," this month urged a nationwide public and legislative commitment to social and legal change, including a federal law that would force states to raise the minimum drinking age to 21.

Last month the New York City

(Continued on Page 21)

From Peter to pope, tv's new Vatican hope

By ELIZABETH GUIDER

ROME—When Pope John Paul II prays with convicts at a prison in Rome Dec. 27, the occasion will be historic for two reasons.

Not only will the pontiff confront his would-be assassin, Ali Agca, now serving a life sentence, but the film of that meeting, shot by the new Vatican Television Center, will mark a media milestone for the Roman Catholic church.

Unlike the miles of footage shot by the international news networks to chronicle the pope's every public move, this new tv operation has the special blessing of the pontiff himself.

In fact, he signed it into existence in an official Latin document Oct. 22, the fifth anniversary of his election to the throne of St. Peter.

It is the latest example of an increasingly sophisticated effort by

(Continued on Page 21)

In-flight book sale shows Webb consumer shift

By ROBERT REED

Webb Co.'s plan to sell its three in-flight magazines (AA, Dec. 19) signifies a strategic shift in its publishing division's game plan.

The St. Paul, Minn.-based printing and publishing concern is breaking away from in-flight magazines and concentrating more on acquiring other types of consumer magazines. In addition, Webb will continue to build upon its other holdings and develop its budding custom publishing business.

Webb has signed a letter of intent to sell its three in-flight magazines to Delaware North, Buffalo, N.Y. Webb produces in-flight magazines for Trans World Airlines, Northwest Orient and Frontier Airlines.

Delaware North's publishing group already produces in-flight books and a consortium of professional sports magazines and programs. Its in-flight magazines represent Delta, Air Cal and Butler Aviation.

Both companies pay the airlines for the rights to produce the magazines and make their money by selling advertising.

Terms of the acquisition are pending, but the deal is expected to close before the end of the year or in early 1984, according to Stanley Sills, president of the Delaware North publishing group.

A year ago, Webb executives were saying the in-flight publications were an important entry into the consumer magazine segment and would serve as a starting block for acquiring other airline magazine properties.

"We had intended to grow and envisioned acquiring a number of in-flight books. But as we approached mid-1983, it was apparent that was going to be difficult to accomplish," says Robert Sallman, president of Webb.

At that time, Webb lost a bid to acquire United Airlines's in-flight magazine from its chief competitor, New York-based East/West Network.

When the bidding went further than Webb was willing to go, the company pulled out and soon after began to reevaluate its commitment to the in-flight group, says Robert Haugan, Webb chairman and chief executive officer.

"Having only three magazines, we felt the possibilities weren't as interesting as they might have been," Mr. Haugan says.

While Webb is the second-largest publisher of in-flights, it competes primarily against East/West, which publishes 10 such magazines, making it easier to group buys for its advertisers.

To combat this, Webb, Delaware and American Airlines, which produces its own book, formed Air Group One, a sales organization designed to link ad buys under one magazine network. Yet the diversity of the three organizations made it sometimes difficult to effectively sell under one marketing umbrella, say Webb executives.

Delaware North contends that having one owner for most of the magazines in Air Group One will make it easier to sell the package.

"We intend to expand our position and improve our capabilities to become the biggest and the best," Mr. Sills says.

For Webb, the divestiture means it will concentrate on the acquisition of small magazines in various fields while building on the success of its other consumer books, such as *Family Handyman*, Mr. Sallman says.

Family Handyman is expected to contribute nearly 25% of the publishing division's total revenues this year and continue to grow in circulation. In-flight will serve up only 14%. Webb is expecting to have $53 million in revenues from the publishing division.

In addition, Webb is developing its custom publishing business. Custom publishing is the production of magazines for companies and their specific customer groups.

Already companies such as Xerox Corp. and Kawasaki Motors Corp. USA have started publishing such magazines.

Webb's ultimate goal is to have its publishing division contribute 50% of the company's over-all profit picture. It is currently at 40%, with the rest coming from a thriving printing operation.

In 1982, Webb saw total sales of $144 million, with printing contributing $96 million and publishing $48 million. In operating income, the printing division delivered $6.1 million, while publishing added $4.8 million.#

United's awareness hitting lofty heights

(Continued from Page 3)

first, launched Oct. 21 during the World Series, kicked off United's promotion of its Olympic Games sponsorship. Using past Olympic marathon gold medal winner Frank Shorter as spokesman, the "5-Million Mile Challenge" campaign announced that United would donate to the U.S. Olympic team one free mile of travel for every passenger flown between Nov. 1 and Dec. 15 (AA, Oct. 24).

Although United's business was up 15.4% during the 45-day period, the total of 4.8 million passengers fell slightly short of the goal. However, the airline announced last week it will donate the full 5 million free miles to the Olympic team.

For those not reached by patriotism, United also was promoting hedonism last month. The airline called its "United shines to Florida" campaign a more aggressive replacement for Al E. Gator, the animated alligator it had used in past years to advertise its winter vacation routes (AA, Sept. 12).

That aggressiveness appears to have generated increased awareness.

Eastern Air Lines, whose awareness slid 4.7 points (to a 15.4% share), also has been promoting winter vacation travel, but without using chairman Frank Borman as spokesman. Earlier commercials featuring Mr. Borman had given Eastern a 6.4 point jump in awareness in October. American Airlines retained the No. 3 spot with an unchanged 9.9% share of first mentions.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Advertising awareness is measured by asking a national random sample of consumers to name the first advertising that comes to mind (in 18 product categories) from all seen, heard or read in the preceding 30 days.

From Nov. 1 through 20, 1,250 adults were surveyed by phone. Under adWatch methodology, an increase or decrease from the previous month of 2.8 percentage points is considered statistically significant and attributable to more than sample variation.

Significant decreases were registered in three other categories. Interestingly, all were for advertisers that have had the highest awareness shares every month this year.

Birds Eye's share of first mentions in the **frozen foods** category slid 2.9 points to 12.6%. While still keeping its hold on the No. 1 spot, Birds Eye is getting an increasingly strong challenge from No. 2 Swanson as frozen meals begin to replace frozen side dishes in advertising recall for the category. Swanson, which had a 4.4% share in January, quietly has grown to an 8.3% share. Stouffer remained third with 5.4% of mentions in November.

Tylenol lost the ground it had gained last month in the **medicine & drugs** category, slipping 4.5 percentage points to 32.5% of mentions. In October, Tylenol had risen 4 points. Anacin, which dropped 4.5 points in October, regained one percentage point last month. Its 8.4% share still trailed No. 1 Tylenol, but was solidly ahead of No. 3 Bayer (4.6%).

The erosion of McDonald's once seemingly insurmountable lead over Burger King in **fast-food** advertising awareness continued to erode in November, dropping 3.6 percentage points. Although Burger King's awareness also slipped, the gap between the No. 2 chain (24% in November) and No. 1 McDonald's (39%) is more narrow than it has been since October, 1982, when the "battle of the burgers" began.

Both burger giants toned down their advertising presence last month, with McDonald's tapering off its "Leader of the pack" campaign for Big Macs and Burger King giving its comparative attack a brief rest.

Among noteworthy changes in other categories last month:

- To paraphrase jargon from the music industry, Miller Brewing Co.'s Meister Brau brand has entered the **beer category** chart with a bullet. With a heavy introductory campaign behind the comparative "Tastes as good as Budweiser at a better price" theme, Meister Brau last month made its first appearance among the beer advertising receiving first mentions. Although its advertising came to mind first for only 1.6% of the sample, putting it in the No. 9 position, Meister Brau's awareness still bested that of several established brands.

Anheuser-Busch needn't worry however. Awareness of Budweiser advertising rose 2.7 points last month. Its 17.7% share in November is the highest percentage of first mentions recorded to date in the highly fragmented beer category. Miller remained No. 2 with a steady 11.7% share; Coors remained No. 3 with 7.5%.

- One of the longest-running battles for advertising awareness superiority has been raging between Cheerios and Wheaties in the **breakfast foods** category. The winner isn't No. 1, of course, since the title has been held by Kellogg for several months. But Cheerios and Wheaties—both General Mills brands—continue to exchange the No. 2 and No. 3 positions and make this one of the most hotly contested categories. The November rankings: Kellogg's, No. 1 with 7% (down 2.2 points); Cheerios, No. 2 with 6.6% (up 1.3 points); Wheaties, No. 3 with 4.6% (down 1.1 points).#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

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Western puts its $20 million down at DDB

By JENNIFER PENDLETON

Los Angeles—Western Airlines' $20 million in billings has landed at Doyle Dane Bernbach/West. But, ironically, the carrier will start a new campaign created by its former agency, McCann-Erickson, in the first quarter.

The appointment follows a review involving Chiat/Day; Needham, Harper & Steers; Foote, Cone & Belding; Benton & Bowles, and incumbent McCann. FCB and B&B pulled out of the competition in the final weeks.

Western's senior director of advertising and sales promotion Mark Dennett cited DDB's fresh creative approach in its presentation and its long experience with American Airlines as key factors swaying the decision.

DDB, New York, handled American from 1961 to 1981 (the Los Angeles office handled outdoor and some special projects during that period). The agency resigned American to take on Pan American World Airways, a relationship that lasted only eight months (AA, Jan. 11, '82).

While Mr. Dennett declined to share specifics of possible new approaches, he did mention a major

(Continued on Page 32)

'Living' campaign has powerful pull

By CRAIG REISS

New York—A tv and print ad blitz by the Arthur S. DeMoss Foundation ends today, and it not only tied up a good amount of airtime in recent weeks but telephone lines as well, its backers say.

The ad campaign promoted the "Power for Living" religious books and supported 1983 as the Year of the Bible. Ads, featuring such notables as Dallas Cowboys head coach Tom Landry, former White House aide Charles Colson and singer Pat Boone, among others, promised a free copy of "Power for Living" without obligation.

Jack Anderson, broadcast director at Frank Vos Co., which handled creative and media on the campaign, said the commercials were so successful in generating calls to the foundation's three 800 numbers that a spot running in New York would tie up American Telephone & Telegraph lines for 45 minutes.

"We've been off network tv for a week, and we're still getting 1,300 calls a day from those ads," Mr. Anderson said.

The DeMoss Foundation campaign came upon the media out of the blue, entering the tv market

(Continued on Page 34)

last minute news

Beatrice to break $29 million corporate effort

Chicago—Beatrice Foods' $29 million corporate campaign begins in February, incorporating about 18 Beatrice brands. The theme is, "Beatrice. You've known us all along." Regionalized tv spots, each featuring eight to 10 products, begin on Winter Olympics coverage supported by print ads running through September. An Olympics-oriented freestanding insert on Feb. 5 and p.o.p. accompany via Marsteller. Beatrice will drop "Foods" from its name and begin using a new corporate logo by summer.

Computer companies pick C&W unit, Commart

Dallas—Wyly Corp., a computer software marketer, has named Reiser, Williams, deYong/Cunningham & Walsh, Irvine, Cal., for its

(Continued on Page 8)

NEWSPAPER
Pl
its

Forecast & Review

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Adman of the Year

Lee Iacocca of Chrysler: Crisis plans paying off

Photo by John C. Hillery

By RALPH GRAY

Lido Iacocca was completing his masters in mechanical engineering at Princeton when he began his automotive career as a student engineer at Ford Motor Co.

Less than four decades later, the 59-year-old Chrysler Corp. chairman has accomplished one of the most astonishing "engineering" feats in the history of American business.

Last year, Lee A. Iacocca saw his company settle firmly into the black, rebounding from the 1980 low point of a $1.7 billion loss and posting profits totaling $266 million for the first three quarters of 1983. On June 15, the company paid back $1.2 billion in government-guaranteed loans, just "two years, 11 months and 21 days" after its first draw, Mr. Iacocca noted in an interview. He then repeated his favorite explanation of the repayment: "We at Chrysler borrow money the old-fashioned way. We pay it back."

On the way to paying it back and to guiding the ailing auto maker to a position of fiscal health, Mr. Iacocca has succeeded in putting Chrysler on a strong growth track.

A company that was teetering on the brink of collapse less than five years ago is now a more-than-viable contender in its field, with an array of trend-setting new products, a significantly more efficient operation and a chief executive who broke new ground, albeit reluctantly, as a powerful advertising spokesman for his product—and, in fact, for American-made goods generally.

For these reasons, the editors of Advertising Age have named Lee Iacocca Adman of the Year for 1983.

"Product is king" for the veteran auto executive, who obviously is still very much guided by his engineering background. And his tenacity in making his credo a reality for Chrysler is at the core of his success.

He would deny that what has been accomplished at Chrysler smacks of marketing acumen of the first degree. As he explains it, "You say it was a marketing task, but I don't look at it that way. I looked at [the job of turning around the company] as a very difficult product task and a quality and productivity task.

"Marketing really means nothing if we didn't have the product that appeals to people. Not just convertibles, but across the board. Without that our [market] penetration wouldn't have gone up."

And once you have solid product? Mr. Iacocca makes it sound almost routine: "Then you back the product and give some assurance you stand behind

(Continued on Page 30)

King tv specials slow in lining up sponsors

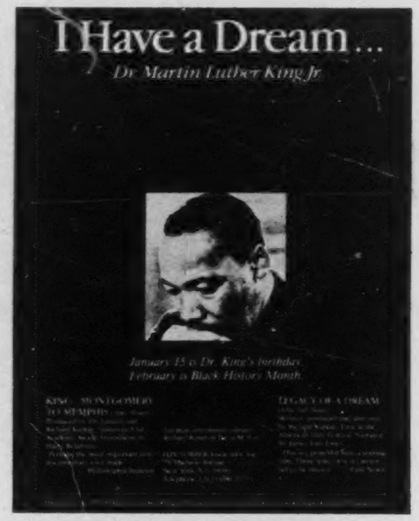
By JAMES P. FORKAN

NEW YORK—The late Martin Luther King Jr. will be saluted in at least three syndicated tv specials due in the first quarter. The most ambitious special is a two-hour, first-run show budgeted at more than $500,000.

In each case, the distributors, Bentley Entertainment Group and Fox/Lorber Associates, which has two syndication projects, are offering the King tributes for two runs, the first on or near the civil rights leader's Jan. 15 birthday and again in February during "Black History Month."

Bentley's project, "A Celebration of Life: A Tribute to Martin Luther King Jr.," is a two-hour original production. Fox/Lorber is clearing two annuals, the two-hour "King... Montgomery to Memphis" and the 30-minute "Legacy of a Dream."

Fox/Lorber, which was among syndicators with specials keyed to the 20th anniversary of President John F. Kennedy's assassination in November, also had its King shows on the market last spring and summer, suggesting them as tv tie-ins to the 20th anniversary last August of the march on Washington.


I Have a Dream...
Dr. Martin Luther King Jr.
January 15 is Dr. King's birthday
February is Black History Month
KING... MONTGOMERY TO MEMPHIS
LEGACY OF A DREAM

This Fox/Lorber Associates trade ad pitches two Martin Luther King Jr. specials.

"Celebration" has cleared more than 80 stations, including 37 of the top 50 markets—led by WPIX, New York; KCOP-TV, Los Angeles, and WBBM-TV, Chicago. Most of the outlets are giving the special prime time placement between Jan. 14 and 16, but a few are waiting until later in the month, according to Ray Bentley, president, Bentley Entertainment. Most stations are planning dual runs, he said. An ad in *TV Guide* will support.

Mr. Bentley and the special's Chicago-based producer, Cindy Walker of Teleavancers, said Coca-Cola USA, Atlanta (AA, Dec. 26), and Johnson Publishing Co., Chicago, are the first major sponsors signed. About five others have been labeled "strong prospects." The asking price for a 30-second spot is between $55,000 and $60,000, other sources indicated.

Lining up advertisers has proved more difficult than clearing stations. Mr. Bentley blamed the slow pace on advertisers and agencies seeing the show as "funereal" and on agencies not even informing their clients about the special's availability.

The show will have lively

(Continued on Page 32)

Playtex plan taking shape

By PAT SLOAN

Although Esmark Inc. remains characteristically reticent about plans for its Almay and Max Factor & Co. divisions, the word is out to retailers that the two cosmetics units will not be wearing the same faces in 1984.

Buyers at chain drugstores in central and eastern parts of the country are expecting major changes in the advertising budgets and product lines of both companies, which have been folded into Esmark's International Playtex division.

The way retailers tell it, Almay and Factor will be spending aggregately more on advertising, though perhaps on fewer products, some of which have been earmarked for growth while others have been slated for either divestiture or a phaseout.

This direction was indicated to retailers last September when they were told by Almay salesmen that advertising spending would be boosted to $9.5 million (AA, Sept. 5). At the time, they also were informed that the company's Colorplus cosmetics offshoot would be discontinued.

An Almay executive, who asked not to be identified and would not confirm advertising increases, insisted at the time the then-supposed fate of Colorplus was the result of confusion in the marketplace.

But Esmark since has owned up to Colorplus as a marketing mistake on Almay's part, and confirmed what the retail trade was saying as far back as August.

Now retailers say they have been told that Almay spending in the first half of 1984 will go as high as $12.5 million for new products, promotions and advertising. Measured media spending alone is expected to total $12 million for the year.

On tap is a new mascara, an acne preparation and a skincare extension, Almay is telling retailers.

To lure new and younger customers to the Almay label, five $1-off coupons will be distributed through Jhirmack products, the Playtex haircare line, starting in March.

International Playtex's family products group, of which Jhirmack is a part, also will become the sole marketing arm of several Almay toiletries products—Almay deodorant as well as repackaged and relaunched Almay haircare products, including hair sprays and shampoos.

The relaunch of Almay deodorant will be supported by an additional $5 million in ad spending; no figure has been set for haircare.

There also have been reports

(Continued on Page 34)

highlights

Monday, January 2, 1984

Advertisers are rushing to buy time on the first private tv channel in Germany. *See Page 6.*

Retailers are finding that Christmas of 1983 is fulfilling its promise. *See Page 32.*

On the eve of the International Winter Consumer Electronics Show, videocassette software appears to be moving into mainstream advertising. *See Page 32.*

Information Resources Inc. is developing an alternate media planning method to supplement viewer demographics as a base for tv ad spending. *See Page 33.*

MAGAZINE

After placing the *Anchorage Daily News* on firm financial footing, Katherine Fanning is working to revitalize *Christian Science Monitor*. *See Page M-4.*

Careers in Marketing: Despite the recent downswing in the number of marketing jobs, many believe it will rise as high-tech industries grow and American companies increasingly compete in the world market. *See Page M-9.*

Columnist Hank Seiden explains why he thinks print advertising is everything tv advertising isn't: Believable. Persuasive. Convincing, and a lot more difficult to produce successfully. *See Page M-21.*

There is no International section this week. It returns Jan. 9.

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TEN
EVENTS
THAT MOVED THE MARKET IN '83

- Airline woes
- Alan Thicke show
- Blockbuster tv shows
- Burger battles
- Fitness boom
- Hitler diaries
- Nets' anchor changes
- Off-price retailing
- Tylenol comeback
- USFL debut

Off-price, fitness led the parade of last year's trends

In addition to the people and products that made news in advertising and marketing last year, there were a number of events that made an impact as well. Here are the 10 selected by ADVERTISING AGE *as the most noteworthy:*

Off-price retailing, both a boon and a bane to the retailing industry in 1983, caught the consumer's fancy and pocketbook last year when off-price apparel sales accounted for an estimated $7 billion to $8 billion, with a compounded annual growth rate of 35%.

Sales from variety stores and catalog showrooms combined equaled another $22 billion.

The growth from off-price, however, was not greeted as good news by traditional department store retailers who see this segment of the retail industry, which frequently sells the same first-quality, designer and name goods department stores do but at lower prices, as endangering their business.

To combat the perceived threat, department stores became increasingly promotional in some instances, and in others put extensive private-label programs in place to guarantee exclusivity.

The off-price phenomenon also caused a stir in the judicial and legislative branches of the federal government.

Several off-price retailers, including Burlington Coat Factory and Kids "R" Us, a division of Toys "R" Us, filed suits against retailers such as Federated Department

(Continued on Page 27)

TEN
CATEGORIES
THAT WILL MAKE NEWS IN '84

- Analgesics
- Computers
- Cookies
- Electronic information
- Financial services
- Hair care products
- Minivans
- Olympics
- Politics
- Soft drinks

'84 elections and Olympics top list of stories to come

No one knows where the big news of 1984 will come from. But some things already on tap, such as the presidential elections and the Olympics, are sure to take center stage when they occur, and certain trends seem destined to grow. Following are 10 areas the editors of ADVERTISING AGE *think will create major marketing news this year.*

Politics

Every quadrennium, millions of dollars are spent on political advertising by a gaggle of candidates who want to end up the year being elected President of the United States.

This year should be no different, except for one factor: Probably no other campaign in election history will be as expensive as this one.

Each of the presidential candidates can spend up to $24 million to get nominated in 1984—although it is expected that of all the candidates now in the race, only Walter Mondale, John Glenn and, of course, Ronald Reagan, will have the financial resources necessary to come close to that figure.

After the nominating process is over, the Democratic and Republican candidates each will receive about $40 million in federal funds for the general election, an inflation-boosted increase from the $29 million that Ronald Reagan and Jimmy Carter received in 1980. It is difficult to break down how much of this money will be spent

(Continued on Page 21)

order to bring about the efficiencies needed in using mass media advertising, cable operators are beginning to "cooperate among themselves" to make radio and tv buys, he says. "It's more or less like a clustering concept in marketing."

Some operators are setting up retail stores modeled on phone centers. This is opening up opportunities for those with backgrounds in "retail marketing, not cable marketing," says Jerry Maglio, executive vp-marketing with Denver-based Daniels & Associates. "We have to learn how to blend retail principles with cable product lines."

A trend that's even more significant than retailing, says Mr. Maglio, is the increasing need for package goods specialists as cable moves into the urban markets.

Currently, former executives of companies such as Coca-Cola Co., PepsiCo Inc. and Polaroid Corp. hold key marketing slots in cable.

Finally, an area of marketing that doesn't really exist now at the system level, but is taking shape, is on-air promotion. According to Bob Klein, president of the Los Angeles-based Klein & , a media creative and production company, operators have a critical responsibility to let their subscribers know who they are. Next, he says, "they have to educate [subscribers] as to what they're selling them." They need to cross-promote the various program offerings on a 30- or 40-channel cable system. "Until they do that, they're going to have those enormous churn rates," he says.

Oceanic Cablevision in Honolulu is setting up its own on-air promotion department—the first cable system to do so. Mr. Klein believes that eventually the field of broadcast promotion may "come close to doubling over the next 10 years with cable" as other systems follow Oceanic's lead.

There's already a "booming little business" in on-air promotion at many of the cable networks, says Mr. Klein, particularly the pay services such as Home Box Office and Showtime/The Movie Channel. ■

Up and down the ladder
Average highs and lows of ad agency salaries

	1983		1981	
Creative	**High**	**Low**	**High**	**Low**
Creative director	$150,000	$75,000	$85,000	$60,000
Assoc. creative director	85,000	65,000	65,000	50,000
Copy supervisor	75,000	50,000	60,000	45,000
Sr. copywriter	75,000	50,000	50,000	35,000
Copywriter	45,000	25,000	25,000	18,000
Jr. copywriter	16,000	14,000	12,000	10,000
Art				
Exec. art director	200,000	110,000	125,000	85,000
Group creative director	85,000	60,000	70,000	50,000
Art director	65,000	30,000	50,000	25,000
Asst. art director	25,000	14,000	20,000	12,000
Account*				
Sr. vp-mgmt. supervisor	130,000	40,000	150,000	52,000
Vp-mgmt supervisor	75,000	45,000	77,000	38,000
Acct. supervisor	58,000	25,000	65,000	27,000
Acct. exec.	40,000	15,000	49,000	15,500
Asst. acct. exec.	29,000	14,000	30,000	15,000
Media**				
Sr. vp-media director	125,000	50,000	100,000	50,000
Vp-assoc. media director	100,000	32,000	65,000	32,000
Media supervisor	35,000	20,000	35,000	20,000
Media planner	30,000	12,000	25,000	12,000
Media buyer	25,000	12,000	25,000	12,000

*Figures represent absolute, not average, highs and lows, hence the discrepancies from 1981 to 1983

**Figures for 1983 and 1982; figures for 1981 not available

Sources: Creative and art salaries—Jerry Fields Associates, New York.
Account salaries—Judd-Falk, New York.
Media salaries—Simmy Sussman Inc., New York.

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MOBIL
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pumps with the 20-gal. optional tank—for $43 I might add—and average 30 mpg," he notes enthusiastically, unable to resist just a little pitch.

"Build a good car and you're home free," he insists.

Much as he obviously enjoys talking about his company's products, the Chrysler head has always been a reluctant on-camera spokesman.

He seems to be annoyed by the fact that the spotlight has been on him, rather than what he feels is first priority—the product.

He once remarked, with some exasperation, "I tell people, 'I take credit for Chrysler's turnaround; the product and our dealers had nothing to do with it.' "

Cronkite first choice

Actually Lee Iacocca wasn't even K&E's first choice for the ad role. Retired tv newsman Walter Cronkite was the pick.

"They did a lot of research and Walter Cronkite came out much better than I did. But we couldn't get him," Mr. Iacocca explains.

The Chrysler chairman didn't much want the job because he felt the use of the top executive "probably means you're in trouble."

His first commercial work was actually limited to tag lines for existing spots. In those tags, he told the American public, "I'm not asking you to buy any car on faith. I'm asking you to compare." And, "If you buy any car without considering Chrysler that'll be too bad for both of us."

He was replaced briefly by Joe Garagiola's rebate pitch because, as a Chrysler marketing executive said at the time, "We gotta sell cars, not image."

Then came the controversial government loan guarantee, and Mr. Iacocca was back in a confidence-rebuilding ad campaign, touting "the new Chrysler Corp."

"We had to have a presence with the public and that's why I started," the reticent ad star explains.

Next came $50 test-drive offers, with Mr. Iacocca saying: "We're not foolish, we're confident."

It wasn't until about two years later that Mr. Iacocca would say in tv spots, "If you can find a better car, buy it.

"If I had said that a couple of years before and the guy did," he points out, "I would have been run out of town on a rail."

Hounded for autograph

He did avoid that fate, but his presenter role has brought unwelcome results of another sort—adulation. "Fans" even line up for his autograph.

"It destroyed his privacy and made him a celebrity, and that's a lot to give up," says John Morrissey, another Ford alumnus and, until recently, K&E chairman.

But despite any personal misgivings, Mr. Iacocca dutifully and effectively played his ad role while he felt his presence was needed.

Now, he says, the mini-van commercials "are about it. I've told [the agency] that unless there is some compelling news, I'm not going to be the product pitchman. We have great people we can use."

It's not the end of his ad-making career, however. He will be doing new tv commercials for a labor-of-love project—the Statue of Liberty-Ellis Island restoration campaign, of which he is chairman.

It's a subject close to his heart since Ellis Island was the port of entry for his father, who immigrated from Italy.

Limiting his ad role

Of his decision to limit his future role in Chrysler commercials, Mr. Iacocca further explains, "I've done a lot in four years, and I think I've run the gamut unless we have something revolutionary like the T or 5/50.

"If we have something like that, I'll *entertain* the *possibility* of one a year and that's enough. But no more three times a year. I'm done with that, definitely," Mr. Iacocca insists.

After a pause, he adds, "I said that before and here I am doing quality commercials."#

U.S. ad spending

In millions of dollars

Medium	1983 (prelim)	1984 (forecast)
Newspapers		
National	2,685	3,035
Local	17,450	19,980
Total	20,135	23,015
Magazines		
Weeklies	1,900	2,165
Women's	1,040	1,185
Monthlies	1,270	1,450
Total	4,210	4,800
Farm publications	155	180
Television		
Network	6,985	7,880
Spot	4,820	5,440
Local	4,285	4,885
Total	16,090	18,205
Radio		
Network	305	350
Spot	1,015	1,135
Local	3,910	4,420
Total	5,230	5,905
Direct mail	11,765	13,410
Business publications	1,676	2,160
Outdoor		
National	520	580
Local	285	320
Total	805	900
Miscellaneous		
National	7,899	8,960
Local	6,895	7,865
Total	14,794	16,825
Total		
National	42,235	47,930
Local	32,825	37,470
Grand total	75,060	85,400

Source: Robert Coen, McCann-Erickson Inc.

Media outlook for '84

Here is a detailed look at the media income forecast for 1984 by Robert Coen, senior vp of McCann-Erickson. Mr. Coen earlier forecast an advertising spending total of $85.4 billion for this year, up 13.8% from the anticipated 1983 total (AA, Dec. 19).

Past winners

Here are the past years' selections for the ADVERTISING AGE Adman of the Year award:

R. Gordon McGovern (1982)
president-chief executive officer,
Campbell Soup Co.

Steven Ross (1981)
chairman-chief executive officer,
Warner Communications.

Richard Wirthlin (1980)
chief strategist,
Ronald Reagan's
presidential campaign.

Donald Smith (1979)
president, Burger King Corp.

Barry Diller (1978)
chairman, Paramount Pictures.

John Murphy (1977)
president, Miller Brewing Co.

Robert Dewar (1976)
chairman, K mart Corp.

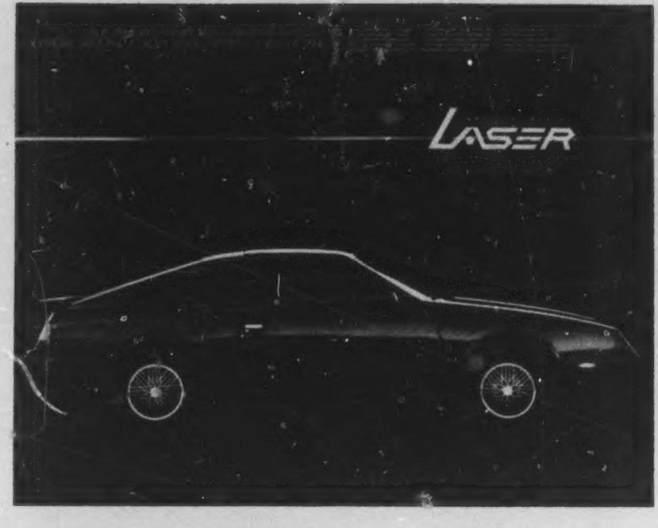
Rawleigh Warner Jr. (1975)
chairman, Mobil Oil.

Donald Keough (1974)
president, Coca-Cola USA.

W.T. Beebe (1973)
chairman, Delta Airlines.

Roy Chapin Jr. (1972)
chairman,
American Motors Corp.

David Mahoney (1971)
chairman-president,
Norton Simon Inc.



Laser blast

Chrysler chairman Lee Iacocca is high on the campaign for the new Laser sports car, which carries the line: "The competition is good. We had to be better." Kenyon & Eckhardt is the agency on the account.

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GENERAL PATTON

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RAND
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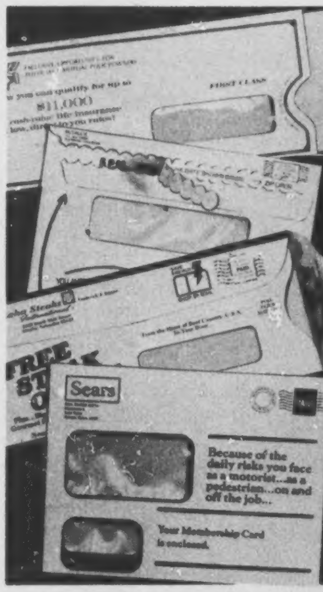

1 PULL-OPE®.
Thumb-notched end "pops open" as sales message pulls out. Pulls in more responses!

2 RIP-OPE®.
Double tear strip arouses curiosity while delivering sales message. Also protects contents from damage during opening.

3 SIM-PULL®.
Pull tab "challenges" reader into opening envelope. Out comes your sales story!

4 DISPLAY WINDOW.
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Interactive ads

Big agencies prepare clients for videotex

— Page 3

Corporate CloseUp

P&G sets sights on Latin America

— Page 4

Book excerpt

An editor's version of his battles with Rupert Murdoch

— Page M-4

Special Report

A brew for every life style

How beer makers reach a segmented market — Magazine

NEWSPAPER

AA
DC20014CONGL1 FMJF M
CONGRESSIONAL INFO SERVICE
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WASHINGTON DC 20014

Photo by Mary Herlehy

Robert Page takes over as publisher of the *Sun-Times*, a newspaper he says will prosper under Rupert Murdoch.

Chicago not N.Y. or Boston: Page

By ROBERT REED

CHICAGO—Rupert Murdoch's *Chicago Sun-Times* will be different, but it won't become a clone of the *New York Post* or *Boston Herald*, two of the Australian media baron's splashier big-city tabloids, says the newspaper's new publisher.

Robert Page said in an interview that for starters, the *Sun-Times* will undergo some editorial revamping and be promoted more aggressively within its own pages. The newspaper also will be supported with heavier marketing and advertising efforts, he said.

While many of these changes reflect similar strategies employed at Mr. Murdoch's other properties,

(Continued on Page 68)

Haagen-Dazs hits liqueur market, Cal.

By GAY JERVEY

It's a natural in self-indulgent synergy—gourmet ice cream and creamy rich liqueurs bottled in one. Hiram Walker Inc. has begun shipping a new Haagen-Dazs cream liqueur into California, with further rollouts slated for September.

Sources say the liqueur, a joint venture between Detroit-based Hiram Walker and Woodbridge, N.J.-based Haagen-Dazs, will be backed with about $4 million in marketing expenditures in California this year.

The entry symbolizes a new wave of competition in the premium cream liqueur category. Chicago-based James B. Beam Distilling recently completed full distribution of its Trenais Nouvelle liqueur, which is supported by print ads.

Baileys Irish Cream, which created the category several years ago, has reportedly altered its creative blueprint in soon-to-break ads from Backer & Spielvogel. Executives at Paddington Corp., Baileys' importer, could not be reached for comment

According to *Market Watch*, a leading industry publication, Haagen-Dazs cream liqueur is 34-proof, comes in 50ml., 200ml. and 750ml. sizes and will cost about as much as Baileys—$13 to $15 per 750ml. Like Trenais, the Hiram Walker entry uses cognac imported from France as its liqueur base.

Trade ads for Haagen-Dazs cream liqueur are breaking this month, with a consumer campaign scheduled for March. Print and outdoor advertising, created by McCaffrey & McCall, will carry the tag line, "Haagen-Dazs Cream Liqueur. A dream come true."

Special premotions, point-of-purchase and sale materials support.

Haagen-Dazs is believed to have final approval over Hiram Walker's advertising of the product. The agreement between Hiram Walker and Haagen-Dazs for use of the ice cream brand's name was made before Minneapolis-based Pillsbury Co. acquired Haagen-Dazs last summer, a Pillsbury spokesman said. But George McCarthy, former vp-general manager for entrees at Pillsbury, who last week was named exec vp of Haagen-Dazs, acknowledged that a liqueur using the Haagen-Dazs name "fits in with the image of the ice cream."

Despite an avalanche of cream liqueur entries, no one brand has come close to Baileys' market share. When

(Continued on Page 72)

Smokeless, but a cigaret

By TOM BAYER

Cigarets may not be looked upon with favor in some quarters, but a cigaret named Favor hopes to change that beginning later this year.

Developed by San Antonio-based Advanced Tobacco Products, the patented smokeless tobacco product is said to have the appearance, weight and feel of a cigaret and produce a similar sensation for the user, but at no time is it lighted.

Nicotine satisfaction is derived by inhalation of nicotine vapor and not from the burning of tobacco, the company says.

Favor will be positioned as a pleasurable nicotine product, and not as a product intended to discourage or reduce smoking or to have therapeutic benefits, the company said in a prospectus issued, coincidentally, on the 20th anniversary of the U.S. Surgeon General's first warning against smoking.

ATP plans to introduce Favor in some major Texas markets first, and then to expand throughout the country and into foreign countries on a region-by-region basis.

Favor includes cigaret filter rod segments overwrapped with a paper laminate and commonly used cork-like tipping paper, and includes a nicotine solution flavored to approximate the taste of "regular," "menthol" and "light" cigarets.

Packs of the smokeless cigarets will contain six cigarets to be sold at a price competitive with that of a 20-pack of regular cigarets. The company said that each pack of six Favor cigarets will have a nicotine delivery intended to satisfy the average smoker of conventional cigarets for an entire day.

Unless current regulatory definitions of cigarets and interpretations of regulations are changed to include such products that contain no "roll of tobacco," ATP figures it has two significant marketing advantages over conventional cigaret competitors: The availability of tv advertising and the novelty of Favor, which will generate publicity and curiosity that can, in turn, hold down advertising and promotional costs.

The initial advertising budget set for Favor is $4.5 million, being handled by the Richards Group, Dallas. Stan Richards, president of the

(Continued on Page 74)

highlights

Monday, January 16, 1984

CBS is trying to pick up the pieces after its bid to settle the networks' feud over ownership rights with Hollywood foundered. *See Page 6.*

D'Arcy-MacManus & Masius unveiled a new corporate structure, a new name and a new logo last week. *See Page 10.*

Nabisco plans to spend over $10 million in advertising to introduce Fleischmann's RapidRise yeast. *See Page 12.*

CBS is breaking advertising to support its entry into the growing home computer software market. *See Page 12.*

Dodge will be offering test drives of its Caravan minivan at shopping malls as it pitches the vehicle to women. *See Page 34.*

G. Heileman Brewing plans to expand distribution for many of its leading regional brands this year. *See Page 42.*

Sporting goods marketers are expecting a turnaround in 1984 following strong sales last December. *See Page 56.*

Cover photograph by Neal Vance.

CORPORATE CLOSEUP

Procter & Gamble, more conspicuous for its absence in much of Latin America than its activity there, is viewing the region as a growth area. *See Page 4.*

INTERNATIONAL

At the 1984 Pan-European Consumer Advertising & Marketing Symposium this week in London, many European advertisers and agencies will protest what they see as an American-bred trend of centralizing advertising accounts with one or a few agencies across Europe. *See Page 44.*

Procter & Gamble Co. is planning to introduce orange juice in Germany, probably this summer, and is considering introducing it in the rest of Europe as well. *See Page 46.*

German marketer Henkel seems to be winning in Italy in the battle for leadership in the European detergent market where its Dixan brand is edging closer to Procter & Gamble's Dash. *See Page 47.*

VIDEOTECH

Videogame marketers maintain their product is not merely a passing fad and they are expecting a turnaround late this year. *See Page 56.*

Atari, after racking up $536 million in operating losses during the first nine months of 1983, is projecting a profit for 1984. *See Page 56.*

Nickelodeon has ambitious plans for selling children-oriented commercial time and promoting itself to its youthful viewers. *See Page 57.*

MAGAZINE

Harold Evans, the former editor of the *London Times*, in excerpts from his book, recalls his battles with Rupert Murdoch. *See Page M-4.*

Beer & Wine Marketing: In order to sharpen their advertising approaches, beer and wine marketers are using different strategies for each market segment. *See Page M-9.*

An agency creative executive provides a list of carefully chosen thoughts to consider before taking an ad job. *See Page M-46.*

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Financial centers at 3 K marts

By JESSE SNYDER

TROY, MICH.—One hundred ninety-two square feet of floor space doesn't seem like much of a base from which to launch a direct assault on the nation's largest retailer, Sears, Roebuck & Co.

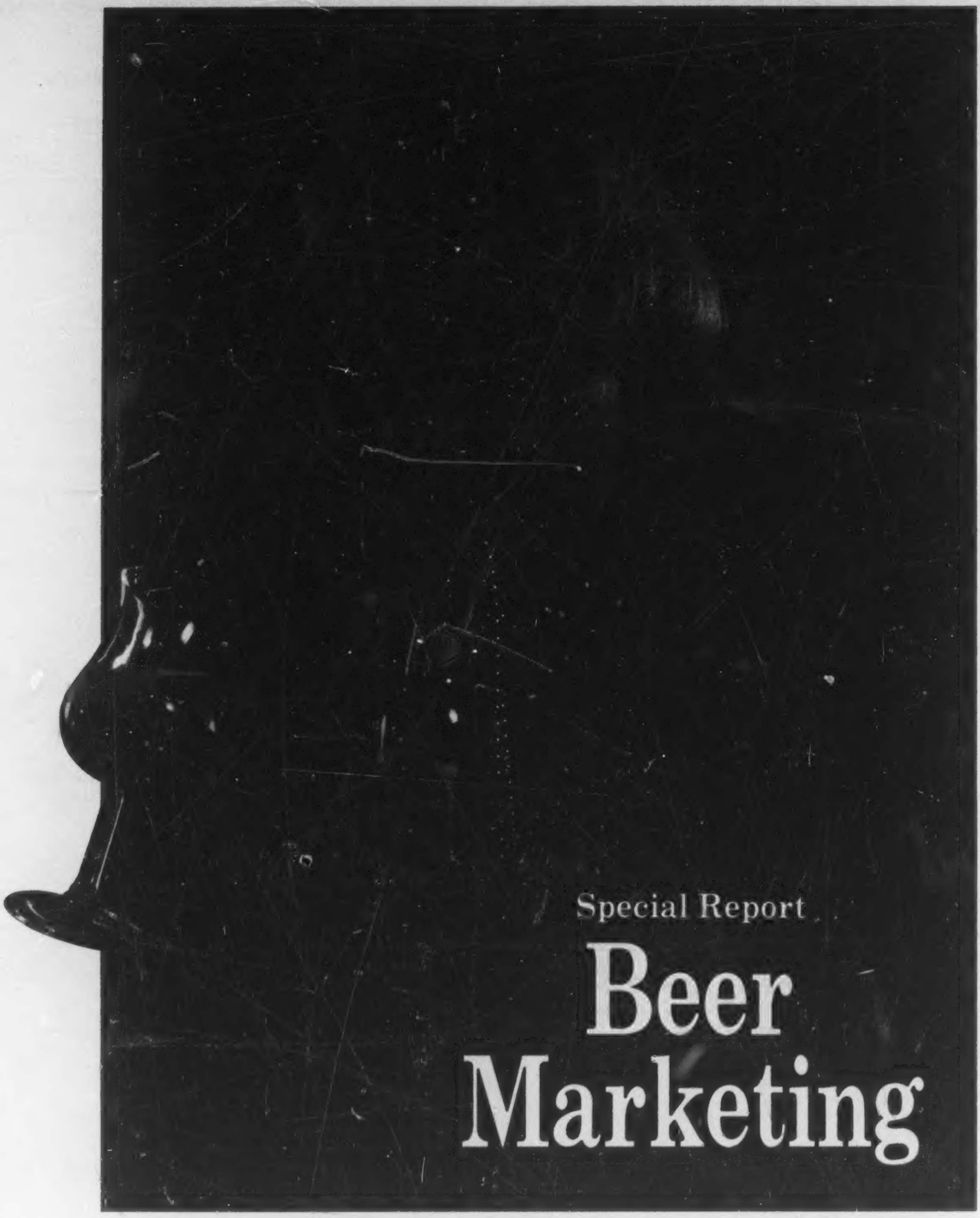
But when No. 2 retailer K mart opens 8-ft.-square booths offering money market funds and certificates of deposit in three Florida stores today, the battle lines will be drawn.

As disclosed in ADVERTISING AGE earlier but officially announced last week, K mart plans to open in-store centers adding consumer financial services to its fledgling insurance operation. The move will take place over the next several years, according to Robert E. Brewer, exec vp-finance (AA, Dec. 12).

K mart already has 26 in-store insurance centers in Florida and Texas, offering life, health, property and casualty coverage. After a pilot program, the financial services will be included at these centers and 50 more in Texas and Florida that K mart plans for the rest of 1984.

Ultimately, financial and insurance centers will be in "more than

(Continued on Page 72)



Special Report

Beer Marketing

Neal Vance Rumours Lounge at Hyatt Regency, Chicago

Satisfying a thirst for images

By Robert Reed

Let's begin with this premise: Advertising is as important to selling beer as the bottle opener is to drinking it.

Think not? Then consider the last time you, and millions of others, ambled up to the wood-railed bar of a local drinking establishment and ordered a brew.

Wasn't it the clumping hoofs of the majestic Clydesdales pounding in your brain that prompted the request for a Budweiser?

Wasn't it Rodney Dangerfield's quest for respect that brought to life the urge for a Miller Lite?

Wasn't it a need to get closer to "God's Country," horn fanfare and all, that prompted you to order Heileman's Old Style?

Okay, maybe not. But that's what many of the nation's beer marketers and their stable of advertising agencies would like to think happens.

For these days the advertising of beer is viewed as a necessary component for either making or breaking any brew on the market.

The proof is in the spending. An estimated $482 million was spent last year by the domestic brewers, much of that coming from the six major brewers making spot and national tv buys.

That total will be raised next year as regionals G. Heileman, Stroh Brewery, Adolph Coors Co. and Pabst Brewing continue to take their products national.

Nationwide beer sellers, Anheuser-Busch and Miller Brewing show no indications of cutting back on national ad spending.

A-B plans to introduce a number of new products next year, and those will need ad backing. Miller already has unleashed popular-price Meister Brau and has yet to roll with two other beers it has in test.

In addition, the ad monies backing import beers are also on the rise, as more foreign brews are making their way into the U.S. In 1982, import marketers spent an estimated $51 million to support their brands. And it will be more next year.

By anybody's standards that's a lot of cash, enough to make those of us in the check and passbook set ask: "What do you get for all this money?"

In a word—image. Perhaps not the one a brewer wants or expects but it's an image nevertheless.

Beer advertising is mainly an exercise in building images.

Its foundation rests upon the brewing industry's thinking that "beer is a badge." That means what you drink says something about you in the presence of peers and woe be to the poor shlump who runs against the grain.

In some parts of the country your barroom reputation is safe only if you order a Bud, while in others—let's say Chicago—you gain stature by slugging back an Old Style.

The imagery must appeal to men. The majority of the nation's beer swillers are males between the ages of 21 and 35, who naturally drink and, therefore, buy the most beer.

But these days beer companies are attempting to appeal to all different men of all different backgrounds with various incomes and life styles. Naturally, there is a set beer for every life style, income and taste.

At the risk of coining some new advertising jargon, they can be called the premium man, superpremium man and popular-price man.

The premium man, for instance, is the hard working fellow who likes to have a few cold ones after knocking off from work. More specifically, two good examples of that come from A-B and Miller.

A-B's Budweiser remains the "King of Beers" by continuing to link itself with blue collar men. Since the mid-1970s the St.

(Continued on Page M-10)

Robert Reed, a Chicago-based reporter for ADVERTISING AGE, covers the domestic beer market.

People's choice

In December, Magazine asked R.H. Bruskin Associates, New Brunswick, N.J., to survey beer drinkers across the country about their favorite brand of beer. In addition, consumers were queried about their main reasons for preferring one brand over another, as well as their knowledge of advertising slogans.

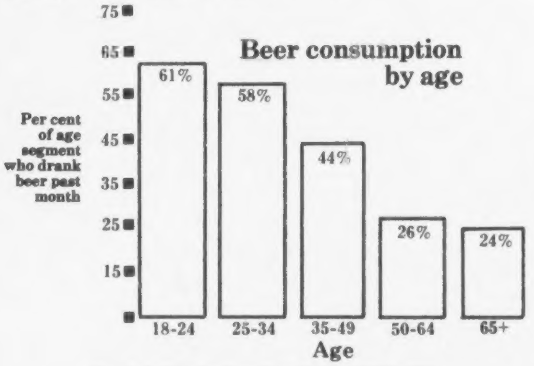
Using the weekly OmniTel service of Bruskin Associates, a nationally representative sample of 1,000 adults was contacted, allowing for equal representation of men and women. Fifty-nine per cent of men 18 years of age or older said they drank beer, either at home or away from home within the past month. The incidence of beer consumption among women was about half the level reported for men. An equal proportion (44%) of men and women drank wine (44%).

Selected alcoholic beverages drank in past month

	Adults	Men	Women
Total sample	100%	100%	100%
Beer	43	59	29
Wine	44	44	44
Vodka	17	19	16
Scotch	9	14	5

In order to achieve a reliable estimate of beer usage among the general population, several alcoholic beverages were included in the preliminary questioning.

Other findings showed that the younger the adult, the more likely he or she was to drink beer (61% among 18 to 24-year-olds vs. about 25% among adults 50 years of age or older).



According to Barbara Adago, vp-client services at Bruskin Associates, men and women differed in their beer preferences, particularly with regard to low-calorie and imported beers. For example, 27% of female beer drinkers preferred low-calorie beer, compared with 8% of male drinkers. On the other hand, twice as many men preferred imported beer (8% of male beer drinkers vs. 4% for females).

Types preferred

	Male	Female
Total beer drinkers	100%	100%
Domestic (regular)	68	59
Low calorie (domestic/imported)	8	27
Imported	8	4
No particular brand	7	5
Undetermined type	9	5

What is America's favorite beer? Seventeen per cent of all the adult beer drinkers chose Budweiser. Next in line were Miller High Life (10%), Miller Lite (9%), Michelob (8%) and Coors (7%).

Top five favorites

	Adults 18
Total beer drinkers	100%
Budweiser	17
Miller High Life	10
Miller Lite	9
Michelob	8
Coors	7

The primary reason people preferred their favorite brand of beer was taste (76%). Other reasons cited included low in calories (6%), price (5%) and conveniently available (5%).

Six slogans used in advertising of various brands of beer were tested within the study. The slogans and corresponding identification scores follow:

Slogan	Percentage of beer drinkers correctly identifying slogan
"Welcome To __________ Time" (Miller)	77%
"King of Beers" (Budweiser)	66
"When You're Out of __________ You're Out of Beer" (Schlitz)	36
"Come To Think of It, I'll Have A __________" (Heineken)	18
"Let It Be __________" (Lowenbrau)	14
"Bring Out Your Best" (Bud Light)	8

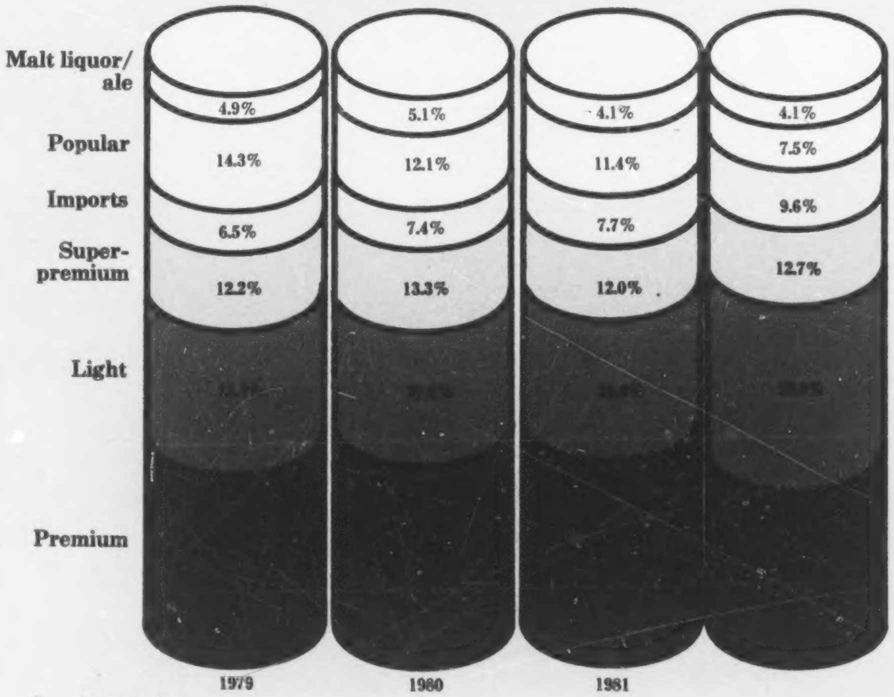
Questions regarding this study may be addressed to Barbara Adago, vp, R.H. Bruskin Associates, New Brunswick, N.J.

What's on tap?
Top 10 domestic brewer advertisers (millions of dollars)

Brewer	1979	1980	1981	1982	Change 1981-82 Dollars	Change 1981-82 Per cent
Anheuser-Busch	$105.8	$120.0	$147.2	**$193.9**	$ 46.7	31.7%
Miller Brewing (P. Morris)	78.6	95.7	107.8	**137.9**	30.1	27.9
The Stroh Brewery*	73.7	68.2	61.8	**45.5**	−16.3	−26.4
Adolph Coors	17.8	25.5	32.0	**32.2**	0.2	0.6
G. Heileman**	17.4	15.9	15.2	**21.9**	6.7	44.1
Olympia Brewing	13.4	16.5	20.2	**16.7**	−3.5	−17.3
Pabst Brewing	21.2	23.4	24.1	**14.3**	−9.8	−40.7
Genesee	4.5	6.0	6.4	**6.2**	−0.2	−3.1
Christian Schmidt	4.1	2.8	2.9	**2.0**	−0.9	−31.0
Latrobe Brewing	1.7	1.3	1.3	**1.5**	0.2	15.4
Total Top 15	**$344.3**	**$381.6**	**$423.2**	**$475.5**	**$ 52.3**	**12.4%**

*Advertising expenditures reflect purchase of F. & M. Schaefer in 1981 and Jos. Schlitz in 1982.
**G. Heileman's advertising does not include brands transferred from Pabst/Olympia mergers.
Sources: LNA, MR, RER and Impact Databank estimates

A draft of beers
Share of malt beverage advertising by segment



Source: Impact Databank

Change

(Continued from Page M-9)

Louis brewer has been offering "salutes" to that breed over the airwaves.

It has tipped its hat to the men who move heavy equipment, clean streets, prepare for the Olympics, walk the beat and put out fires. It even salutes those who produce newpapers.

A-B has built up enough equity in this approach to foster 1982 sales of 39 million bbls., making it the leader of the pack by selling 19 million bbls. more than its closest competitor, Miller Brewing Co.'s High Life brand, according to industry data.

Miller is also aiming at that audience, with a catchy campaign that shows men leaving work and unwinding in a bowling alley or tavern.

The theme is "Welcome to Miller Time" and the campaign has had good acceptance among wholesalers even though that brand dropped 3 million bbls. (to 20 million bbls.) in 1982 and is still having trouble. The brewer is confident this approach will help spark a turnaround.

Then there is superpremium man. He's upscale.

This fella has a good, high-paying job. That enables him to spend his leisure time, on his boat, in an out-of-the-way cottage or on the soccer field.

Sometimes he quits work. Commercials for Stroh's new Signature beer focus on men who left the corporate rat race, opting instead to let their spirits run free.

That means they end up owning a ship yard or piloting a small mail plane for a living.

Oddly enough, after these men leave their jobs the first thing they do is grow a beard—apparently Stroh's idea of what ultimate freedom is all about.

The idea here is to get these more affluent types to plunk down an extra $1.50 a six-pack as a sign of their individuality and stature.

Imports are another matter. You drink them with dinner or when trying to impress someone on your first date and don't want to run the risk of asking for the wine list and not understanding it.

Imports basically attempt to build on snob appeal. The thinking is: No American beer is as good. So you buy an import and then reminisce about your college days tramping through Europe.

Then there is popular-price

Barking up the right tree

By Jay McCormick

Sometimes a little exercise really gets the creative juices flowing.

In the case of Seth Werner and Gary Dennis, copywriter and art director respectively at Marschalk Co., the exercise is a game of basketball. In their Manhattan office.

During one of these games—best of 10 shots wins a dollar—the creative team was throwing ideas around and came up with the basis for what became the "Alex the dog" commercials for Stroh's beer.

The idea proved a winner, both for Marschalk, which used the spot to win the Stroh's account away from the creative hot house of Doyle Dane Bernbach, and for Detroit-based Stroh Brewery Co., which is gaining a lot of free advertising through newspaper stories and word of mouth about the Alex commercials.

Though the idea for the spot came during some seat-of-the-pants creative flying, the basic concept was laid down over a long period of time by the Stroh marketing staff.

Stroh managed to learn from and build on its mistakes from the past.

Until recently, the Stroh's account was the turf of Doyle Dane Bernbach. That agency turned out some of the most memorable and funny commercials of the 1970s for Stroh's beer.

One great DDB spot was a parody of the Steven Spielberg movie, "Close Encounters of the Third Kind." A bright light—obviously from an alien spaceship—surrounds a house. A beam shoots inside, briefly searching around before finding the refrigerator. The beam opens the fridge door and several bottles of Stroh's float out, apparently into the space ship. One character says, "All that way for a Stroh's." Another looks up at the unseen spaceship flying away and says, "Don't surprise me none."

Jay McCormick reported on Stroh Brewery Co. when he worked in the Detroit bureau of Advertising Age. *He is currently a reporter with* Crain's Chicago Business.

But it surprised plenty of people in the ad business when Stroh took the account away from DDB and gave it to Marschalk. Up to that time, winter, 1982-1983, Marschalk's contribution to Stroh had been only an uninspiring campaign for Stroh Light, "Looks like a Stroh Light night."

Most dogs fetch their master's slippers. Not Alex. He has a taste for a Stroh's.

But Stroh executives—in shaking up agency assignments after the acquisition of Jos. Schlitz Brewing Co. the previous spring—realized that DDB's ads brought smiles to the faces of millions of tv viewers but not enough Stroh's drinkers into the stores.

"In the past," says John Bissell, group vp-marketing at Stroh, "we strayed too far from the beer drinker's world in an attempt to get a lot of laughter."

Whether ads are humorous or fun or serious, beer drinkers generally like to see people like themselves in beer commercials. And Messrs. Dennis and Werner knew they were up against some stiff competition in going for the Stroh's account. "Before I worked for Marschalk, I worked in Atlanta and Washington," says Mr. Werner. "I saw Stroh's commercials and I loved them. Gary and I really respect some of the work—though not all—that DDB has done for Stroh's. When we saw that we were going after the account, we looked at it as a challenge."

The creative duo knew the limits their spots had to work within before they set about shooting basketballs around their office. A description of the "Alex the dog" spot sounds wild. On command, a dog runs into the kitchen, opens the refrigerator, pulls out some cans of Stroh's beer, opens them and starts drinking. And yet the entire time, the camera focuses on five typical guys sitting around a poker game.

Marschalk used the commercial in its opening campaign to win the Stroh's account. "When we got the account, we promised we would do the same beer lover campaign but make it real," says Mr. Werner. "Real beer drinkers sit around and have a good time, watching football games, playing poker. It's a real challenge to put yourself in a corner like that. You can't just pull ideas out of a hat. You have to use real situations."

The real situations were a given. Coming up with the humor was the problem.

"When someone tells you to be funny, it's no fun," says Mr. Werner. "People analyze your work, trying to decide whether it's funny or not. They'll look at you in a room and with a straight face, they'll say, 'That's funny.' Or they'll say, 'That's not funny,' which happens a lot." For the creative team that came up with "Alex," about 24 of every 25 ideas failed to pass muster with the straight-faced judges at the agency or client. But they knew they had a winner with "Alex."

Says Mr. Werner: "The first question we had was whether it was right to have a dog drinking the beer of a client. We submitted it to our immediate supervisors, Peter Murphy and Gary Geyer. We went in and told them we had a terrific idea for a Stroh's commercial. They said, 'You're right.' "

While coming up with the idea wasn't exactly a layup for Mr. Werner and Mr. Dennis, it wasn't the whole ball game either.

The commercial had to do more than show stereotypical beer drinkers and put a smile on the face of the viewer. It had to draw the beer consumer into the spot. "Alex" accomplishes that by leaving almost everything to the viewer's imagination.

Visually, nothing exciting happens in the commercial. All of Alex's unusual actions are off-screen, behind the wall between the dining room and kitchen. The running commentary of Alex's owner is undetailed.

"The spot lets each viewer use his or her own imagination," says Mr. Werner. "They imagine Alex in the kitchen opening the fridge, pushing the mayonnaise out of the way to reach the beers, opening a beer. Everyone has a different image. It's the closest thing to a radio spot on tv."

Attention to detail also helps keep consumers interested. In the original commercial, the dog jogs into the kitchen, flipping on the light (off-screen) before he opens the refrigerator.

"It's another device to make the commercial more interesting," says Mr. Bissell. "There are little touches the viewer looks for. The second time he sees it, he notices new things."

In the most recent spot—Alex II—which broke in late December, the dog's owner and his friends are camping. Again they're playing poker. One poker player notices that they're almost out of beer and Alex is sent off to buy more Stroh's.

The dog leaves the tent, a car door opens, a seat belt clicks, the car starts, headlights sweep across the side of the tent and the dog's owner shouts, "Alex,

(Continued on Page M-12)

By focusing on the poker game, not Alex, the spot sets minds in motion.

---

man. He's basically strapped for cash but funloving.

Old Milwaukee, a former Schlitz brand now held by Stroh, is the kingpin of this segment. The characters in those commercials are younger, vibrant types that go stone crab fishing in the Gulf of Mexico or bar-hopping in New Orleans, just the type of events that are capped off with Old Milwaukee.

Traditionally, popular-price beers are seen as a means of filling a beer maker's excess brewing capacity. It has high volume, is sold at a lower price and doesn't get much ad support.

At least on that last point, Miller is doing something drastically different. The Milwaukee brewer has rolled out Meister Brau with a hard-hitting comparative ad campaign. (*See story Page M-30*).

Finally, there is that not-so-distinct group of light beer drinkers. They are . . . hang on . . . a combination of blue collar, upscale, young, males who don't want to be thought of as drinking a "diet" beer.

The heavyweight here is Miller Lite. With its long-running ad campaign that uses former athletes and other well known personalities, it has given that segment of beer drinking legitimacy.

A-B unveiled a much heralded ad campaign for its Budweiser Light, featuring stories within the commercials about minor league athletes who excel in order to "Bring out the best."

Bud Light did well its first year, selling about 4 million bbls. But it isn't doing terrific now and some fine-tuning may be in order.

These are only a few of the campaigns running. Coors is hitting the road with new work for Coors Banquet and Coors Light. Pabst Brewing is attempting to revive its Pabst Blue Ribbon and Olympia brands.

Heileman continues to confine itself to regional buys, for the likes of Old Style, Blatz, Rainier and its burgeoning number of other smaller brands.

Most campaigns bear a common thread. None of these campaigns really addresses women as potential consumers. In beer commercials they are mainly seen as waitresses or girlfriends, hardly ever the main focal point of the presentation.

It's an odd positioning since more women then ever are drinking beer at bars and buying it at the supermarkets, say researchers. Yet, the case remains that advertising—especially tv advertising—is as imperative to a beer's success as its ingredients, taste, packaging and over-all hangover effect.

But that doesn't mean it will remain that way. There is a grassroots movement under way that is attempting to ban beer ads from tv.

Various community groups, including Mothers Against Drunken Driving (MADD), are taking aim at the brewers for allegedly glamorizing drinking. Bills have been introduced in the U.S. Senate asking for an embargo on tv ads.

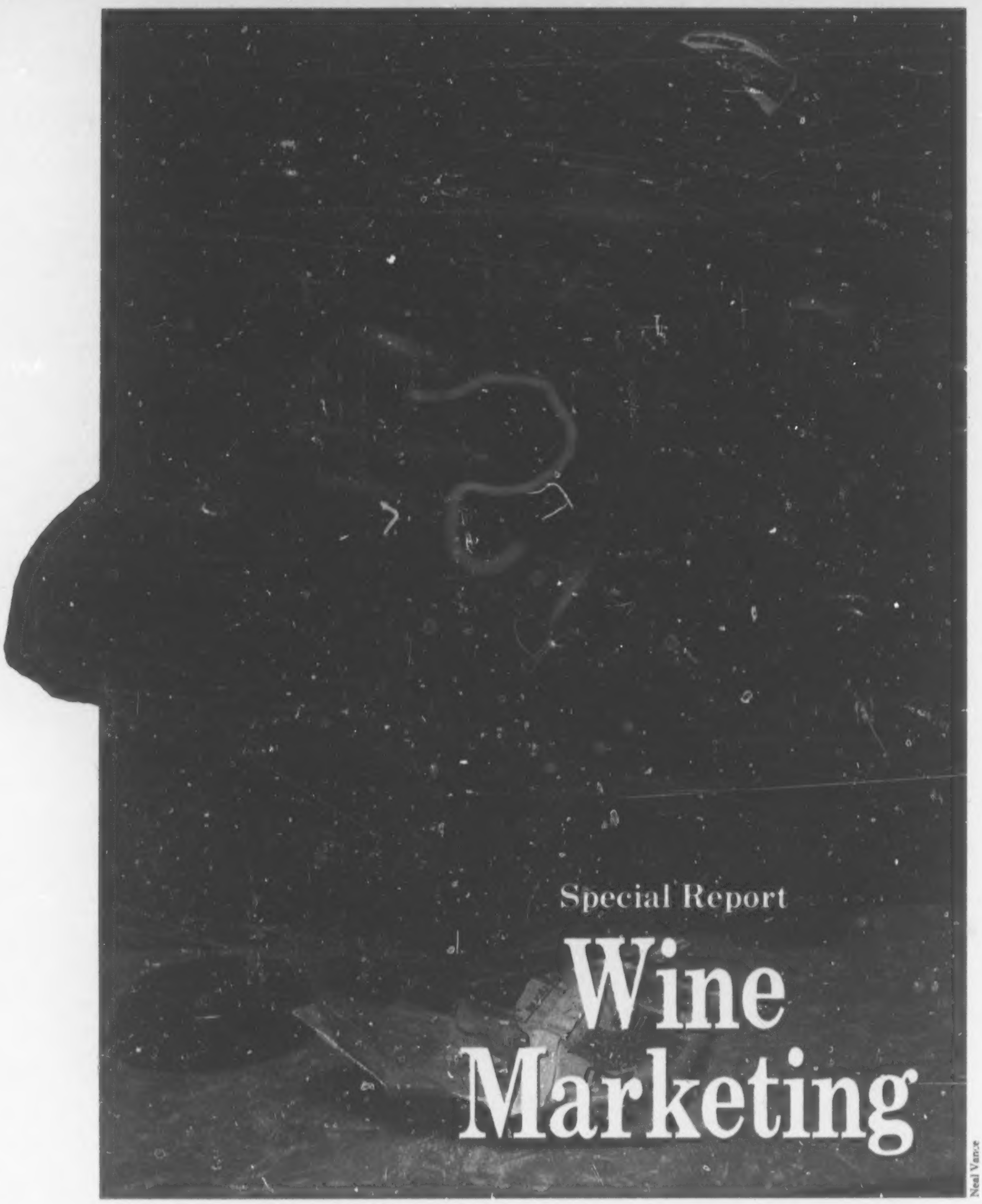
Many states are raising the drinking age from 19 to 21, and brewers are catching heat for setting up college representatives, whose main purpose is to sell beer through a series of rock concert and special events programs.

The beer makers are worried. At a recent beer wholesalers convention the breweries voiced concern that a prohibitionist movement was under way.

At that gathering, William Howell, president of Miller, told distributors that the industry should unite and lobby against such measures at the state and federal levels. In addition, the brewers should begin cooperating with responsible public-interest groups to develop guidelines for beer advertising, he added.

The major brewers believe this movement could eventually lead to a total beer commercial blackout, similar to the ban imposed in the 1970s on cigaret advertising.

And if that eventually happens then premium, popular-price and superpremium man will be off the tube and out on the range like another macho type—you know, the Marlboro man.



Special Report

Wine Marketing

Neal Vance

Is wine hanging up its tuxedo image?

By Richard Paul Hinkle

It is a most frustrating piece of logic. The major premise, broadly speaking, is this: Americans don't drink wine. The minor premise: Americans *would* drink wine if they weren't so intimidated by it. Conclusion: Americans will drink wine once they learn to understand it better.

Admittedly a crude syllogism, it paints a painfully clear picture. Fact: 85% of potential American wine drinkers rarely or never drink wine. Why? California (primarily) wine producers have been so intent upon selling the glamor of wine—the ermine-lined velvet robes, the candlelight dinners with champagne, caviar and squab—that the vast majority of would-be wine consumers have been put off.

"We've done a remarkable job of making wine 'fashionable,'" Darrell F. Corti, a wine retailer in Sacramento, Cal., says wearily. "But we've done nothing about making wine common. It's interesting, but beer is everyman's drink, notwithstanding the fact that its production is much more difficult to explain than wine's. Wine should be everyman's drink, as it is in Europe. The Europeans laugh at us. 'You *talk* about wine,' they say. 'We *drink* it.' Generic advertising, or promotion, of wine is what's needed. The difficulty, of course, is in agreeing on who should pay what and who should supervise the spending of that money."

When Mr. Corti says "generic," he's not talking about untitled red and white table wines (often labeled with European names like Burgundy, Claret or Chablis). What he's after is the promotion of wine as "wine," a nonbranded approach. The theory is simple: Because branded advertising serves primarily to fragment the small slice of the beverage pie that wine already has, the thinking (the hoping) is that nonbranded promotion might serve to bake a bigger pie.

Many point hastily to successful promotions put on by the likes of the California Table Grape Advisory Board. With the music of a hip little ditty in the background framing the change "Cool off, cool off with grapes," the theme of "Grapes, the natural snack" is established. The folks selling beef, milk, avocados and plums have had equal success. Yet it's not as simple as all that.

"The semantics of this are very important to grape growers," says Robert Hartzell, president of the California Assn. of Winegrape Growers. "They hate the term 'generic advertising,' preferring 'consumer education.' Growers don't feel that they have any business advertising, but do agree that it's necessary to do something to expand the consumer base. At the moment, we're spending some money on a professional study to determine how to best spend our educational dollars. As growers, we certainly do have a vested interest in making wine less intimidating."

"You have to be careful in trying to equate wine with grapes, kiwis, avocados and the like," stresses John DeLuca, president of the California Wine Institute. "Brands have been the major development in wine marketing. If you break down the tugs on a wine buyer's purse strings, you'll find brand first, followed either by appellation [geographic area] or varietal [variety of grape] designation. It's different with European wines, where region is the No. 1 selling point."

Mr. DeLuca sees the answer in a promotional-educational program "to augment what we're doing already. We [at Wine Institute] spend up to $1 million each year putting on tastings,

(Continued on Page M-32)

Richard Paul Hinkle is a wine columnist for the San Francisco Examiner. *He is the author of two wine books and contributes to a several wine publications from his Sonoma Valley, Cal. home.*

How four regional wineries boost appeal

Gaining new territory with pride, promotion and personality

By Mort Hochstein

Do you recognize this slogan: "That Arkansas Wine!" No? Well, it's hardly as familiar as "we will sell no wine before its time," but this theme is doing the same sort of job for Wiederkehr Wine Cellars of Altus, Ark., as that dramatic intonation by Orson Welles did for Paul Masson.

Regional wineries don't have the advertising dollars of a Paul Masson or an Almaden or a Heublein. But they've still got to compete with the giants of California, with the great names of Bordeaux and Burgundy and low-priced imports from all over the world for limited space on store shelves and restaurant wine lists. So they stretch their dollars and make the most of clever promotion, publicity, personality, boosterism and local appeal. They hitchhike on the appeal of more established brands and they look for the cracks the big boys have left open.

Wiederkehr Wine Cellars

Wiederkehr Wine Cellars is 103 years old, the biggest of a handful of wineries founded by Swiss-German homesteaders in the Arkansas River Valley community of Altus. With a product line of some 50 wines distributed in Arkansas, Louisiana, Mississippi, Oklahoma, Tennessee and Texas, it would be easy to call Wiederkehr "The Gallo of Arkansas."

But then Gallo can whip out 50 million cases a year, while production at Wiederkehr, a family-held company, is estimated at slightly more than 700,000 cases annually. Ernest and Julio Gallo are publicity-shy winemakers; Alcuin (Al) Wiederkehr is on the stump constantly and in his busiest promotional period—harvest time in October—he stages a blitz of tv and radio talk shows and newspaper interviews in his five-state marketing area. As "the little old Italian winemaker," Aldo Cella and Franco Bolla all rolled into one, he gets his attention via the publicity route.

Wiederkehr's advertising agency, Noble & Associates, Springfield, Mo., has a marketing strategy that embraces three separate Wiederkehr products: Wines, Wiederkehr Village—a tourist attraction—and the annual Oktober Weinfest.

After customers asked again and again for "that Arkansas wine," it became a logical tag for ads. It is one way, says Noble & Associates account executive Bill Bailey, to distinguish the wine from competitive brands and to combine product identity for consumers with a declaration of pride in the state.

Two other themes, the winery's record in competition and "a century of pride in today's fine wines" are featured in ads, primarily in tv spots. "Taste," a current tv commercial reminiscent of a Gallo spot, simulates a wine-judging as unlabeled bottles are presented gold medals and cards are turned over to reveal "Wiederkehr" as the winning wine. A voiceover notes that "since 1977 Wiederkehr wines have won more than 100 awards in national and international wine competitions." Thus, it is natural that "That Arkansas wine" tag is often embellished as "That award-winning Arkansas wine."

Another important message today is that the winery makes not only the native American and hybrid wines such as Catawba, Concord and Baco Noir, but is equally proud of its vinifera—Chardonnay, Riesling, Cabernet Sauvignon and Pinot Noir, grapes that Al Wiederkehr brought to Altus.

"The television spots in particular," Mr. Bailey notes, "position Wiederkehr, 'that Arkansas wine,' against California and New York wines by using a somewhat antisnob approach. In 'Party,' an attractive midwestern couple is seen enjoying the honest, quality taste of Wiederkehr in between a laid-back California couple at screen left and an ultrasophisticated-looking New York couple at screen right." Another spot emphasizes that Wiederkehr vineyards flourish in a climate nearly identical to the great grape-growing regions of Europe.

Wiederkehr
Wiederkehr
That Arkansas Wine!

Wiederkehr pushes three themes: Its winemaking, its awards and Arkansas.

Wiederkehr uses tv most frequently in the Thanksgiving-Christmas holiday period and supplements it with print advertising in upscale local magazines such as *Arkansas Times*.

Small wineries cultivate visitors and bus tours and do a good share of their business in their own tasting rooms. Wiederkehr takes that tactic one step further with Wiederkehr Village, a miniature Alpine village with wine cellar tours, Weinkellar Restaurant and Gift Shop, all promoted via local radio, travel publications and outdoor advertising.

Meier's Wine Cellars

When Anwar Sadat and Menachem Begin signed the Camp David peace accord in 1979, they toasted the event with Meier's sparkling grape juice. The nonalcoholic wine didn't get there through the efforts of any high-powered public relations person, nor did Meier's or its parent company, Paramount Distillers of Cleveland, milk the event for the kind of publicity it could have gotten. Because President Sadat's religion did not permit his drinking alcoholic beverages, the search for a celebratory nonalcoholic drink ended with Meier's sparkling grape juice.

Meier's Wine Cellars, based in Silverton, outside Cincinnati, is the oldest and largest winery in Ohio. It makes about 40 wines, but more than half of its advertising budget of approximately $600,000 goes to one product, Meier's No. 44 cream sherry.

Jay Beneman, vp with Elkman Advertising, Bala-Cynwyd, Pa., says the Meier's plan is to pit itself against the leading import. Ads show a bottle of "44" next to Harvey's Bristol Cream, calling itself "The other great cream sherry." The ad goes on: "There are two great cream sherries. Both have the same mellow flavor. The same nutty, subtle taste. Both taste imported. But Meier's No. 44 is American. And costs several dollars less."

"The market for cream sherry is growing," says Mr. Beneman, "and the strategy is to get a piece of the market that Harvey's is building with a quality product at a lower price."

Mr. Beneman aims his ads at a tight demographic group, seeing his buyers as largely upscale women. "Sherry," he says, "is enjoyed primarily by the buyer, as opposed to cordials and items like B&B, which are served to guests. If you can buy something for yourself at a lower price, you don't need the status of an imported label. And in the areas where it is distributed, if you order sherry in a bar without specifying brand, you've probably been drinking Meier's."

Meier's No. 44 advertises six to eight times a year in regional and city magazines in the Midwest, Central and South Atlantic areas, in regional editions of publications such as *Sports Illustrated*, *Time* and *Newsweek*, and national magazines such as *New Yorker*, *Bon Appetit*, *Smithsonian*, *Gourmet* and *Country Living*. "The theory," says Mr. Beneman, "is to take small space often."

The line of eight nonalcoholic juices, sold nationally, is advertised primarily in food and shelter publications.

The remainder of the ad budget goes to the wines that the company made in its earliest

MEIER'S
NON-ALCOHOLIC JUICES
MEAN PLUS SALES AND PROFITS
Natural juices with no sugar added
MEIER'S

Meier's, with about 40 wines, is the oldest and largest winery in Ohio.

Mort Hochstein is a Tenafly, N.J.-based wine and food writer. His wine column appears in the Gannett newspapers in Westchester and Rockland counties, New York.

Image

(Continued from Page M-31)

seminars and festivals. And that doesn't count the volunteer time and money put into these events by all the wineries that participate in them. More and better promotions are necessary to overcome the subsidy and currency problems that put European wines on our shelves at half to a third of what they should cost."

Industry consultant Terrance Clancy, formerly president of San Martin Winery, doesn't believe that nonbranded advertising is the way to go. "California needs to do something!" asserts Mr. Clancy. "But generic advertising is a train wreck. It's like hunting ducks by climbing onto your roof and just firing away at the sky. You have to start with wholesalers, with point-of-purchase materials, and work with the trade and with writers to convince them of the great quality of California wines.

"And the attack should be twofold: First, to get present users to increase their consumption and, second, to take aim at malt and distilled beverages, to cut into those markets."

Ron Khachigian, who manages 3,000 acres of grapes in Kern County, Cal., isn't quite sure exactly how to approach the American consumer. "Advertising is *very* expensive," he says, "especially since most growers have been in a negative cash flow position for the last two or three years. But we should learn from the textile people that an industry united can be more effective. Working together we could open up our markets, remove all those state restrictions. Pennsylvania, with its state stores, has only one store for each 12,000 people; California has six times as many."

Money is the giant question. The State of Washington's Department of Agriculture has just funded a modest two-year promotional program with $300,000. "We'll start out going to trade shows nationwide," says author Lila Gault, who is coordinating the effort. "The wineries can handle instate promotion with branded ads. In the second year, we hope to start putting money into advertising, which will be somewhat conventional, going mostly to the print media. We just don't have enough for radio or tv."

Presenting California wines to the nation would cost much more. How much more? "I think it would take $10 million to $15 million just to make a dent—maybe," says John DeLuca. "The Italians spend about $11 million a year over-all, but that's almost entirely branded advertising. Only $250,000 of that is for generic advertising."

That may be, but what the Italians have done has been done most effectively. Who can forget clumsy, chubby Aldo Cella? Here's this pleasantly fat, unobtrusive little man getting all those girls, all the while imploring us to "Chill a Cella." And how about the swarthy Italian, bottle of Riunite in hand, chasing a woman on horseback down a sandy beach? "Do you know what it means when a man offers a woman Riunite?" he shouts. She looks back seductively, answering, "Do you know what it means when a woman accepts?" It's funny, unpretentious stuff, but it has been a breath of fresh air to an American public fed up with deadly serious, heavy-handed, elitist wine marketing.

"I feel very strongly that the California industry should deal in a 'California' presentation to the rest of the country," says Gary Topper, executive vp and co-owner of Vintage Wine Merchants (San Francisco), marketing arm for about a dozen top California producers. "Our small wineries cannot individually accomplish what is necessary, because it's going to take long-term dollars to create a consciousness for premium California wines. I think that upscale advertising, concentrating in the East and Midwest, would most effectively use the money available. The greatest difficulty lies in areas where French wines are being consumed now."

Mr. Topper realizes the magnitude of the task. "The amount of money needed to remove that basic intimidation factor will be enormous," he says. "You have to show people that it's okay to be in shirt sleeves and jeans and still drink wine. The current ad that Gallo is running, about their Sonoma wines, is very classy, very comfortable—and not intimidating. We also have to show that we have reasonably

Maxwell Advertising

Warner Vineyards makes good use of well-known Detroit radio personality J.P. McCarthy to push its Cask line.

years, native American wines such as Catawba and Concord, the more recent hybrids such as Aurore and DeChaunac and limited bottlings of the more traditional California and European wines. The table wines are sold almost entirely in the Midwest, and advertising has been primarily local radio. There may be some tv in Meier's future, but for the present, the emphasis stays with print.

Warner Vineyards

Warner Vineyards in Paw Paw, Mich., sells its line of 48 wines in its home state, Indiana, Illinois, Ohio, Wisconsin, Florida, West Virginia, Tennessee and Kentucky. It also sells cranberry wine, Cold Turkey (also based on cranberries) and Seyval Blanc, a white French-American hybrid, in California, where it is apparently viewed as an exotic import.

Family-held Warner doesn't divulge saies figures, but with a storage capacity of 3 million gals. and a bottling line able to handle 8,000 cases a day, it ranks in the upper third of the nation's top 100 wineries. Warner bottles 21 wines under its best-selling Cask label, as well as Pol Pereaux sparkling wines ("Taste a champagne great enough to cost much more") and Capriccio Spumante. The top-of-the-line Warner brand includes cork-finished, vintage-dated varietals, proprietary wines such as Liebestrauben, a *methode champenoise* sparkler, and dessert wines that include port and sherry produced by the solera method—in which new wines are mixed with old.

Then there is the line of wines called Waterworks Station, sold only at Warner tasting rooms in Paw Paw and Frankenmuth. Warner is also a major supplier of private label juices to supermarket chains.

Advertising and promotion are handled by Maxwell Advertising, Kalamazoo, Mich. The largest part of a budget estimated at somewhere under a half million dollars goes toward point-of-purchase and promotion, with 30% in print and broadcast. Most of that is spent on radio where J.P. McCarthy does commercials for the Cask line.

Agency chieftain Jess Maxwell says Mr. McCarthy, a Detroit institution during his 16 years as WJR's morning personality, is a name and voice familiar to most midwesterners and his affiliation gives Warner an even stronger identity in its key markets.

Newspaper advertising is spread through about 20 suburban newspapers in the Detroit area, Warner's largest market, and is heaviest in the holiday gift season and harvest period when a large percentage of the 100,000-plus annual visitors come to the main winemaking facility at Paw Paw.

A key attraction is the hospitality center in the Waterworks Station, a brick and stone building that was formerly the waterworks station for the village of Paw Paw. Warner bought the building in 1967 and restored it, putting in facilities for wine tastings and sales, tours and community meetings. In 1982, it was designated a state historical site.

It is a key element in Warner's public relations—one of the lines of wine is named after it—and what little money is spent in magazines goes into tourism publications designed to bring visitors to the site.

Promotions rank high with Warner. The agency prepares shelf strips, neck tags, in-aisle and case displays and collaborates on gift packages, usually pine boxes from Michigan furniture factories, restaurant wine lists, recipes from the kitchen of Lynne Warner, wife of president James J. Warner, and newsletters.

In 1982, the winery won a regional Addy p.o.p. award for its unique Liebestrauben cork promotion that linked a bottle opener and a wine in a polyurethane package, believed to be the first on-pack promotion in the wine industry.

Chateau Ste. Michelle

While most small wineries depend heavily on tastings, personal appearances by winemakers and heavy public relations and nurse their limited advertising dollars, Ste. Michelle in Woodinville, Wash., has a big daddy in the background and is spending big bucks as it muscles its way from regional status to national ranking.

A regional winery strong in its northwest market of Washington, Oregon and Idaho, Ste. Michelle was available in a few key wine markets for a long time.

It always had national aspirations, but it wasn't until 1973, when it was acquired by Greenwich, Conn.-based United States Tobacco Co. that it was able to start to build a sales force and cultivate the national market.

Its most recent campaign revolves around the concept of discovery and a brochure aimed at distributors is headlined "24,000,000 people will discover our secret this fall."

On a national basis, that fourth quarter campaign, the winery's biggest, included ads in *Architectural Digest, Atlantic Monthly, The New Yorker, Smithsonian, Town & Country, Sunset* and the western edition of *Time.*

The Secret of Chateau Ste. Michelle.

With United States Tobacco Co. behind it, Ste. Michelle is going national.

The campaign also included sponsorship of Dick Clark's national radio broadcast, "The Great Sounds."

In 1982, with gross sales of $10.5 million, the winery spent just under $50,000 for advertising. In 1983, with sales approaching $20 million, according to Alan Shoup, vp-marketing and corporate planning, the ad budget went to $250,000 and in 1984, the company expects it to exceed $1 million on sales estimated at $25 million. Advertising is handled by Cole & Weber, Seattle, a subsidiary of Ogilvy & Mather.

Chateau Ste. Michelle is a good example of regional pride. "With the huge concern for northwest food products here, it would be hard to find a restaurant without our wines," says Mr. Shoup.

There is, he says, a strong trend toward local boosterism for Washington wines—"the hometown boy makes good idea"—as well as a healthy competitive attitude toward the California industry.

Just as Wiederkehr can, without fear of aiding the competition, call itself "that Arkansas wine," Ste. Michelle, the undisputed leader in a rapidly growing wine region, can generously advise the public to "discover the wines of Washington State."

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priced wines—like Chenin Blanc, French Colombard, Zinfandel and Petite Sirah—that are far better than European wines in the same price category. Maybe you could call them, California's 'other wines.'"

Napa Valley's beloved guru, Robert Mondavi, never shrinks from challenge. "Some kind of promotional, educational program is an absolute must," says the 70-year-old wonder. "Americans are interested in gracious living, they're interested in wine and they're interested in its use. They don't yet know its true value, that it's good for you, but they want to find out. It's our job to tell them."

Mr. Mondavi agrees that it would be expensive, but he figures that $5 million could set up a fine educational program. "There are many ways to go about it," he says. "Advertising, books, tastings and educating the writers are important. Many of the writers are not in direct contact with California wines, wineries and vineyards. Of course, this means that even the largest half dozen wineries, that account for 80% of the wines, will have to divert some of their advertising budgets into industrywide ads, but that's necessary to attract new wine drinkers."

To do that, domestic growers and winemakers would do well to take a page out of the Italian best seller and present wine to Americans by means of a lighthearted, somewhat humorous approach.

Consider Napa wine maker Hamilton Vose III, who is plugging his slightly sweet white Zinfandel through a print ad that places a bottle of the wine next to an elegant wine glass filled to overflowing with . . . popcorn! "We just like it with popcorn," explains Mr. Vose with the grin of a man who knows his wine is selling.

The big five

Top wine advertisers*
Total advertising and major brand changes first six months 1983 vs. 1982 (thousands of dollars)

	First six months		Change	
Company**	1982	1983	Dollars	Per cent
1. E. & J. Gallo	$11,888.0	**$13,359.6**	$ 1,471.6	12.4%
Carlo Rossi	334.4	**1,215.8**	881.4	263.6
Polo Brindisi	—	**315.0**	315.0	+
2. Jos. E. Seagram, USA	$ 9,649.3	**$ 7,634.2**	$−2,015.1	−20.9%
Paul Masson Light	3,453.2	**1,126.3**	−2,326.9	−67.4
Black Tower	1,684.9	**1,153.9**	−531.0	−31.5
3. Villa Banfi, USA	$ 5,787.6	**$ 7,030.9**	$ 1,243.3	21.5%
Riunite	5,058.4	**7,030.9**	1,972.5	39.0
Bell'Agio	729.2	—	−729.2	−100.0
4. Heublein (R.J. Reynolds)	$ 5,979.0	**$ 6,316.3**	$ 337.3	5.6%
Inglenook	2,772.9	**3,147.8**	374.9	13.5
Harveys Bristol Cream	1,108.9	**1,368.9**	260.0	23.5
Colony	1,241.8	**720.0**	−521.8	−42.0
5. National	$ 6,043.7	**$ 3,317.3**	$−2,726.4	−45.1%
Almaden	5,322.2	**3,057.0**	−2,265.2	−42.6
SELECTED OTHER				
Wine Spectrum	$ 8,810.7	**$ 1,995.4**	$−6,815.3	−77.4%
Taylor California Cellars	8,253.8	**1,966.7**	−6,287.1	−76.2
Taylor	551.7	**24.3**	−527.4	−95.6

*Includes LNA six media total (network radio, spot and network tv, magazines, outdoor and newspaper supplements), which does not contain data on spot radio or newspapers.

**Companies are ranked according to first six months 1983 advertising expenditures.

Sources: LNA and Impact Databank

Choosing the right medium: It's no mean feat

Marketers scrutinize the alternatives for the perfect fit

By James Suckling

With most Americans still reaching for a glass of Coke, Bud or a cup of coffee during mealtime rather than a glass of wine, both domestic and imported wine producers are concentrating more on how to make advertising more effective.

James Suckling is senior editor of The Wine Spectator, *the San Francisco-based consumer wine newspaper.*

That means they are taking a good look at the various media available and which is best for a particular purpose.

"Wine comes in every size, shape and price, and you have to tailor the advertising medium to fit the product," says Charles Skoog, chairman of Hicks & Greist, New York, the agency for Villa Banfi wines, of which Riunite is the dominant brand. "For Riunite, network television is the strongest medium. It gives you the time-honored elements necessary in good advertising—sight, sound and motion. Television reaches a broad section of the public in a rapid fashion."

Riunite accounts for almost 25% of the total imported table wine market in the U.S. For the first half of 1983, Villa Banfi spent more than $7 million in advertising supporting Riunite, and it finished the year spending more than $13 million on the brand, according to *Impact*, the industry newsletter.

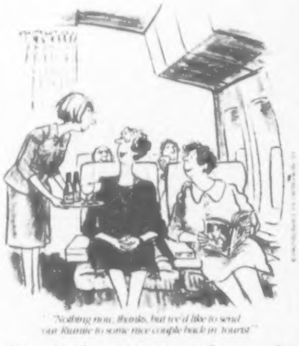
Charles Traynor, vp-management supervisor at Doyle Dane Bernbach, New York, the agency that handles Seagram Wine Co.'s Paul Masson, agrees with Mr. Skoog about the effectiveness of tv. "Wine is a pretty visual product and television offers the ability to use that attribute," he says. Also, tv is a strong medium for illustrating to wine distributors "that you are putting a lot of bucks behind your brands," he says.

Tv reaped close to $46 million in wine advertising for the first six months of last year, down 23.9% from six-month figures in 1982, according to *Impact*. Those wine advertisers who chose tv emphasized matching the right programs with the right advertisements—placing informative wine advertisements with informative programing. For example, Riunite tv ads, which reaffirm the 2,000-year-old Italian origins of the wine, are aired during newscasts.

"For Riunite, network tv is the strongest medium. It gives the elements necessary in good advertising, sight, sound and motion."

In addition, to make money spent on tv more effective, advertisers look for the key demographics: A high percentage of viewers with college educations, high levels of disposable income and—not surprisingly—medium to heavy wine consumption.

Other than network tv, Mr. Skoog finds spot tv efficient in promoting particular wine brands. For the holiday season, 10-second commercials for Villa Banfi's Asti Banfi, a sweet Italian sparkling wine, were run in the New York metropolitan tv marketplace. The ad showed closeups of the wine name and stressed Asti Banfi as a sparkling wine.


"Nothing now, thanks, but we'd like to send our Riunite to some nice couple back in 'tourist.'"

Riunite's cartoon ads ran in magazines to reach the upscale wine consumer.

But tv is not suited to every producer, says Nial Hadden, assistant vp-marketing with F. Korbel & Bros. in Guerneville, Cal., the largest producer of premium California sparkling wine.

"We used television in 1974 and 1975 and had great response," he says. "But it ran us out of our product."

As far as creativity, tv has fantastic potential, but so far, ac-

(Continued on Page M-36)

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The three-tiered distribution system for alcoholic beverages makes consumer purchase trends at the retail level vital in today's marketing oriented environment. A.C. Nielsen Company, the premier name in marketing research for over 50 years, provides this key information to brewers, distillers, importers and vintners through its Alcoholic Beverage Service.

Nielsen provides off-premise consumer sales and brand share information to allow clients to assess the sales and marketing strategies of their own brands, as well as those of their competitors, at the actual point of sale. Clients also receive the important "reason why" data such as distribution and out-of-stock; retail prices; retail inventory and share; retail stock turn; and local advertising and feature price activity.

For more information on how Nielsen data can help you make better marketing decisions and give you a competitive edge, contact the Nielsen Alcoholic Beverage Service.

J.A. Hendrickson
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A.C. Nielsen Company
70 Willow Road
Menlo Park, CA 94025
(415) 321-7700

Liquor
Wine
Beer
Nielsen Marketing Research

The media

(Continued from Page M-34)

cording to advertising executives like Mr. Traynor, there have not been many innovations established in wine advertising.

"All of us have been using mostly stuff that has been around for the past 20 years," he says. "There are only five or six ways of doing it, such as comparisons, testimonials and others." Tv campaigns for wines may be "recycled stuff," but they seems to work.

For instance, Almaden recently concluded a "taste test" campaign pitting its varietal wines against Taylor California Cellars on both tv and radio.

Says Theo Williams Rigney of Dancer Fitzgerald Sample, the agency that handled the campaign, "That's the first time Almaden did anything close to head-to-head competition, and the campaign seems to have done well in creating awareness of the brand." Almaden recently changed agencies and now is with BBDO/West.

Radio expenditures come nowhere near expenditures for tv—in the first six months in 1982, for example, according to *Impact*, network radio expenditures were $671,000 while expenditures for tv were $60 million.

Nevertheless, radio—both network and spot—still remains a popular medium, and some of California's large to midsize wineries have had great success with it.

"Radio has been the correct medium for Beaulieu Vineyard," said Michael Silva, director-public relations with the premium, midsize California winery. (Beaulieu is part of Heublein Wines, a division of R.J. Reynolds Industries.) Beaulieu has been using spot radio ads in California, New York and Chicago featuring a testimonial by the winery's chairman, Legh Knowles Jr.

"Of all the advertising done by this company—Heublein and R.J. Reynolds—we get the most feedback on that particular radio ad," says Mr. Silva.

"His [Mr. Knowles'] voice on the radio is effective in getting the message out that wine is something to be enjoyed and not something to be intimidated by," he says.

One of the most talked about media for wine advertising is cable.

But in recent years, perhaps one of the most talked about media for wine advertising has been cable. "We have used cable to move into different markets," says DDB's Mr. Traynor. "We don't buy cable for the sake of buying cable. We feel it is a good medium to reach people who drink wine."

Hicks & Greist's Mr. Skoog concurs. "Cable is good if it is used properly," he says. "There are only three mass ways of using cable—ESPN, CNN and USA. They draw the best audiences."

Whether using all or one form of the broadcasting media, most wine advertisers still rely on print for part of their campaigns. However, print tends to be even more selective, especially in magazines and may be better suited for promoting particular products, say some advertisers.

What they spent

Wine advertising expenditures by medium first six months 1983 vs. 1982 (thousands of dollars)

	First six months		Change	
Medium	1982	1983	Dollars	Per cent
Network radio	$ 671.5	—	$ −671.5	—
Television	60,323.8	$45,890.7	−14,433.1	−23.9%
Magazines	4,737.2	5,743.9	1,006.7	21.3
Outdoor	568.7	323.5	−245.2	−43.1
Newspaper supplements	720.0	661.7	−58.3	−8.1
Total	$67,021.2	$52,619.8	$−14,401.4	−21.5%

Sources: LNA and Impact Databank

"It depends on what target you want to talk to," says Dancer Fitzgerald Sample's Ms. Rigney. "Print is more selective. We use upscale magazines for reaching that upscale public—wine, food and general editorial magazines that have good demographics."

DDB uses magazines for promoting the imported premium wine brands Seagram represents, says Mr. Traynor.

"With something like Mumm champagne at $35 or $40 a bottle, we are not going after the mass market," he says.

"We use magazines exclusively," says Korbel's Mr. Hadden. "We feel it is the best long-term image building medium."

Based on its new slogan, "Uncork the magic," Korbel has run its tony ads in such publications as *Newsweek*, *Bon Appetit*, *Playboy* and *Penthouse*.

Magazines also offer mass market wines opportunities not available in other media. In selected magazines, Villa Banfi ran "cartoon ads" depicting Riunite as a wine for the discerning consumer. "That was a small campaign to attract a person we wouldn't normally attract on television—the upscale wine consumer," Mr. Skoog says.

Although magazines are a popular medium for wine advertisers, expenditures for newspapers—in 1982—were higher. According to 1982 *Impact* figures, newspapers in 1982 attracted $14.8 million of advertising while magazines took in $12.5 million.

Even the big league wine advertisers continue to buy newspapers. Gallo began running ads in October in the San Francisco Bay area daily newspapers featuring its new 1978 vintage Cabernet Sauvignon—a change from Gallo's usual brand building campaigns.

Gallo spent the most on wine advertising during the first half of 1983, about $13.4 million, and *Impact* says it was one of the few wine advertisers to actually increase spending 12.4%.

In general, advertising executives and wine marketers say that the most effective medium for wine advertising depends on the product and, more important, the amount of money allocated for ad support, the latter of which may be the most dubious criterion.

"The jury is still out," says Marvin Shanken, editor and publisher of *Impact*. "If wine advertising expenditures are not reinstated to past years' high levels, there is no doubt that wine consumption in America will have difficulty in reaching its full potential."

Making a habit of radio

Some wine advertisers might find that Schieffelin & Co.'s using radio to promote Blue Nun is a laughing matter, especially since the company hired a husband-wife comedy team to help promote the label.

Schieffelin had its reasons, however, and believes they are good ones.

It was at the beginning of last year that the New York-based importing/marketing company dropped its multi-million-dollar network tv campaign and switched to radio, enlisting the help once again of the comedy team of Jerry Stiller and Anne Meara to push its popular German white wine.

"The reason to go back to radio was a media decision, not a creative one," says Ray Strong, vp-product group director at Schieffelin. "We felt Blue Nun's success was by being in a different media than the other brands. Everybody and his mother are in tv."

In 1982, Schieffelin spent more than $3.6 million in advertising on Blue Nun, the seventh largest selling imported wine brand, according to *Impact*, a national wine and spirits newsletter. Cunningham & Walsh, New York, is Schieffelin's ad agency.

Introduced in the U.S. in 1961, Blue Nun totaled a little more than 30,000 cases a year in sales until it started being advertised on radio in the early 1970s.

"We used radio for about 10 years," said Mr. Strong, "and Blue Nun had its tremendous explosion from about 34,000 cases up to 1 million cases in that period of time.

"The success of Blue Nun during that time was a combination of a number of things. It was Stiller and Meara radio. The use of radio in general and, also, the use of the phrase 'a wine correct with any dish,'" he says.

PRODUCE OF GERMANY

After trying tv, Schieffelin switched back to comic radio spots for Blue Nun.

After reaching the 1 million mark, Schieffelin decided to take Blue Nun to a larger market via network tv. "The problem with radio then was that even with network radio you were reaching only about 60% of the U.S. population," Mr. Strong says. "By going to network tv, we reached an additional 40% or 100% of the population.

"We used the symbol of a live nun and the slogan 'Blue Nun goes everywhere.' With this campaign, we expanded the position of the brand beyond mealtime to anytime."

Although considered successful, the tv campaign was dropped at the beginning of last year. "We switched from tv back to Stiller and Meara radio because you can concentrate better in markets where you are strongest, in addition to having a national presence," says Mr. Strong.

He says the new radio campaign still stresses Blue Nun as an "anytime wine" but also reinforces two other concepts. "It hammers home the taste of Blue Nun, and the fact that Blue Nun is now served [by the glass] in 8,000 bars and restaurants across the nation. It says, 'by the glass or by the bottle there is a lot of taste in Blue Nun.'"

Although many wine advertisers might question Schieffelin's relying primarily on radio for promoting Blue Nun, Mr. Strong does not appear too concerned: "We have the tendency to go against the grain, where our competitors are not as dominant. Besides, radio basically built Blue Nun." —J.S.

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Ad pages in farm publications for 12 months, 1983-1982

Fourth-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

— Canadian —

	Pages Oct.-Dec. 1983	Oct.-Dec. 1982	Jan.-Dec. 1983	Jan.-Dec. 1982
Country Guide:				
Eastern Edition	115.8	90.6	503.9	534.7
National Edition	176.6	148.6	949.9	949.4
Western Edition	135.4	114.1	633.0	670.5
Le Bulletin des Agriculteurs	194.0	134.0	833.0	805.0
Total Group	**621.8**	**487.3**	**2,919.8**	**2,959.6**
% change	**+27.6%**		**− 1.3%**	

— Dairy & livestock —

	Oct.-Dec. 1983	Oct.-Dec. 1982	Jan.-Dec. 1983	Jan.-Dec. 1982
Beef Magazine A.	198.5	168.8	809.6	583.6
Beefweek (26X) B.	222.8	253.9	641.3	1,001.7
The Cattleman	341.8	390.4	1,318.5	1,440.5
Dairy Herd Management	103.6	89.4	549.7	443.6
Drovers Journal (52X) A.	268.1	271.8	1,157.8	1,129.7
Farm Progress Hog Producer	20.9	26.0	107.5	105.0
Feedlot Management	108.3	91.5	378.0	296.3
Florida Cattleman	269.6	277.6	951.8	935.1
Hoards Dairymen (23X) A.	173.0	184.1	848.4	901.8
Hog Farm Management	132.1	123.0	443.6	447.4
National Hog Farmer	262.4	240.2	910.7	883.8
Pig American	64.3	65.6	259.5	240.8
Southern Beef Producer (8X)	41.2	33.3	136.2	99.5
Southern Hog Producer (6X) A.	21.6	27.1	71.2	73.4
Sunbelt Dairymen (6X)	16.8	19.0	67.1	65.3
Dairy	127.8	102.5	411.0	361.6
Western Livestock Journal Weekly:				
Central Edition	150.7	134.4	542.8	421.5
Western Edition	192.4	175.3	625.2	541.2
Western Livestock Reporter	331.6	285.1	969.6	666.1
Total Group	**3,047.5**	**2,959.0**	**11,199.5**	**10,637.9**
% change	**+ 2.9%**		**+ 5.2%**	

— Fruit & vegetable —

	Oct.-Dec. 1983	Oct.-Dec. 1982	Jan.-Dec. 1983	Jan.-Dec. 1982
American Fruit Grower	37.9	74.6	483.2	468.4
American Vegetable Grower	98.1	124.6	510.5	641.0
Citrus & Vegetable	116.8	117.7	479.0	503.0
Total Group	**252.8**	**316.9**	**1,472.7**	**1,612.4**
% change	**−20.2%**		**− 8.6%**	

— General farm publications —

	Oct.-Dec. 1983	Oct.-Dec. 1982	Jan.-Dec. 1983	Jan.-Dec. 1982
American Agriculturist	98.8	64.6	385.0	363.4
Arizona Farmer-Ranchman	63.6	81.3	310.9	402.5
California Farmer (21X) A	159.3	171.3	763.7	809.6
Farm Futures A	91.8	51.3	344.5	208.1
Farm Industry News (10X)	97.4	100.3	397.1	420.6
Farm Journal (14X)	161.0	163.1	727.2	773.2
Farmer-Stockman Unit:				
Oklahoma Farmer-Stockman	29.7	38.2	162.2	187.2
Texas Farmer-Stockman	28.8	35.7	149.1	155.5
Florida Grower & Rancher	47.1	—	187.3	—
Harvest Publishing Unit				
Kansas Farmer (21X)	113.0	116.5	637.3	680.8
Michigan Farmer (21X)	146.4	144.1	674.5	743.0
Missouri Ruralist (21X)	132.7	148.4	719.9	791.4
Ohio Farmer (21X)	178.8	197.6	926.1	1,067.1
Pennsylvania Farmer (21X)	105.6	105.2	555.7	597.5
High Plains Journal:				
Eastern Kansas (52X)	515.1	498.5	2,311.0	2,325.5
Colorado	501.7	494.8	2,231.6	2,298.8
Nebraska	490.7	481.7	2,200.9	2,258.1
Oklahoma-Texas	520.4	502.6	2,307.6	2,312.5
Western Kansas	559.3	554.8	2,486.0	2,533.3
Irrigation Age (10X) A.	51.9	56.4	199.1	259.5
Kentucky Farmer	50.6	51.9	274.0	354.7
Lancaster Farming (52X)	1,273.9	1,152.0	5,204.8	4,769.5
Midwest Farm Paper Unit: (24X)				
The Farmer	202.6	226.7	1,182.5	1,248.0
Nebraska Farmer	263.8	294.2	1,403.6	1,454.8
Prarie Farmer A.	207.6	254.9	1,180.8	1,429.6
Indiana Edition	225.3	253.9	1,186.3	1,454.4
Wallaces Farmer (24X) A.	214.6	236.3	1,239.6	1,275.1
Wisconsin Agriculturist (24X)	165.5	182.6	889.5	937.5
Pecan South (6X)	—	—	—	—
Progressive Farmer A.	157.0	143.7	686.1	751.7
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	24.0	30.1	168.5	202.2
Peanut Farmer (8X)	—	—	109.9	137.9
Successful Farming A.	194.3	177.0	748.4	755.4
Tennessee Farmer	27.1	25.0	165.1	169.6
Wyoming Farmer-Stockman	63.0	79.0	288.0	320.0
Western Unit Farm Magazines:				
Colorado Rancher & Farmer	84.2	72.4	420.4	417.7
Northwest Unit Farm Magazines: (24X)				
Idaho Farmer-Stockman	107.5	89.5	583.9	641.9
Montana Farmer-Stockman	195.8	172.8	899.3	911.1
Oregon Farmer Stockman	96.1	89.5	479.8	506.0
Utah Farmer-Stockman	77.7	88.9	411.4	447.6
Washington Farmer Stockman	93.3	90.1	492.5	547.6
Total Group	**7,807.0**	**7,716.9**	**36,881.1**	**37,819.9**
% change	**+ 1.1%**		**− 2.5%**	

— Poultry —

	Oct.-Dec. 1983	Oct.-Dec. 1982	Jan.-Dec. 1983	Jan.-Dec. 1982
Broiler Industry	151.1	127.4	587.0	518.4
Poultry Digest	55.4	47.5	221.0	258.5
Poultry Tribune	54.0	58.4	277.2	309.9
Poultry & Egg News:				
Poultry Times	—	—	—	—
Poultry & Egg Mktg.	—	—	—	—
Total Group	**260.5**	**233.3**	**1,085.2**	**1,086.8**
% change	**+11.6%**		**− 0.1%**	

(X) Represents the number of times published each year; publications are monthly unless otherwise specified. A. Sectional linage included but prorated to circulation of regional editions. B. 1983 figures are comprised of a combination of 30-in. and 80-in. pages; 1982 figures are comprised of only 30-in. pages.

mediaMoves

U.K. rock book tries Yank edition

New York—A $400,000 promotional blitz, keying on MTV: Music Television, broke last week to introduce *Star Hits*, sister publication to the U.K.'s biggest music magazine.

The new monthly (AA, Nov. 21) covers many of the acts championed by MTV, such as Duran Duran (who appear on the cover) and Culture Club, but there's also coverage of perennials like the Rolling Stones and heavy-metal bands like Quiet Riot.

Star Hits
CULTURE CLUB
THE ROLLING STONES
PAT BENATAR
STRAY CATS
THE DOORS

Such content, as well as *Star Hits'* splashy, colorful graphics, could fuel the kind of growth that Felix Dennis, who has arrived from England to oversee the launch, predicts will enable frequency to be increased within six months to every-other-weekly and propel circulation within a year from 200,000, the expected initial rate base, to 500,000.

Another reason for Mr. Dennis' optimism is the success enjoyed by *Smash Hits*, the English magazine that has licensed its format to Pilot Communications here.

Mr. Dennis is serving as a consultant to Pilot, which is owned by Peter Godfrey and Robert Bartner. In Great Britain, Mr. Dennis heads the Bunch Group, which numbers among its titles *Hi-Fi Choice* and *Which Bike?*

Star Hits faces a formidable field of rivals. But while *Rolling Stone* has grown up with its readership, Mr. Dennis said, *Star Hits* intends to target continually a 12-to-20-year-old audience.

Promotion for *Star Hits* began Jan. 12, the day the magazine made its debut, on MTV and radio stations. International Communications Group, Los Angeles, handles.

A b&w page is $2,000, a color page $3,000. The magazine, cover-priced at $1.50, will be sold only on newsstands at first, adding subscriptions later.

• **CMP Publications**, Manhasset, N.Y., will introduce *Communications Week*, an every-other-weekly tabloid, on Jan. 30, with initial circulation of 50,000 to 60,000. Tom Cooper is group publisher, Jack Dolce is associate publisher. A b&w page is $5,900, a four-color page is $6,750.

• **Cox Communications**, Atlanta, which has an equity interest in *On Cable*, now distributes the magazine via 28 of its catv systems, which account for 75% of Cox's basic subscribers. As of year's end, Cox said, the magazine's circulation approached 500,000 monthly.

• **The Black Collegian**, New Orleans, will publish its annual jobs issue in March/April. Ad closing date is Feb. 1.

• **ComputerFun**, Viare Publishing's new version of *Electronic Fun with Computers & Games* (AA, Dec. 19), will charge lower ad rates than its predecessor, though its rate base, at 150,000, is 20% higher. A b&w page will cost $3,300 (vs. $3,750 for its predecessor) and a four-color page will cost $3,960 (vs. $5,325).

• **Conservative Digest**, Washington, D.C., has named ESCO Media Group, Flushing, N.Y., as its ad sales rep.

• **Ultrasport**, a new every-other-monthly for hard-core sports enthusiasts (AA, Dec. 12), is being started with a stake of $2.5 million from a limited partnership of private investors. The first issue, dated January/February, runs 88 pages and carries advertisers such as Gore-Tex, Nike and Raleigh Cycle Co. Lyn Lemaire is publisher, Chris Bergonzi is editor, Karen Maloney is marketing/circulation director and Mel Weinberger is advertising manager, at 11 Beacon St., Boston 02108.

• **American Business Press** issued a brochure listing materials available from the association. Copies of "The ABP Library of Advertising and Marketing" are available free to members of the advertising community involved with the business press. Write Debbie Humphreys, registrar, ABP, 205 E. 42nd St., New York 10017.

• **Computer Advertising News** (AA, Oct. 10), is raising its rate base 50%, to 15,000, with its February issue. The publication has moved to 155 E. 23rd St., New York 10010.

• **Woman's World**, Englewood, N.J., expects to expand its distribution to the entire country by April, according to Select Magazines, New York, with which the magazine has renewed its contract. It is currently distributed in 70% of the country.

• **Gentlemen's Quarterly**, New York, has named W.E. Connor Co., Toyko, as its advertising sales rep for China, Hong Kong and Japan.

• **Ms.**, New York, will raise its newsstand cover price 16.7%, to $1.75, with the February issue. The basic subscription rate has risen by the same percentage, to $14 annually.

• **TVSM**, Horsham, Pa., has been selected by Tribune/United Cable Communications to publish a system-specific version of Cable Guide for subscribers of the company's new cable system in Royal Oak, Mich.

• **On Cable**, Norwalk, Conn., has been selected by Storer Cable to supply system-specific editions of the magazine to subscribers of the company's three systems in the Minneapolis market.

• **Better Homes & Gardens**, Des Moines, will again sponsor a home improvement contest for its readers. The contest will be announced in the magazine's January issue.

• **RKO Radio Networks**, New York, will from Jan. 16 through Jan. 20 air a total of 20 90-second "sportSpecials" leading up to the Jan. 22 Super Bowl.

• **CBS Radio Network**, New York, which recently renewed its Major League Baseball contract for a year (AA, Nov. 28), now has extended its agreement for five years, effective with the 1985 season.

• **Eastman Radio**, New York, has become the first national radio sales representative for the Atlanta Braves and Atlanta Hawks radio networks; those duties had been handled internally.

• **Radio Business Report** is a new monthly that plans to cover the business side of the radio industry. It starts with an initial controlled circulation of 6,500, and is also seeking paid subscriptions at $84 a year. A b&w page is $1,250 and a two-color page is $1,475. Jim Carnegie is editor-publisher at P.O. Box 13199, Philadelphia 19101.

• **Financial World**, New York, has named Branham International, New York, as its international advertising rep. Victor Webb, Branham's president, will become the magazine's international advertising director.

• **McCall Publishing Co.**, New York, is offering advertisers a "summer shape-up promotion" that involves advertising and merchandising in the May issues of three publications: *McCall's*, *Working Mother* and *McCall's Beauty, Health & Diet Guide*.

• **The Homeowner**, New York, is starting a program by which products that are staff-tested and ranked high in performance will be awarded "Approved Product" seals. The first recipient is Lennox Industries' G-14 pulse furnace.

• **Business Publications Audit of Circulation**, New York, has completed initial audits of eight publications: *Bus & Truck Transport*, Toronto; *CED*, Denver; *Digital Retailing*, Waltham, Mass.; *Food & Beverage Marketing*, New York; *New Homes Guide*, Dallas/Fort Worth and Houston editions, Santa Clara, Cal.; *Shooting Commercials*, Woodbury, N.Y.; *Vermont Business*, Bellows Falls, Vt., and *World Water*, London.

• **Marvel Comics Group**, New York, will publish "The Muppets Take Manhattan" as a tie-in to the Henson Associates film, due this summer via Tri-Star Pictures.

• **HCA Companion**, a quarterly from Hospital Media, Knoxville, Tenn. (AA, Feb. 21, *et seq.*), has debuted with a 60-page issue dated first quarter '84. The magazine, with a controlled circulation of 700,000, has reduced its ad rates, to $8,941 for a b&w page and $11,176 for a four-color page.#

1/24/84
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Advertising Age

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$1.25 a copy; $52 a year *The International Newspaper of Marketing* *January 23, 1984*

Special Report

Corporate Image Advertising: Shedding the best light on company goals

— Page M-9

Corporate CloseUp

Diversion Communications tells people where to go

— Page 4

Forum

On doing business in the nation's major cities

— Viewpoint section

Marketing Zadora

See Pia act! Hear Pia sing!

Using money—and loads of it—to create 'stardom' — Magazine

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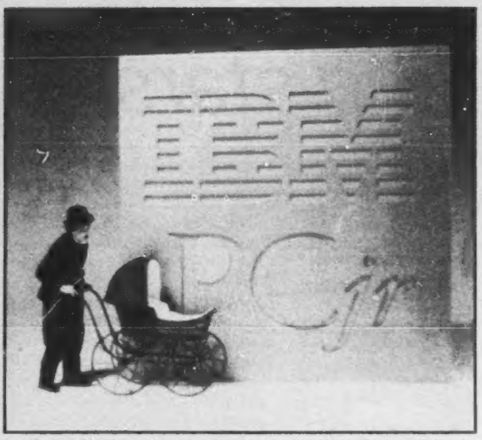
NEWSPAPER

New Eastern spots show grateful passengers ceremonially pinning wings on flight attendants.



In the initial spots for PCjr, the "Little Tramp" finds the new computer waiting for him in a baby carriage.

Employes star in $70 million Eastern flight

MIAMI—The employe as hero and an increased emphasis on spot tv form the backbone of Eastern Air Lines' new $70 million ad campaign.

The spots that broke on CBS' Super Bowl coverage yesterday featured a return to the "we earn our wings every day" theme, with a twist. Instead of using chairman Frank Borman, new commercials show passengers rewarding various Eastern employes with a set of wings in tongue-in-cheek award ceremony formats.

Three different versions—using businessmen, a couple that are frequent flyers and senior citizens—enable Eastern to pitch different products from convenient schedules and bonus programs to special pricing for seniors.

The media plan calls for a shift in emphasis from network toward spot tv in the carrier's 25 key markets.

The change from Eastern's previous "America's favorite way to fly" ad theme comes on the heels of airline industry figures showing that Eastern slipped from No. 1 to No. 3 in passengers carried during the past year. But the decision to drop that theme was made last

(Continued on Page 76)

It's prime time for PCjr; spots all in the family

BOCA RATON, FLA.—The introductory tv commercial for IBM's PCjr, which broke on CBS' coverage of Super Bowl XVIII, will give way in a month to another campaign focusing on specific functions and uses of the product—the company's initial entry in the home computer market.

Created by Lord, Geller, Federico, Einstein, the ad campaign will shift into high gear at the third quarter's outset, according to Douglas LeGrande, vp-operations at IBM's entry systems division here.

"The series of ads will feature different places and the uses people can make of the PCjr in those places," Mr. LeGrande said.

Industry sources estimate IBM will spend about $40 million introducing the PCjr this year (AA, Oct. 17). Mr. LeGrande declined comment on the ad budget.

The campaign will mark IBM's first appearance with regularity on a variety of prime time shows. Ads also will appear on network news, sports and specials.

Although IBM initially is trying to build awareness for the product, company executives believe the demand will exceed supply. Mr. LeGrande said preliminary feed-

(Continued on Page 76)

These stories were written by reporter Robert Raissman.

Burnett gets Velveeta slice

Beatrice, Kraft in cheese fight

By JANET NEIMAN

Beatrice Foods' quest to become a major factor in the retail cheese business nationally got a boost last week when a former Kraft marketing executive signed on as vp-marketing of the Beatrice Cheese Co. division.

Norman Ross, formerly a vp-marketing in Kraft's retail cheese group, was named vp-marketing for the New Berlin, Wis.-based cheese division of Beatrice.

His resignation from Kraft, on short notice, came two days before Leo Burnett USA was named the second agency for Kraft's cheese group, which had been consolidated at J. Walter Thompson USA.

Burnett will take over the estimated $15 million Velveeta processed cheese account Feb. 1. Kraft said Velveeta is the only product that will be reassigned.

The move means Kraft Inc. and Beatrice now share both agencies, although for noncompetitive products. Burnett has Beatrice's Samsonite division, Fisher Nut Co. and Peter Eckrich & Sons.

Mr. Ross becomes the third executive from Kraft's retail food group to move to Beatrice in the past year. Harold Handley, director of corporate marketing, and William Reidy, senior vp-corporate strategy, both joined Beatrice from Kraft's retail food group last year.

Mr. Ross will hold a new title at the cheese company; since Beatrice consolidated the three businesses, it has had no single marketing executive in charge of the over-all business.

With Beatrice's well-publicized interest in expanding the cheese business and the growing links be-

(Continued on Page 76)

New food company set

By JENNIFER PENDLETON

The investment company that bought California's largest dairy products marketer last year has formed a new specialty foods group it predicts will become a $1 billion unit within one to three years.

Fullerton, Cal.-based Winn Enterprises, which bought Knudsen Corp. in June and is in the process of acquiring Kern Foods, City of Industry, Cal., has created a new company called Knudsen-Kern Foods and named a three-man executive team to manage it.

Winn co-chairman-chief operating officer Dee R. Bangerter is chairman-chief executive officer; Knudsen chairman and Winn co-chairman William G. Schmal is vice-chairman.

The move consolidates Winn's existing specialty food operations, which include Knudsen's dairy products division and its subsidiaries, National Fast Foods, Seattle, and Globe Extracts Co., Hauppauge, New York, a manufacturer of food flavorings, as well as Kern Foods.

Combined sales of the four companies were $633 million in 1983.

That's just the beginning, ac-

(Continued on Page 75)

highlights

Monday, January 23, 1984

Boeing Co. will break its $5 million-plus ad campaign with tv spots during the Winter Olympic Games. *See Page 6.*

S.B. Thomas Inc. is staking out its new plan for growth. *See Page 6.*

Charles of the Ritz Group later this year will introduce the first in a line of products inspired by ABC-TV's "Dynasty." *See Page 10.*

Ponderosa is testing the use of its salad bar as a breakfast buffet, as it expands the definition of its marketing niche. *See Page 35.*

Mrs. Grass Inc. has launched a broadcast ad push that directly compares its instant soup with that of dehydrated soup giant Thomas J. Lipton Inc. *See Page 38.*

KitchenAid will enter the cooking appliance category this summer with print ads for its new line of built-in ovens and cooktops. *See Page 81.*

Cover photograph from Universal Pictures Studio.

CORPORATE CLOSEUP

Diversion Communications has turned the pleasure of travel and leisure into a lucrative business. *See Page 4.*

INTERNATIONAL

The International Organization of Consumer Unions, one of the world's most powerful international consumer lobbyists, has set as its major goal this year the banning of advertising of all pharmaceutical products except at point-of-sale. *See Page 46.*

The Australian Broadcasting Tribunal, a group overseeing the electronic media, will investigate allegations that a series of British Airways commercials, created by Saatchi & Saatchi, were produced with a "ghost crew." *See Page 46.*

The European Court of Justice next month is expected to order the West German government to scrap a 16th-Century law and open the country to beer imports, according to European Economic Community officials. *See Page 51.*

VIDEOTECH

The Nashville Network begins a 10-week cable-only campaign based on the successful "I want my MTV" ads, asking viewers to "Stand up for your country." *See Page 54.*

Frost & Sullivan's latest report on new video technologies predicts that basic cable tv services will be forced to sell themselves as premium pay attractions in order to survive. *See Page 55.*

ARTS & Entertainment Network is expecting to premiere Feb. 1 with a potential circulation for advertisers of at least 9 million homes. *See Page 59.*

MAGAZINE

In the Hollywood style, Pia Zadora has been promoted as a star, and her celebrity status owes a lot to marketing. *See Page M-4.*

Corporate Image Advertising: More companies are engaging in marketing an intangible image and enhancing their reputations to make themselves attractive on Wall Street and elsewhere. *See Page M-9.*

Several readers play critic and respond to the Critic's Corner call for comment on a Honda ad. *See Page M-29.*

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BBDO links with major Japan shop

By JACK BURTON and DENNIS CHASE

TOKYO—The stampede of U.S. advertising agencies into Japan is gathering force.

BBDO International will announce this week its first significant Japanese link, with Asatsu, Japan's seventh-largest agency and one of the few major Japanese agencies without a strong U.S. tie.

Details about the deal will be made public at a press conference on Jan. 27. Attending the conference will be BBDO International head Willi Schalk and independent marketing consultant Shu Ueyama, who has been retained by BBDO. He was previously deputy general manager of advertising at Sony.

Asatsu (until two years ago known as Asahi Tsushin) had estimated billings last year of $227.2 million, up 15% from 1982. Asatsu has had minor affiliations with BBDO and Chiat/Day in the past, but the new BBDO arrangement will be different, sources say.

Asatsu has offices in Los Angeles and London, and its major clients are Mitsubishi Motors, Pioneer Electronics and Kirin beer.

In other U.S./Japanese develop-

(Continued on Page 80)

Viewpoint: Forum

Avoiding collaborative poisons

By Nancy L. Salz

Ultimately, *you* are responsible for the advertising you get from your agency. Even though agency creative and account people bring many attitudes to the advertiser-agency collaboration that hinder its success, the most potentially destructive attitudes are brought into the relationship by the advertisers, because they control the purse strings.

The Six Advertiser Poisons:

1. *"I'm the boss here."* Although advertisers do judge the agency's work and must be responsible for it, flaunting that power—using position to get one's way even if it hurts the advertising results—poisons the agency's desire to generate great advertising.

2. *"My management will never buy it."* Few things cause more disrespect, lack of trust and frustration among agency people than a client's refusal to support and develop a good idea because he's afraid his superiors won't like it. Agency people believe that they are working together with you, collaborating, to create the best possible way to sell your product or service. If the idea is good, and you believe it, you cannot let such second-guessing kill it. If you are afraid to make a decision, you surely will defeat your agency's drive to create great advertising.

3. *"I'm a better person than you are."* For some reason, many, many advertisers embrace the notion that they are superior to the people they work with at the agency. It's a problem that can hurt the necessary mutual respect and trust.

4. *"What if their idea is better than mine?"* This is the poison of fear. It takes a secure individual to realize that another person's idea is better than his own, accept that idea and use it to further his goals and not view it as a professional threat.

5. *Withholding information.* One clever but nonetheless

(Continued on Page 18)

Ms. Salz, now head of her own New York-based consulting company, served as an agency copywriter, marketing researcher and account manager. She is the author of "How to Get the Best Advertising From Your Agency" (Prentice-Hall, Englewood Cliffs, N.J.), from which this article is adapted.

Rating the cities

A report titled "The Comparative Costs of Doing Business in Seven Cities" has been prepared by Julien J. Studley Inc., a New York-based national real estate brokerage, sales and consulting organization. Covering Boston, Chicago, Houston, Los Angeles, Miami, New York and Washington, D.C., the study evaluates life styles as well as business factors, including taxes, commercial rentals, utilities and wages. What follows is the conclusion of the 84-page booklet.

From our comparative survey, New York City and Los Angeles ranked the highest as major business centers while Chicago offered the most potential.

New York City continues to hold its position as one of the major business centers in the world. As the speed and extent of commerce grows, the convenience of having one's suppliers, clients and services in great proximity becomes more essential—and New York offers the greatest concentration and broadest range.

In the last few years, as the volume of U.S. trade across the Pacific has approached and finally surpassed that across the Atlantic, Los Angeles—capitalizing on its geographic position and its well-developed, diversified economic base—has emerged as the gateway to Asia. This city is also positioned on the crest of several other waves of economic progress: Its aerospace and electronics industries are the recipients of a rising defense budget; the city ranks first in the nation in its aggregation of advanced technology industries, and, as the financial capital of the West, Los Angeles is at the forefront of the tremendous nationwide increase in the financial services business.

Our report also points out that opportunities often lie in the older cities which have solid infrastructures and strong business bases. For example, cities like Boston and New York, which had severe financial problems in the early '70s, weathered the recession well because they had already made the transition from manufacturing to services or high-tech and had previously dealt with severe deficit budget problems.

A new boom city, like Houston, is only now making this transition. The recession has raised the consciousness of its citizens who are now striving toward a more diversified economic base and a more workable infrastucture. Miami, too, has had to readjust to changing economic conditions due to the turbulence in Latin America, but the city is emerging as a growing business center in the Southeast, particularly with a substantial proliferation of financial institutions and service firms.

One of the critical findings of the report is that Chicago has the potential for the greatest business opportunities. Because Chicago was hit hard by the recession, the consensus focused on Chicago's difficulties. But the city already has in place a strong infrastructure—both in terms of physical plant and economic base. It boasts a highly educated labor pool and good proximity to markets and services. Along with Houston, Chicago offers the bargain rentals of the nation, and, like many other cities, in its attempt to attract new growth industries, offers a host of incentives. In addition, Chicago's appreciation and support of the arts has been a longstanding tradition. It is in the context of Chicago's strong, already existing foundation that these features look unusually attractive. Because Chicago has yet to be "discovered," opportunities abound.

Rating cities on business & life style factors

Desirability factors	Rating	BOSTON	CHICAGO	HOUSTON	LOS ANGELES	MIAMI	NEW YORK	WASHINGTON
Business opportunities	(10)	5	4	6	9	3	10	5
Costs of doing business	(10)	4	8	7	7	7	3	7
Proximity to professional services	(10)	6	8	6	8	4	10	7
Proximity to clients	(5)	3	4	4	4	3	5	4
Housing	(5)	3	4	4	3	5	3	3
Education	(8)	6	6	5	6	4	7	7
Transportation:								
Internal	(4)	3	3	0	0	2	4	4
External	(4)	3	4	2	4	3	4	3
Environment	(5)	4	2	4	4	3	4	4
Culture/Entertainment/Sports	(5)	3	3	2	3	1	5	3
Business Taxes	(5)	3	4	5	3	5	2	3
Personal Taxes	(5)	3	4	4	3	5	2	3
TOTAL RATING	(76)	48	54	49	54	45	59	53

Source: Julien J. Studley Inc., New York

Once again, as our 1981 survey revealed, Washington, D.C., and the Washington suburbs are real gems. The city increasingly is recognized for its business potential, with the service sector rapidly expanding in the District and research and

(Continued on Page 18)

China profits from capitalism

By Milt Sutton

"The fastest way to realize our aim is to raise profits."

"Major reshuffle brings more profits."

"In the first eight months of the year, profits surpassed the yearly target by 8.9%."

These positive references to profit were clipped not from the *Wall Street Journal* or *Business Week*, but from *China Daily*, published in Beijing by an agency of the People's Republic of China.

On a recent visit to that vital nation, I was struck by repeated emphasis on the need for higher profits. It is a common theme in the official press as well as in speeches by leading political figures.

To an American advertising man concerned about the image of business in America, the current profit orientation of the world's biggest communist country is highly instructive. Here in the U.S., advertising is often condemned by critics because it is closely allied with the profit system or, as it is more familiarly referred to by certain vociferous critics, the "rotten profit system."

This anti-advertising, anti-profit sentiment is widely encountered in the youth sector, especially the academic community. Many college students and faculty members profess disillusion with our capitalist ways and look toward a more perfect society. The time is long past, of course, when any but the most myopic point to the Soviet Union as a model. Much more alluring to your young idealists is the People's Republic of China.

Yet we find this shining example of Marxism driving hard to improve the profit showing of its state enterprises. The leadership apparently scans the balance sheets as eagerly as any shareholder here.

Nor do you have to be a profound scholar to understand that this position is not a product of any Marxist textbook. It was adopted after bitter, costly experience with red "purists" who were brought on the debacles of the Cultural Revolution and other "anti-rightist" movements.

And who are the Chinese hierarchy relying on to carry the banner of profit? Same as we are: Professional, managerial types generally drawn from outside the senior age ranks. Listen to "Gongren Ribao" ("Worker's Daily") as it lauds a factory whose profits rose five times faster than output: "468 young and middle-aged professionals replaced the old, nonprofessional leadership."

Again and again, examples are cited of vigorous, profit-minded executives moving in on stagnant enterprises and achieving a quick turnaround. On the reverse side, it is publicly reported that "directors of enterprises which fail to reverse their business losses were dismissed at once." An even worse fate that befalls those who do not meet profit quotas: "A cut in bonus."

Does all this sound familiar to us practitioners of private enterprise who patiently endure the barbs of our anti-capitalist adversaries?

Even more startling to this China observer is a new policy proclaimed by the leaders in one northeastern city. They turned, with huge success, to former "capitalist businessmen or entrepreneurs" to run two deficit-ridden factories. So positive have been the results that the municipal government is now offering their managerial skills to other plants that are in the red—financially, not just politically.

Predictably, the Chinese profit system resorts to a number of tried and proven economic boosters used by its Western counterpart: Wages on an incentive basis, a one-year exemption from business income tax and a growing role for advertising. (Casting for tv commercials appears to favor well-groomed, middle-class representatives of the type we would call "upwardly mobile.")

Along with the progress stemming from capitalist techniques, of course, must come some of the penalties. In the push for profit, there, as here, the consumer is occasionally cheated. One restaurant chain was accused of raking in extra yuan by short-weighting customers on bread, prompting this reproof in the press: "We are doing business in a socialist country and must stress socialist morality."

Moral risks, apparently, are not exclusive to capitalist societies.

Next time we hear advertising put down for aiding and abetting the profit system, let us gently point to China's belated discovery of profit as the surest way to a better life for its billion or so people. The big difference is that, with a little help from advertising, we are light-years ahead.

Perhaps our detractors will now have to seek yet another Utopia.#

Mr. Sutton is a vp at Marsteller Inc., New York.

Viewpoint: Letters

The trouble with reviews. . .

The news that Young & Rubicam has resigned the *Fortune* account (AA, Jan. 9) when asked to participate in an agency review with six other agencies points up what is wrong with agency reviews.

Generally, an advertiser initiates an agency review for one of two reasons: (1) The advertiser is unhappy with his agency and wants a dramatic way to threaten the loss of the account unless the agency shapes up, or (2) the advertiser thinks it might be a good idea to compare his agency with some of the other agencies that are floating around out there.

Since many advertisers don't know how else to appraise an agency's work—particularly its creative work—the advertiser, more often than not, will ask his present agency and the other participants to prepare speculative creative work. I not only think this is poor practice, but I also am convinced that the whole agency-review approach is unprofessional and counterproductive. Moreover, agency reviews are unnecessary.

Instead, the advertiser should conduct an objective, confidential evaluation of the agency's performance to identify problems, obtain input from the agency and determine (1) whether the agency's weaknesses can be corrected, or (2) whether the problems are so fundamental that only a new agency can meet the advertiser's defined needs.

Where the problems are not fundamental, the advertiser and agency can work together to correct the problems. Thus, there is no reason to involve other agencies in the so-called review.

When the evaluation reveals fundamental weaknesses that cannot be corrected in a reasonable time, the only logical decision is to terminate the agency and select a replacement.

Accordingly, there is no reason to ask the incumbent agency to participate in any kind of competition for the account. Even if it made the best presentation, the agency would not be given the account because the objective evaluation had clearly shown that the agency could not meet the advertiser's needs properly.

A word of caution, however: A one-sided, opinionated evaluation will not suffice. The evaluation must be completely objective. And it must be a two-way evaluation designed to identify and correct problems on *both* sides. The agency must be encouraged to discuss the problems it encounters on the account and to suggest ways to improve the effectiveness of the advertising.

In my 25 years of experience in evaluating agency-client working relationships, I have found that usually the problems which lead to poor performance are shared about equally between the agency and the advertiser. Furthermore, I usually have found that most of the problems on each side are minor ones that can easily be resolved when the advertiser and agency work constructively together to correct them.

Admittedly, this kind of self-inspection by an advertiser requires specialized experience, as well as objectivity. It also requires a high degree of self-confidence and statesmanship on the part of the senior managers who authorize the evaluation. But it pays off handsomely.

Robert M. Prentice
Cos Cob, Conn.

Right to issues?

I question the suitability of Maurine Christopher's article, "Media help in creation of horror story," for an advertising magazine (AA, Nov. 14).

I am intelligent enough to understand what she is really trying to say even though she believes she has hung the idea on mass media influence. She is editorializing about euthanasia and, inconceivably, woman's right to her own body. ADVERTISING AGE is not the correct medium for this type of propaganda.

For many years, right-to-life people have been saying that abortion is the first step to selective population control through death of the already-born. Maurine Christopher would seem to prove them correct.

Let's keep the magazine out of the feminist political arena and out of involvement with related issues.

Kathleen Teillet
Edmonton, Alberta

Reader Teillet refers to a "Videotech Update" column in which Ms. Christopher dealt with the "unavoidable" role played by media and government in the "Baby Jane Doe" case.

Cabbage Patch's clinker

Re: Cabbage Patch public relations (AA, Dec. 26): I'm the parent of a preteen adopted son.

He thinks the "adoption papers" part of Coleco's Cabbage Patch hype *stinks!*

R.V. Adams
Morristown, N.J.

A 'Good Book' to quote

Being a Christian of the nonfanatical sect, I am always amazed at how people rush to the Bible to justify whatever they need to. Lately it's been AIDS, the disease that has struck mostly homosexual men.

Robert S. Nelson questions another reader's personal beliefs on the subject and that reader's right to formulate a religious opinion, and then proceeds to back up his rhetoric with an antihomosexual quotation from Romans 1:27-32 (AA, Nov. 21).

Frankly, if we're going to pick the Bible apart to justify every and all trauma, why not look further into it and come up with other Bible no-nos. Because if you do, you will discover, for example, that while Leviticus condemns sodomy, yes, it also condemns swearing, jealousy and even shaving. Need I say more?

And while everyone is busy condemning male homosexuals and giving almighty God credit for anguish, no one seems to remember that *female* homosexuals have not contracted AIDS—neither are they in the major leagues of the other sexual-related diseases, nor even in the same high-risk categories for the cancers that afflict the rest of the female population.

Does this imply that perhaps female homosexuals are God's chosen population? Heaven only knows, and only the Bible knows for sure—right?

Moira Castro
Los Angeles

Calling us on recall

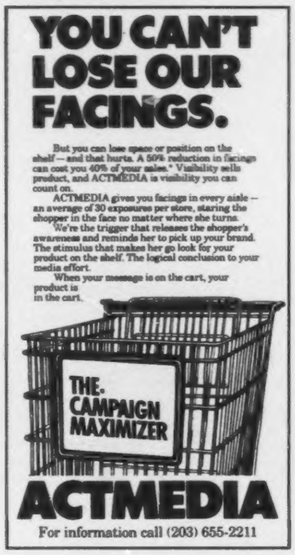
I was a bit taken aback when I read your coverage of the speech I delivered at the Assn. of National Advertisers' Advertising Research Workshop (AA, Dec. 26, "Recall not communication: Coke").

In reading your reportage, I took away the impression that Coca-Cola USA had rejected day-after recall as a useful measure; yet I went to great pains to stress recall as an equal partner with an attribute-persuasion measure in achieving real communication. If an insufficient level of recall occurs, the attribute-persuasion qualities of a commercial never get a chance to operate.

We did not reject recall; we combined it with an attribute-persuasion measure and came to redefine communication as message "assimilation."

Joel S. Dubow
Communications Research
Coca-Cola USA
Atlanta

ADVERTISING AGE *welcomes letters to the editor, but we ask that they be held to no more than 400 words. The editors reserve the right to edit letters. Letters should be addressed to Viewpoint Editor,* ADVERTISING AGE, *220 E. 42nd St., New York 10017.*



YOU CAN'T LOSE OUR FACINGS.

But you can lose space or position on the shelf—and that hurts. A 50% reduction in facings can cost you 40% of your sales.* Visibility sells product, and ACTMEDIA is visibility you can count on.

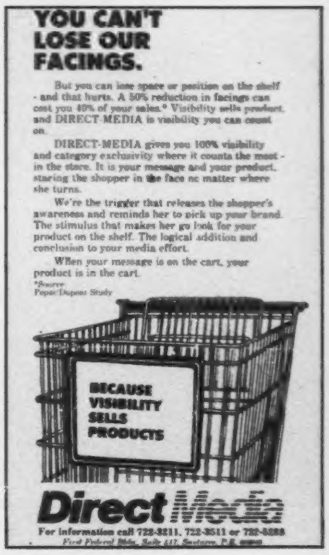
ACTMEDIA gives you facings in every aisle—an average of 30 exposures per store, staring the shopper in the face no matter where she turns.

We're the trigger that releases the shopper's awareness and reminds her to pick up your brand. The stimulus that makes her go look for your product on the shelf. The logical conclusion to your media effort.

When your message is on the cart, your product is in the cart.

ACTMEDIA

For information call (203) 655-2211



YOU CAN'T LOSE OUR FACINGS.

But you can lose space or position on the shelf - and that hurts. A 50% reduction in facings can cost you 40% of your sales.* Visibility sells product, and DIRECT-MEDIA is visibility you can count on.

DIRECT-MEDIA gives you 100% visibility and category exclusivity where it counts the most - in the store. It is your message and your product, staring the shopper in the face no matter where she turns.

We're the trigger that releases the shopper's awareness and reminds her to pick up your brand. The stimulus that makes her go look for your product on the shelf. The logical addition and conclusion to your media effort.

When your message is on the cart, your product is in the cart.

*Source
Popai/Dupont Study

Direct Media

For information call 722-3211, 722-3511 or 722-5288

Basket 'borrowers'

How's this for plagiarism? Our client, Actmedia, the supermarket shopping-cart advertising company, has been running a campaign for almost two years in this publication. . .Some folks in Puerto Rico liked the idea so much they decided to "borrow" it. They must have also liked our ad, since they "borrowed" the layout, headline, copy, artwork (everything but the logo and address) in this ad that ran in the Dec. 14, 1983, edition of *Caribbean Business.* I wonder if there isn't some way they could "borrow" some business ethics.

Roman Mayer
Mayer Visual Communications
New York

Avoiding poisons

(Continued from Page 16)

self-defeating way advertisers make certain that the agency never comes up with a better idea than they do is to withhold information needed to create advertising or develop a point of view on a marketing problem. In this way, some advertisers maintain their power position, but it is most destructive.

6. *Fear of creative people.* Too many advertisers distance themselves from the creative people because they find it hard to relate to a style of dress or a style of life that is different from their own. (Interestingly, not all creative people wear "strange" clothing or follow bizarre life styles. Often, those that do are encouraged to look the part by agencies and advertisers. In fact, some creative people dress "creatively" to help sell their ideas.)

The Four Account Group Poisons

1. *Dishonesty.* It most often surfaces because the account person is trying to embrace differing points of view (the advertiser's or the agency's) and espouse them even if they differ from what one truly believes. It can take two forms. The first is agreeing with the advertiser's point of view simply to make the client happy. The account person may believe those ideas will not help build sales, but rather than present a convincing argument based on the agency's expertise, tells the client he is right. The point that is missed is that the client's happiness will fade when the advertising fails to produce results. A second form of dishonesty is trying to convince an advertiser to run advertising that focuses more on the agency's creativity than on selling the product or service. Here, the agency's goal is showcase advertising to attract new business, not the common goal of success in the marketplace.

2. *"I'm a better person than you are."* This poison also works on the agency side. Too many agency people believe they are superior because their job is creative and glamorous. In fact, some think people on the advertiser side are dull and boring and lead dull, boring lives.

3. *Failure to listen.* One reason agency people may not always listen well is their inclination to start solving the advertising problem before it has been completely defined. Once they feel they have reached a solution, they sometimes don't want to hear any more facts because they may have to discard that solution and go "back to the drawing board."

4. *"We create the advertising, not you."* Some agency people are reluctant to let their clients contribute to the creation of the advertising. This attitude is the antithesis of collaboration. Advertisers who present their ideas as suggestions, rather than dictate from their position of power, should expect fair consideration of their ideas.

Two Creative Poisons

1. *Creativity for its own sake.* Whenever art directors or copywriters create visuals or words that do not contribute to the over-all effectiveness of the advertising, they are poisoning the collaborative relationship. It sometimes happens because creative people want unusual, highly creative advertising in their portfolios, because they want to win awards and because their agency management may want unusual, highly creative advertising on its new-business reel.

2. *"I'm a better person than you are."* Here it is again. Some creative people are very bad at accepting criticism. They feel that they are the writers, the art directors, and therefore are the only people who know anything about creating advertising. They refuse to listen to ideas; they look down their creative noses at you, they act superior and even arrogant.

The Common Poisons

1. Placing a personal goal—power, appeasement, creativity for its own sake—ahead of the common goal.

2. Feeling superior to the other collaborators. (This is the "I'm-a-better-person-than-you-are" poison.)#

Rating the cities

(Continued from Page 16)

development in the suburbs. Washington and its suburbs provide one of the most beautiful and pleasant living and working environments in the country. Benefiting from its status as the nation's capital and the largesse of the federal treasury, Washington, D.C., has been and will be able to maintain its excellent infrastructure, including an extensive metro system, which is a model of efficient, clean service. Suburban Maryland and northern Virginia, a 15-minute ride from Washington by metro, have all of the advantages of the city without the disadvantages. Leasing has remained healthy, and northern Virginia is one of the few areas in the country to boast a tight office market. Costs of business and living are moderate to expensive.

Clearly, each city offers something special to distinguish it from all the others. What they have in common are competitive markets for office space and the new economic concerns of the '80s and how they will be met.#

Corporate identity begs a magic name

Design consultants respond to the plea

By Abbe Wichman

Have you recently tried buying office equipment from Haloid Xerox? Filling up your tank at Standard Oil of New Jersey? Or depositing your paycheck at the National Bank of Commerce of Seattle?

> **There are instances when a name change is demanded, as in the case of a merger.**

If you haven't yet, don't bother; you won't find them. But not too long ago you could have, if Xerox Corp., Exxon and Rainier Bank, respectively, had not changed their names. By doing so they and other companies that have displayed a new name, logo or signage are sending off various signals to a variety of interested observers.

A company's name can become synonymous with a product. It can also become an anachronism, no longer communicating the new directions a company is taking. And the name has to be flexible enough to absorb even more changes. One industry observer sums it up this way: "If you're too specific, you end up with the Atchison, Topeka & Santa Fe."

The search for a suitable corporate name heated up last year. According to an annual survey conducted by Anspach Grossman Portugal, a marketing communications and consulting company in New York, there were 1,055 name changes by U.S. companies—a record number in one year and a 30.4% increase over 1982.

The "right" name is that magic word that sends consumers to the store asking for a particular company's products, one that will make it the darling of Wall Street and enable it to tower above the competition. A company's name, much like a person's, is a highly personal thing. And like a newly married woman who is unsure about taking her husband's name, companies can justifiably be a bit wary about changing or adapting their names or logos. The original, after all, has history, tradition. It meant something to the founder; it means something to the customer.

Obviously there are instances where a name change is demanded, as in the case of a merger or when a local company goes national. But there are more subtle instances when a company realizes that the 100-year-old name should be laid to rest or at least spruced up. And as the name changes, so too, one hopes, will the company's identity.

Eleanor Selame, president of Newton, Mass.-based Selame Designs, a company that specializes in corporate image redesign, identified several key instances where corporate identity problems may arise:

- Rapid growth internally or externally, where the operating divisions may not reflect the parent company's direction.
- A new company going on a stock exchange or an established group whose stock is not performing well.
- The need to attract the best employes and a new generation of customers.
- New government regulations that may affect business.

Notes Ms. Selame, "There is usually a very simple reason and very specific needs behind a name or logo change." The changed symbol should have several things going for it, she says.

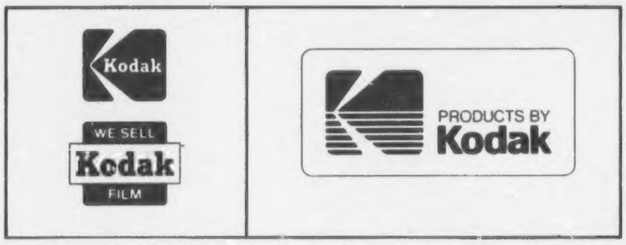
"All those employes involved with the change should feel comfortable with the outcome," she says. "They should feel, 'This is what we would have done ourselves.'" And the name should have staying power, allowing room for the company to grow.

Such was the case with United Aircraft, known today as United Technologies. The name change was made in 1975, simply because United Aircraft "was becoming a misnomer," says Jerry Nason, the company's advertising manager. The company was no longer involved with aircraft exclusively, having grown from four divisions to its present 205. Mr. Nason says the selection of the name United Technologies reflected "our firm belief that the industries we're interested in are ones where technology is at the core of their success."

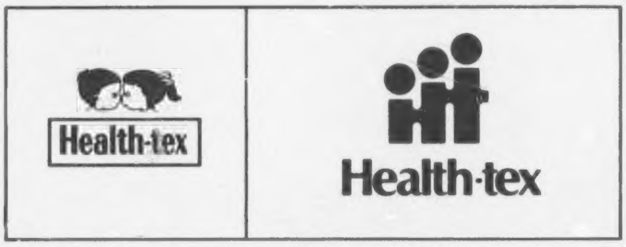
Mr. Nason says the time spent to select a new name for his and other companies lies somewhere between "some soul-searching and agonizing." He says the smarter organizations use the name change as a lever to promote the reasons behind the change.

Lippincott & Margulies, a New York-based marketing consultancy, was the company behind United Technologies' new name. Walter Margulies, company chairman, says organizations have to be aware of whom they are communicating with and how they are perceived.

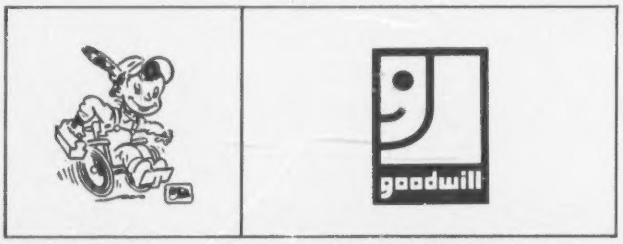
"Firms should investigate why they're called on, but more importantly, why they're not called on," Mr. Margulies says. A name change, he notes, is a tool that can be used to the advantage of an alert and intelligent manage-



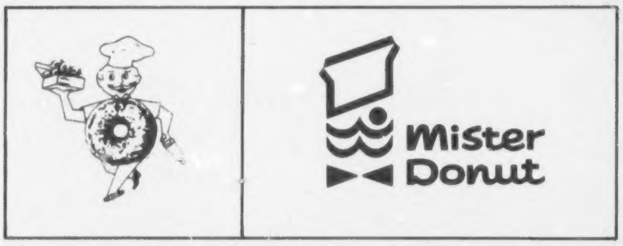
Kodak's packaging wasn't uniform, and its symbol was being used indiscriminately by dealers. Selame designed a new insignia used on signage, packaging and print.



Health-tex is a leader in children's clothing, but its merchandising was lackluster. The new logo serves to give the company a stronger product image.



Goodwill's old symbol was "tired," and it didn't enhance the look of its retail outlets. The new smiling "G" suggests the company's purpose and provides a contempory look.



Mister Donut's trademark was outmoded, and the company wanted to be attractive to more franchises worldwide. The new identity projects professionalism.

Abbe Wichman is a New York-based free lance writer.

Molting season for company logos

Follow along: Hart Schaffner & Marx is now Hartmarx.

International Telephone & Telegraph is ITT Corp.

St. Regis Paper is St. Regis Corp.

Overseas National Airways is National Airlines.

Wordtronix Inc. is Remington Rand Corp.

And if you need New England Telephone or New York Telephone, check the listings for Nynex.

It is becoming apparent these days, you can't tell the company without a scorecard. At least, that's how it seems judging by the number of corporate names that bit the dust in 1983—only to resurface in new dressing.

New York marketing communications and design consulting company Anspach Grossman Portugal has been the creative force behind the name changes of such companies as AMF, Citibank, Esmark and Warner Communications.

The company conducts an annual survey of corporate name changes, and the results of the 1983 survey may come as little surprise: Last year, there were a record 1,055 switches. This is one corporate practice that has been on the upswing since 1978, which was also a record-setting year in terms of name changes—983 to be exact.

Anspach found a lot of action last year in all the industries covered by its survey: Manufacturing and industrial, communi-

Name changes: An industry scorecard

	1983	1982	Per cent change
Banks, thrifts and other financial institutions	502	474	6%
Manufacturing and industrial companies	127	108	16%
Communications companies	98	30	227%
Energy companies	79	46	72%
Technology companies	39	17	129%
Food companies	28	13	115%
Transportation companies	26	30	−13%
Retail organizations	25	29	−14%
Miscellaneous	32	62	130%
Totals	**1055**	**809**	30.4%

Source: Anspach Grossman Portugal

ment. "It's the perfect opportunity to promote and market yourself, not only the name, but your positioning should coincide with your aims," he stresses.

Greg Kolligian, managing director of Selame Design, says that before his company embarks on the design process, it does what is called a "visual audit." This is an analysis of the client's current communications, which Mr. Kolligian terms "an essential road map." Selame's management and the client's participants review marketing objectives and past strategies.

The time spent selecting a new name lies between "soul-searching and agonizing."

"You can't assume everything the company has been doing is totally incorrect. Don't throw away the good with the bad," he cautions.

Mr. Kolligian says that when a company articulates its objectives to an outsider, new ideas come to both parties. When the review is complete, Mr. Kolligian says, Selame does a kind of "This is Your Life" for its client, taking it over both what has been consistent and inconsistent with its goals, asking for its observations on what works and what doesn't, and then focusing on the new designs.

Mr. Kolligian says a key point, which is often overlooked, is to examine carefully the company's principal competitors and how they present themselves.

Working with a good thing was precisely what Selame did with Amoco Oil Co. Abdul Azhari, Amoco's director-market research, says that in 1981 Amoco researched its 1,500 service stations and found some flaws. "There was no unified image presented to the public. They [the stations] were disjointed architecturally and graphically," Mr. Azhari says. Short of tearing the stations down, Amoco was looking for a way to link them together, both in customers' and dealers' minds.

Now when you drive into one of Amoco's stations, in addition to seeing the familiar torch and oval, there should be a "Certicare" sign with red, white and blue stripes leading into the first letter.

That sign, a "companion mark" to the company's hallmark, is either in front of the station or on its canopy.

Mr. Azhari says feedback from dealers indicates a "tremendous improvement in morale. This program showed them that their company is alive and interested." To keep that good feeling going, the company began an "All-Star Program," which recognizes and rewards those dealers who maintain their stations up to company standards.

One industry segment mentioned by both Ms. Selame and Mr. Margulies as a prime name changer is banking. This has come about because of mergers and government deregulation. Mr. Margulies notes that banks change their names because they begin to expand their services beyond their traditional borders, and their original name is geographically limiting. Or they branch into new financial services that are are not fully reflected by the sign over the door.

AMOCO
AUTO REPAIR

Amoco
Certicare

Amoco had trouble giving its optional automotive service program a clear identity. The new signage conveys a unifying, consistent, contemporary appearance.

Bruce Emry, manager of corporate communications with Rainier Bank (formerly National Bank of Commerce of Seattle), says his company addressed all questions head-on about its name change in 1974. Two publications, "Rainier" and "29 Most Asked Questions and Comments on Name Change," were specifically released to quell doubts, rumors and other talk among both employes and customers. Some of the comments addressed were, "When I hear the name Rainier, I think of beer" and "You must be hiding something if you're changing your name." (G. Heileman Brewing Co. brews Rainier beer, distributed in the Northwest.)

As justification for the move, the company pointed to its five units, which were then all operating under different names. It also noted that other banks had similar names, and it believed that by the year 1999, the new name would still be viable. There were a host of other convincing and reassuring reasons. If the "Rainier" brochure could have spoken, one would have heard a John Houseman-like spokesman extoll the name for "loftiness, solidity and a towering presence."

Both Selame Designs and Lippincott & Margulies agree that the success of any change is noted in the bottom line. An increased advertising and promotion budget can smooth the way for initial acceptance. As for the cost of corporate redesign, Ms. Selame provides a qualified estimate: Approximately $50,000 "for a medium-size company with medium-size problems."

TRAVEL
PROGRAM
FOR
FOREIGN
DIPLOMATS

InAmerica

"Travel Program for Foreign Diplomats" didn't say enough about the organization's goals. The new InAmerica emblem is designed to show diplomats the "heartland."

cations, energy, transportation, retail, technology and food companies. Current reports indicate that there's more to come this year as merger and acquisition fever continues to heat up American industry. What, for example, will be the outcome of a merger between Getty and Texaco? One very large oil company called Geto? Tetty? Deep Well Inc.? This is one to watch. And what permutation will occur if Warner Communications is swept into Rupert Murdoch's mighty vacuum . . . ?

As more companies seek to move in new directions, divesting themselves of outmoded operating units or shifting emphasis on acquired product lines, there are bound to be newly formed free agents ready to change someone else's corporate silhouette—and name. And, as the financial supermarkets continue to add aisles, this will more than likely affect corporate logos.

Mergers and acquisitions accounted for the largest group of name changes last year, according to Anspach Grossman Portugal. There were 552 in all—a figure that is 52.3% of the total and shows an increase of 35% over 1982. The financial institutions definitely lead the way with banks, thrifts, investment companies and their relatives constituting 47.6% of last year's total.

There's little doubt that, with all the change in the air, many rechristened companies will find it essential to conduct strong corporate identity programs, to let everyone know just who they were, who they are and what it is they're doing.

96%

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...a legend and
a leader

A recent survey* of managing editors at newspaper dailies nationwide showed that E&P tops the list. It is the "overwhelming leader among general interest publications" and 96% polled read us regularly.

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EDITOR & PUBLISHER...we're getting older and we're getting better.

*Survey by Jim Files, Northern Arizona University, distributed by Associated Press Readership & Research Committee at AP Managing Editors Conference, in Louisville, Kentucky, November, 1983.

Editor & Publisher, 575 Lexington Ave., New York, NY 10022 · 212-752-7050

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*January*

— Art & antiques —

	Pages Jan. 1984	Pages Jan. 1983
American Artist	47.0	45.7
Antiques	207.3	174.5
Art in America (11X)	101.0	82.1
Plate World (6X)	62.0	84.0
Portfolio (6X)	—	—
Southwest Art	74.8	111.6
Total Group	**492.1**	**497.9**
% change	**−1.1%**	

— Auto/cycle/rec. vehicles —

	Jan. 1984	Jan. 1983
AutoWeek	102.7	118.0
Car & Driver	60.2	53.2
Car Collector & Car Classics	20.0	19.2
Car Craft	37.0	50.9
Cycle	23.9	35.5
Cycle Guide	23.3	26.6
Cycle World	28.6	24.4
Dune Buggies & Hot VWs	80.9	57.8
Family Motor Coaching	154.3	117.8
4 Wheel & Offroad	42.3	47.9
Four Wheeler	48.2	31.4
Hot Rod	30.6	31.6
Motorcyclist	14.8	20.8
Motor Trend	41.6	38.6
Motorhome	73.5	59.2
Pickup, Van & 4 WD	13.1	21.6
Road & Track	73.3	70.1
3 Wheeling	25.4	24.5
Trailer Life	106.2	88.1
Total Group	**999.9**	**937.2**
% change	**+6.6%**	

— Boating & yachting —

	Jan. 1984	Jan. 1983
Boating	150.2	118.8
Chesapeake Bay	27.3	22.8
Cruising World D	142.1	121.8
Lakeland Boating	48.0	41.0
Motor Boating & Sailing	171.3	143.1
Sail	124.6	102.8
Sea & Pacific Skipper	54.4	67.7
Small Boat Journal (6X)	—	—
Trailer Boats	26.3	20.1
Western Boatman (6X)	39.3	19.5
Yachting	203.5	195.0
Total Group	**987.0**	**852.6**
% change	**+15.7%**	

— Canadian —

	Jan. 1984	Jan. 1983
L'Actualite	39.5	30.8
Chatelaine:		
English Edition A	62.7	66.1
French Edition	55.2	55.3
City Woman	—	—
Equinox	29.8	40.7
Financial Post Magazine A	24.5	19.3
Flare A	55.2	45.6
Homemaker's Magazine	—	—
Madam Au Foyer	—	—
Macleans (52X) A	62.3	67.7
Quest Magazine (8X) A	—	—
Reader's Digest:		
Canadian-English A	57.2	55.9
Canadian-French A	49.5	52.0
Toronto Life	50.7	48.7
Vancouver	51.0	60.0
Total Group	**537.6**	**542.1**
% change	**−0.8%**	

— Civic/fraternal —

	Jan. 1984	Jan. 1983
American Legion	31.4	41.2
Elks Magazine (10X) E	—	—
Kiwanis Magazine	13.3	19.4
Lion (10X) E	—	—
Moose Magazine	21.0	20.5
Rotarian	17.1	19.5
V.F.W. (10X)	29.9	37.9
Total Group	**112.7**	**138.5**
% change	**−18.6%**	

— Comics —

	Jan. 1984	Jan. 1983
Archie Comic Group (6X)	—	—
DC Comics	9.0	9.0
Marvel Comics Group	10.0	10.0
Total Group	**19.0**	**19.0**
% change	**+0.0%**	

— General —

	Jan. 1984	Jan. 1983
American Forests	8.8	13.8
American Health (6X)	54.0	31.6
American West (6X)	25.7	29.3
The Atlantic A	29.5	34.5
Audubon Magazine (6X)	23.6	30.9
Bon Appetit A	50.5	61.7
Changing Times	47.5	22.5
Cuisine Magazine	37.8	25.9
Ebony	54.5	59.8
Fifty Plus	40.7	26.7
Food & Wine	33.3	31.4
Games	27.3	25.4
Geo	37.4	23.6
Gourmet	40.9	42.6
Home Entertainment (6X)	—	—
Harper's Magazine A	28.4	18.6
Life	84.3	82.1
Modern Maturity (6X)	—	—
Money	81.0	63.8
Moneysworth (4X)	17.2	17.4
Mother Earth News (6X)	62.7	71.7
Mother Jones	16.7	12.5
National Geographic	17.3	16.8
Natural History	44.4	34.8
Prevention	68.9	72.4
Psychology Today	22.2	19.4
Reader's Digest A	62.1	62.2
Saturday Evening Post (9X)	39.3	40.0
Signature	41.5	37.3
Smithsonian	66.5	55.5
Success	36.6	38.3
Town & Country	65.7	75.1
Travel/Holiday	35.1	42.5
Travel & Leisure	60.9	58.5
Vanity Fair	25.3	—
Video	74.8	70.2
Video Review	61.8	65.0
Writers Digest	23.4	25.6
Yankee	90.4	89.7
Total Group	**1,638.0**	**1,529.1**
% change	**+7.1%**	

— Home —

	Jan. 1984	Jan. 1983
Americana (6X)	32.4	30.8
Architectural Digest A	73.3	74.0
Better Homes and Gardens	69.5	63.1
Colonial Homes (6X)	58.0	49.5
Country Journal	50.9	56.9
Country Living	49.6	34.8
Dallas/Ft. Worth Home & Garden	52.7	48.5
Early American Life (6X)	—	—
Family Food Garden (6X)	63.0	64.0
Family Handyman (10X) A	61.7	62.2
Flower & Garden (6X)	—	—
Home	33.8	26.8
The Homeowner (6X)	27.8	22.2
Horticulture	27.4	41.3
House Beautiful	60.4	68.5
House & Garden	45.2	91.3
Houston Home/Garden	74.8	84.4
Metropolitan Home	47.6	47.2
New Shelter (9X)	55.1	53.7
1001 Home Ideas	25.8	24.8
Organic Gardening	91.8	97.7
Phoenix Home/Garden	56.0	40.9
San Diego Home/Garden	55.5	56.2
Southern Accents (4X)	49.0	—
Southern Living	78.7	72.4
Sunset Magazine A	68.7	62.6
Texas Homes	94.2	83.6
Workbench (6X)	61.4	68.0
Total Group	**1,464.3**	**1,425.4**
% change	**+2.7%**	

— In-flight & other passenger —

	Jan. 1984	Jan. 1983
Aboard Group (7) (4X)	17.1	26.4
Alaskafest	35.5	35.2
American Way	91.7	61.4
East/West Network:		
Amtrak Express	28.3	28.3
Continental	48.5	53.0
Eastern Review	109.7	80.0
Ozark	43.0	26.0
PSA Magazine	78.2	62.2
Pan Am Clipper	40.2	31.0
Republic Scene	51.5	36.0
United	91.3	64.8
USAir	50.0	41.0
Western's World	50.7	41.7
Halsey Publications:		
Air Cal	38.0	27.3
Delta Sky	71.8	46.7
Skylite	19.0	19.0
Hawaii	22.2	15.8
Pace (6X)	77.8	35.8
Spirit of Aloha	20.9	14.6
Southwest Airlines	74.3	88.8
Webb Publications:		
Frontier	39.7	36.3
Northwest Orient	27.7	36.7
TWA Ambassador	51.1	33.5
Total Group	**1,178.2**	**941.5**
% change	**+25.1%**	

— Men's —

	Jan. 1984	Jan. 1983
Esquire A	44.9	49.7
Firehouse Magazine	41.5	39.5
Gentlemen's Quarterly A	65.4	43.3
Penthouse A	50.1	56.9
Playboy A	93.2	83.3
Total Group	**295.1**	**272.7**
% change	**+8.2%**	

— Metropolitan —

	Jan. 1984	Jan. 1983
Aloha (6X)	25.2	21.2
Atlanta	27.4	38.1
Baltimore	44.8	45.5
Boston	116.6	119.8
California	28.6	32.3
California Living	47.7	68.8
Chicago	123.0	86.7
Chicago's North Shore	72.6	79.8
Cincinnati	47.0	49.0
Cleveland	50.0	51.3
Coast (38X)	77.0	59.6
Columbus Monthly	50.7	37.3
Commonwealth	52.0	20.2
Connecticut	71.5	67.9
Country Magazine	23.3	19.0
County Life	50.0	40.0
D/Magazine, Dallas/Ft. Worth	87.8	87.5
Denver	20.0	24.7
Exclusively Yours, Wisconsin (15X)	54.0	53.7
Grand Rapids	35.3	40.2
Gulfshore Life (10X)	98.0	72.8
Honolulu	51.3	51.0
Houston City	58.0	46.5
Indianapolis	40.0	61.8
Kansas City	31.6	21.0
Long Island Life	35.0	43.0
Los Angeles	150.0	150.0
Louisiana Life (6X)	63.2	68.0
Madison	50.0	40.0
Miami/South Florida	97.4	95.6
Milwaukee F	27.2	10.7
Minneapolis/St. Paul	56.8	50.5
Monthly Detroit	22.0	37.0
Nashville	39.0	57.0
New Jersey Monthly	42.5	36.0
New Mexico	41.0	21.6
Ohio	37.2	31.0
Oregon	—	—
Orlando	76.2	63.0
Pacific Northwest (10X)	—	—
Palm Beach Life	108.1	102.5
Palm Springs Life	171.4	150.5
Philadelphia	82.8	80.0
Phoenix	93.3	86.7
Pittsburgh	43.2	36.8
St. Louis	41.0	43.0
San Diego	121.1	118.3
San Francisco	47.8	37.5
San Francisco Focus	35.5	32.8
Shenandoah/Va. Town&Country (6X)	49.0	28.6
Tampa Bay Monthly	77.7	—
Texas Monthly	81.3	69.6
Twin Cities	46.6	35.4
Washington Dossier	38.0	39.0
The Washingtonian	109.0	103.0
Total Group	**3,266.7**	**2,962.8**
% change	**+10.2%**	

— Movie/radio/tv —

	Jan. 1984	Jan. 1983
Macfadden's Women's Group:		
Modern Romances	14.0	20.6
Secrets	14.0	20.6
True Confessions	14.0	20.6
True Experience	14.0	20.6
True Love	14.0	20.6
True Romance	14.0	20.6
Sterling Women's Group:		
Daytime TV	26.5	30.3
Modern Screen	—	—
Movie Mirror (6X)	20.5	—
Soap Opera Stars	19.5	24.2
TV Movie Screen	—	—
TV Picture Life	20.5	29.3
Teen Bag (6X)	—	—
Total Group	**171.0**	**207.4**
% change	**−17.5%**	

— Music/entertainment —

	Jan. 1984	Jan. 1983
American Film (10X) G	40.3	41.2
Audio	62.6	48.1
Circus Magazine	35.9	22.5
Dance Magazine	60.3	61.0
Musician	56.0	53.0
Playbill	47.2	44.3
Record	20.4	5.1
Stereo Review	42.3	40.7
Total Group	**365.0**	**315.9**
% change	**+15.5%**	

— Newspaper, Sun. magazines —

	Jan. 1984	Jan. 1983
Family Weekly A	77.8	90.6
Parade	73.6	79.3
Total Group	**151.4**	**169.9**
% change	**−10.8%**	

— Outdoor & sport —

	Jan. 1984	Jan. 1983
Alaska	34.8	31.5
The American Handgunner (6X)	39.8	37.0
American Hunter	14.7	16.1
American Rifleman	26.2	25.2
Backpacker (6X)	31.2	36.2
Bass Master (8X) A	44.2	53.6
Bicycling (9X)	92.9	87.9
Field & Stream	52.7	54.7
Fins & Feathers A	31.1	25.1
Fishing World (6X)	31.2	32.2
Florida Sportsman	75.1	61.4
Flying	32.2	20.7
Fur-Fish-Game	27.2	22.7
Golf Digest	43.5	47.7
Golf Magazine	137.7	113.3
Guns	26.9	28.3
Guns & Ammo	29.4	39.0
Muscle & Fitness	119.0	104.0
Outdoor Life	50.6	54.1
Petersen's Hunting	25.2	27.1
The Runner	37.8	37.0
Runner's World (13X) H	42.5	41.0
Salt Water Sportsman	62.8	64.1
Shooting Times	31.3	25.5
Ski (8X) A	95.1	83.1
Skiing (7X)	87.3	87.0
Skin Diver	71.9	62.4
Southern Outdoors (8X)	36.4	40.8
Sport	36.3	29.5
Sports Afield	62.6	62.9
Tennis	43.9	46.9
Western Outdoors (10X)	—	—
World Tennis	23.6	35.1
Total Group	**1,597.1**	**1,533.1**
% change	**+4.1%**	

— Photography —

	Jan. 1984	Jan. 1983
American Photographer	38.3	45.7
Petersen's Photographic	29.7	34.9
Popular Photography	90.1	112.2
Total Group	**158.1**	**192.8**
% change	**−17.9%**	

— Religious —

	Jan. 1984	Jan. 1983
BBI Jewish Monthly (10X)	18.2	15.4
Christian Herald	32.2	34.5
Christian Life	24.0	28.8
Christianity Today	40.2	55.6
Inside (4X)	—	—
Moody Monthly	43.3	50.5
Today's Christian Woman (6X)	24.2	—
Total Group	**182.1**	**184.8**
% change	**−1.4%**	

— Science/electronic/-mechanic —

	Jan. 1984	Jan. 1983
Compute	112.1	111.8
Computers & Electronics	52.0	70.3
Creative Computing	158.7	189.7
Discover	28.2	32.4
Electronic Games	43.5	56.0
FamilyComputing	70.4	—
Mechanix Illustrated	51.3	60.0
Omni	55.3	49.2
Personal Computing	176.8	180.6
Popular Mechanics	79.7	72.7
Popular Science	78.4	69.5
Science Digest	—	—
Science 84 (10X)	39.3	38.3
Scientific American	62.7	34.2
Spectrum	94.9	80.2
Total Group	**1,103.3**	**1,044.9**
% change	**+5.5%**	

— Women/fashion/service —

	Jan. 1984	Jan. 1983
Bride's Magazine (6X) A	517.0	495.0
Cosmopolitan A	151.4	149.6
Essence	59.4	62.0
Family Circle A	140.7	137.2
Glamour	96.6	98.8
Good Housekeeping A	108.6	116.2
Handmade (4X)	26.4	30.4
Harper's Bazaar	76.2	67.1
Health	32.5	20.3
Ladies' Home Journal	93.1	74.9
Ladycom	29.5	30.5
Lady's Circle	8.2	9.2
Mademoiselle	72.2	70.3
McCall's	67.5	68.4
Modern Bride (6X)	413.8	398.1
Ms.	30.0	29.9
New Woman	34.7	32.3
Parents Magazine A	53.5	53.1
Playgirl	36.4	40.8
Redbook	71.6	57.5
Self	59.3	48.7
Seventeen	65.8	61.3
Shape	52.0	33.0
Soap Opera Digest	26.5	18.3
'Teen Magazine	26.3	21.2
True Story A	28.0	41.8
Vogue	119.6	126.9
W Magazine	85.2	84.0
Weight Watchers	25.4	23.7
Woman's Day A	69.4	62.6
The Workbasket (10X)	40.5	42.7
Working Mother	54.1	51.2
Working Woman	64.4	64.0
Total Group	**2,835.8**	**2,721.0**
% change	**+4.2%**	

— Youth —

	Jan. 1984	Jan. 1983
Boys' Life	16.0	23.5
Campus Life	53.0	36.4
Total Group	**69.0**	**59.9**
% change	**+15.1%**	

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. 1983 figure includes 3.5 pages of house ads. E. Combined December, '83/January, '84 issue. F. 1983 figure reflects combined January/February issue. G. 1984 figure reflects combined January/February issue. H. Figures include page count for a January Annual issue. I. 1983 figures reflect combined issue. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 68)

ad linage

(Continued from Page 67)

December

Business

	Current month		Year-to-date	
	1983	1982	1983	1982
Atlanta Bus. Chronicle (52X)	33.3	20.4	420.4	302.9
Barron's (52X)	170.0	160.6	2,445.8	2,082.9
Black Enterprise	67.4	48.4	724.1	607.8
Boston Business Journal	86.3	45.7	807.0	505.4
Business Week (52X) A.	421.7	273.2	4,646.0	4,325.9
California Business	69.5	53.0	891.1	858.9
Capital District Bus. Review	37.4	27.0	436.1	364.8
Corporate Report/Kansas City	56.0	42.8	627.2	632.7
Corporate Report/Minnesota	78.4	60.7	945.3	956.6
Crain's Chicago Bus. (52X)	111.8	88.0	1,520.2	1,308.3
Crain's Cleveland Bus.	52.8	46.5	627.3	463.4
Dallas/Ft. Worth Bus. (52X)	32.3	26.8	466.2	486.1
Dun's Business Month	77.0	66.0	812.0	817.0
The Executive	92.1	83.3	1,085.2	1,082.3
Financial World (24X)	40.0	26.2	450.3	531.5
Florida Trend	62.5	45.8	889.5	788.1
Forbes (26X)	368.0	264.7	3,404.4	2,946.4
Fortune (26X) A.	333.2	237.3	3,289.0	2,726.0
Frequent Flyer	43.4	32.9	575.2	411.2
Hawaii Business	58.1	30.9	590.6	482.7
High Technology I.	33.8	61.1	352.2	275.5
Houston Bus. Journal (52X)	103.7	119.3	1,774.5	2,123.2
Inc. Magazine A.	171.0	85.2	1,350.9	1,045.8
Income Opportunities (10X)	54.7	47.5	505.0	472.9
Industry Week (26X) A.	85.7	36.6	1,248.1	1,268.3
Indianapolis Business Journal	93.7	75.6	1,049.7	865.3
Nation's Business A.	15.9	26.3	312.0	415.4
New England Bus. (20X) B.	34.3	27.5	772.5	694.1
New Jersey Success	20.2	16.5	266.3	215.9
New Orleans Citibusiness	94.6	96.8	205.4	930.6
Pacific Business News (52X)	95.9	80.8	1,207.6	1,093.0
Philadelphia Bus. Journal	68.9	43.3	809.3	381.9
Pittsburgh Bus. Times (52X)	50.0	42.8	647.2	536.8
St. Louis Business Journal	134.8	89.1	1,320.0	1,145.9
Savvy	50.0	45.9	529.0	467.2
Texas Business	53.2	46.1	771.9	632.6
Venture	85.6	42.7	802.4	472.6
Total Group	**3,537.2**	**2,863.3**	**39,576.9**	**35,717.9**
% change		**+32.8%**		**+10.8%**

Newspaper Sunday magazines*

	Current month		Year-to-date	
	1983	1982	1983	1982
Arizona Republic	77.5	109.1	788.8	1,164.0
Boston Globe	182.0	175.9	2,284.8	2,166.0
Chicago Tribune	120.1	150.5	1,069.4	1,227.7
Cincinnati Enquirer	75.0	97.6	915.7	994.5
Cleveland Plain Dealer	54.2	89.1	982.5	964.0
Columbus Dispatch	40.7	54.7	557.2	640.9
Dallas Times Herald	—	—	—	—
Denver Post	152.0	280.0	1,444.5	1,732.7
Detroit News	86.8	98.0	1,232.4	1,295.3
L.A. Times Home Magazine	127.9	102.9	1,198.1	1,189.6
Louisville Courier-Journal	84.2	132.5	1,051.6	1,199.4
Miami Herald	51.2	70.3	632.0	739.6
New York News	354.3	314.0	2,933.3	2,546.1
New York Times Magazine	313.2	324.6	4,196.1	4,113.5
Philadelphia Inquirer	52.1	71.0	681.7	773.4
Toledo Blade Magazine	45.7	58.4	543.4	563.9
Washington Post	150.6	135.7	1,383.8	1,445.5
Total Group	**1,967.5**	**2,284.3**	**21,895.3**	**22,756.1**
% change		**−13.1%**		**−3.7%**

Weeklies/bi-weeklies

	Current month		Year-to-date	
	1983	1982	1983	1982
The Advocate (25X)	47.3	94.7	1,233.3	1,013.2
Army Times Military Group:				
Air Force Times (52X)	136.0	136.7	1,769.8	1,769.3
Army Times (52X)	134.3	131.9	1,738.3	1,730.7
Navy Times (52X)	143.5	156.2	1,948.9	2,046.4
The Times Magazine	7.8	9.4	164.2	174.0
The Blood-Horse (52X)	684.9	475.9	7,291.6	6,966.0
Capper's Weekly (26X)	14.4	16.1	304.4	287.4
Commonweal (22X)	6.2	7.3	79.8	85.5
Golf World (43X)	47.8	46.4	860.0	785.9
Grit (52X) A.	12.1	19.5	296.2	308.4
National Review	33.2	30.1	387.1	358.9
New Republic (48X)	43.0	34.3	417.5	381.5
New York Magazine (50X)	354.3	314.0	2,933.3	2,546.1
New Yorker (52X)	328.5	325.4	3,631.2	3,897.4
Newsweek (52X) A	274.8	270.8	2,957.9	2,862.6
People (52X)	361.8	367.7	3,442.1	3,565.2
Rolling Stone (25X)	141.8	117.5	1,172.8	1,097.7
Sporting News (52X)	37.7	49.4	-659.4	655.3
Sports Illustrated (52X) A.	213.4	218.6	2,762.0	2,704.7
Time (52X) A.	215.5	203.2	2,699.1	2,641.4
Travelhost (52X) C.	2,874.0	2,641.0	35,291.0	30,841.0
TV Guide (52X) A.	302.2	215.4	3,643.5	3,615.8
Us Magazine (26X)	42.7	75.7	538.1	605.6
U.S. News & World Report (52X) A.	160.0	140.9	1,786.0	1,741.3
Total Group	**6,617.2**	**6,098.1**	**78,007.5**	**72,681.3**
% change		**+8.5%**		**+7.3%**

Foreign

	Current month		Year-to-date	
	1983	1982	1983	1982
Buenhogar:				
Central America	3.0	13.0	26.0	56.5
Chile	1.0	7.0	17.0	25.8
Colombia	27.5	54.7	486.8	701.5
Dominican Republic	7.8	17.2	147.7	160.2
Ecuador	14.0	27.2	145.5	169.3
Mexico	44.7	74.7	558.7	744.2
Peru	17.5	56.8	292.7	451.0
Puerto Rico	7.0	26.8	154.7	229.3
U.S.	8.0	11.0	134.5	92.2
Venezuela	21.5	65.8	274.2	529.7
Coqueta:				
Central America	—	—	—	5.0
Colombia	3.0	1.0	33.5	44.0
Mexico	5.0	4.0	37.5	71.8
Peru	—	—	—	5.0
Puerto Rico	—	1.0	4.3	18.0
Venezuela	2.0	7.5	32.0	71.5
Geomundo:				
Central America	7.0	8.0	64.0	83.0
Chile	4.0	12.0	58.0	99.0
Colombia	28.5	15.5	149.0	198.3
Ecuador	4.0	8.0	48.0	66.0
Mexico	9.0	18.5	86.5	166.2
Peru	7.5	9.0	77.5	112.5
Puerto Rico	4.0	9.0	49.0	94.0
Venezuela	13.5	28.2	157.7	222.2
Hombre De Mundo:				
Central America	14.0	13.2	79.3	78.8
Chile	12.0	13.2	79.0	78.7
Colombia	30.0	28.8	159.5	188.5
Ecuador	15.0	11.7	81.0	66.5
Mexico	42.2	39.7	203.7	273.0
Peru	19.0	12.7	87.0	88.5
Puerto Rico	15.3	15.2	86.7	115.5
Venezuela	23.0	47.8	176.8	376.7
Ideas Para Su Hogar:				
Central America	1.0	—	4.0	9.0
Chile	—	1.0	1.0	11.0
Colombia	44.0	42.5	352.5	456.2
Ecuador	3.0	8.3	43.5	93.0
Mexico	24.0	31.2	177.2	302.0
Peru	17.5	13.0	137.7	170.8
Puerto Rico	1.0	1.0	7.3	21.8
Venezuela	21.0	33.5	169.3	340.2
Intimidades:				
Central America	—	1.0	—	18.0
Chile	—	1.0	5.5	7.5
Colombia	—	1.0	9.5	18.0
Mexico	3.5	3.5	25.5	54.0
Puerto Rico	0.3	2.0	6.5	31.0
Venezuela	5.0	3.5	47.5	66.5
Mecanica Popular:				
Argentina	8.3	12.7	88.7	113.2
Central America	20.2	22.7	162.0	215.0
Chile	9.5	10.8	80.7	89.3
Colombia	24.7	27.7	218.2	284.2
Mexico	13.3	26.0	120.0	275.5
Peru	43.0	41.8	268.2	321.3
Puerto Rico	18.5	20.3	183.2	196.3
Venezuela	28.7	35.0	250.7	323.8
The Ring en Espanol:				
Colombia	—	—	—	—
Mexico	—	2.0	—	18.0
Puerto Rico	0.3	3.0	0.3	44.5
U.S.	4.7	6.0	43.2	56.5
Venezuela	1.0	2.0	8.0	35.0
Vanioades Continental:				
Central America	12.3	21.7	97.8	194.3
Chile	4.0	11.7	37.5	161.8
Colombia	106.3	111.3	846.0	1,152.0
Dominican Republic	37.5	38.7	240.5	345.3
Ecuador	34.2	39.2	181.2	286.2
Mexico	184.5	158.5	1,336.7	1,498.3
Peru	51.2	71.3	382.3	586.2
Puerto Rico	56.8	80.0	442.0	576.2
U.S.	58.2	76.2	565.2	669.7
Venezuela	55.0	120.2	538.5	1,045.7
Business Week Int'l.	169.1	166.7	1,867.4	2,262.5
Cosmopolitan Foreign Editions:				
Australia	101.4	109.3	843.8	885.0
Brazil	58.0	53.0	566.2	624.6
France	130.7	118.0	1,198.2	1,242.5
Germany	105.0	42.6	773.8	353.3
Great Britain	128.0	121.0	1,394.9	1,401.0
Greece	98.0	132.0	663.0	748.0
Holland	76.0	60.0	558.5	332.0
Italy	65.0	90.8	823.0	943.5
Japan	42.7	40.0	467.7	451.6
Cosmopolitan en Espanol:				
Central America	3.3	7.3	29.7	48.8
Colombia	27.2	27.2	202.8	259.2
Ecuador	3.3	4.8	15.8	38.5
Mexico	100.3	108.3	764.8	872.5
Peru	11.3	20.7	91.8	175.3
Puerto Rico	44.5	40.0	274.8	328.0
U.S. (Spanish language)	23.2	23.3	229.3	226.5
Venezuela	18.8	56.3	175.8	408.8
International Communications:				
African Business	34.0	31.0	358.0	367.0
New African	32.1	18.7	229.0	277.0
The Middle East	29.0	21.0	318.0	248.0
International Herald Tribune	99.6	76.2	1,076.5	1,098.7
International Management:				
Africa	17.3	12.7	191.8	165.2
Europe	47.7	45.7	514.5	504.3
Latin America	13.3	20.7	151.3	171.3
Middle East	32.0	25.7	288.5	253.8
Pacific	18.3	12.7	188.7	201.8
Johnston International:				
Alam Attijarat	77.0	51.7	747.8	827.0
Ejecutivo	25.5	24.2	99.5	140.6
Modern Africa	23.0	25.2	141.4	201.3
Modern Asia	61.0	24.5	452.2	422.9
Newsweek International A:				
Atlantic	84.2	77.4	1,136.0	1,120.7
Latin America	20.7	26.1	353.4	361.7
Pacific	70.8	66.5	885.9	901.6
Progreso (9X)	21.3	12.0	123.6	147.3
Reader's Digest:				
Arabic	—	16.0	145.0	170.5
Asian	227.5	265.0	2,735.8	2,285.0
Australian	69.3	63.8	871.3	918.8
Belgian-Flemish	110.5	72.5	1,065.0	951.5
Belgian-French	72.0	56.5	781.0	755.5
British	61.7	62.5	746.7	759.1
Chinese B.	174.0	163.5	1,397.8	1,224.5
Danish	28.6	26.5	403.0	398.6
Dutch	39.8	54.5	434.9	545.0
Finnish	51.0	46.0	772.0	630.6
French	42.8	46.3	669.0	835.8
German	87.9	73.2	911.5	875.3
Greek	18.0	—	29.5	99.5
Iberian	23.0	35.0	216.0	339.5
Indian-English	90.0	84.5	880.8	1,014.0
Indian-Hindi	7.0	4.5	51.5	173.0
Italian	40.0	66.0	561.5	724.5
Japanese	68.3	74.2	606.2	603.7
Korean	28.5	28.5	264.7	251.3
Latin American:				
Argentina	19.0	24.5	192.5	220.0
Brazil	9.0	16.0	102.5	156.3
Central American	20.0	18.5	149.5	183.5
Chile	13.5	62.5	181.5	297.5
Colombia	62.0	27.0	456.0	569.0
Ecuador	12.5	20.5	135.5	170.5
Mexico	86.0	107.1	605.2	789.5
Peru	15.0	20.5	134.5	174.0
Puerto Rico	11.0	12.0	88.5	153.5
U.P.B.	12.5	20.5	130.0	203.0
U.S. Spanish	18.0	15.5	176.0	193.0
Venezuela	17.5	38.0	176.5	297.5
New Zealand	78.0	85.0	1,049.8	905.0
Norwegian	53.3	59.0	501.4	561.2
Portugal	71.0	69.5	574.6	561.6
South African	71.8	84.0	1,207.8	1,389.0
Swedish	18.5	19.5	243.5	299.3
Swiss-French	35.2	39.0	364.2	413.5
Swiss-German	47.0	48.7	467.3	519.5
Time International:				
Time-Asia	108.5	100.3	1,243.2	1,224.5
Time-Atlantic	122.7	105.6	1,386.1	1,302.6
Time-Canada	146.7	120.2	1,925.2	1,871.6
Time-Latin America	57.4	70.8	613.4	847.8
Time-South Pacific	140.2	102.5	1,660.7	1,847.3
Visao (52X)	160.3	198.2	2,039.1	2,098.8
Vision/Latin America (26X) A.	36.9	55.9	381.0	491.9
Total Group	**5,898.7**	**6,312.6**	**58,991.8**	**65,281.6**
% change		**−6.5%**		**−9.6%**

Toys rising star in tv

(Continued from Page 66)

The NAB, backing the network, said the series was "neither a code problem nor, we believe, a subject for FCC concern."

In 1970, however, the FCC cautioned ABC and other broadcasters to be careful of such series links in the future. That warning chilled such tie-ins until lately.

While the tv networks are mum about their animated schedules for fall, 1985, to be announced to affiliates and ad agencies in the spring, indications are that the toy business will join the more usual resources—DC Comics and Marvel Comics Group's comics book heroes and syndicated newspaper comics strips.

NBC's first new commitment is to a "Snorks" series (AA, Jan. 9), featuring mythical underwater characters due in toy form from Wallace Berrie & Co. of "Smurfs" fame.

Columbia Pictures Merchandising executives have been talking with the tv networks about an animated series based on the Power Lords, introduced last year by Revell Inc. as its first toy action figures.

Coleco Industries, which had the most popular and most publicized toy product of Christmas, 1983, in the Cabbage Patch Kids (AA, Oct. 24, *et seq.*), is exploring the tv cartoon spinoff possibilities as one way of keeping the momentum going for its first doll line.

Meanwhile, some cable tv services have begun positioning themselves as a quality children's programing alternative to commercial tv, with the likes of Home Box Office's "Fraggle Rock," USA Cable Network's Calliope service, Warner Amex Satellite Communications' Nickelodeon channel and The Disney Channel (AA, Jan. 16).

In a strongly worded speech, Cy Schneider, Nickelodeon's vp-general manager, blasted the networks' fare as an "endless parade of animated cats chasing mice . . .superheroes indulging in orgies of muscularity. . .and saccharine stories about ultra-cute elfin creatures" (AA, Jan. 16).

Still, ACT has been quick to blast the cable industry as well; for instance, when USA Cable and then Nickelodeon opted to take advertising, again with little or no impact.#

Tv tie-in toys

Top selling toys of 1983 with tv programing tie-ins

G.I.Joe
by Hasbro

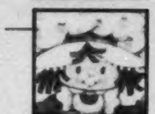
Cabbage Patch Kids
by Coleco

Return of the Jedi
by Kenner

The A Team
by Galoob

Masters of the Universe
by Mattel

Strawberry Shortcake
by Kenner



My Little Pony
by Hasbro

Knight Rider
by CBS/Ideal

Q*Bert
by Parker

Garfield
by Fun Farm

Care Bears
by Kenner

Smurfs
by Wallace Berrie

7/2/84
C2710-1

Advertising Age

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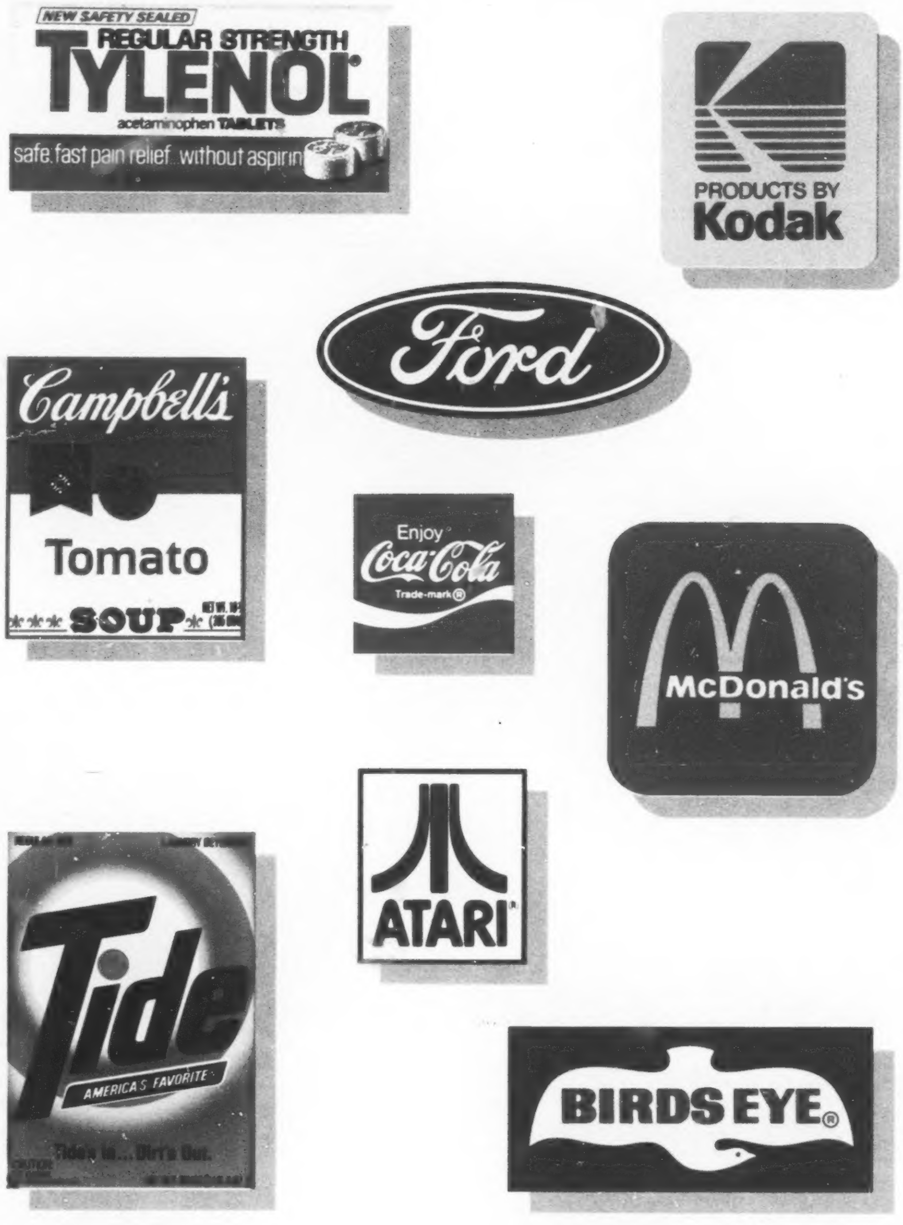
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PRODUCTS BY
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Campbell's
Tomato
SOUP
Enjoy
Coca-Cola
Trade-mark®
McDonald's
ATARI
Tide
AMERICA'S FAVORITE
Tide's in... Dirt's Out.
BIRDS EYE®

Special Report

Newspapers: How their images affect the way we view them

— Page M-9

Forum

Plugging the computer into the ghetto

— Viewpoint section

Editorial staff

Behind the reshaping of the 'Wall Street Journal'

— Page 3

Annual adWatch review

Tops in top-of-mind awareness

Product ads consumers remembered most — Page 3

NEWSPAPER

AA
DC20014CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Stars shine for New York

The new edition of the familiar "I Love New York" ad campaign brings together a group of celebrities that probably never will be seen together under one roof, let alone appear together again in a single commercial. Gregory Peck, Liza Minnelli, Mikhail Baryshnikov, Henry Kissinger, Cher and other celebrities—along with cast members from some of Broadway's hottest shows—are shown in different parts of the city as the campaign, created by Wells, Rich, Greene, expands the familiar "Broadway" theme that has been the centerpiece of the spot. It breaks in February but is seen in only 10 East Coast markets. The advertising is seen elsewhere through co-op efforts with major airlines.

Swift brands shift; FCB out

By JANET NEIMAN

CHICAGO—Esmark's dry grocery group named Dailey & Associates, Los Angeles, for its Peter Pan peanut butter account and Ketchum Advertising, San Francisco, for its Soup Starter and Stew Starter assignments.

All three lines have been at Foote, Cone & Belding since 1980. The agency has no more Esmark business.

The agency appointments for those three Swift & Co. brands are believed to be initial steps in a series of marketing changes that could continue this week, when marketing department management and a new name for the group are expected to be announced.

Swift & Co.'s dry grocery operations, including marketing groups for Peter Pan peanut butter, Soup Starter and Stew Starter, are being consolidated at the Fullerton, Cal., headquarters of Esmark's Hunt-Wesson unit (AA, Dec. 5).

Hunt-Wesson's Reddi Wip instant whipped cream business is moving to Swift's frozen desserts and cheese group, based in Oak Brook, Ill., where the Swift processed meats business also remains.

The small Reddi Wip advertising account, estimated at under $300,000, could be moved to another agency—possibly in the Midwest—as a result of the business' locational change. A spokesman for the dry grocery

(Continued on Page 84)

Super Bowl, spillover give lift to CBS

By JAMES P. FORKAN

NEW YORK—Blockbuster sports dominated network tv last week in the form of CBS' Super Bowl ratings, ABC's scheduling of Winter Olympics events and ABC's acquisition of the 1988 Calgary winter rights. *(See related story, Page 88.)*

CBS hog-tied its rivals with the Super Bowl ratings the way the Raiders did the Redskins on the field. Until Super Sunday, ABC had the 17th week's highest-rated show with "American Music Awards." When that night was over, however, the game, postgame show and "60 Minutes" each had surpassed the award show.

While the one-sided Super Bowl XVIII was outscored by four previous bowl telecasts in ratings (although only two had more tv homes), its prime time spillover lifted CBS to a 19.8 Nielsen rating average for the week, 2.9 points ahead of runner-up ABC.

Averaging a 46 rating/67 share in prime time alone (down from NBC's 49.5 rating/68 share a year ago), the game was expected to rack up a 46.5/68, with an estimated 104 million viewers watching all or part of the coverage.

Confirming that millions tuned out in the third quarter as the Raiders scalped the Redskins, the prime time Nielsens showed the event slipping from a 47.6/70 between 7 p.m. and 7:30 p.m., to a 46/66 from 7:30 p.m. to 8 p.m. and to 43.4/62 from 8 p.m. to its 8:20 p.m. end.

Besides being a $4 million-plus focal point of Chevrolet's 1984 campaign, the opener for Eastern Air Lines' newest campaign and the launching pad for IBM's PCjr computer and Apple's Macintosh computer, Super Bowl XVIII also gave CBS' "Airwolf" midseason

(Continued on Page 88)

UNESCO pullout threatens industry

By DENNIS CHASE

NEW YORK—A key U.S. delegate to the United Nations Educational, Scientific and Cultural Organization warned last week that the proposed pullout of the U.S. from the organization could mean new restrictions on the press and advertising, and new regulation of multinational marketers.

Edmund P. Hennelly, head of the U.S. delegation to the November, 1983, UNESCO general conference in Paris (AA, Oct. 24), said if the U.S. pulls out "you've got to assume the worst."

Speaking to the U.S. Council for International Business here, he said that "in a moment of pique" the Paris-based UNESCO could approve a "New World Information and Communications Order" that publishers worldwide have been opposing strongly.

Nestle infant-formula boycott ends. See Page 86.

NWICO is a concept from underdeveloped countries that imposes government censorship of the press and advertising in those countries. It also would require the licensing of journalists and impose an international code of journalistic ethics.

Mr. Hennelly, who is general manager of public affairs, Mobil Oil Corp., said if the measure passes, western journalists "won't be able to use a telephone" in those countries.

If the U.S. pulls out, which the Reagan administration says it will do unless UNESCO changes structurally and philosophically, then the U.S. business community will have to find ways to stop such damaging UNESCO moves, he said.

He said the most likely remedy for "the U.S. business community getting its views into those forums [is] through the western members [of UNESCO], because I'm assuming we're not going back."#

highlights

Monday, January 30, 1984

Benihana of Tokyo is bringing its restaurant foods to the supermarket. *See Page 6.*

Kraft Inc. is seeking a court injunction to stop former employe Norman E. Ross from working on any Beatrice Foods Co. products that compete with Kraft. *See Page 10.*

Pfizer Laboratories has denied charges that it threatened to withdraw advertising from the *Journal of the American Medical Assn. See Page 12.*

The presidential campaign package has attracted votes of confidence from a number of advertisers. *See Page 26.*

Two top General Motors executives talk about changes that will result from the company's restructuring. *See Page 37.*

Gillette Co. and Scripto slate new roller pens for back-to-school selling period. *See Page 38.*

Norman Raben leaves entrepreneurial Goldhirsh Group to become a magazine entrepreneur. *See Page 64.*

Distilled spirits continued their volume decline in 1983, for the fourth consecutive year. *See Page 68.*

CORPORATE CLOSEUP

Polaroid Corp. is bringing its technological expertise to areas previously ignored by introducing lines of flexible discs and videotape. *See Page 4.*

INTERNATIONAL

The U.K.'s Independent Broadcasting Authority, which examines tv commercials before they go on the air, is refusing to give clearance to a 30-second spot for the elections for the European Parliament. *See Page 52.*

Tv stations in Thailand and advertising agencies next month will consider scrapping their diary-based tv audience measurement system for a meter-based system. *See Page 54.*

One month after the monopoly charges against Canada's Thomson Newspapers and Southam Inc. were dropped, Canadian publishers are claiming a big victory. *See Page 55.*

VIDEOTECH

CBS is confident that it will emerge as the ratings winner at the end of the 1983-84 season. *See Page 56.*

NBC Entertainment president Brandon Tartikoff acknowledges that the network "missed the market" by basing programing decisions too heavily on research. *See Page 56.*

Many major tv syndicators may pull out of the industry's premiere conventions next year because of the scheduling of the events. *See Page 60.*

MAGAZINE

Edward Meyer talks about his rise from Bloomies to the top at Grey Advertising in the latest of Bart Cummings' "Benevolent Dictators" interviews with leading advertising executives. *See Page M-4.*

Newspapers: The press may be viewed more critically today than at any other time in history, but it is doing more to combat its image problem than ever before. *See Page M-9.*

What ever happened to the rules for shooting car commercials, such as never shoot the car through the trees, or never shoot in the rain? *See Page M-52.*

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TOP-SELLING LIQUOR BRANDS 68

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Sharp sets review for $20 million

By ROBERT RAISSMAN

Sharp Electronics, looking to link its two divisions through one central ad campaign, will conduct a review of its $20 million account.

The company's industrial equipment division now is at Rosenfeld, Sirowitz & Lawson, while the consumer electronics division is handled by Isidore Lefkowitz Elgort. Dan Infanti, manager of marketing communications, Sharp consumer electronics, said the incumbents will be included in the review.

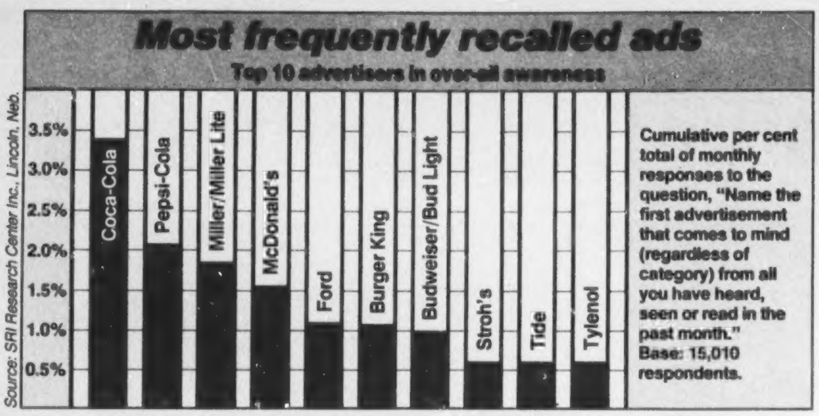
Mr. Infanti said the company was happy with both its current campaigns, but the growth in Sharp's product line has caused them to rethink strategy. "We need more of a corporate advertising thrust," he said. "We've made a lot of progress the past couple of years. But over the next four or five years we want our advertising to be as strong as it can be. That means tying everything together."

Mr. Infanti predicted that over the short term there would not be a dramatic change in advertising for Sharp's products, "but we will do what we must to continue to improve."

He said he expected the selection process to take two to three months.#

Most frequently recalled ads

Top 10 advertisers in over-all awareness



Cumulative per cent total of monthly responses to the question, "Name the first advertisement that comes to mind (regardless of category) from all you have heard, seen or read in the past month." Base: 15,010 respondents.

Source: SRI Research Center Inc., Lincoln, Neb.

Beverages, fast-food tops in ad awareness

By SCOTT HUME

adWatch

Asked to name the first advertisement that came to mind, consumers last year were most likely to name one for a soft drink, fast-food restaurant or beer.

Cumulative responses from last year for adWatch, ADVERTISING AGE's exclusive monthly measurement of consumer advertising awareness, show these three categories have the highest recall levels. Advertising recall is measured by asking a nationally projectable sample of adults to name the first advertisement they recall seeing, hearing or reading in each of 18 product categories during the preceding 30 days.

Relatively few of the 15,000 consumers polled during 1983 had trouble recalling advertising for a soft drink, fast-food restaurant or beer.

Asked to name the first advertisement that came to mind, regardless of product category, consumers most often named Coca-Cola, Pepsi-Cola, Lite beer from Miller, McDonald's, Ford, Burger King, Budweiser or Budweiser Light, Stroh's,

(Continued on Page 77)

Commodore plugs in Anametrics shop

By ROBERT RAISSMAN

The cloudy advertising picture at Commodore International became clear as the company turned to Anametrics Services Inc., a subsidiary of Anametrics Inc., to be its agency of record for the U.S. portion of its account.

The worldwide budget will be in excess of $100 million in 1984, sources report; U.S. spending will be $70 million, with $60 million of that going to tv.

Steven Greenberg, president of Anametrics Services, said ASI was specifically set up to handle Commodore's U.S. advertising needs.

A few Commodore assignments have been made, he said, including the selection of Dick Rich Inc., New York, to handle creative for tv and Clifford Botway Inc. for media buying and placement. Another agency will be picked to handle print ads and other projects.

Sources close to the Wayne, Pa.-based company said Anametrics Inc. has been Commodore's investment and business advisor since 1977. Irving Gould, Commodore's chairman, brought Anametrics into the picture.

The sources said that since 1977, Mr. Greenberg has been "directly involved" with all agency selections made by the company. He was instrumental in selecting Kornhauser & Calene in 1981, and was responsible for bringing Ally & Gargano to Commodore in 1982. The account was taken away from A&G last summer (AA, Aug. 1). Al Paul Lefton Co., Philadelphia, had the account for about three months in 1980, turning it over to Levine, Huntley, Schmidt, Plapler & Beaver (now Levine, Huntley, Schmidt & Beaver) in October, 1980. Levine lost it to K&C in mid-'81.

In 1983, Mr. Greenberg said, Commodore spent $63.6 million in worldwide advertising, up from $23 million in 1982. He declined to give any breakdown of the 1984 budget. A number of agencies split the Commodore business outside the U.S.

He declined to specify why Commodore was taking this new approach, but sources said it was looking for "more flexibility" in advertising. "They can react to the market quicker by dealing with small organizations than a large, full-service agency," commented a source familiar with the situation.

The move to delegate full responsibility to ASI comes on the heels of the resignation of Jack Tramiel, Commodore's chief executive officer. He had been involved in the approval of all ad matters. Myrddin Jones, vp-marketing, also has left, apparently to take a position with Sperry Corp. Jim Dionne, vp-sales and marketing, assumes Mr. Jones' duties.

As for the selection of Rich, Mr. Greenberg pointed to Mr. Rich's success in creating memorable campaigns for Wendy's, Benson & Hedges cigarets and Alka-Seltzer. Mr. Rich was a founder of Wells, Rich, Greene.

"There is no doubt in my mind that this will be his fourth [memorable campaign]," said Mr. Greenberg. He expects a new Commodore tv campaign to break this spring.#

world news roundup

OTTAWA—A Canadian government ad campaign has come under fire from opposition members of Parliament, who say the $8.8 million campaign is thinly disguised propaganda for Prime Minister Pierre Trudeau's Liberal party. Agency is Vickers & Benson, Toronto.

PARIS—Coca-Cola Co.'s Sprite and Philip Morris Inc.'s 7UP are being launched simultaneously in France next month. Sprite's agency is McCann-Erickson, and Leo Burnett Co. handles 7UP. Budgets are about $700,000 each.

NEW YORK—Grey Advertising will launch its own European corporate ad campaign next month, touting the agency's ability to develop a "brand character" for marketers' products. Ads will run in the *Financial Times, Wall Street Journal/Europe* and other business publications abroad and eventually in the U.S.

SEOUL—The South Korean government is considering a 40% tax in the form of custom duties on advertising for soft drinks and cosmetics. The proposal calls for ad spending to be added on to the price of imports when they are declared at customs.

LONDON—Saatchi & Saatchi is merging three of its shops into one with billings of $60 million. Crawfords, London, is merging with Hall

(Continued on Page 55)

Pertschuk blisters FTC on sweepstakes

Kids' ads inaction ripped

By RICHARD L. GORDON

WASHINGTON—Federal Trade Commission member Michael Pertschuk claims the commission's refusal to act against sweepstakes advertising to children is an example of how its new policy toward deception is resulting in less public protection.

His prime example in a memo circulated within FTC last week was the staff's handling of a Quaker Oats commercial for Cap'n Crunch cereal that offered Atari home video systems as prizes for kids who collected "Crunch money."

No action was recommended against Quaker in a staff memo written last year, although Quaker research reviewed by FTC staff lawyers indicated a "majority" of children aged six to 12 misunderstood a key disclosure meant to tell them they could enter the contest without buying the cereal. Among 6-to-8-year-olds, 80% tested thought they had to buy the product to have a chance of winning, the staff memo said.

The case was one of seven children's ad cases which Action for Children's Television brought to FTC, including two on sweepstakes. All were rejected by FTC's staff.

Commissioner Pertschuk's memo is the latest volley in an intramural fight wherein he and commissioner Pat Bailey contend that tougher case-selection standards recently disclosed by FTC's new, more conservative majority are screening out cases which the commission should be accepting.

The rationale for taking no action in the Quaker case, according to a staff memo, was that the Quaker research showed "an appreciable number" of children, more than a third tested, properly understood that no purchase was required to enter the contest. A voiceover disclosure at the close of the spot said, "for bills without purchase, write. . ."

The staff further argued that "potential economic injury" only would occur if parents bought the cereal solely for the contest. That could be avoided because the con-

(Continued on Page 81)

'WSJ' not-so-quietly changing its ways

By STUART EMMRICH

NEW YORK—In a rapidly aging, nondescript building on a cramped street in downtown Manhattan, the editors of the *Wall Street Journal* are doing what many business people consider the unthinkable: Tinkering with success.

For years, the *Wall Street Journal* has represented unparalleled achievement in American journalism. It is the largest-selling paper in the country with 2 million circulation; it earned about $58 million in 1982, approximately two-thirds of the profits generated by parent Dow Jones & Co., and its 64 pages (soon to grow to 68) cannot contain all the advertisers that want to appear in the paper.

But despite that enviable record, the *Journal*—to the surprise of many outsiders—is now in the process of refining and redefining much of what it has traditionally done over the years. The person who is shaking things up at this 101-year-old institution is its new managing editor, Norman Pearlstine.

"Norm got a blank check when he came in and he's cashing it in," says one Dow Jones executive.

Since he took over that post Sept. 1, Mr. Pearlstine has hired approximately 40 new staffers, appointed three new assistant managing editors, reorganized the copy desk, developed a network of industry editors to coordinate coverage of related beats, moved forward plans to open additional bureaus around the country, added new areas of coverage to the paper's beat system, shifted many of the reporters' beat assignments and encouraged the use of larger graphics in the newspaper.

Those changes have not gone without criticism within the *Journal*, as some longtime

(Continued on Page 70)

Part of the new *WSJ* editorial management team: (L. to r.) Chuck Camp, senior editor; Glynn Mapes, page one editor; Stewart Pinkerton, assistant managing editor; Fred Zimmerman, second front editor; Norman Pearlstine, managing editor; Paul Steiger, assistant managing editor, and Nancy Cardwell, national news editor.

Photo by Daniel Kramer

Benihana aims at Le Menu, Cuisine

By NANCY GIGES

NEW YORK—Benihana of Tokyo is aiming to give Campbell Soup's Le Menu and Stouffer's Lean Cuisine a run for their money in the premium frozen entree business.

The restaurant chain is introducing a line of eight Oriental entrees here and in Los Angeles, spending at least $1 million in each market. Tv spots break today.

Surveys suggest company officials have reason to be highly optimistic, according to Gad Romann, chairman of Romann & Tannenholz, the agency for Benihana. Mr. Romann claims that figures on purchase intent and repeat purchases are among the highest he has ever seen.

Three tv spots use the umbrella theme, "We were either going to make them great, or we weren't going to make them at all."

One spot shows eight Oriental chefs concocting the recipes. The second stars Benihana founder Rocky Aoki, noting that previously people had to come to him to eat his food. "Now I'll come to you," he says.

The third spot features comedian James Coco talking about how he likes a variety of Oriental foods but doesn't want to look like a pig in a restaurant. Now he has the option of eating at home.

The items retail for $2.59 and $2.79 and include entrees such as sweet and sour chicken, sirloin pepper steak and oriental vegetables with shrimp.

Mr. Romann said surveys reveal that most Benihana frozen foods business will come from consumers already familiar with high-quality frozen foods such as Campbell's Le Menu and Stouffer's Lean Cuisine.

The entrees are positioned as restaurant classics; the ad exec claimed that the line must deliver the quality consumers expect from the restaurant to protect the franchise the company has in that field. He noted that the premium frozen segment has no line of Oriental foods.

Plans call for expanding the line into two or three other markets by yearend and adding line extensions and new products quickly if the product is successful.#

Ward's sets test of specialty plan

By ROBERT REED

CHICAGO—Montgomery Ward & Co., which for the first time in five years has posted a profit, will continue its turnaround efforts by testing consumer response to Ward's as a specialty retailer, says president Stephen Pistner.

The Mobil Corp. subsidiary is evaluating a merchandising plan that Mr. Pistner calls "the seven worlds of Wards." Those include separate specialty stores set up within Ward's that concentrate on apparel, automotive, home electronics, home furnishings, appliances, recreation and leisure.

"These are specialty businesses [and] are to stand on their own within the confines of the fours walls of Ward's," he says. The plan now is being tested in a few of Ward's 327 units, and if results are favorable it will be integrated into more units.

Wards is just one of the major mass retailers that have recently revamped basic selling tactics through store redesign.

Sears, Roebuck & Co. is bringing on its "store of the future" where it is setting up "boutiques" for soft and hard-line goods within the major body of the Sears stores (AA, May 9). J.C. Penney Co. also has become more departmentalized.

But Ward's approach is "very different," says Mr. Pistner. "It does not compare in word or deed with the 'store of the future' or the 'store within a store' concepts."

To aid in this repositioning test, the company now has the cushion of profitability. For the first time since 1979 the retailer posted 1983 earnings of $40 million, a $133 million improvement over last year's loss of $93 million. Sales for the year reached a new high, surpassing $6 billion for the first time.

Like many retailers, Ward's had a strong fourth quarter because of holiday sales. It tallied sales of $2.08 billion and earnings of $53 million, making it the company's best fourth-quarter performance since 1978.

Mr. Pistner says his company's return to profitability can be attributed to a "progressive turnaround" strategy that has been under way since he came to Ward's in 1981 from Minneapolis-based Dayton-Hudson.

Mr. Pistner says the Ward's rebound results from a series of across-the-board changes, including shifts in merchandising, better quality control, revamping advertising and the rehabbing of some stores and the closing of others.#

corrections & clarifications

- The name of Meshulam Riklis, Pia Zadora's husband, was misspelled in the Magazine story on the promotion of the actress (Jan. 23, P. M-4)
- Rydelle Laboratories is the over-the-counter drug division of S.C. Johnson & Son, Racine. An earlier item misspelled the name (AA, Jan. 23, P. 8).
- Gary Ennis, an art director at Marschalk Co., works on Stroh's "Alex the dog" commercials. His name was misspelled earlier (AA, Jan. 16, P. M-11).
- Myers's Original Rum Cream is marketed by Seagram Distillers Co., a division of Jos. E. Seagram & Sons (AA, Jan. 16, P. 2).
- Tomy Corp. will sponsor "The Get Along Gang" tv special in June, not Kenner in April, as reported earlier (AA, Jan. 23, P. 66). Also, the property is represented by American Greetings and Those Characters From Cleveland. The same story should have listed Ed Libov Associates, New York, as the "Herself the Elf" syndicator.
- *California Farmer* incorrectly reported its year-to-date ad linage figure for 1982. It should be 809.6 (AA, Jan. 16, P. 50).
- *Elks* was reported as having a combined December/January issue, although its figures were omitted in error. The figures reflecting the combined issue should have been 34.9 for this January and 35.4 for January, 1983 (AA, Jan. 23, P. 67).#

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*Source: 1983 Scarborough National Newspaper Audience Study.

Socialists to auction newspapers

By HARRY DEBELIUS

MADRID—The Socialist government of Spain next month will begin selling off 21 of 22 newspapers which supported and were propped up by the fascist government of the late General Franco.

Seven state-owned newspapers will be sold at auction here on Feb. 21 and 22, and 14 others will be put up for sale between now and the end of May.

The chain of newspapers belonged to the National Movement, the only political organization tolerated under the late dictator.

Nonetheless, there is hardly a stampede among publishers to purchase the newspapers.

Most of the papers lose money and embarrass the authorities because of their history as propaganda devices. Six of the National Movement newspapers closed down early last year because they lost money, and the rest are not in much better shape.

Only one of the newspapers is destined to survive beyond next May. That one is a Madrid evening paper, *Pueblo*, which—according to the government—is in a special category since it belonged to Franco's state-run labor unions.

***El Pais*, Spain's largest newspaper, dwarfs the newspapers that the government is planning to sell.**

As a rule, the ex-movement papers, now lumped together in a department called Social Communications Media of the State, suffer from dwindling circulation, low advertising revenue, overstaffing and technical obsolescence.

It is expected that a number of them will not find buyers and will be closed down.

The biggest of the bunch, in terms of circulation, is the national sports daily *Marca*, but—as is the case in Spain with most publications dedicated exclusively to sports—advertisers are few.

In 1982, *Marca* lost $509,000, despite its average daily circulation of nearly 100,000.

By contrast, the largest newspaper in Spain, *El Pais*, has a circulation of about 500,000.#

Del Monte, China set deal

SAN FRANCISCO—Del Monte Corp. and the People's Republic of China have reached an agreement in which 10 Del Monte brand canned goods will be sold in Shanghai area tourist shops, hotels and guest houses.

In those locations Del Monte's products will be purchased by U.S. and other tourists, rather than by the average Chinese consumer.

The dollar value of the contract is small, points out Del Monte international president Robert D. Kroll, but the agreement marks another step in the growing relationship between the two countries.

In 1982, Del Monte developed an experimental farm near Shanghai; the company now is deciding if mainland China might be a good base of operations to produce food for export to markets in the Far East.

McCann-Erickson-Jardine (China) Ltd. will develop point-of-purchase material, ads and illuminated Del Monte signs for the Shanghai retail outlets.#

U.K. government pulls plug on latest EEC political ad

By EUGENE BACOT

LONDON—A political storm is breaking in the U.K. over tv commercials for this year's elections to the Parliament of the European Economic Community.

Britain's Independent Broadcasting Authority, which examines commercials before they go on the air, is refusing to give clearance to a 30-second spot for the elections, which are held throughout the 10-nation EEC in June.

That commercial, stressing the achievements of the EEC, includes a multicolored, rainbow EEC logo and carries the slogan (translated into seven EEC-nation languages), "Europe. United in democracy."

Set to break in February, the $6 million campaign urges the EEC's 190 million voting adults to go to the polls to elect the EEC's European Parliament

The series of EEC election commercials was to be screened in mid-January by more than 200 international delegates attending the Pan-European Advertising & Marketing Conference earlier this month.

But Chris Woollams, deputy managing director of McCormick Intermarco-Farner in the U.K., part of the agency group that created the ads, told the conference that legal objections prevented them from being shown.

Mr. Woollams said legal advisers to the IBA claimed the ads infringed on its code, which prohibits any political advertising on commercial tv. There still is a significant groundswell of opposition in the U.K. to that country's membership in the EEC.

An IBA spokeswoman said later that the group had approved a 10-second spot that said the elections were taking place.

But, she said, "After taking legal advice, we are unable to accept a longer commercial."

The EEC campaign is the first time the EEC has tried to run identical commercials in all 10 countries, from Denmark to Greece. Previous commercials for the election have been created on a country-by-country basis.

Sources say that the agency creating the campaign, Publicis Intermarco-Farner, was sensitive to British restrictions on political advertising and tried hard to skirt any suggestion of bias.

One delegate to the Pan-Europe conference said the campaign was bound to offend Britain's Labour party, which is opposed to Britain's EEC membership.

"I suppose they could argue that even voting for the European Parliament is political," he added.

The argument seems bound to grow because, according to one source, the European Parliament considers itself a "supranational" body that takes precedence over national laws.

But if the EEC tried to assert that position, it would create a political furor in the U.K.#

EEC media experts push for new limits on pan-Europe ads

By GARY YERKEY

BRUSSELS—The European Economic Community Commission's staff in charge of media plans to recommend strict controls on tv advertising aired across national borders next month, according to EEC sources (AA, Jan.23).

The controls, if approved by EEC governments, would ban tv advertising on Sundays and public holidays, set limits on the volume of advertising permitted on tv, lay down guidelines for the maximum length of ads, limit advertising to blocks and ban ads for certain harmful products, possibly including cigarets and alcohol.

EEC officials emphasized that the proposals, if approved, would not become law for many months—probably years.

But they admit to being under growing pressure from consumer organizations and some governments to set pan-European standards on tv advertising before the coming cable and satellite boom engulfs this side of the Atlantic.

Earlier this month, the Brussels-based European Bureau of Consumers Unions (BEUC), which represents consumer organizations in the 10 EEC countries, published a 138-page report ("The Impact of Satellite and Cable Television on Advertising"), demanding that the EEC approve new legislation "harmonizing" tv advertising standards throughout the community.

The bureau said that the EEC should:

- Reach agreement on the allowable volume of tv advertising and make general the practice of advertising in blocks.
- Limit the volume of sponsored programs and provide for "clear" distinctions between ads and programs."
- Limit testimonials and comparative ads.
- Forbid the interruption of children's programs with ads.
- Ban ads for tobacco, alcohol and certain pharmaceutical products.

One proposal calls for a statutory European Control Authority to arbitrate disputes.#

Uruguay: Latin America's favorite test market

By MARINA SPECHT

MONTEVIDEO—At first glance, most multinational marketers should have little interest in Uruguay, a distant, tiny country with a small consumer market.

But instead, the Uruguayan market is turning into a bigger attraction for multinational marketers and new-product launches than the country's big Argentine and Brazilian neighbors.

"International marketers like to use Uruguay as a test market for products they are thinking of introducing in other Latin American countries," says Elbio Acuna, president of Ogilvy & Mather affiliate Punto Publicidad.

"In a small market, losses are small, too," he says.

Beatrice Foods Co., one of Punto's main clients, entered Uruguay last year, buying up Pernigotti, a leading chocolate manufacturer.

Last month, the Chicago-based food marketer launched a line of cheese, peanut and chocolate-flavored snacks that were nonexistent in Uruguay and are proving to be a huge success, according to industry sources.

Beatrice's move in Uruguay may be a sign of its increasing interest in the whole Latin America region, where markets such as Argentina and Brazil are untapped.

Uruguay's largest agencies

Agency	1983 billings ($ millions)
Impetu Organizacion Publicitaria	5.5
Corporacion Publicitaria Ltda. (Lintas affiliate)	3.0
Punto Publicidad (Ogilvy & Mather affiliate)	1.5
Grey Publicidad	1.2
Publicidad Oriental	NA

Source: ADVERTISING AGE *estimates*

"American Express and General Foods are two marketers planning to enter Uruguay this year," according to Mr. Acuna.

GF is expected to introduce Tang powdered drink mixes first, while American Express will operate through a local bank. Punto Publicidad—with 1983 billings of $1.5 million—is hoping to service both.

Further examples of adventurous test-marketing are Eastman Kodak's launch of its disc camera and film early last year via J. Walter Thompson Co. (a project that was called off in Argentina) and Ciba-Geigy Uruguayana's introduction of Zobel analgesic in 1982, with a $250,000 ad campaign via Grey Publicidad.

"Johnson & Johnson del Uruguay is expected to fight back with Tylenol this year," says Francisco Vernazza Munoz, president of Grey Uruguay.

J&J is one of the few lucky survivors of the big economic collapse of 1982, and, since it replaced imported feminine hygiene products with cheaper, locally produced brands, it has achieved a 65%-plus market share in that category.

The Uruguayan market is not an unmixed blessing, however. Although Uruguay is one of the few Latin American countries without import restrictions and a free currency exchange market—which earned it the nickname of "Latin American Switzerland" in business circles—a drastic currency devaluation in November, 1982, made imports expensive overnight.

At that time, the value of the peso dropped to 47 pesos to the dollar from 13 pesos. (It now is around 43.)

In 1983, total ad spending in Uruguay was down 60% from the record $113 million in 1981, while less than half of the 87 agencies that existed two years ago are still operating and real (adjusted for inflation) wages declined 30%.

Also, Uruguay's traditional No. 1 advertiser, Coca-Cola Co., made drastic cutbacks in ad spending last year, according to sources.

Half of Uruguay's top 10 agencies, however, have increased billings by 10% to 20% or are maintaining previous levels in local currency terms, mainly thanks to new accounts or additional assignments from multinational advertisers.

The biggest, Impetu Organizacion Publicitaria, with 1983 billings of $5.5 million, gained its lead over Lintas' affiliate, Corporacion Publicitaria, by buying Ferrero & Ricagna, a medium-size agency, in December, 1982.

Most Uruguayan ad executives this year are predicting an end to economic uncertainty.

The upcoming November elections are expected to end the decade-old Uruguayan military government.

Faced with growing opposition, it has come under pressure to return the country to civilian rule, following neighboring Argentina's return to democracy late last year.#

Liquor sales kept staggering through '83

By JOHN C. MAXWELL JR.

Distilled spirits continued their volume decline in 1983, for the fourth consecutive year.

We are estimating this year's slide around 1.6%, compared with the 3.2% decline of 1982. However, if sales—particularly on-premise—continue as strong as they have been recently, we suspect that we may be a bit too pessimistic and that actual shipments may be down less than 1.6%.

The only areas that exhibited 1983 increases were liqueurs/cordials, U.S.-bottled Canadian, rum and some specialty items. Domestic whisky showed a decline of 5.3%, while imported whisky was down 1.3%, resulting in a drop of 3.2% for all whisky areas combined. The total nonwhisky area showed a slight drop of 0.2%, buoyed by increases in rum, brandy and tequila.

If the economy continues at its current pace, we expect domestic sales eventually to flatten. Our current 1984 outlook is for a continued over-all decline in domestic liquor sales, particularly in the brown package goods group, although at a lesser rate than in 1983.

Key influences that had an adverse impact on 1983 sales were:

- Higher excise taxes at the state level (at least 16 states have approved tax increases on liquor).
- Laws that raised the drinking age in several states.
- The lag factor of the economic recovery's effect on the liquor industry, which has prevented this area from turning around as quickly as many other sectors.

Four factors that we believe will be of concern to the industry in the near future are:

- The possibility of more tax increases. A federal tax increase on liquor cannot be ruled out. At least five more states have proposed tax increases for 1984.
- Continued lobbying by various consumer groups in Washington to raise the drinking age to 21 on a national basis, and other activities by groups such as MADD (Mothers Against Drunk Driving).
- Labeling and advertising restriction.
- Increasing health consciousness and concern by consumers about what they put into their bodies, as well as how much.

To reiterate, we believe that the "health decade of the '80s" is seeing more and more people switching, if not entirely out of alcohol, then to lighter drinks such as white liquors mixed with fruit juices.

On the other side of the coin, as American tastes begin to emulate those of Europeans, we expect further increases in the brandy/cognac and cordial/liqueur categories. This may be evidenced by the continuing introductions of new products as well as the increasing ad dollars being spent on these areas, while over-all advertising expenditures by the liquor industry are declining.

Lightness in both taste and proof is what the consumer is moving toward. Based on this, we believe table and sparkling wines should also show upward movement in 1984.

On the list of top-performing brands in 1983, Bacardi maintained its No. 1 position even though its total sales were down about 1.6%. One of the reasons for the decline was that Bacardi could not match the extraordinary performance of October, 1982, in which there was stockpiling in anticipation of a price increase in November.

Smirnoff and 7 Crown retained their No. 2 and No. 3 positions, respectively. Jim Beam moved from No. 6 to No. 4, while Canadian Mist moved into fifth place ahead of Jack Daniel's and V.O. Brands with good gains were Canadian Mist, up 5.5%; Beefeater, up 5%; Ancient Age, up 5%, and Tanqueray, up 7%. Jose Cuervo passed the 1 million case mark for the first time, showing growth of 15%, which was the best growth of the more than 1 million case grouping.

As we indicated above, state and federal governments may pose the biggest hurdles for the liquor industry. The impact of doubling taxation at the federal level (which happened to cigarets) could hurt sales by some estimates by as much as 20% to 40% if enacted.

We expect tighter enforcement of existing drunken driving laws as well as implementation of additional programs to combat alcohol abuse. It is interesting to note that Alcoholics Anonymous is realizing its highest enrollment levels ever.

As far as labeling is concerned, the Federal Trade Commission has been urged to tighten liquor ad restrictions and to consider banning advertisements targeted at youths and heavy drinkers.

The New York City Council recently passed a bill requiring all New York liquor stores, bars and restaurants to post a warning sign to read as follows: "Warning: Drinking alcoholic beverages during pregnancy can cause birth defects."

Licensees have three months to comply with the law. Noncompliance will result in a fine of up to $100.

For the reasons outlined, the outlook for this industry appears uncertain. At best, we believe growth will be relatively flat for the near future.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb Research.

Top-selling liquor brands

Brands selling more than one million cases

Rank				Nine-liter cases (000)		
'82	'83	Brand	Company	1982	1983	Change
1	1	Bacardi	Bacardi	8,461	8,327	−1.6%
2	2	Smirnoff	Heublein (RJR)	7,267	7,262	—
3	3	7 Crown	Seagram	5,900	5,500	−6.8%
6	4	Jim Beam	James Beam (AB)	3,840	3,940	+2.6%
7	5	Canadian Mist	Brown-Forman	3,673	3,876	+5.5%
4	6	Jack Daniel's	Brown-Forman	3,894	3,725	−4.3%
5	7	V.O.	Seagram	3,865	3,550	−8.2%
8	8	Windsor Supreme	National	3,515	3,515	—
9	9	Canadian Club	Walker (GWL)	3,440	3,371	−2.0%
10	10	Seagram's Gin	Seagram	3,184	3,200	+0.5%
11	11	Popov	Heublein (RJR)	3,077	3,163	+2.8%
13	12	Gilbey's Gin	National	2,598	2,598	—
12	13	Gordon's Gin	Gordon/Renfield	2,836	2,585	−8.9%
15	14	Kamchatka	National	2,322	2,350	+1.2%
14	15	J&B Rare	Paddington (GM)	2,450	2,271	−7.3%
16	16	Dewar's	Schenley (RA)	2,300	2,230	−3.0%
17	17	Gordon's Vodka	Gordon/Renfield	2,073	2,100	+1.3%
18	18	Black Velvet	Heublein (RJR)	1,979	2,000	+1.1%
20	19	Gilbey's Vodka	National	1,928	1,889	−2.0%
19	20	Early Times	Brown-Forman	1,951	1,868	−4.3%
21	21	Beefeater	Kobrand	1,768	1,856	+5.0%
24	22	Kahlua	Walker (GWL)	1,600	1,630	+1.9%
22	23	Christian Brothers	Fromm & Sichel	1,725	1,620	−6.1%
25	24	Ancient Age	Ancient Age	1,531	1,607	+5.0%
23	25	Cutty Sark	Buckingham	1,618	1,562	−3.5%
26	26	Johnnie Walker Red	Somerset (E)	1,506	1,490	−1.1%
28	27	Ten High	Walker (GWL)	1,472	1,479	+0.5%
27	28	Kessler	Calvert (S)	1,501	1,380	−8.1%
29	29	Old Crow	National	1,391	1,340	−3.7%
30	30	Calvert Extra	Calvert (S)	1,300	1,260	−3.1%
32	31	Old Grand-Dad	National	1,250	1,213	−3.0%
31	32	Southern Comfort	Brown-Forman	1,289	1,204	−6.6%
34	33	Tanqueray	Somerset (E)	1,110	1,188	+7.0%
35	34	Crown Royal	Seagram	1,100	1,150	+4.5%
33	35	Wolfschmidt	Seagram	1,135	1,140	+0.4%
36	36	Jose Cuervo	Heublein (RJR)	874	1,005	+15.0%

Key to parent corporations: (AB) - American Brands, (E) - Esmark, (G) - Glenmore, (GM) - Grand Metropolitan, (GWL) - Gooderham & Worts, (RA) - Rapid-American, (RJR) - R.J.Reynolds, and (S) - Seagram.

Source: Lehman Brothers Kuhn Loeb Research

New product lack squeezes Ronco

By JAY McCORMICK
Crain News Service

The Ronco Inc. subsidiary of Elk Grove Village, Ill.-based Ronco Teleproducts is collapsing under a severe cash squeeze that began more than a year ago.

Three creditors last week took steps to force the company into involuntary Chapter 7 bankruptcy. The company has until Feb. 6 to respond.

A specialty retailer of such items as the Rat Away rodent repeller and the Smokeless Ashtray, Ronco's financial trouble fed on itself.

The company slipped deeper into trouble as symptoms of indebtedness appeared. The less money Ronco could spend on advertising, the fewer products it could sell.

Ronco failed to come up with enough popular new products in time to replace fading sales of former best sellers.

Ronco officials declined to elaborate on the bankruptcy petition, but Ronco reportedly owes $2.2 million to the suppliers involved in the lawsuit, and about $8 million to First National Bank of Chicago and Wells Fargo Bank. Moreover, piecing together financial figures from public sources, it's clear the money squeeze dates back to the 1982 Christmas season.

Retail sales at that time were weak, and for Ronco, which generates 80% of its revenues during the holidays, the weak sales cut deeply into the bottom line.

Ronco reported a loss of $1.8 million in the June 30 fiscal year as sales dropped 31% to $26.6 million.

The shortage of cash snowballed, hampering Ronco's chances of picking up the slack with a strong 1983 Christmas sales period.

For example, Ronco last paid El-mar Plastics, maker of Ronco's CleanAire Machine and food dehydrator—and one of the creditors that put Ronco in bankruptcy court—in September. Bills from advertising media began to go by the wayside soon afterwards.

In October, Ronco hired Los Angeles-based Admarketing Inc. to place commercials in New York and various West Coast markets Says Jack Roth, president of Admarketing, "They didn't pay the bills. Fortunately the orders we placed were only in the $600,000 range, and we were able to cut off [a number of spots bought] before going to that level. They owe us more than $270,000."

Ronco's advertising—generated in-house—"was down about 50% in the fourth quarter," says Bob Hoffman, local sales manager for WGN-TV. "They advertised 21 products during the fourth quarter in 1982 and only three products in 1983."

Without a hot product, Ronco's sales fell sharply even before it got a chance to cut ad spending.

One marketing executive who worked with Ronco said, "All of the things Ronco has been marketing are products whose time has passed."

Ronco chairman Ronald Popeil is the son of Samuel J. Popeil, who was chairman of Popeil Bros., marketer of the Veg-A-Matic and other gadgets.

Popeil Bros. sold out to a Florida turnaround specialist in 1979 after several years of declining sales and net losses.

Ronco is preparing to reply to involuntary bankruptcy proceedings started by Altra, El-mar and New York-based I.V. Hill Corp., a package marketer.#

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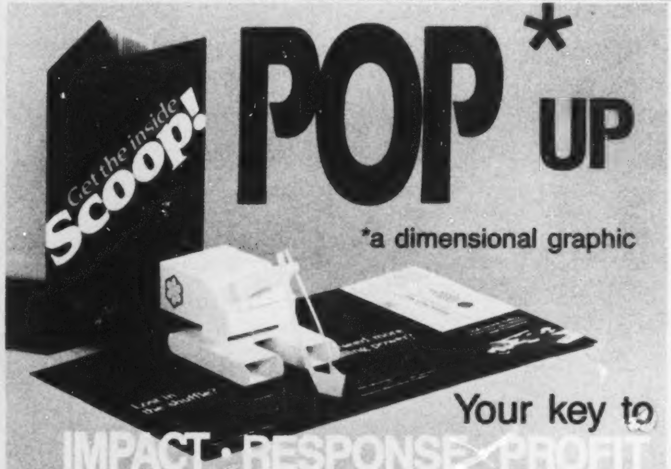

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Polaroid

(Continued from Page 4)

emergence of fast-processing photo labs, the easy-to-use 35mm newcomers and competition from other leisure-time distractions, including vcrs and home computers.

Indeed, according to Smith Barney analyst Peter Enderlin, over the last five years the entire instant photography business has dropped from a worldwide 1978 peak of 14.3 million cameras sold, 9.4 million of which were Polaroid. He estimates that during 1983 Polaroid shipped 4.1 million units worldwide, with the total market reaching 5.6 million.

Upturn expected

Mr. Enderlin and others predict an upturn, particularly for Polaroid, whose share versus Kodak has reached 75% and is gaining. Nonetheless—and of this Polaroid is most aware—the company *must* find innovative ways to communicate the intrinsic benefits of instant photography.

"The competition for instant cameras is not just other instants," explained Polaroid's Mr. McLaughlin. "We have to make instant photography seem as new and exciting as the day we introduced it. We have to restate ourselves to the consumer."

In the past, Polaroid has done so through award-winning advertising—ranging from the '60s "Meet the Swinger" to the much praised advertising featuring the sometimes sarcastic, sometimes affectionate and often droll banter between actors James Garner and Mariette Hartley.

That effort ran for six years and was so popular that Mariette Hartley was known to sport t-shirts declaring, "I am not James Garner's wife!"

Too much of a good thing can—and did—result, as Polaroid last month retired the Doyle Dane Bernbach-created classic. However, recent negotiations allow for six-month reruns of 1983-produced ads featuring Ms. Hartley.

Decisions postponed

Polaroid is not clear as to what will follow. According to Mr. Johnson, the company is reviewing several tacks, none of which will be decided upon until the warm-weather selling season nears.

One thing is certain: The campaign chosen will be the one most likely to achieve high recall test scores. Over the past several years, Polaroid has augmented the importance of market research and high test scores in evaluating advertising's merit and effectiveness.

The company has increased its marketing research staff in addition to its use of outside consultants in that area.

"Polaroid is now in a conventional package goods testing mode," explained one source close to the company. "Consequently, package goods testing techniques are being considered with great gravity."

Simultaneously, sources say, the company has leaned toward committee—rather than individual and often instinctual—advertising decisions, to the point where insiders joke that the only room now large enough to hold marketing meetings is the boardroom.

Marketing execs leave

There is a reason for this. Since the early '80s, Polaroid has lost a cadre of long-standing marketing executives—many of whom helped create the advertising that put Polaroid on the map. They left for a variety of reasons—ranging from frustration with instant's maturity, to the company's lucrative 1981 voluntary severance program, to the lure of headhunters.

In 1982 alone, the following top marketing executives turned in their Polaroid passes: Richard Young, who until he took early retirement as vp-worldwide marketing was considered a shoo-in to succeed William McCune as Polaroid's president. Mr. Young's successor was Theodore Voss, who left the company in '82 to join Atari where he eventually hired Peter Wensberg, a veteran Polaroid marketing executive. Both men since have left Atari.

"It's very simple to describe," said a source. "As people left, they were not replaced one-on-one. Consequently, there was a steady progression from a few highly authorized people making marketing judgments to a widening of authority."

The upshot? Infinitely longer review processes and a growing dependence upon research—a bane to ad agency DDB, which has undergone frustrating months of trial and error; most notably, no 1983 campaigns achieved satisfactory recall testing, something that might not have mattered so much in the old days (AA, Dec. 12).

"The importance of research, the amount of time involved, the number of people making suggestions, all of these things have compounded to make the advertising job much more difficult," agreed another source. "It's not distinctly a Polaroid problem," he added. "It's just that it came at a time when their business became so precarious that they needed more than ever to have strong central management."

This decision-making vacuum may have been remedied by Mr. Johnson's assumption of the new title, vp-worldwide advertising. "We needed one individual to look out for *all* the advertising, and that's where Carl comes in," Mr. McLaughlin agreed.

One of his earliest tasks at Polaroid was to choose an agency for the consumer introduction of the videotape line. At the time of the selection of Ogilvy & Mather in December, Polaroid management attributed the choice to the need for DDB to concentrate on the troubled instant camera and film business.

While sources have confirmed that Polaroid is being careful not to dilute DDB's talent and manpower with incremental business, they note that the selection resulted, to no small degree, from the known Ogilvy & Mather ability to conceive and implement creative ideas that are guided by certain objective parameters of market research.

Polaroid watchers point to this as an indication of the prevailing thinking in the company's Cambridge, Mass., headquarters that is not expected to change anytime soon.

Reaction mixed

Analysts are mixed in their sentiments: While applauding the company's marketing orientation and open-mindedness to acquisitions and partnerships—not to mention the superior quality of its instant system—some analysts worry that all the flash, fun and cutting edge innovation will leave Polaroid; that its creativity will flounder.

"The company is much more risk-averse than it used to be," said Morgan Stanley's Brenda Landry. "Polaroid is still a very creative company in the research and development sense, but in the marketing sense I think they've lost something, which is not to say they can't get it back."#

Dolls show dilly of a recall

Remember Cabbage Patch Dolls? Consumers last month certainly recalled advertising for them.

The 10 advertisements most frequently recalled (regardless of category) in December included two surprise, first-time entrants. Cabbage Patch Doll advertising ranked sixth, ahead of such familiar names as Burger King and Budweiser and tied with McDonald's.

Want ads/classified advertising ranked fifth, behind Coke, Miller, Pepsi and Stroh's. Consumers probably were looking through their newspapers hoping to find someone willing to part with a Cabbage Patch Doll.

There were additional significant changes in last month's survey results:

- Pepsi-Cola, which in November had almost pulled even with Coca-Cola, slipped back. Pepsi's share of first mentions in the **soft-drinks** category dipped 3.2 percentage points to 22.8%. Coke remained No. 1 with 29.4%.
- Tylenol continued to lose awareness in the **medicine & drugs** category. After dropping 4.5 points in November, the category leader lost another 5.2 points. Still its 27.2% share of first mentions in December was far ahead of No. 2 Anacin (7.4%) and No. 3 Bayer (4.6%).
- Another constant leader showing slippage was Tide. Awareness of its advertising dipped 4.8 points in December. But it still dominates its category, **laundry products**. No. 2 Cheer (5.3%) and No. 3 All (3.6%) also declined slightly.
- Del Monte dropped 3.1 points in the **canned foods** category, a group that had not seen a significant change since June, when Del Monte registered a like decline. Its 8.8% share of responses in December kept it second to Campbell's (15.6%).#

Tops in '83 ad awareness

(Continued from Page 3)

Tide and Tylenol.

Significantly, over-all advertising awareness rose during 1983. In 16 of the 18 product categories that are surveyed, the percentage of total responses represented by the top five advertisers was greater in December than it had been in January.

In part, this may reflect the increased attention paid to advertising for some products as Christmas approached. But in categories such as fast-food and beer, this rise no doubt reflects the sharper, often comparative, commercial strategies being used.

Nine of the 18 product categories last year had dominant advertisers that were the most frequently recalled in each of the 12 monthly surveys. Advertising for two of the nine was particularly well remembered.

McDonald's advertising had the greatest top-of-mind awareness of any product last year. On average, 43.3% of respondents named Big Mac when asked to recall advertising for a fast-food restaurant, more than double the average for runner-up Burger King (18.5%).

But even McDonald's doesn't dominate its product category as does Tylenol in the medicine and drugs group. Tylenol's advertising averaged 33.7% of first responses for the year, while its closest challenger, Anacin, could muster only 6.8%.

The other advertisers that led their categories wire to wire in 1983 were Atari (home electronics), Birds Eye (frozen foods), Campbell's (canned foods), Ford (cars and trucks), Kodak (cameras and equipment) and Tide (laundry products).

The most unpredictable category was cosmetics and fragrances. Over the year, the leadership position for recall changed hands seven times. Avon, Maybelline, Estee Lauder and Charlie were all No. 1 in the category at least once in 1983.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Each month 1,250 consumers are surveyed by phone and asked to name the first advertisement that comes to mind (over-all and in 18 product categories) from all seen, heard or read in the previous 30 days.#

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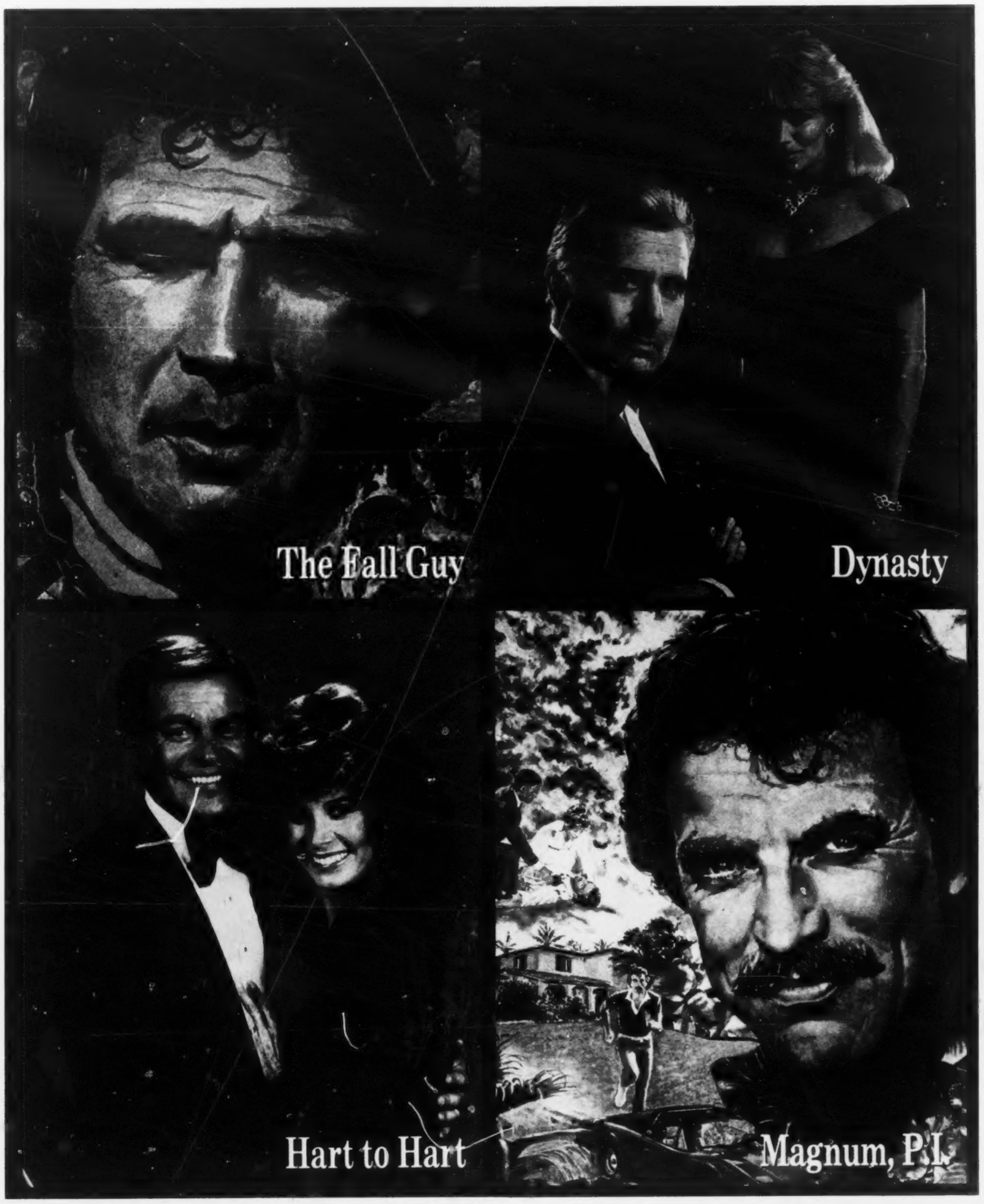

Profits increase

'Money' magazine's late-blooming success story keeps unfolding

— Page M-4

Corporate CloseUp

L'Oreal's U.S. licensee takes a giant step in cosmetics

— Page 4

Forum

Lewis H. Lapham on solving the information glut

— Viewpoint section

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- FTC poised to attack food ad claims — Page 3.
- Jackson may sue; Pepsi spots still on — Page 6.
- Tire marketers on a roll to upgrade — Page 54.

Marketers go for gold at Winter Olympics

Winter Olympics network ad spending
Feb. 7 to Feb. 19

More than $15 million
AT&T

$15 million
Chevrolet

$10 million
Beatrice
K mart

$3 million - $5 million
Aetna
Allstate Insurance
American Express
American Cyanamid
Anheuser-Busch
Atari
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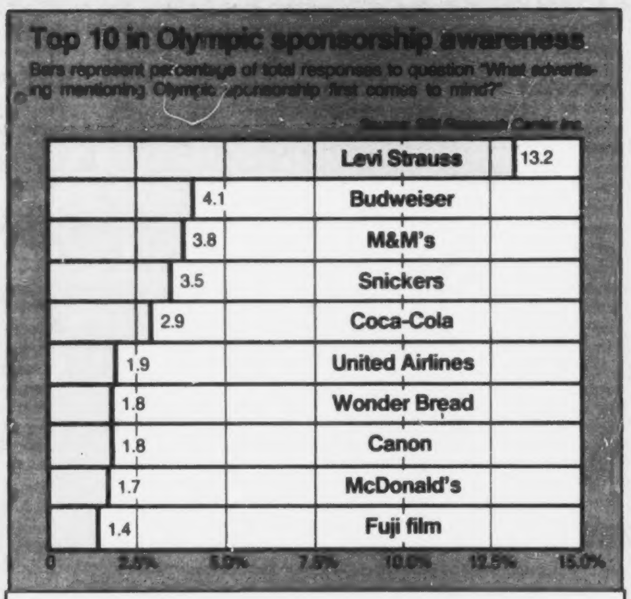
Top 10 in Olympic sponsorship awareness
Bars represent percentage of total responses to question "What advertising mentioning Olympic sponsorship first comes to mind?"
Source: SRI Research Center Inc.

Marketers' tie-ins paying off already

By SCOTT HUME

Critics may deride this year's Olympics as the "corporate games," but consumer reaction to advertiser sponsorships and tie-ins is decidedly friendly.

According to an exclusive survey conducted for Advertising Age, the payback on businesses' corporate investments in the Olympics began before the Olympic torch entered the arena and before some sponsoring companies have begun running advertising capitalizing on the relationship.

For example, a third of the 1,253 adults polled by phone during December said they would be inclined to buy a specific brand or product simply because its marketer is an Olympics sponsor or supplier.

The strength of that support holds fairly steady across all demographic divisions, with slightly more female respondents (36%)

(Continued on Page 60)

ALLSTATE
ShapeUp&Sav
SAVE UP TO 35%

Allstate's campaign tells America to shape up and save on insurance costs.

Allstate jumps at fitness

By TERESA H. BARKER

Northbrook, Ill.—Allstate Insurance Co. hopes to tap the aura of good feelings surrounding the 1984 Olympic Games with a new advertising campaign that tells America to "shape up and save" on Allstate insurance premiums.

The campaign, budgeted at nearly $30 million for the year, salutes athletes "going for the gold" at the Olympics.

Commercials urge everyone else to "go for the green" and save money on Allstate insurance by improving their physical fitness and home security, as well as by maintaining good driving records.

Allstate already offers discounts and preferred rates on home and auto insurance, and now will expand the discount up to 35% on term life insurance and bring all three insurance products under a common positioning theme.

"We're telling the people to do some things that are good for themselves and we're offering, in a way, a reward if they do," said John Flieder, assis-

(Continued on Page 60)

NH&S returns to Hollywood, eyes Embassy

By BOB MARICH

Hollywood—Needham, Harper & Steers has created an entertainment division here, and it is poised to take on Embassy Pictures as a client.

The new unit, called NH&S/Entertainment, will operate in Los Angeles and New York. Former Embassy and Universal Pictures marketing executive Neal Lemlein has been named vp-management director.

Embassy exec vp-marketing David Weitzner was unavailable for comment, but sources strongly suggest that the Norman Lear studio, which has been looking for an agency, will be the new unit's first client, given Mr. Lemlein's long ties with Mr. Weitzner.

Embassy is expected to announce its selection this week.

Mr. Lemlein was at Doyle Dane Bernbach when that agency handled 20th Century-Fox Pictures during Mr. Weitzner's tenure as a marketing head there. Mr. Weitzner subsequently moved to Universal, bringing Mr. Lemlein to that studio with him.

Most recently, Mr. Lemlein was vp-management director at Foote, Cone & Belding's entertainment unit, which resigned Embassy late last year. FCB quit the estimated $5 million Embassy account to jump to Orion Pictures, whose spending is estimated to be around $35 million.

NH&S/USA exec vp (and corporate director-media and programing) Richard C. Anderson also is involved in the management of NH&S/Entertainment. His background includes a stint at Kenyon

(Continued on Page 58)

Coke pays big price for 'Dr. J' house call

By ROBERT RAISSMAN

Coca-Cola USA has signed Philadelphia 76ers forward Julius (Doctor J) Erving to one of the largest product endorsement contracts ever given an athlete for activities outside the sporting arena.

A spokesman for Coca-Cola USA declined to confirm or deny the deal, but sources close to Mr. Erving and his agent, Irwin Wiener, said "the Doctor" will receive $2.5 million in return for his services in both commercials and personal appearances through 1988.

Seven-Up Co. used athletes extensively for a number of years, with such endorsers as Sugar Ray Leonard, Jim Plunkett, Earvin (Magic) Johnson and Wayne Gretzky.

Sources said that most of the athletes who have done 7UP spots received from $12,000 to $25,000 per year. Sugar Ray Leonard, sources said, received between $50,000 and $75,000 per year for his 7UP work. Mr. Erving's $500,000

(Continued on Page 58)

last minute news

Miller doles out 'exploratory' work on High Life

Milwaukee—Miller Brewing Co., a unit of Philip Morris Inc., has given "exploratory creative assignments" on its more than $50 million Miller High Life beer account now at Backer & Spielvogel to a number of agencies it declined to identify. However, sources indicated that Leo Burnett USA, agency for Miller Special Reserve, and Doyle Dane Bernbach, a PMI cigaret agency presently without a beer brand on its roster, plus Ogilvy & Mather, New York, are involved. O&M's San Francisco office handles Blitz-Weinhard, a Pabst subsidiary. In addition, O&M Partners recently gained Guinness-Harp Corp.'s Harp, Guinness and Bass brews.

RJR stockpiles support for Sterling rollout

Winston-Salem, N.C.—R.J. Reynolds Tobacco Co. has budgeted heavily for the imminent national rollout of Sterling Special Blend luxury cigarets in a black box. Sterling has been testing in Florida (AA, Nov. 14); Ted Bates Advertising/New York, handles.

Disney moves $10 million to Della Femina

Burbank, Cal.—Walt Disney Productions has assigned its motion picture advertising account to Della Femina, Travisano & Partners, New York

(Continued on Page 8)

O'Grady
O'Gradys
AU GRATIN
THE MORE POTATO POTATO CHIP.

Frito lays it on thick for chips

By TOM BAYER

DALLAS—Frito-Lay will break a $25 million ad campaign on the network tv premiere of the movie "Arthur" tonight, launching O'Gradys brand extra-thick potato chips nationally after a one-year test in Omaha (AA, Jan. 30).

Hailed by the PepsiCo subsidiary as the largest new-product launch in its history, the effort will include on-air presence for 40 weeks this year as well as heavy couponing.

Three 30-second spots, created by Foote, Cone & Belding, New York, are intended to present a "heartland, hearty, wholesome, middle-America, hard-working image" with a theme that describes O'Gradys as the "more potato, potato chip." It comes in au gratin and regular flavors.

Flavor and crispness are the main selling points for O'Gradys, which Frito vp-marketing Leo Kiely said lends itself to line extensions for any other flavor that consumers might associate with potatoes.

While O'Gradys will be compared to Frito-Lay's Ruffles potato chips—the leading chip on the market today according to the company—it is said to be more

(Continued on Page 62)

ATW picks up Wella account

By PAT SLOAN

Following an agency search that lasted for more than a year, Wella Corp. has chosen Advertising to Women, the agency that built its haircare reputation on Gillette Co.'s Silkience account.

The Englewood, N.J., marketer of Wella Balsam shampoo and conditioner claims to be the third-largest haircare company in the world with sales of over $700 million, but sales of its products in the U.S. have been under severe pressure from competition.

Peter Haberstock, Wella chairman, said: "We are joining forces with Advertising to Women because we have seen what they can do: They are the proven experts on women, and proven experts on the hair cosmetics market."

ATW estimates previous Wella billings in the U.S. to be between $6 million and $10 million, and says future billings and marketing plans have yet to be decided. Last year it was reported that spending on the Wella account had dropped from $6 million to $4 million.

Wella had been at Creamer Inc. but only briefly, after that agency acquired the former James Neal Harvey Inc.

ATW's gain of Wella comes on the heels of its loss of $20 million in Gillette billings last December (AA, Dec. 12). At that time, the Boston-based personal care marketer announced its decision to pull out "following a review of the tax proceedings in which Advertising to Women's former chairman [John Ernst] was involved in a fed-

(Continued on Page 62)

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Business Day Why We're Faster, Slower and More Interesting.

LIVING

The Sheer Satisfaction of Understanding World Events Instead of Merely Knowing About Them.

The Sunday Edition.

SCIENCE TIMES THE MYSTERY OF THE UNIVERSE WITHOUT THE MYSTIFICATION

The New York Times

Much more of the world, much sooner.

A fun read

"Much more of the world" is the slogan the *New York Times* is using for a circulation promotion test of its national edition. It is the first work from new agency Bozell & Jacobs. The slogan is separate from the "These times demand the *Times*" theme used for the paper's regular edition. (*See story, Page 10.*)

New entrants crowd tv syndication

By DIANE MERMIGAS

If there is one clear note that emerges from the dissonance of issues facing the National Assn. of Television Program Executives international convention this week in San Francisco, it is that the syndicated-tv industry is in the throes of change.

While broadcasters and program suppliers hold their breath to see which way the wind from Washington blows on controversial issues such as changes in the financial interest and syndication rules, they are faced with a myriad of new developments that, throughout the 1980s, promise to reshape the way they do business.

For example, increased numbers of individual stations and major station groups are banding together to produce and exchange their own programing to sidestep what they believe has become overpriced and homogenous first-run and off-network syndicated fare.

No one is certain to what extent such activity will erode an already fluctuating syndication marketplace.

"Co-ops are being formed out of economic necessity," says Phil Corvo, NATPE executive director. "I think they are the way of the future. They represent the most efficient use of talent and resources."

Many major studios, production companies and broadcast groups also are joining forces to produce the kind of original programing they say fills the voids in the syndication arena.

Last year witnessed such new-business marriages as Metromedia and TelePictures, and another effort headed by Gaylord Broadcasting Co., Taft Broadcasting Co., Tribune Broadcasting Co. and Chris-Craft Industries.

British, Canadian, Australian and South American producers also are rushing to fill the program voids in the U.S. marketplace, as witnessed by the increase in foreign exhibitors this year.

Even domestic cable operators are beginning to view the dearth of diversified syndicated programing as a new revenue-generating opportunity. Viacom, for instance, this year is offering the first off-cable series, "Bizarre," which is 100 half hours of satire and comedy (AA, Jan. 30).

Home Box Office and Showtime are among the large cable outfits that have begun peddling their made-for-cable movies for commercial syndication.

"There is a general feeling this year that there is a shortage of good programing available and that the three notable categories represent too little creativity and too high a price," says Stan Marinoff, NATPE president and general manager of WISN-TV, Milwaukee. "It used to be that 10% cost increases were not out of line, but now they are 20% or more."

Game shows are enjoying a healthy renaissance due primarily to the huge ratings success of "Wheel of Fortune" (AA, Jan. 9). Music video is another new principal program category that takes its cue from the recording industry.

The third major group of new

(Continued on Page 64)

highlights

Monday, February 6, 1984

Southland Corp. is rolling its Epic house-brand cigaret into markets across the country. *See Page 6.*

The mood was upbeat at the annual convention of the International Newspaper Advertising & Marketing Executives. *See Page 10.*

An Assn. of National Advertisers survey of its members indicates a downward trend in tv and radio commercial production. *See Page 12.*

Campbell Soup Co. and *People* have completed a study showing that more men are influencing food purchases. *See Page 12.*

Metromedia chairman and president John W. Kluge moves closer to accomplishing his proposed leveraged buyout of the company. *See Page 12.*

Nicorette chewing gum, the first approved nicotine-based smoking deterrent, readies its marketing strategy. *See Page 26.*

XL, the men's magazine created for convenience stores last year, appears to have found its niche. *See Page 44.*

Rubbermaid will be extending the durability theme used in its last campaign when it adds a new tag line to ads for its consumer products. *See Page 46.*

Atari will shift its marketing emphasis toward the consumer under the leadership of new chairman-chief executive officer James Morgan. *See Page 47.*

CORPORATE CLOSEUP

Cosmair Inc.'s acquisition of Warner Cosmetics last month puts the U.S. agent and distributor for L'Oreal and Lancome cosmetics within striking distance of its major competitors here. *See Page 4.*

INTERNATIONAL

Sarajevo will feel the promotional power of U.S., European and Japanese marketers during the two weeks of the Winter Olympics starting tomorrow, but the Yugoslav organizers of the event are not feeling it as much as they had hoped. *See Page 32.*

If McDonald's Corp. decides to tackle the restaurant business in Istanbul, more than three million Turks will be ready. The company told security analysts last fall that Turkey is one of several new European markets it may eventually add to the 13 it now operates in. *See Page 34.*

McCann-Erickson Thailand will begin a two-pronged family planning campaign here the end of March, but the agency will find it difficult to match the results of the world's most successful birth control program. *See Page 35.*

VIDEOTECH

Tv syndicators are offering stylish first-run series that focus on "the good life." *See Page 36.*

Netcom International is moving into the satellite delivery business for syndicated tv programs. *See Page 37.*

MAGAZINE

Money, after years of struggling to establish itself, has become a money-maker for Time Inc. *See Page M-4.*

Tv syndication: Through its production and distribution prowess, this billion-dollar segment of the tv business has provided the networks with a force to contend with. *See Page M-11.*

"Concentrated/Full Frequency": It's a business-to-business ad executive's system that is designed, he says, to improve advertising effectiveness. *See Page M-32.*

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No market shifts in EDB scare

By JANET NEIMAN

New guidelines for ethylene dibromide (EDB) content in food products are likely to have a negligible effect on marketing strategies for the affected products, despite consumer concern over the safety of grain-based products with traces of the pesticide.

The standards, revealed Feb. 3 by the Environmental Protection Agency, will mean most grain-based products can remain on store shelves, and most of the grain supply will not be affected, unless individual states decide to enforce more stringent limits.

The Florida Department of Agriculture, which set in motion a series of state bans against products containing EDB, immediately adopted the new EPA standards, which are far weaker than the state's earlier standards.

EPA is recommending that ready-to-serve products have no more than 30 parts per billion of EDB; that processed grain, including mixes, have no more than 150 parts per billion, and that raw grain have a maximum of 900 parts per billion.

The establishment of standards for EDB in foods comes after more

(Continued on Page 58)

Lucrative formula yields supply of success

Syndicators take different roads, but reach same plateau

By Mark Wolf

Henry Siegel took his daughter Leigh, then 6, to a rock concert at Madison Square Garden in 1976. During the performance of Sha Na Na, a band that recreated hits from the 1950s, Leigh turned to her dad and said, "Do you know what that is? It's 'Happy Days' to music."

> **"You don't see 200-episode shows going into syndication . . . networks aren't keeping them on the air that long."**

A light went on in dad's mind, a pilot was produced and "Sha Na Na," the syndicated tv show, eventually ran for six years first-run in more than 150 markets. It also put Lexington Broadcast Services and its chairman, Mr. Siegel, on the syndication map.

Lexington's route is but one way the industry's successful program suppliers have taken to syndication heights. Looking down the roster of suppliers, you get the suspicion there really is no formula for success. Syndication businesses have been built on disparate foundations.

Some of today's major players grew as offshoots of major motion picture studios. Others, like Lexington, found success in one or a handful of shows, giving them the wherewithal to expand their businesses. A few have specialized in certain program types —cartoons, for instance.

However syndicators establish themselves in the industry, there can be no denying that there is considerable lucre available. No one knows quite how much, but the National Assn. of Television Program Executives (NATPE) has undertaken a comprehensive survey to determine the gross and net figures for domestic and international syndication for 1983.

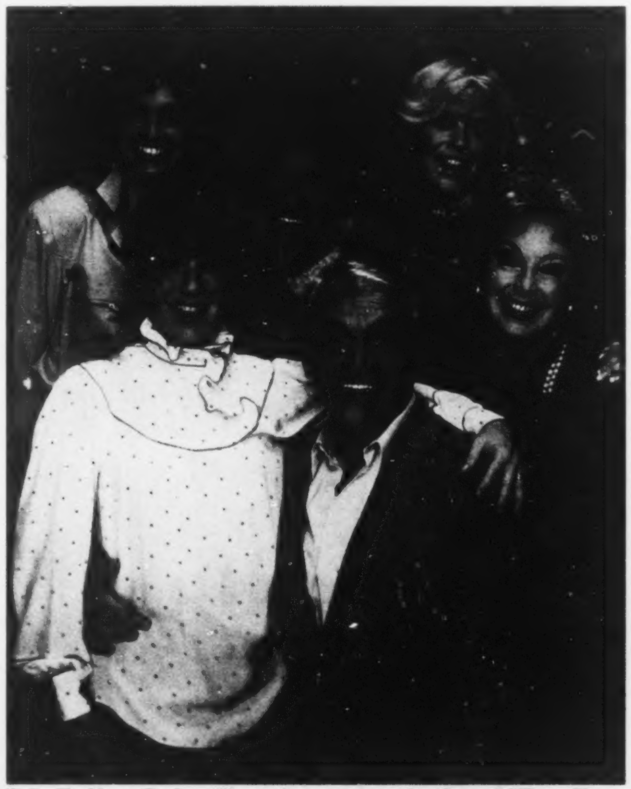
One indication of the money at stake is an unofficial, but generally accepted, figure that 247 companies sold $220 million worth of programing during 1983's five-day NATPE convention.

The upcoming NATPE survey, expected to cost less than $100,000, is scheduled to be released at the NATPE convention in San Francisco this week. "Everybody's very jealous of their own figures, and there's a question about whether they're inflated or not," says Bob Bernstein, president of March Five, public relations representative of NATPE. "The organization thinks it has come up with a way to get the figures and protect everyone's anonymity."

While the business can be lucrative, it also has its pitfalls, not the least of which is the high mortality rate of syndicated properties.

Each year syndicators hail their newest programing breakthrough or a "can't miss" network show available for syndication. Of the 70 first-run syndicated programs piloted in 1982 to 1983, only a handful remain. All of you who remember "Soap World," "Larry King," "Madame's Place" and "Lie Detector" should raise your hands. Fifteen major first-run shows made it to fall, 1983, premieres, but odds are that few will return for a second season.

The successful companies, however, do manage to build upon the success of their properties. The following is a look at how four syndicators built themselves up on different foundations—one of the oldest movie factories in Hollywood (MGM/UA), a group of 1950s musical imitators (Lexington), a low British comic with buxom playmates (D.L. Taffner/Ltd.) and a man who prowls a studio audience soliciting impolite questions of guests (Multimedia).



D.L. Taffner/Ltd. will produce new episodes of "Too Close For Comfort," the comedy series starring Ted Knight that was canceled by ABC last year.

MGM/UA

"Thicke of the Night," the comedy-variety late-night strip starring the Canadian comic/singer Alan Thicke, was the highest-profile syndication launch of 1983. A joint venture (with a $250,000 weekly budget) by Fred Silverman, Metromedia and MGM/UA, "Thicke" was aimed at a younger audience than is drawn by network late-night fare.

Even though its early ratings were disappointing, MGM/UA Entertainment president Larry Gershman retains "high hopes" for the program. The show itself has been renewed for a second season, albeit with a reduced staff.

"A show like that needs time to find itself and settle in," says Mr. Gershman. "Certain people in the repertory company we've used we'll concentrate more on, others less on. Some of them won't continue with the show. More recently the show has gotten closer to what we wanted it to be, it is finding an audience."

Regardless of the long-term success of "Thicke," Mr. Gershman says the "message is very clear to the network that they're going to have to develop something for late night or they're not going to have an audience."

The significance of first-run syndicated programing has increased in recent years because of the relative lack of long-running network series. That suits MGM/UA just fine.

"You just don't see those 200-episode shows going into syndication anymore because the networks aren't keeping them on the air that long," says Joe Tieranado, president of MGM/UA domestic syndication. "We saw that coming several years ago and it's very obvious in what we're doing with 'Fame' and 'Thicke of the Night.' It's easy to see the need for first-run syndication."

In addition to "Thicke" and "Fame," MGM/UA is active in every avenue of syndication. Such off-network shows as "CHiPs" and "Gilligan's Island" "are doing remarkably well," says Mr. Tierando.

Besides selling these and other shows to individual stations, MGM/UA also supplies programing to other syndicators. Lexington Broadcast Services, for instance, has acquired 12 MGM/UA releases for its "LBS Movie of the Month" series.

The company also has the largest cartoon library in the world (including "Tom and Jerry" and "The Pink Panther") and 4,000 to 6,000 feature films in active release at all times, plus 10,000 more in its library. MGM/UA's latest movie package, which includes "Rocky," "Rocky II" and "2001: A Space Odyssey," is "the highest-grossing first-run off-network package every released," says Mr. Tieranado.

Lexington Broadcast Services has made a success by using the barter system with shows such as "Family."

Lexington Broadcast Services

Referring to the syndicated series that made Lexington Broadcast Services a staple in the syndication community, Mr. Siegel says: " 'Sha Na Na' wasn't much different from the 'Muppets.' You had 10 characters doing music and comedy bits, plus guest stars with a very fast-paced look. Personally, I don't think it had anything to do with nostalgia for the '50s. It was the humor and the characters."

Mr. Siegel obviously has an eye for what makes programing successful. Since "Sha Na Na," LBS has added a number of popular shows to its stable of syndicated programing. Virtually all of Lexington's business has been in barter, in which stations receive programs free and the syndicator retains several minutes of commercial time for national sale.

LBS syndicates off-network shows, including "Family" and "LBS Movie of the Month," which has cleared 118 markets and 83% of the country, and a variety of children's specials, mainly merchandising tie-ins with toy manufacturers: Straw-

---

Mark Wolf is tv critic with the Charlotte *(N.C.)* Observer.

Profits that can't be seen

If no one is quite sure of the scope of the syndication business, there is uniform industry acceptance of one point—the business exploded when Paramount began using blind bids on a mass scale to sell "Happy Days" in 1976.

"Happy Days" followed "The Brady Bunch," "Mary Tyler Moore" and "M*A*S*H" into the syndication marketplace, but with a crucial difference. The late Dick Lawrence, then head of Paramount syndication, wired messages to stations in each market asking for blind bids on "Happy Days."

Because stations were competing with each other and not negotiating price with a salesman, the winning bids were much higher than had ever been paid before and the lid was blown off the top of the price structure.

"We are into about 175 markets with 'Happy Days' now and we [wired] the first 125 or 130 of them," said Bob Jacquemin, senior vp-sales at Paramount. "To me it's the fairest way to distribute a show because the highest bidder gets it, period."

Mass-market blind bids are common for every blockbuster off-network show, culminating in the record prices (a reported $120,000 per episode in Los Angeles) for "Magnum, P.I." reruns, which will be available in 1986.

Such off-network programs as "M*A*S*H" and "The Jeffersons" brought big audiences with them into syndication, but high network ratings and critical acclaim are no guarantee of syndication success.

"The Mary Tyler Moore Show," for example, did a syndication nosedive after years as one of television's most successful and acclaimed shows. A theory cited by several syndicators is that children tend to control the late-afternoon time periods in which "MTM" usually aired in syndication, and they aren't a receptive audience for such a "smart" comedy.

First-run syndication is the flip side of off-network product and such early television heroes as Broderick Crawford in "Highway Patrol" and Lloyd Bridges in "Sea Hunt" (whose shows were produced and distributed by syndicator Frederic Ziv in the mid-1950s), were the spiritual godfathers of such disparate 1980s syndication stars as Phil Donahue, Alan Thicke and Judge Wapner of "The People's Court." —*M.W.*

With a $250,000 weekly budget, "Thicke of the Night," the comedy-variety talk show starring Alan Thicke, is MGM/UA's answer to late night programing.

berry Shortcake, Care Bears and the Get Along Gang with Kenner and Poochie with Mattel.

"Inspector Gadget," a new $12 million first-run animated series of half-hour cartoons premiered in fall, 1983. "Rock Palace," a weekly rock 'n' roll show, had cleared 100 stations by its Jan. 15 debut. LBS will also have a first-run animated strip based on the comic strip character Heathcliff available for fall, 1984.

The recently formed LBS Sports division will again distribute the $400,000 Greater New Orleans PGA Golf Classic live March 25. LBS is handling advertising sales for "Fame," "Too Close For Comfort," "Hee Haw" and other first-run syndication shows.

"When I founded the company seven years ago I was at Grey [Advertising] and involved with network buying and even then the networks were arrogant," says Mr. Siegel. "Costs were skyrocketing and there was an opportunity to find some alternatives. I was working with Procter & Gamble on things like 'Andy Williams' and 'Sha Na Na' and thought that if someone like them [P&G] evaluates this [barter] as a good alternative to network television, so will everybody else. If we price a show right and get the right clearances, we can sell it at rates anywhere from 15% to 33% less than the networks.

"Some stations have some objections to barter but more and more are coming into it because of the need for first-run programs. Shows like 'Entertainment Tonight,' 'Fame' and 'Solid Gold' wouldn't have made it without advertiser support. They couldn't have gotten off the ground if they had been strictly on a cash basis."

D.L. Taffner/Ltd.

Don Taffner had built a nice business selling foreign programs such as "Skippy, the Bush Kangaroo" from Australia and "World At War" from England to American tv stations, when he had the idea to edit a group of hour-long comedy shows from Britain's Thames Television down to a series of half-hours for American syndication. Say hello to "Benny Hill."

"Yes, it amazes me," says Mr. Taffner, president of New York-based D.L. Taffner/Ltd., of the broad comic who titillates 130 markets with low comedy and necklines to match. "It took us a couple of years to get enough stations to pay the cost of editing it down to half-hours.

"People were reluctant at first because of the British humor but when you look at it he's very visual. It's almost like watching a silent movie," says Mr. Taffner. "I'm knocking wood and saying I hope it lasts another couple of years. They still make two or three hours a year, and every few years we put them together, edit them to half-hours and add them to the package."

D.L. Taffner, which has grown from a single three-person office 10 years ago to offices in four cities with more than 40 employes, has also sold such British products as "Rumpole of the Bailey," "Reilly: Master of Spies," "Edward and Mrs. Simpson" and "Voyage Around My Father" to PBS or to Mobil for its ad hoc specials network.

Furthermore, D.L. Taffner is going full circle on its British connection. "One thing we've tested and that is very interesting is that since 'Three's Company' has been such a success in syndication, we're in the marketplace with 'Man About the House,' the British show that it was based upon," says Mr. Taffner. "We call them the 'Thames Originals.' "

> **"... the network is going to have to develop something for late night or they're not going to have an audience."**

The company is also involved in the distribution of "Too Close For Comfort," the comedy series that was canceled by ABC. D.L. Taffner will produce the show for syndication.

Multimedia

Back in 1967, Don Dahlman and Phil Donahue were a couple of guys pounding out a living in Dayton, O.

Mr. Donahue was the host of a daily talk show on WLWD-TV that featured heavy audience involvement. Mr. Dahlman was station manager. While Mr. Donahue was blitzing his competition in Dayton, the show began a slow climb to syndication success.

"It was very difficult selling it at first," recalls Mr. Dahlman. "Every local program director said, 'I can do that show myself.' We said, 'Sure you can do that kind of show, but you don't have Donahue.' All we had to sell were the fabulous numbers and eventually it took off."

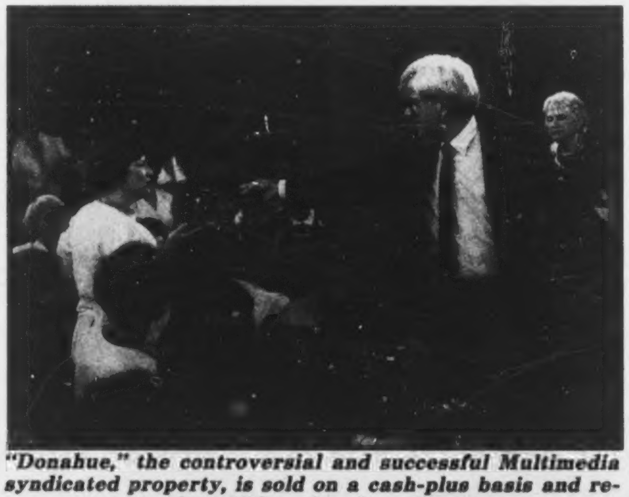
By 1974 "Donahue" was established and had moved to Chicago independent WGN, where it built to its present base of 98% national coverage by 1976. The show moved across town in 1982, to CBS-owned-and-operated WBBM-TV, because WGN, a superstation, was pumping the show live into 5 million cable homes, often competing with "Donahue" in syndication and with no revenue for those additional markets.

"Donahue" is sold on a cash-plus basis, with Multimedia getting cash in addition to withholding two minutes for national commercial sales. "After 16 years in television his ratings are higher this year than ever before and they continue to grow a little bit," says Mr. Dahlman.

Greenville, S.C.-based Multimedia bought WLWD and its syndicated properties ("Donahue," "The Bob Braun Show" and some "Young People's Specials"), and Mr. Dahlman moved to Multimedia as vp-sales and shortly became president of Multimedia Entertainment, the company's producing and syndication division.

For the past six years, Multimedia has produced and distributed three country music half-hours, "Pop Goes the Country," "Austin City Limits Encore" and "Music City USA," plus a bevy of one-hour and two-hour country music specials featuring the likes of the Statler Brothers, Ray Charles, Louise Mandrell and the "Music City News Country Awards Show."

Multimedia also clears about 90% of the country including the NBC o&o stations for its monthly half-hour "Young People's Specials" series. ■



"Donahue," the controversial and successful Multimedia syndicated property, is sold on a cash-plus basis and receives 98% national coverage.

Second wind

Future off-network series (fall availability)

	Episodes	Distributor
1984		
Half-hours		
Archie Bunker's Place*	97	Embassy
Benson	90	Columbia
Diff'rent Strokes	104	Embassy
SCTV	156	Blair
Hours		
Trapper John, M.D.	154	20th Century
Dallas	107	Lorimar
Hart to Hart	112	Columbia
Police Story	105	Columbia
Here Come the Brides*	52	Sandy Frank
Greatest American Hero**	42	Lexington
1985		
Half-hours		
Facts of Life	90+	Embassy
That's Incredible	165	MCA TV
Too Close for Comfort	85	Taffner
Hours		
Dynasty	85+	Metromedia
1986		
Half-hours		
None		
Hours		
Falcon Crest	96	Lorimar
Fall Guy	96	20th Century
Magnum, P.I.	112	MCA TV
1987		
Half-hours		
None		
Hours		
Hill Street Blues	94	Victory
Knots Landing	118	Lorimar
1988		
Half-hours		
None		
Hours		
Simon & Simon	90+	MCA TV

Note: Chart includes network series with availabilty dates, but does not include other series that distributors have not set dates for, such as "Cheers."

*January, 1984, start.
**April 1984, start.

Source: Ronald Krueger, president, TelCom Associates.

Lucy's legend leaves lots of loot

By William Mahoney

There was a time in television history when turning on the tv set and seeing Lucille Ball was no more surprising than turning on the tap and getting water.

The zany redhead began charming audiences with her high jinks when "I Love Lucy" made its premiere on CBS on Oct. 15, 1951. It continued its success years later with two spinoffs, "The Lucy Show" and "Here's Lucy," as well as a number of "Lucy" specials. Many of the shows are available in various incarnations in syndication today.

"Lucy's" popularity seems never ending, already spanning three decades.

"I Love Lucy" was a ratings success from the start. During the show's first prime time season, it placed third in A.C. Nielsen Co.'s average prime time season ratings, scoring a 50.9.

It earned the honor of being Nielsen's top-rated show in four of the six seasons it was on the air. The furthest the show slipped from the No. 1 spot was to second place during the 1955-56 season, when it was bumped by "The $64,000 Question."

The last original "Lucy" show aired May 6, 1957, but the success of the series continued for many years to follow. Lucy and her television—and real life—husband, Desi Arnaz, decided to end the show to decrease their workload. However, it was apparent long before then that "Lucy" would live to become tv's first real rerun goldmine.

The phenomenal television success actually originated on radio. "I Love Lucy" developed from a 1950s radio show, "My Favorite Husband," starring Lucille Ball. When Lucy and Desi were making final negotiations with CBS to bring the radio show to tv, they were asked when they would be moving to New York from Los Angeles to begin shooting.

This posed a problem. Lucy and Desi enjoyed living in Los Angeles and weren't too fond of the idea of commuting to New York to shoot the show, as was customary at the time.

At this time, Desi made a suggestion to film the show on 35mm film—the way movies were filmed. Instead of producing inferior quality kinescopes (films from tv monitors), Desi's notion involved making prints and sending them to participating tv stations.

An industry trend was born.

The decision to film "Lucy" instead of shooting it live made it syndication's first valuable property. It became the first show with high-quality prints of each episode available for endless reruns, hence endless revenues.

In January, 1953, just over a year after the filming was implemented, *Newsweek* commented, "With it [film], sponsors can ignore the networks and their cable costs and slot their shows only in the towns where they want to sell their products." The statement proved prophetic for the tv industry.

"Lucy is one reason why 20% of all network shows are already on film," *Newsweek* said.

The journey down the lucrative syndication road began as early as 1954. Red-hot network ratings produced spectacular cost-per-thousand figures—$3.50 to $4.50 per household—for the show's original sponsor, Philip Morris Inc.

Because of this, CBS asked approximately $40,000 for reruns, about as much as Philip Morris was paying for originals.

After two years, Philip Morris dropped its network sponsorship of "Lucy" to concentrate on spot tv buying.

The show, nevertheless, continued to be a powerful advertising vehicle by scoring unprecedented audience figures. The episode that aired on Jan. 19, 1953, in which Lucy gave birth to Ricky, scored an astonishing 88.1 Nielsen rating and 92.2 share, attracting about twice as many viewers as the inauguration of President Dwight Eisenhower the next day. One estimate at the time placed "Lucy's" audience figure at about 44 million and Ike's at about 20 million.

More than 32 years later, there seems to be no end in sight for "Lucy's" syndication success.

According to Viacom Enterprises, which has held the syndication rights to all 179 episodes of "Lucy" since 1971, the show still commands an average weekly audience of 1.8 million.

Nielsen Station Index's Cassandra ranking of syndicated programs listed "I Love Lucy" as airing in 57 markets. It recorded 50% coverage of the U.S during the November sweeps last year, with an average 2.2 rating and a 10 share. The Cassandra report places it at the 39th spot among situation comedies.

Viacom says "Lucy" has been sold to stations in 94 markets with a potential coverage of 75% of the nation. The difference between this figure and Cassandra's represents the number of stations that have purchased "Lucy" but were resting the show to air it at another time of the year.

The series is also still airing in 27 foreign markets, including Australia, Bangladesh, Bermuda, Mexico, Greece, Arabia, Singapore and, most recently, London.

The worldwide success of "Lucy," more than three decades after its network debut, makes one think that the mischievous redhead and her bongo-playing husband were among the first to foresee the pile of gold at the end of the syndication rainbow.

William Mahoney is editorial assistant with Electronic Media, *a sister publication of* Advertising Age.

Redhead's red hot ratings

Where 'I Love Lucy' ranked in the ratings

	October, 1951-April, 1952	
1.	Arthur Godfrey's Talent Scouts	CBS
2.	Texaco Star Theater	NBC
3.	**I Love Lucy**	**CBS**
4.	The Red Skelton Show	NBC
5.	The Colgate Comedy Hour	NBC

	October, 1952-April, 1953	
1.	**I Love Lucy**	**CBS**
2.	Arthur Godfrey's Talent Scout	CBS
3.	Arthur Godfrey and His Friends	CBS
4.	Dragnet	NBC
5.	Texaco Star Theater	NBC

	October, 1953-April, 1954	
1.	**I Love Lucy**	**CBS**
2.	Dragnet	NBC
3.	Arthur Godfrey's Talent Scouts	CBS
4.	You Bet Your Life	NBC
5.	The Milton Berle Show	NBC

	October, 1954-April, 1955	
1.	**I Love Lucy**	**CBS**
2.	The Jackie Gleason Show	CBS
3.	Dragnet	NBC
4.	You Bet Your Live	NBC
5.	The Toast of the Town	CBS

	October, 1955-April, 1956	
1.	The $64,000 Question	CBS
2.	**I Love Lucy**	**CBS**
3.	The Ed Sullivan Show	CBS
4.	Disneyland	ABC
5.	The Jack Benny Show	CBS

	October, 1956-April, 1957	
1.	**I Love Lucy**	**CBS**
2.	The Ed Sullivan Show	CBS
3.	General Electric Theater	CBS
4.	The $64,000 Question	CBS
5.	December Bride	CBS

Source: A.C. Nielsen Co.

Independents

(Continued from Page M-14)

tions and enough of the large markets, it simply isn't viable."

Syndicated shows are sold on a station-by-station basis, usually by a distributor who puts together an "ad hoc" network consisting of both independents and network affiliates.

Ad hoc networks generally consist of only 50 to 60 stations, says John Doscher, vp-director of sales for SFM, a New York-based syndication company. This translates into an average clearance of about 70% of the markets. A network's average clearance is more than 90%, and networks offer the bonus of simultaneous showing, while stations participating in ad hoc networks air their wares at varying times.

Syndication, however, offers other features for advertisers. Greater versatility in programing and more flexible prices are two of the greatest enticements.

The competitive prices attract many to syndicated advertising, although the cost-effectiveness of barter syndication has recently come under attack. Bartered programs, unlike syndicated programs sold for cash, are given to stations, usually free of charge, in exchange for the airing of presold commercials; the station commonly retains some of the commercial time for itself.

Barter "plays some role in approximately two-thirds of the dollar volume of syndicated programing," says Henry Siegel, chairman of Lexington Broadcasting Services and co-founder of the Advertiser Syndicated Television Assn.

Blair Television, a company that sells national advertising for tv stations, issued a controversial report in November charging that advertisers pay between $3.03 and $26.74 per thousand households for barter programs, as opposed to $2.20 to $4.83 for network.

Mr. Siegel has said the Blair report "isn't worth the paper it's printed on." He maintains that "because syndication gets less coverage and sometimes lower ratings than network shows, we must make up the difference by price. Typically, an agency or advertiser negotiates a deal with us based on a cost of one-third to one-fourth lower than network."

As a syndicated show gains popularity, however, the price tag does indeed climb to near-network proportions. "Entertainment Tonight," for example, now in its third year and averaging a national rating of 15.4, reportedly raised its price $10,000 this season to $55,000 for a 30-second spot.

Nevertheless, advertisers appear to be sold on syndication, and price is invariably given part of the credit. "Both network and syndication reach the same audience, and syndication's cost per thousand is often lower," says Jack Wishard, vp of Procter & Gamble Productions in Los Angeles.

The nation's largest advertiser, Procter & Gamble, is one of syndication's most ardent admirers. The company made tv history in 1983 by buying a syndicated package of nearly $20 million, which included three 30-second spots per telecast of "Fame" and $5 million of time on Metromedia's "Thicke of the Night."

Another syndication lure is its willingness to aim at specific audiences, particularly female and younger viewers, while the networks concentrate on larger audiences. INTV claims that independents surpass affiliates in reaching the young adult audience (18 to 49 years of age) in all time periods except prime.

Insiders believe that syndication's continued success will depend, at least partly, on its ability to keep its programing fresh. As syndicators grow bigger, they might well be wary of becoming like the networks. And while no one seriously believes that independent television will ever put the networks out of operation, if it plans its attack wisely it should see more of the networks' audiences— and their advertising dollars—in the future. As it stands now, independents and syndicators alike are more than ready for prime time.

Exec exit stuns U.S. Tobacco

By GAY JERVEY

The abrupt resignation Jan. 27 of Barry Nova, the well-versed and widely respected president of U.S. Tobacco Co.'s tobacco division, stunned not only Wall Street and competitors but company insiders as well.

His departure also fueled speculation as to the status of Skoal Bandits, the company's newest—and to date successful—attempt to lure smokers into the world of smokeless tobacco (*see accompanying story*).

Mr. Nova's exit did not appear tied to 1983 earnings which, when reported last week, had jumped 27.7% to $70.6 million from $55.3 million for 1982. Sales climbed 19.5% last year to $382.7 million, compared with $320.4 million a year earlier.

In moves said to be unrelated to Mr. Nova's departure, two other tobacco division marketing executives, marketing director Per Lindvquist and marketing services director William Nelson, have departed.

Mr. Lindvquist was reassigned to U.S. Tobacco Co.'s international division and Mr. Nelson left the company abruptly Feb. 1. Successors have not been named. A company spokesman said he did not know the reason for Mr. Nelson's termination, but stressed it was not tied to Mr. Nova's leaving.

Sources close to U.S. Tobacco hinted that Mr. Nova was asked to resign as president of the tobacco division, as well as from the company's board, due to a rift between him and Louis F. Bantle, chairman and president of the parent company. One source said the two may have had disagreements as to who should take the credit for company achievements.

For the time being, Mr. Nova will be succeeded by Manuel Leitau, an 18-year company veteran, most recently was senior vp-finance, a title he will retain.

Mr. Nova, who had been with the Greenwich-based company for 10 years, the last two as the tobacco division president, left immediately after resigning Jan. 27. "It was a productive time both for me and the company, but in the end, Louis Bantle [U.S. Tobacco's chairman] did not have a sufficient confidence level in me," he said in a telephone interview.

Mr. Bantle could not be reached for comment. Sources say, however, that the chairman has indicated that he and Mr. Nova had some differences of opinion, some of which had been building over time.

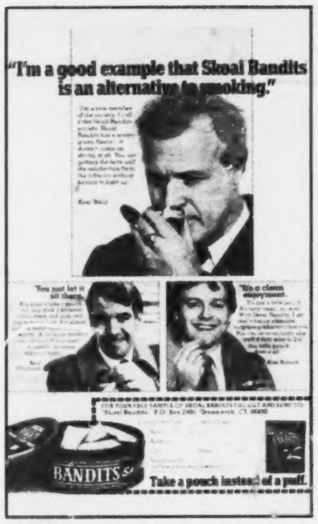
Indeed, Mr. Nova, who showed animosity toward neither Mr. Bantle nor U.S. Tobacco, stressed that his exit was a matter between him and Mr. Bantle. It did not, he said, signify sweeping corporate change, nor did it reflect disparate views concerning the Skoal Bandit, whose marketing blueprint for the next two years is solidly cast.

"It was a general feeling between myself and the chairman that it was not working out as it should be," Mr. Nova said. "It does not signify any further shakeup."

Despite that, analysts are nervous that too much turnover, however unrelated, comes at a critical time in the Skoal Bandits introduction. As such, they say they will feel more "comfortable" once they determine how—or if—the management changes will affect UST's corporate strategy.

"Under Barry Nova, the division created one of the strongest brand franchises I have ever seen with Skoal Bandits, whose brand name in less than a year is second only to Marlboro's," said Salomon Bros. analyst Diana Temple.

"But the company is on the brink of a major change, moving from a niche-marketing orientation to one involving a much broader consumer base," she continued. "What they do in terms of distribution, actually getting the product consistently out there, will be critical. Maybe that's what this is all about."#


"I'm a good example that Skoal Bandits is an alternative to smoking."
"You just let it sit there."
"It's a clean enjoyment."
BANDITS
Take a pouch instead of a puff.

Illustrating how to use Bandits.

Bandit adding testimonials

Greenwich, Conn.—U.S. Tobacco Co. will break a new marketing effort for Skoal Bandit chewing tobacco on ABC's telecast of the Winter Olympics.

The second phase of Skoal's introduction is budgeted at $30 million for the year with $13 million going for advertising alone. It will feature testimonials of converts from cigarets—culled from the agency's list of coupon respondents—who were won over to chewing tobacco by Skoal.

The campaign will run on all three networks and in a wide variety of general, mass-circulation publications.

Tv buys will be largely on sports shows and specials until the fall, when the company will buy prime time.

The campaign is designed to attract new users—predominantly urban, white-collar and male. But according to John Chervokas, vice-chairman and chief creative officer of Warwick Advertising, New York, women also have seemed willing to try a Bandit.

Other advertisers *(full list of sponsors on Page 1)* that will break new advertising on the Olympics include Beatrice Foods, with its new corporate campaign (AA, Jan. 9) and Roman Meal Co., with a new nutritional campaign for variety breads (AA, Dec. 26).#

Allstate campaign jumping at fitness

(Continued from Page 1)

tant vp-advertising.

The campaign of print advertisements and eight 30 and 60-second tv commercials hits its stride this month during televised coverage of the Winter Olympics in Yugoslavia.

Allstate has bought $9.3 million in commercial time during Summer and Winter Olympics programing.

The campaign continues at a slower but steady pace through spring and summer, picking up speed again in late summer with coverage of the Summer Olympics in Los Angeles.

A total of 50 spots will appear during the televised games broadcast exclusively by ABC.

The campaign also includes commercial time during early evening, early news, prime time, late news and late-night programing. Print ads are scheduled to appear in *Better Homes & Gardens, Country Living, Ebony, Money, Newsweek, People, Runner's World, Smithsonian, Sports Illustrated, Sporting News, Southern Living, Sunset, Time, TV Guide* and *U.S. News & World Report*.

Leo Burnett USA, Chicago, is the agency.

The campaign is a product of long-range planning, Mr. Flieder said. The financial commitment to purchase the Olympic network time had to be made in 1981, during a time of economic stress in the nation and the insurance industry. And it represented "not a gamble, but a calculated risk" by Allstate, Mr. Flieder said.

After extensive consideration of political, economic and industry factors, the decision was made to buy the Olympics package because "we thought there would be great feelings about [the Olympics] being back in America," he said. "We really had confidence that things would turn and we'd ride the wave with that."

The 1984 budget represents about a 20% increase over 1983, most of the increase due to higher costs of network tv time, Mr. Flieder said.

The upbeat commercials blend a sales message with humor and a hint of cheerleading as characters run through the paces that have put them in a special discount or low-rate category for their Allstate insurance.

In one commercial, produced in both 30 and 60-second versions, a paunchy over-30 man drags himself out of bed and into gear for a morning run with his ever-eager dog.

As the character huffs and puffs through neighborhood streets, a voiceover hails the fitness effort and reminds the viewer that such an endeavor can pay off in lower insurance costs for Allstate policies.

This marks the first time since 1976 that Allstate has used 60-second commercials in other than a test situation, said Bob Gorman, senior advertising manager.

"We decided that we needed 60 seconds to set the over-all mood and tempo of the campaign," Mr. Gorman said.

The longer commercials will appear primarily during the Olympics programing.

The Olympic year advertising campaign will be enhanced by a corporate pr campaign that will include sponsorship of activities or events in a variety of market areas, according to Allen Goldhamer, division manager-corporate relations.

States in which market areas have been targeted for heavier advertising and pr efforts include California, Illinois, Texas, Ohio, New York and Florida—states where the market and governmental regulations provide an especially attractive environment for sales growth.#

Marketers' Olympic link a hit already

(Continued from Page 1)

than male (31%) indicating such an inclination.

The most encouraging statistic for advertisers may be that support is strongest within the prime middle-income group.

Nearly 40% of respondents with annual incomes between $20,000 and $40,000 said a company's Olympics sponsorship might positively influence their buying decisions.

Sponsors' corporate images as well as sales will get a boost. Nearly 44% of the adults polled said Olympics sponsorship raises their opinion of a company. Half the sample (49%) said the sponsorship doesn't affect their opinions.

Consumers also proved themselves to be surprisingly aware of which companies have ties to the games.

Although some feared the large number of commercial sponsorships for this year's games would create its own brand of clutter, advertising by Olympics sponsors instead has broken through the clutter.

Better than 70% of the consumers polled said they were aware of having seen, heard or read advertising in which a marketer indicates it is a sponsor or supplier for the 1984 Olympics.

By comparison, only 59% of the adults in an earlier Advertising Age survey recalled seeing advertising that uses a celebrity presenter or spokesman (AA, Nov. 7).

Much of the Olympics-tied advertising already airing has appeared during sports broadcasts. This may explain why over-all awareness of such advertising is slightly higher among men (74% recall) than women (69%).

The highest recall is among persons aged 25 to 34 (83%); the lowest, among those aged 65 or older (55%). Awareness also is significantly higher among whites (74%) than among blacks (58%) or Hispanics (53%).

Of those who said they had seen, heard or read advertising tied to the Olympics, 57% were able to name specific product or service advertising mentioning sponsorship. Twenty-two products or advertisers received at least 1% of total mentions.

Dominating the list of advertisers named was Levi Strauss & Co., with 13.2% of first mentions. The company has made one of the heaviest investments in the games, supplying all U.S. participants with outfits (on which the Levi's logo is stitched) as well as a multi-million-dollar ad and promotion campaign.

Among the other most frequently named advertisers were Budweiser (4.1%); M&M's (3.8%) and Snickers (3.5%), both products of the official snack-foods company, M&M/Mars; Coca-Cola (2.9%); United Airlines (1.9%); Wonder bread (1.8%); Canon (1.8%); McDonald's (1.7%), and Fuji film (1.4%).

Several of these and other sponsors won't begin full-scale Olympics-tied advertising until this week. But consumer perception of sponsor "overkill" so far has been minimal. Less than 20% of the adults surveyed said they have seen too much advertising tied to this year's games.#

Mary Kay to increase incentives

Dallas—Because of softness in recruiting new consultants for its direct selling of cosmetics, Mary Kay Cosmetics is making some changes to put its marketing program back in the pink.

The company, based here, has seen a decline of its worldwide beauty consultants from 196,755 in 1982 to 194,586 in 1983. To increase incentives for both recruiting and sales, beginning March 1, the company plans to change its commission structures compensating recruiters, increase sales unit bonuses and introduce a new car program.

Mary Kay traditionally has awarded pink Cadillacs and pink Buick Regals to sales directors only. The new program will allow outstanding consultants to earn a nonpink car of undetermined model.

Effective April 9, more changes involving discount structures will be instituted, and next October, the company plans to upgrade requirements for sales directors.

Mary Kay's fourth-quarter sales and earnings fell 13% in 1983, to $72.1 million and $7.7 million, respectively. By improving its incentive plans, the company hopes to not only stimulate sales and recruiting efforts, but also continue its long-range plans for updating marketing strategies.

Advertising for Mary Kay, according to the spokesman, is under evaluation. The company has not bought any tv for the first quarter, and is using "minimal magazine advertising," he says.

Bozell & Jacobs/Southwest handles Mary Kay, which spent $5.7 million from January through September, 1983, according to Leading National Advertisers.#

Beecham to add light Jovan musk

Chicago—Beecham Cosmetics, a wholly owned subsidiary of Beecham Group, will introduce Jovan Whisper of Musk with a $4 million tv, radio and print advertising campaign via Zwiren & Wagner.

Jovan, acquired by the Beecham Group in 1979, originally built its business on Musk Oil, which was introduced in 1972.

Two years ago, musks appeared to be once again in vogue when Chesebrough-Pond's Prince Matchabelli division introduced Aviance Night Musk, targeting existing musks, including Musk Oil, among its competition.

At that time, Jovan Musk Oil had a 54% share of the estimated $100 million segment, Coty a 24% share and Houbigant had a 16% share.

Last year Chesebrough credited the 1982 introduction with contributing to improved fragrance sales in the Matchabelli division, although those sales were not broken out.

Like Aviance Night Musk, Jovan's Whisper of Musk is a light scent, an updated version of the heavier musks popular in the late 1960s.

Besides advertising, Jovan will support its newest fragrance with a 31 million-piece sampling program through magazines and stores.

Also, Max Factor & Co. is introducing Magical Musk by Toujours Moi. It will be lightly advertised, sources say. Wells, Rich, Greene handles.#

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Advertising Age

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Special Report

Financial Services Marketing: New strategies pay off

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Corporate CloseUp

SFN Companies—a textbook case of growth

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Forum

Wanted: More time for creative inspiration

— Viewpoint section

Candid conversation

A 'new' Fred Silverman looks ahead

Still active in tv. but more relaxed, less edgy — Magazine

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NEWSPAPER

Midseason tv series show ratings promise

By JAMES P. FORKAN

NEW YORK—With the still-young midseason schedule and the February sweeps yielding a few surprises, the focus of network tv strategies already is changing to the spring-summer prime time season.

Ratings front-runner CBS-TV is the first to unveil major lineup fixes effective next month. Runner-up ABC is second.

Prime time's "second season" traditionally is a rather unexciting time, yielding few successes, but some agency veterans think this year will be a departure, with NBC's "TV's Bloopers & Practical Jokes" and "Riptide" plus ABC's "Foul-Ups, Bleeps & Blunders" and CBS' "Mickey Spillane's Mike Hammer" shaping up as hits in the early rounds.

"Bloopers" continued its winning streak into Feb. 6, with its 21.3 rating and 30 share beating ABC's movie "Arthur," which outdid CBS' "Scarecrow & Mrs. King." NBC went on to receive its best A.C. Nielsen Co. results on Monday since mid-November, as "Little House on the Prairie's" so-called "farewell" movie, at 22.0/32, easily swept runner-up ABC.

Since January, agency executives have noticed some possible upsets in the making. These include ABC's "Three's Company," whose slump may have led to the major cast overhaul set for this fall, and "Hart to Hart," hurt for several weeks by its sluggish lead-in series, strong CBS tv movies and gains by NBC's "Remington Steele."

The latter series had been expected to lose that Tuesday battle from the start since "Steele" and "Hart" appeal to similar upscale, young-adult demographics, admen said. Several buyers see that battle as worth watching.

ABC, collecting its fifth weekly victory as it headed into the Winter Olympics, noted that its 3.4-point margin over CBS' 16.2 Nielsen rating average for the week ended Feb. 5 was the second-big-

(Continued on Page 72)

Mingo-Jones work waiting in wings

Jackson strong without ads

By SUSAN SPILLMAN

"Actions speak louder than advertising" could well be the slogan of Democratic presidential candidate Jesse Jackson.

Although the black civil rights leader recently secured Mingo-Jones Advertising, New York, for his campaign, he hasn't spent a nickel on ads thus far.

Yet, as the campaign heads toward the first crucial votes, the *Boston Globe's* most recent poll shows Mr. Jackson is threatening Sen. John Glenn (D., O.) for second place in New Hampshire's Feb. 28 primary race.

According to the Feb. 5 poll, former Vice-President Walter F. Mondale and Sen. Glenn ranked first and second with 37% and 16% of the vote, respectively, while Mr. Jackson pulled in 10.2% of the vote.

By contrast, in mid-December, the paper's poll showed Mr. Mondale with 46% of the potential vote, Mr. Glenn with 16% and Mr. Jackson lagging with 6%.

Unlike the Jackson camp, the Mondale and Glenn campaigns have been spending heavily on advertising since the beginning of the year in both Iowa and New Hampshire, two key states. Aides to Sen. Glenn have said they had budgeted $4 million to be spent in the first quarter. Mr. Mondale's forces were expected to spend as much.

The activity is likely to get even heavier as the campaigns head into the Iowa caucus Feb. 20 and the New Hampshire primary.

Mr. Jackson's rivals attribute his substantial boost in popularity to his single-handed role in gaining the release of Navy Lt. Robert O. Goodman Jr., whose reconnaissance plane was shot down in Lebanon.

Those same people believe public sentiment over Mr. Jackson's role in the early-January release of the officer will taper off.

"We weren't surprised by the poll. Mr. Jackson may

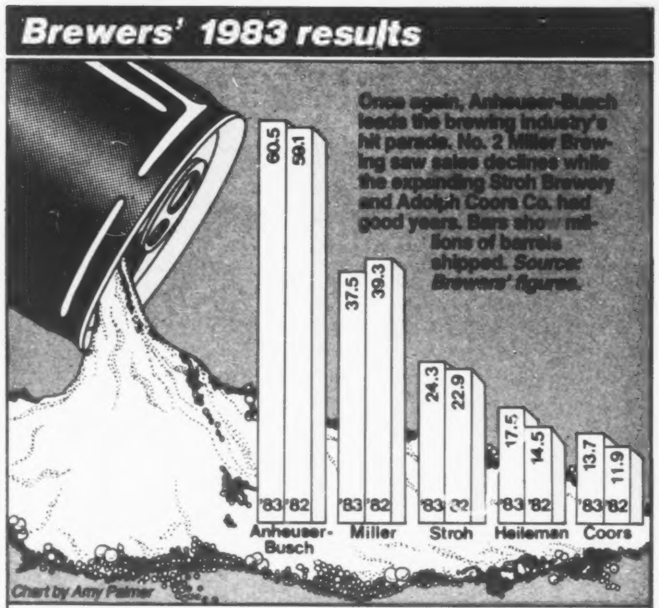
(Continued on Page 69)

'84

Marketing the Candidates

Democrats revive kids' tv issue. See Page 69.

Brewers' 1983 results



Once again, Anheuser-Busch leads the brewing industry's hit parade. No. 2 Miller Brewing saw sales declines while the expanding Stroh Brewery and Adolph Coors Co. had good years. Bars show millions of barrels shipped. *Source: Brewers' figures.*

Chart by Amy Palmer

Beer makers try new tacks

By ROBERT REED

Brewing industry leader Anheuser-Busch is starting to play videogames while competitor Miller Brewing Co. plays a waiting game.

St. Louis-based A-B has entered into a licensing agreement that links the flagship Budweiser name to a videogame that will be unveiled this week by Bally Mfg. Corp., Chicago. The game, entitled "Tapper," will be available only in taverns, according to the agreement.

Meanwhile, Miller Brewing is waiting to see presentations from the three advertising agencies doing "exploratory work" for the ailing Miller High Life brand. Creative pitches will soon be presented from Leo Burnett USA, Doyle Dane Bernbach and Ogilvy & Mather, says a company spokesman. The brand is now with Backer & Spielvogel (AA, Feb. 6).

Both these moves come on the heels of mild 1983 selling gains for A-B, a drop for Miller and tepid over-all increases for the entire industry. As a result, brewers are in the throes of fine-tuning, changing and seeking new methods designed to wrestle away market share

(Continued on Page 70)

highlights

Monday, February 13, 1984

Toy Manufacturers of America is seeing robots and tv tie-ins leading the trends for next year at its annual Toy Fair in New York. *See Page 6.*

The American Advertising Federation has joined other media organizations seeking a repeal of the broadcasting "fairness doctrine." *See Page 10.*

Glamour is planning a special promotion keyed to the 10th anniversary of its "Outstanding Working Women" feature. *See Page 52.*

International Automobile Importers is taking on Pontiac and Mercedes in an $11 million comparison ad campaign. *See Page 56.*

J. Walter Thompson USA has picked up advertising for Quaker Oats Co. but has lost Uncle Ben's Foods. *See Page 60.*

Barq's root beer executives are optimistic about the brand's future after spectacular results of its ad campaign. *See Page 64.*

Procter & Gamble will be able to put more media punch into its sweepstakes promotions under a new Federal Trade Commission accord. *See Page 64.*

Arthur Treacher's Fish & Chips has emerged from reorganization under Chapter 11 with its fourth owner in five years. *See Page 68.*

Kitchens of Sara Lee is trying to capitalize on the success of its frozen croissant line with the introduction of filled croissants. *See Page 68.*

Cover photo by Michael Tweed.

CORPORATE CLOSEUP

SFN Cos., armed with a boardroom mandate to diversify and thereby hedge against a softening textbook market, has purchased several companies in broadcasting and publishing. *See Page 4.*

INTERNATIONAL

Sony Corp.'s annual shareholder meeting in Tokyo—normally a calm affair—erupted earlier this month over the marketer's latest Japanese ad for its Betamax videocassette recorder system. *See Page 40.*

Gillette Co. is getting ready to give BBDO International accounts in three European countries, and more business elsewhere, many sources believe. *See Page 40.*

The French Assn. of Advertising Agencies is challenging the French government's attitude toward new media and its policies concerning future tv channels, local radio, satellite and cable tv. *See Page 41.*

VIDEOTECH

The Big 3 tv networks, after a series of belt-tightening and restructuring moves, are pursuing policies of streamlining and prudent spending. *See Page 50.*

MAGAZINE

Meet the new Fred Silverman: From CBS to ABC to NBC and beyond, he's still in the prime of his productive career and a powerful figure in the tv business. *See Page M-4.*

Financial Services Marketing: Deregulation has added innovation in marketing to the vocabulary of banks, brokerages and other purveyors of money. *See Page M-9.*

Two commissioners of the Federal Trade Commission debate the pros and cons of the new deception policy bill the FTC passed by a narrow margin. *See Page M-27.*

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Braniff has a reason for singing

By TOM BAYER

DALLAS—Braniff Inc., now owned by Hyatt Corp., will begin air service March 1 without gimmicks, but will herald its resurrection with a Lynn Anderson-Beach Boys concert and a joint promotion with the March of Dimes.

With new marketing strategy, look and style, Braniff begins its $10 million advertising campaign in 45 newspapers today, announcing that the new Braniff will be "up and running" March 1 with flights to 18 cities from the Dallas-Fort Worth hub.

After two weeks, Braniff will shift to the theme, "We're building the new Braniff around you."

Thomas Lagow, Braniff's senior vp-marketing, described the strategy as straightforward.

He said Braniff intends to give business travelers something for their money, in contrast to service offered to passengers with discount fares.

Mr. Lagow said Braniff will offer the same fares as its competition, both discount and coach, but, unlike the competition, will segregate discount and coach passengers, giving full-fare coach passengers a level of service Braniff

(Continued on Page 70)

Financiers trade kid gloves for boxing gloves

By Kurt C. Hoffman

A curious spectacle is underway as the nation's financial managers, catapulted into the 20th century marketing arena by various deregulatory measures, shed their pinstripes and learn how to mix it up in the trenches of competition.

"Our members felt it was time to take the gloves off and bareknuckle it a bit after losing millions of dollars to the money market mutual funds back East," explains Larry Solomon, public relations director of the Oklahoma Bankers Assn. and organizer of a hard-hitting, statewide campaign designed to elevate the image of OBA members. "There's only a limited number of consumer dollars out there, and everyone's going to fight tooth and nail to get their share."

Yes, these are bankers talking! And despite their traditional reputation for being stuffy and above it all, there's nothing namby-pamby in the energetic, aggressive approach they are incorporating into their marketing strategies.

"Banks no longer can sit back and do pretty picture, feel-good advertising," adds Tom Dynjan, general manager of Owens Associates, Phoenix. "It's become a much, much more competitive industry, and we have to seize the initiative in order to stay ahead."

While it is difficult to isolate a specific time at which financial institutions entered the competitive fray, Elizabeth Taller, director of advertising at Chemical Bank, New York, points to the arrival in late 1979 of double-digit interest rates on six-month certificates of deposit as the likely genesis of the new competitive era.

"The highly competitive advertising by banks in 1980 for CDs changed the thrust of bank marketing from simple image advertising to product-specific advertising," she says. "Previously, we were selling a parity product. All commercial banks offered the same regulated interest rate, so it basically was through the creativity of the advertising message that institutions differentiated themselves from each other."

The hunt was on for the next breakthrough move while protecting current market shares from scavenging competitors. As a result, the advertising wars have become quite heated.

"Do your banking at a bank—your local Oklahoma bank," stressed the opening salvo of the OBA campaign launched last February. Motivated to action by the constant drain of Oklahoma dollars to mutual funds "back East," the OBA collected a war chest in three-year pledges from its members to finance the pro-bank campaign.

The campaign—print, radio and tv ads designed by Yount-Moeller, Tulsa—was hard-hitting.

"Let's play hard ball . . . savings and loans, credit unions and brokerage firms just don't measure up. Only banks offer a complete list of financial services backed by professionals with years of experience," proclaims one of the first tv spots.

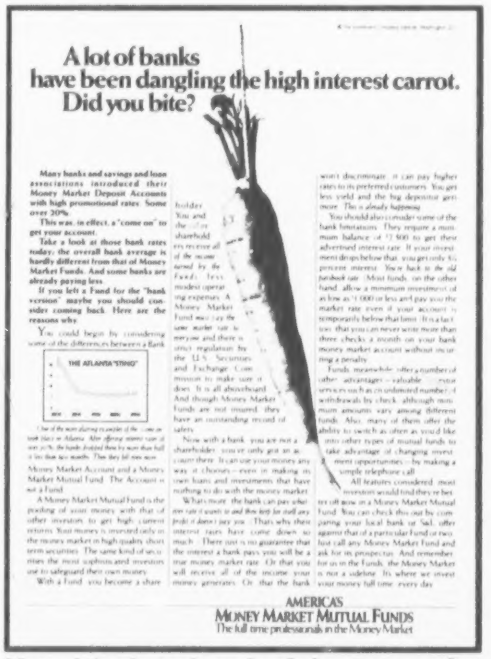
"Our initial campaign was pretty aggressive because that's the way our members wanted it," explains Mr. Solomon. "The one thing we kept hearing was, 'Let's get tough.' "

The OBA followed its initial eight-week spring campaign with a fall campaign stressing the strength, dedication and community orientation of banks. According to Mr. Solomon, the objective is to soften the bank's image and emphasize the importance of the banks' link to community and business development. Another multiweek campaign scheduled for this month focuses on "relationship banking—establishing a personal rapport with your community bank."

Association-based campaigns are a more conservative method of confronting rivals, although they may not be as effective in helping a specific institution improve its market share. "The company-sponsored campaign can be very specific in the call to action, where the association campaign generally is more of an umbrella campaign most effectively used to enhance a company effort," explains Allan Paro of the American Bankers Assn.

"No one can just sit back and rely upon an association campaign to bring new customers into their brokerage firm or bank—everyone has to make a strong marketing investment and personalize the products and services they offer. They need to create their own image, their own reason for being."

The association approach, however, may be the only marketing outlet for banks advertising on a shoestring budget. "Even though we have two large metropolitan areas—Tulsa and Oklahoma City—the majority of our members have assets in the neighborhood of $45 million," says Mr. Solomon. "They're small banks with advertising budgets of about $4,000 annually, and that usually goes toward matches. They were clamoring for a vehicle they could jump on that would give them statewide tv exposure—a campaign that was professionally done and carried a strong message they could be identified


A lot of banks
have been dangling the high interest carrot.
Did you bite?
THE ATLANTA "STING"
AMERICA'S
MONEY MARKET MUTUAL FUNDS
The full time professionals in the Money Market

Mutual funds took on banks' money market accounts in this ad, causing banks to fire back their own competitive retorts.

Kurt C. Hoffman is a free lance writer in Richmond, Va.

Bankers bring home the bacon—electronically

By Cara S. Trager

Banks, with their frequently long lines and slow tellers, are gradually reshaping their image by offering their services in a most accommodating place: The depositor's home.

"Stay home and go to the bank," reads an ad for Pronto, the computerized home banking system offered by New York-based Chemical Bank. Its program introduced last fall, offers any owner of an Apple, IBM or Atari personal computer unlimited use of its banking services for $12 a month.

"Viewtron. The waiting is over," declares ads announcing Knight-Ridder Newspapers' videotex program.

In addition to home banking, Viewtron offers a full menu of services, including shopping, stock market closings, sport scores, restaurant and travel reservations and games. All this—and more—can be had for an initial investment of $600, which purchases an American Telephone & Telegraph Co. videotex scepter terminal, and a $12 monthly service charge.

Chemical Bank and Viewdata Corp. of America, a wholly owned subsidiary of Knight-Ridder, may be pioneers in going commercial with videotex, but they are not alone on the frontier. The list of financial institutions entering the arena grows daily.

Among the current major players is Video Financial Services, a jointly owned subsidiary of Banc One of Ohio, Southeast Banking Corp. of Florida, Security Pacific of Los Angeles and the Wachovia Bank of North Carolina. The group, which packages, sells and services home banking programs, is working with Viewdata and AT&T. There's a strong possibility, too, that Times Mirror Co. will enlist Video Financial for the communications giant's "Gateway" videotex program, due to go into commercial operation in Orange County, Cal., this year, according to Penny Welsh, manager of marketing communications, Times Mirror videotex services.

Meanwhile, late last year Bank of America launched its own commercial Home Banking videotex program, which can accommodate any personal computer for a monthly service charge of $8. Currently in operation in northern California, the system is scheduled to go statewide by midyear.

At the same time, Chemical is licensing Pronto to other banks, and about 17 banks nationwide are participating in a two-year home banking test program organized by ADP Telephone Computing Services of Seattle. Banks involved in ADP's "Home Banking Interchange" include the Continental Illinois National Bank & Trust Co., Marine Midland in New York, United National in New Jersey and Colonial Bank in Connecticut.

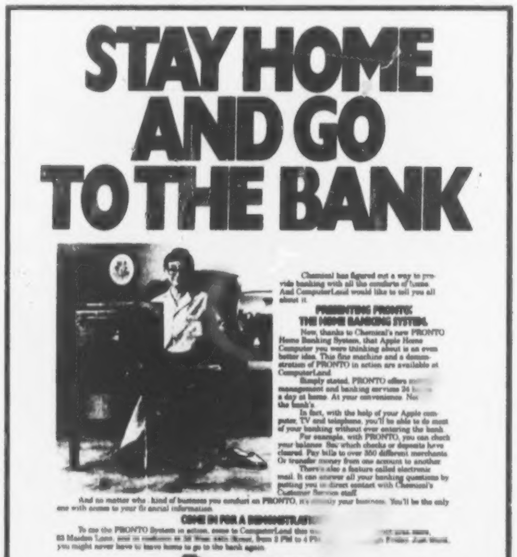
Considering all of this preliminary positioning by major financial corporations, it appears that transactions at a terminal rather than a teller may be in store for many financial customers. "Videotex is probably going to take off faster than a lot of people think," maintains Eileen Friars, senior vp of Management Analysis Center, Cambridge, Mass., which has conducted several proprietary studies in the videotex area.

The financial community seems especially eager to see computerized home banking get off the ground—and quickly. John Russell, vp-director of marketing at Banc One, believes home banking will give banks a competitive edge in the face of increasing competition from major retailers, such as Sears, Roebuck & Co., and insurance companies.

"It's a new kind of competition, and while it won't have a major impact on our current customer base, it will have great impact on the next generation of financial users," says Mr. Russell.

Additionally, such systems simultaneously should enable banks to streamline their operations and reduce costs. "Home banking is more cost-efficient and effective, requiring less of a dependency on brick and mortar outlets—real estate —and paper transactions," says John Tuohy, former vp-marketing at Chemical Bank's financial services division.

Computerized home banking also allows banks to continue generating a large percentage of their income through fees rather than interest. "Banks are relying more on fee income, and computerized banking fits into



Chemical has figured out a way to provide banking with all the comforts of home. And ComputerLand would like to tell you all about it.

PRESENTING PRONTO: THE HOME BANKING SYSTEM.

Now, thanks to Chemical's new PRONTO Home Banking System, that Apple Home Computer you were thinking about is an even better idea. This fine machine and a demonstration of PRONTO in action are available at ComputerLand.

In fact, with the help of your Apple computer, TV and telephone, you'll be able to do most of your banking without ever entering the bank.

For example, with PRONTO, you can check your balance. See which checks or deposits have cleared. Pay bills to over 350 different merchants. Or transfer money from one account to another.

No long lines, up-to-date statements—no human contact, no way to get cash: These are customers' choices as computers become bankers.

Cara S. Trager is a New York-based free lance writer.

with. By pooling our resources, we are accomplishing that objective."

Federal Trade Commission efforts to detect truth in advertising violations pale in comparison to the scrutiny afforded a competitor's promotional claims.

An eight-week, no-holds-barred media blitz conducted last spring against bank money market accounts by the Investment Company Institute (ICI), an association of mutual funds, constitutes a clear case in point.

Reginald Green, ICI vp, cites the initially misleading promotions by many banks for the newly authorized money market deposit accounts as the stimulus that triggered the ICI's aggressive campaign.

According to Mr. Green, the banks' sins were widespread. Simply by naming the new accounts money market deposit accounts, banks virtually invited consumers to confuse the new variable rate bank accounts with the fixed rate money market mutual funds offered by ICI members, he says.

"Many banks didn't attempt to differentiate their product," he says, "nor did they struggle to tell you what would happen to your interest rate if the circumstances of your account changed even slightly."

For example, if a customer's deposit account dropped below $2,500, the interest rate often would revert to the passbook savings level.

"The ads were marked by a disinclination to tell you all that," says Mr. Green. "Another misleading aspect was the advertising of very high rates of return, without emphasizing that these were promotional rates. We knew, as they did, that those initial rates would not last, because you can't pay 12% when the market is paying 8%," he points out.

"The banks were taking assets from the mutual funds in those early days, and although we expected the drain to stop when the promotional rates dropped off, which they did, we had to do something about it in the meantime."

The ICI unleashed a $5 million network tv and local newspaper campaign designed to guide consumers in evaluating deposit accounts and to promote mutual funds.

The campaign, created by Doyle Dane Bernbach, pulled no punches. "What to watch out for in bank money market advertising," warns one headline. The copy then differentiates deposit accounts from mutual funds and highlights "samples of the obscure" provisions in bank advertising.

Another featured the now infamous high interest carrot-on-a-string. "Did you bite?" asks the headline. "If you left a fund for the bank version, maybe you should consider coming back," reads the copy.

"One prefers to talk about one's strengths instead of the competition's weaknesses, but in this case, they left us no choice," notes Mr. Green. "And though we can't tar the whole banking industry with this brush, there were enough violators for us to be rightly concerned."

Righteous indignation describes many banks' reactions. Mr. Dynjan of Owens & Associates created a counteroffensive for United Bank of Phoenix. "In one way, the [ICI] ads were correct," he says. "We had a bank here in Phoenix offering 22% and there's no way they can make money at that rate. But that's like saying all businessmen are crooks because there happens to be three crooks in Rapid City."

All in all, the ICI campaign "was very creative," says Mr. Dynjan. "I can't fault them for doing a good execution. But running local ads and implying that all banks were engaging in misleading advertising was somewhat unfair.

United's campaign, featuring a "carrot stick" parody, was equally aggressive. "You're old fashioned, Smith Barney," "No one's listening, E.F. Hutton," and the "Bum steer" approach characterized United's effort to emphasize that it's not nice to stick people who are innocent of wrongdoing.

Engaging in competitive advertising carries some degree of risk, although one may question whether the greater risk lies in bypassing this highly effective marketing approach.

"Any competitive advertising has to have a foundation in a very good product," says Mr. Dynjan. "The real danger is if you don't have the product or the people to support an aggressive marketing stance. And it's important not to go too far. As a marketing official, you have to remember that the bottom line is, 'How will the consumer react?' There's always the danger of turning people off."

One also must be wary when naming specific competitors in ads, according to Chemical's Ms. Taller, an industry veteran of head-to-head assaults on competing firms such as Chase Manhatten, Manufacturers Hanover and Citibank. "When you cite the competition by name in an ad, you want to be sure that consumers come away knowing who the advertiser is."

Real-world competition is a whole new ballgame for most financial institutions, and many aggressive companies are supplementing their marketing forces with outside talent.

"A lot of banks have brought in package goods marketing people who really have the marketing discipline down," says Mr. Dynjan. "Other institutions are redirecting or reeducating their marketing departments and studying the marketing practices of other deregulated industries."

As in other deregulating industries, today's financial industry can be characterized best as one of unrest as institutions struggle to maintain traditional market strongholds while scrambling for new opportunities. The marketing arena reflects this activity, and it promises to be a good show for years to come.

Bankers and brokers spend the ad bucks

Top 10 financial services advertisers, Jan.-June, 1983

$(000)

Company	Total	Magazines	Newspaper supplements	Network tv	Spot tv	Network radio	Spot radio	Outdoor
1. BankAmerica Corp.	9,640.3	2,412.6	—	305.8	2,625.7	—	3,684.0	612.2
2. Merrill Lynch & Co.	7,698.6	2,268.7	61.2	4,258.7	766.3	—	343.7	—
3. Citicorp	6,757.0	1,051.1	47.0	1,823.6	3,623.0	—	207.6	4.7
4. Prudential-Bache Securities	5,848.8	2,670.1	—	984.8	2,193.9	—	—	—
5. First Jersey Securities	5,595.0	823.4	—	1,134.2	2,298.5	—	1,338.9	—
6. First Interstate Bancorp	5,124.7	819.6	—	762.4	3,095.7	—	286.1	160.9
7. EF Hutton Group	4,938.9	2,258.6	77.6	1,853.8	131.7	259.2	358.0	—
8. Great Western Savings & Loan	4,299.5	201.7	—	—	2,844.2	—	1,253.6	—
9. Manufacturers Hanover Corp.	3,661.4	1,796.4	61.2	—	1,402.4	—	400.2	1.2
10. Smith Barney Harris Upham & Co.	3,042.0	73.7	—	2,855.1	—	—	113.2	—
Total	**56,606.2**	**14,375.9**	**247.0**	**13,978.4**	**18,981.4**	**259.2**	**7,985.3**	**779.0**

Note: Includes banks, brokerage houses, savings & loan associations, mutual fund groups, credit unions. Does not include newspaper or direct mail expenditures.

Sources: Leading National Advertisers, Radio Advertising Bureau.

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that fee income strategy," notes Stuart MacIntire, director-videotex services at J.C. Penney Co., which, he says, is "investigating . . . videotex in detail."

In line with that strategy of producing income through services, computerized home banking is expected to result in not only a repositioning of teller services, but also a charge for it. Tellers will eventually assume the role of financial counselors —for a fee.

"We'll always have teller service in a bank because there will always be people who want personal service. But they will need to pay for it," says Banc One's Mr. Russell. "Just as first class costs you more . . . when you fly and you pay through the nose when you use a telephone operator instead of dialing yourself, people will have to pay for personal service."

Admittedly, with computerized home banking, financial institutions may not be known for their human touch, but bank executives believe they may offer something far more important: The ultimate in consumer convenience.

"The first three reasons for Pronto are convenience, convenience and convenience," says Mr. Tuohy.

As he sees it, computerized home banking users are the "new achievers"—career-oriented, financial activists in their mid-30s and 40s who regard time as money and believe waiting in line at the bank or doing paperwork at home is a waste of both.

Among the frequently cited benefits of Pronto are improved money management, bill paying and home budgeting. The only function the system can't perform is the deposit or withdrawal of cold cash, and that's positioned as a safeguard. "That still has to be done from an automatic teller machine," says Mr. Tuohy.

Despite such accommodating features, however, some videotex experts believe home banking is not enough of a drawing card to justify buying a home computer or paying a monthly service charge. "There has to be a great deal more than banking . . . to make it valuable," Mr. Russell maintains.

Chemical Bank disagrees—but to a point. "Chemical's research shows there is sufficient interest in Pronto and home banking as a stand-alone service," says Mr. Tuohy. "But down the road the Pronto concept will consolidate home shopping, portfolio management and logistical functions such as reservation information for travel and entertainment. It's logical that banking, as the payment function, is the nucleus of this system."

Viewdata, in contrast, regards home banking as just one of many financial services subscribers want in their homes. Viewtron offers investment information from E.F. Hutton and Merrill Lynch, insurance tips from Equitable and business news from the *New York Times* business section.

While such services are intended to attract a greater number of videotex subscribers, banking experts believe there's more to it than that. They must also educate the consumer.

To that end, Viewdata, which demonstrates Viewtron in hotels and motels, as well as in such stores as Burdine's, Video Concepts, ComputerLand and Phone Center stores, is pouring $1½ million into the south Florida market to get its system known and used. That budget includes direct mail pieces, three 30-second tv commercials, a newsletter published eight times a year and a four-color quarterly magazine resembling a menu of the system's offerings.

Chemical Bank is following a similar strategy in its attempt to create awareness of and interest in Pronto. It is holding demonstrations in branches as well as in such retail stores as Crazy Eddie's and Bloomingdale's. "Retailers love Pronto, because they're always looking to close the sale of a computer," Mr. Tuohy says. "Beyond the benefits of a computer for children, parents want to know what it will do for them as well, and Pronto gives them a real practical reason to buy."

Bank of America is also going the demonstration route, as well as providing personal computer owners with an 800 number that gives them the capabilities of home banking without actually signing up for it. Additionally, the California bank has launched an electronic mailbox through which subscribers can ask a home banking officer their questions through the computer and receive a displayed answer within 24 hours.

Although these support measures are designed to help potential customers overcome their fears of electronic transactions, industry authorities believe computer phobia is no longer a problem. Steve Yotter, vp-electronics product development at Bank of America's retail marketing area, for example, maintains that electronics are no longer steeped in mystery.

"We have a very active ATM system, with over 10,000 transactions a month," says Mr. Yotter. "Through that, the customer has gotten used to electronics and trusts it. Home banking is an extension of that."

Although computerized home banking today continues to be the exception rather than the rule, bank and videotex executives insist such systems are on the threshold of their future.

As Mort Goldstrom, director of marketing at Viewdata, notes: "I suspect that much like people got used to going to banks, then going to branches and talking on the phone, they will get used to the Viewtron concept. It will become the utility of the '80s."

Ole! Pinstripes play matador in a new fight

Bankers enter brokers' arena with discount operations

By Bob Mahlburg

A bank used to mean a plush, marbled building where you deposited your money in a 5¼% passbook account, joined the Christmas Club and took out a loan. But since the variety of banking services exploded, the bank that fits this description is most likely out of business.

The need to rely more on fee income and less on interest revenue prompted the plunge into the stock business.

New banking services, like discount brokerages, are "a matter of survival" for banks, says Randy Peyser, vp-marketing and product development at Springfield Marine Bank, Illinois'biggest bank outside of the Chicago area. "Banking had always been a very regulated industry," Mr. Peyser says. "Now you see brokerage houses getting into what has traditionally been banking-type services."

These new competitors not only shriveled many banks' profits, they forced a rethinking of basic concepts. "First you have to address the needs of the consumer and try to project what they need," says Mr. Peyser. "Then you have to look at what the competitors are doing. We're looking at the brokerage houses, the retailers, and saying, 'It's just starting. Let's look down the road five years and start getting on the path now.' "

That mindset, plus the need to rely more on fee income and less on interest revenue, prompted Marine's plunge into the then-fledgling bank stock brokerage business in July, 1982. When Marine officials investigated the idea, only two U.S. banks had tried anything even remotely similar.

Bank of America, San Francisco, started the trend by simply buying a brokerage. Because federal laws prohibit banks from advising customers on stock options, it purchased Charles Schwab & Co., a discount brokerage business, merely to execute customers' buy and sell orders. The customer must rely on his market knowledge, but receives a substantial discount on the commission fee in return.

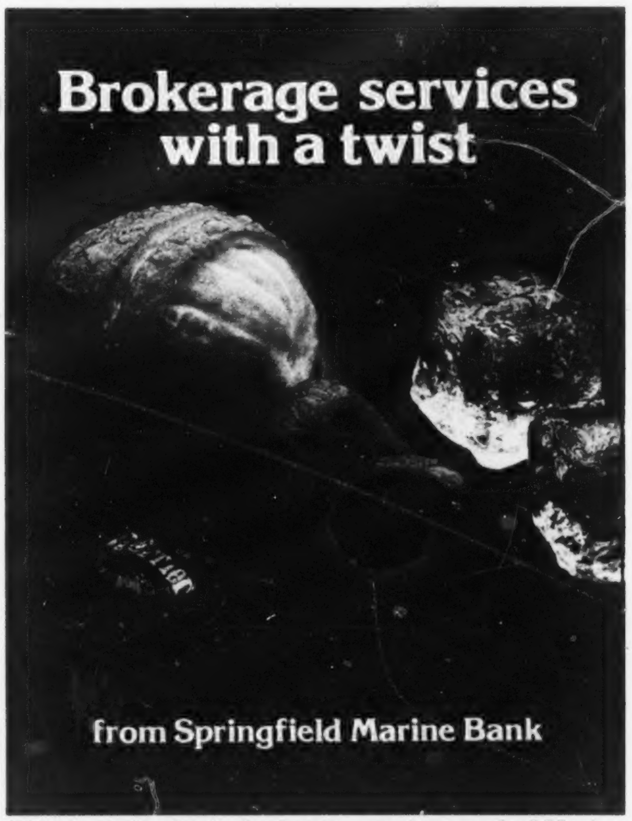
A short time later, Security Pacific Bank, Los Angeles, announced it was teaming up with Fidelity, another discount brokerage, under an agreement that allowed bank customers to transact stocks, while Fidelity continued to operate independently. Both the bank and the brokerage would get a cut from the commission.

Marine Bank officials studied both procedures, but adopted a different approach.

Marine's comparatively smaller size made buying a brokerage too expensive. It also considered a joint venture with Fidelity. But, Mr. Peyser says, Fidelity wouldn't back down from its requirement that each investor establish an account with Fidelity.

"We wanted to serve all the needs of our customers," he says. "We didn't want them opening accounts with someone else." Bank officials feared that they would be handing over their best customers to a powerful, potential competitor.

"We never felt we were endangering ourselves in our arrangement with Fidelity," says Tim Munroe, director of planning and development, Security Pacific Brokers. "Any time you enter into an arrangement with a potential competitor you must protect yourself." Security Pacific did this by adding some very specific anticompetitive clauses into its contract with Fidelity. "If they encroached on our customer list," he says, "we would not only have grounds for terminating the contract, but for taking them to court. It was never much of a problem for us."


Brokerage services with a twist
from Springfield Marine Bank

This campaign for its brokerage services marked Marine Bank's shift to a package goods ad approach.

Marine still felt that these types of safeguards weren't enough.

"What was really needed was a bank brokerage system designed *by* a bank, *for* a bank—and it didn't exist," Mr. Peyser says. "So we decided to design our own system."

To do it, they went to an old friend, Mesirow & Co., a regional brokerage in Chicago that handles Marine's trust investments. The deal that emerged gave Marine most of the advantages of the other approaches, plus some improvements, says Mr. Peyser. As in the Bank of America arrangement, Marine customers can trade stocks easily, at lower fees. As in the Fidelity setup, the brokerage executes the actual transactions. Mesirow also benefits from the deal by extending its coverage beyond its usual customers, Chicago trusts and institutions, Mr. Peyser says.

Mr. Peyser stresses that bank customers "only have an account at Marine Bank, everything they

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Bob Mahlburg is a free lance writer based in Springfield, Ill.

Mergers

(Continued from Page M-20)

are company owned and the third is the franchised, independently owned First Interstate Bank of Golden.

First Interstate, which has franchised banks in Alaska, Colorado, Hawaii and Wyoming, is now doing interstate banking in virtually all but name, especially with its national network of automated teller machines. Even though branch banking is prohibited in Colorado, the bank gets around the no-branch banking rules by independently capitalizing each bank.

Financial institution franchising, which First Interstate has pioneered, vividly demonstrates the benefits believed to be associated with a big name. Franchised banks retain local ownership, but pay a fee to use First Interstate's name and its advertising and financial services. The advantage for the franchisor is that it is cheaper to franchise than to buy a bank.

Adopting the name of the larger institution flies in the face of the old dictum that a local identity should be preserved in small-town banking. Yet account activity at the First Interstate Bank of Golden has surged with its new name, according to Mr. Tabussi.

The Old Kent holding company, based in Grand Rapids, Mich., exemplified the changed thrust when it recently acquired 10 banks owned by the Pacesetter holding company.

Before the merger, the Pacesetter system was gradually changing its member bank names to derivatives of the Pacesetter name; now the change will be to Old Kent.

The process will be done gradually because the name is better known in some parts of the state, and certain banks stand to gain more from area-saturation advertising than others, according to Marty Allen, senior vp of the Old Kent system. "The farther removed from the headquarters and lead bank, the less [the name is] known," says Mr. Allen. Because of economies of scale, the name change can be easily, efficiently and profitably touted in areas where Old Kent banks are clustered.

Informing the public of the change may not be the most critical concern, however. Often, according to one executive from the Pacesetter system, the change is more traumatic for the bank employes than for the public.

"I think it's more in the bankers' minds than anybody else's," the executive says. "One of the banks changed its name four times in 15 years. I don't think it mattered to the customer one bit, so long as it offered the same quality service."

Reassuring employes that the name change is a positive step

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see is in the name of Marine Brokerage Services and as far as they know they deal only with Marine Bank."

Customers can trade by telephone and have the cost or gain shown in their account for a fee based on the dollar amount of the trade. The bank charges a $40 minimum fee per transaction and a $20 signup fee. Advertising claims savings of "up to 70%" over traditional brokers, but Mr. Peyser concedes the minimum fee could make small transactions more expensive.

> **"Our philosophy was, if you can sell dog food you can sell a bank—but it doesn't necessarily work vice versa."**

Marine and Mesirow split the fees roughly 50-50. Mr. Peyser says that's four times the amount the bank would have received from Fidelity. And, of course, Marine avoided the initial costs and risks of buying a brokerage.

"Because we were one of the first in the game, people laughed initially," Mr. Peyser says. "As it turns out, we made money from day one." Marine also claims to have captured business from a number of main-line brokerage houses in central Illinois and even some national discount brokerage firms.

Another measure of the program's success is that Marine sold it to 15 other banks. Marine trains the banks in setting up a trading desk, recommends equipment and supplies camera-ready ads. Beside those banks, Mr. Peyser says, Marine remains "the first and only bank-designed" brokerage service in the U.S. "No one else does it like us. They generally sign up with someone like Fidelity."

Holding companies dominate bank ad spending

Jan.-June, 1983
$(000)

1.	**BankAmerica Corp.**	9,640.3
2.	**Citicorp**	6,648.1
3.	**First Interstate Bancorp.**	5,124.7
4.	**Manufacturers Hanover Corp.**	3,661.4
5.	**American Bankers Association**	1,824.0
6.	**Midland Bank PLC**	1,544.3
7.	**Texas Commerce Bancshares**	1,522.6
8.	**Wells Fargo & Co.**	1,474.8
9.	**Associated Banks of Europe Corp.**	1,435.2
10.	**Mellon Natl. Corp.**	1,350.1
	Total	**34,225.5**

Sources: Leading National Advertisers, Radio Advertising Bureau

Mr. Munroe at Security Pacific disagrees. "A year after we entered the arrangement with Fidelity, we cancelled it," he says. "That end of the business had grown to the point where it was less expensive for us to bring the operation inhouse."

The resulting system in many ways mirrors Springfield Marine's except for the fact that Security Pacific, by virtue of its size, made some substantial improvements. "We bought three brokerage houses to improve our market presence," says Mr. Munroe, "and established a clearing company in New York to carry the account names—a federal regulation. In effect, we are providing a totally self-contained brokerage service without *any* outside intervention." Security Pacific also has sold its program—but to 220 banks.

Mr. Peyser admits that until it spearheaded bank-designed brokerage operations Marine was very conservative in action, with promotion to match. When it started setting trends in financial services, however, the bank decided its ads needed a new look. The brokerage ad, a splashy four-color newspaper insert, featured the slogan, "Brokerage services with a twist." It pictured a ripe lemon, with the peel artfully carved into a swirl, ice cubes and a Perrier cap, all sprinkled with water.

The artwork was executed by Ross Advertising in Peoria, Ill. —then the bank's agency—but Mr. Peyser designed the ad and slogan himself, along with "refinements" from his staff, he says. His wife suggested the Perrier cap to appeal to the more "sophisticated" brokerage customers and to break the alcoholic connotation of the slogan. "You put a bottle of scotch in there and it's a liquor ad," Mr. Peyser laughs.

The campaign consisted mainly of newspaper inserts, although variations of the theme appeared in radio spots and direct mail pieces and on outdoor boards. Tv was not used because the bank wanted to target the audience more precisely, and Mr. Peyser says a spot that would stand up next to a Merrill Lynch commercial would have been too expensive.

The "twist" campaign was aimed at "rising professionals 35 to 40" and somewhat less to housewives. That appears to have been the right group, Mr. Peyser says, based on the response. However, the ad also reached a surprising number of elderly investors. The ad's drawing power is hard to peg because the recent stock market surge occurred simultaneously with the campaign's launch, which "obviously helped a lot," he says.

Many people were reluctant to try the campaign because it was so different, Mr. Peyser says. Most reservations were squashed, however, when the ad won National Bank Marketing Assn. awards for best print ad of 1983 and best campaign.

The series was particularly significant "because this started a whole new thing for the bank in terms of advertising and image . . . . Everything we do now is nontraditional," Mr. Peyser says.

When Marine switched agencies last May to Grey-North, Chicago, Mr. Peyser told Grey-North to treat the account as a new brand of dog food. He wasn't interested in the agency's financial services division.

"Our philosophy was, if you can sell dog food you can sell a bank—but it doesn't necessarily work vice versa," he says.

"So, we're handled out of the package goods division at Grey-North," he adds. "We wanted advertising that was unfettered by traditional bank thinking—it's worked very well."

The shift in advertising reflects the bank's drive to introduce new services and compete with national brokerages. "We wanted to put everyone on notice that in this changing financial environment Marine Bank's going to not only be a survivor, but we're going to respond to whatever needs come down the pike," Mr. Peyser says. It's a lesson more and more banks seem to have learned.

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requires considerable internal communication. They must be assured that career opportunities are actually improved by the acquisition, says N.W. Pope, senior vp-marketing at the acquisition-minded Sun Banks of Florida. That requires "face to face communication and meetings," he says. Generally, expanded services and the new statewide identity convince the target bank's staff, according to Mr. Pope.

Older managers, who are attached to the old names and believe in the rock solid, never changing image of banks, may find the change more traumatic, says Mr. Pope. With the pace of mergers increasing, however, this reluctance is diminishing, he says.

Externally, the news must be communicated to suppliers and customers, although Mr. Pope says they seldom raise a fuss. "People do business with people, not with banks," he says. "If the bank at the corner of Main and Oak has done right by you all these years, there's no reason to believe that new signage is going to change anything."

Sun Banks usually informs these groups through newspaper advertising, "statement stuffers" and lobby displays—not tv, which, Mr. Pope says, involves too much waste. A three-week campaign is usually enough, he claims. "It's more of an information campaign than a sales campaign," he says.

With Sun Bank's recent acquisitions, the company told customers they were "tapping the power of the Sun," a campaign that works particularly well in Florida, Mr. Pope says. For smaller acquired banks, the power of expensive and skilled advertising expertise was also suddenly tapped; they found themselves deluged with advertising they might not have been able to afford on their own.

As the smaller franchised or subsidized banks are brought under the wings of their siblings, these larger banks and holding companies will boost ad budgets to cover promotional expenses for the whole family.

So instead of consolidation reducing business for the advertising community, it's likely that more ambitious and geographically expansive campaigns will result.

Acquiring banks and companies will need to establish their new banks' identities; those who hope to remain independent will have to market themselves as aggressively as their powerful rivals or be lost in the promotional shuffle.

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*New publication launch

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Brokers: Bulldozing competitors or dozing bulls?

By Mark Liff

Financial services marketing has come to resemble a Middle Eastern bazaar. Competition for customers is fierce and discounts exist for the sophisticated shopper. In addition, new vendors offering new products are popping up almost daily. And, like their Middle Eastern counterparts, they want you to shop at only one stall.

Brokers' stalls are getting bigger and carrying more products, prompting competitors to position themselves against this industry segment. Shearson, Loeb, Rhoades now has the clout of the American Express Co.; 103-year-old Bache, Halsey, Stuart, Shields is backed by Prudential Insurance Co. of America, and Dean Witter Reynolds has the impressive reach of Sears, Roebuck & Co.

These multiproduct, multiservice megacorporations' entrance into the fray has triggered a reassessment of marketing strategies both from within and outside of the brokerage sector. "There seems to be a trend now toward packaging services, rather than unbundling," says James Settel, senior vp-director of product development and implementation at Prudential-Bache Securities, New York. "We are talking about total financial planning, as opposed to buying and selling specific securities."

Cathy Stuart, national advertising director at Shearson/American Express, New York, concurs: "We are now trying to talk to the consumer as if he were more sophisticated. We are trying to communicate that anything that has to do with a person's finances is a process rather than an event."

The brokerage industry realizes that total financial planning is the extra plus that makes a broker's service charge acceptable, Mr. Settel says. "The theory behind this is that one cannot plan for retirement by calling an 800 number." And, with banks leaping into the discount brokerage business, further segmenting their slice of the market, the brokers' strongest—and only—niche may lie in full-service investment counseling.

Robert L. Errico, a Prudential-Bache executive vp, says his company is retraining selected brokers "in the basics of financial planning." And in some cases, Prudential insurance agents are referring clients to the securities division so total financial planning can be accomplished under one roof, he says.

Prudential-Bache is relying on technological advancements to help "implement the basic fact-finding questions into our computer and come up with a boiler plate, if you will, a financial plan that we can present to our clients within 24 hours," Mr. Errico says.

To not only address a client's needs, but also to "limit his exposure to competition," Prudential-Bache is putting into place 'access window lockup,' a multiple-product delivery system, Mr. Settel says. When the brokerage house cannot provide a specific service, it enters into an agreement with a third party, thereby maintaining a relationship with the customer.

If this makes it sound as though brokers are paranoid about losing customers, it isn't necessarily so. Merrill Lynch's introduction of the Cash Management Account in 1977 put the rest of the financial services industry on notice that the brokerage houses were going to be a force to reckon with in the market. The patented account, which hit the industry where it counts—the lucrative affluent market—spurred competitors, including banks, to launch CMA clones. Citibank, for example, went head to head against the CMA with its Focus account.

And when banks started to step directly on brokers' market toes with discount stock and bond services, Prudential-Bache began a "brokerage alliance program" that put brokers in banks. The program uses the bank's client base and distribution, while the banks rely on Prudential-Bache's expertise. Both entities share commissions.

Relatively comfortable in their quadrant of the financial world, these brokers are not ignoring movements along their borders. Banks, concocting their versions of total financial planning and including discount brokerage services in the formula, may beat brokers to their market. Brokers' target audience—primarily men over 45, with incomes of $50,000 and up, according to Judy Gaviser, director of advertising, Dain Bosworth, Minneapolis—is much more upscale than most banks, although they are concentrating on the affluent market more extensively. If the banks can involve potential affluents in their programs before they are reached by brokers' marketing efforts, brokers may face a rapidly evaporating market.

To head off the effects of a depleted client base, Mr. Settel says, Prudential-Bache is going after "the near-affluent or the to-be-affluent." These, he says, are individuals earning around $35,000, either "early professionals" or "blue collar affluents."

Heightened competition also has required a change in planning strategies, says Mr. Settel. "Strategic planning has been shortened dramatically. A five-year plan is no longer acceptable. We are talking about tactics becoming a part of strategy."

And at Shearson/American Express, David Pottruck, senior vp-marketing, discusses more radical changes. "We really didn't have a marketing strategy until a few years ago," he says. Shearson essentially had relied on "a sales strategy because brokerage firms in general, and Shearson in particular, had been a selling-oriented company."

While selling is "a distribution-oriented activity in terms of promotion and strategy," the new effort is "a blend of consumer-oriented strategy combined with a distribution-oriented strategy," Mr. Pottruck says.

With all of the repositioning, new competitors and new products, this should be fertile ground for innovative advertising. But because brokers still consider their main competition to be other brokers and because everyone is essentially selling the same things, says Perrin Long Jr., an analyst with Lipper Analytical Distributors, advertising by securities companies "is primarily an effort to identify with the customer a particular firm, more than with a product." Those who've seen too many roving bovines or silenced sailors—at the mention of a particular company's name—couldn't agree more.

Brokers bank on advertising to protect market share

Jan.-June, 1983
$(000)

1.	Merrill Lynch & Co.	7,699.6
2.	Prudential-Bache Securities	5,794.8
3.	First Jersey Securities	5,595.0
4.	EF Hutton Group	4,938.9
5.	Smith Barney Harris Upham & Co. Inc.	3,042.0
6.	Paine Webber	2,998.4
7.	Robinson Humphrey/Shearson/American Express	1,676.2
8.	Dean Witter Reynolds	1,112.5
9.	Charles Schwab & Co.	1,060.6
10.	Goldman Sachs & Co.	1,043.5
	Total	**34,961.5**

Sources: Leading National Advertisers,
Radio Advertising Bureau

Those at Shearson might not agree, however. Shearson significantly boosted its advertising budget and changed its concept, moving beyond name identification. Inhouse research analyzed changing consumer spending patterns and opinions, and ads reflected these changes, Mr. Pottruck says. Ad campaigns now discuss the consumer's financial goals, explaining that numerous products are available to help with one's over-all financial objectives.

Two-minute radio commercials review the week's financial news, focusing on a big story. But a major portion of the ad also includes Shearson's point of view on that story, Mr. Pottruck says. Shearson also runs informational ads in the *Wall Street Journal* that talk to the "educated financial services consumer," he says. The effort, handled by McCann-Erickson, stresses that the company "wants to work *with* you, not *for* you," Mr. Pottruck says.

Dain Bosworth also believed name identification was crucial at first. The company began a more than $1 million ad campaign to get its name recognized, according to Ms. Gaviser. "The name changes, mergers and acquisitions have been legion over the years," she says. "We needed to get our name out. We didn't really sell particular products."

The ads, which said, "Dain Bosworth delivers opportunity," promoted the company's experience and knowledge. "We emphasized information. It's much better to go out and sell your expertise as a resource."

Merrill Lynch, the generally acknowledged industry innovator, is taking its message a step further. A recent print campaign still has the name orientation, but using a question-answer format, it ties into a product Merrill Lynch offers. For example, one ad asks, "Who offers more than 50 kinds of IRA investments when most people tell you one is enough?" A secondary head answers, "Who else but Merrill Lynch." The body copy goes into greater detail on the product, mentioning the company's experience in over-all financial planning.

Whether the brokers will take an even more aggressive stance against their new competitors is yet to be seen. If anything, they still have room to move into the product-oriented advertising that has characterized the other institutions' campaigns. As Ms. Gaviser says, Dain Bosworth has not done any head-to-head advertising against banks. "We think more about competition from other brokers than banks."

Mark Liff is a New York-based free lance writer and a frequent contributor to Magazine.

Funds come out of the marketing closet

By Mary McCabe English

If the words "mutual fund" conjure up images of doleful widows and pathetic orphans, run—don't walk—to the nearest copy of *Money* or the *Wall Street Journal* and elevate your investment IQ into the '80s.

Yes, it's true that mutual funds were once the domain of investors who didn't know what to do with their money. However, spokesmen for several funds claim their investors are increasingly sophisticated, socking money into various vehicles, including mutual funds in the mix because of their stability, liquidity and flexibility. Their reputation for effective management doesn't hurt either, the fund executives maintain.

The funds' growth over the last few years have been phenomenal. Industrywide sales for 1983, excluding the high performance money market funds, were $40 billion, compared with $15.7 billion for 1982 and $5.8 billion for 1972, according to the Investment Company Institute (ICI). The growth is even more impressive in light of a 1974 dip to $3.3 billion in sales.

A number of factors are responsible for mutual funds' dramatic growth, not the least of them being an increasingly high marketing and advertising profile. For another thing, as the funds diversify their product, they automatically broaden their appeal. Between 1940 and 1965, most mutual fund assets were invested in common stock. Today, the industry offers a variety of products that attract an expanded, generally upscale customer pool.

The 1979-80 money market fund period brought a lot of newcomers into mutual funds. More recently, the advent of popular retirement savings plans, like Individual Retirement Accounts and Keogh accounts, have done the same thing.

Says Victor Kramer, director-retail product management with the Fidelity Group in Boston: "IRAs are an important bridge to the middle market, just as money market funds gave mutual funds entree to the upper market back in the '70s. The same is true of IRAs. We wrote about 300,000 of them last year, and among them were a lot for people considerably below our normal demographic patterns."

Rudolph D. Watz, vp-director of retirement plans with Value

(Continued on Page M-26)

Mary McCabe English is a free lance writer based in Norristown, Pa., and a frequent contributor to Magazine.

Maxwell

(Continued from Page 3)

the High Point vacuum ground, which has been testing in Portland, Ore., and in Cincinnati and Dayton, O., since 1975.

A P&G spokesman declined comment on these reports.

The new Maxwell House entry, which is being shown to the trade, initially will come only in ground-roast form in 13-oz. and 26-oz. sizes for automatic and electric and range perculators. The cans carry the Maxwell House logo, with colors different from regular Maxwell House, and "decaffeinated" printed in large letters.

Advertising, predominantly tv and an array of such consumer promotions as direct mail, coupons and freestanding inserts, will break April 2 via Ogilvy & Mather. According to a GF spokesman, the campaign will hammer a "good taste" message to capitalize on the Maxwell House heritage.

The tv spots feature young adults sitting at sundown, having just finished dinner. GF says they are enjoying a cup of coffee, presumably Maxwell House decaffeinated, while eating dessert. Meanwhile, the voiceover will note, "Introducing the only decaffeinated coffee with the delicious taste of Maxwell House."

As such, the campaign clearly hopes to distinguish the brand from both Brim and Sanka, the latter of which has adopted a people approach.

GF says the new entry will build the decaffeinated market, rather than steal Sanka and Brim loyalists.

The company further maintains that the three brands command their own distinct, somewhat exclusive markets. GF contends that the Maxwell House entry will make a name for itself by wooing drinkers reluctant to drink a brand without a strong caffeinated taste credential.

A GF spokesman described the new product's audience as being slightly younger—say 30-plus—than Sanka and Brim drinkers, who tend to be 40-plus and 35-plus, respectively.

Nonetheless, analysts predict some cannibalization of existing brands, the fear of which may influence the introductory budget and the weighting of the tv buys.

GF, the nation's sixth-largest national advertiser, would not disclose budget figures, but sources close to the company believe it will be substantial, at the least matching the spending of other decaffeinated brands. Estimates are that GF backed both Sanka and Brim with more than $20 million during 1983, with P&G's High Point budget projected at $15 million.

And both companies' potential to spend is great: When P&G introduced High Point with a $30 million budget, GF quickly increased Sanka's spending to the same amount.

"A move like this is designed to make your competitors, in this case P&G, very, very nervous," said Jack Salzman, who follows both companies closely at Smith Barney Harris Upham, New York. "And believe me, this is the last thing P&G needs. They'd better do something quick."

Although its growth has slowed a bit in recent years, the decaffeinated market still represents the most enticing in the $4.5 billion coffee industry. Decaffeinated entries now boast some 30% of the instant coffees and 10% of vacuum ground, a figure that appears to be mounting.

According to figures compiled by John Maxwell of Lehman Bros. Kuhn Loeb, Sanka can claim 3.7% of the total ground-roast market; Sanka instant 10.5% of the total instant market, vs. Brim's 4.3%. Late last year, the company introduced a ground-roast version of Brim, but it is too early to tell how it is doing.#

Beer makers try new tacks

(Continued from Page 2)

from each other.

The A-B and Bally agreement is one example. It marks the first time a brewer has licensed one of its product names with a videogame.

The game's graphics will feature barroom settings that picture the Bud logo and Bud bottles. When a player scores, the game will play the brew's theme music.

"This is simply one more way of giving the product visibility and keeping it on the customer's mind," says Manny Goldman, beverage analyst with Montgomery Securities, San Francisco. "It's not monumentally significant."

Indeed, A-B is being rather low-keyed about the new venture.

"It's not a major marketing move for Budweiser," says a spokeswoman. "It is just one project where the Budweiser name is being licensed."

But the videogame is considered a pr gamble by some industry people. They contend the perception could surface that A-B is becoming involved in an area that appeals mostly to children and teen agers.

"It could end up being another Chelsea," says a competitor, referring to a soft drink A-B tested in the mid-'70s that contained a trace of alcohol. That beverage incurred the wrath of consumer groups charging A-B with selling "baby booze," and it was eventually discontinued.

Miller is also concerned about the image of its flagship brand. High Life suffered another bad year in 1983, dropping from 1982's 20.3 million bbls. to 17.5 million bbls., according to Mr. Goldman.

It also dropped an estimated 3 million bbls. in 1982. That decline sparked Miller's bringing on a new upbeat "Welcome to Miller time" campaign via Backer & Spielvogel.

Miller declined to give an official reason for asking the other agencies to do the "exploratory work" on the High Life brand. Apparently it had been in the works for more than a month.

There is a potential complication, at least for Ogilvy & Mather, New York, which is vying for High Life while its San Francisco office handles G. Heileman Brewing Co.'s Blitz-Weinhard business.

The agency contends the separation of offices diminishes any client conflict.

Ad spending for High Life is nearly $50 million, compared to Blitz-Weinhard's estimated $4 million.

These changes come at a time when the brewing industry is lurching.

Although most of the major brewers chalked up modest gains, the over-all industry remained flat at about 179 million bbls.#

Sports Time sets ads

By SUSAN SPILLMAN

Sports Time, the midwestern pay cable network owned by Anheuser-Busch, Multimedia Inc. and Tele-Communications Inc., is preparing for its April 3 launch with a $1 million affiliate and consumer advertising campaign.

Breaking in 15 cities in late March, the campaign will center on the theme, "Sports Time. We're playing the games you don't want to miss."

D'Arcy MacManus Masius, the major agency for A-B's beer brands, is in charge of Sports Time's consumer effort, while Cincinnati-based U.S. Communications is handling the affiliate co-op promotion. About $500,000 will be spent on each.

Sports Time will launch with a free 15-day trial offer to subscribers of affiliated cable systems in an 11-state region. The cable network will debut with the St. Louis Cardinals' opening game of the Major League Baseball season against the Los Angeles Dodgers.

Those who sign up for the service, which will cost between $9 and $12 a month, will receive a free subscription to one of several national sports magazines, said Tim Browne, director of marketing for Sports Time. Details have yet to be worked out, he said.

According to Mr. Browne, 45% of the consumer and affiliate co-op campaign will be spent on print, 30% on tv, with the rest divided among radio, outdoor and direct mail.

Sports Time expects to launch with 150 to 200 cable system affiliates and expects 30,000 subscribers by May 1, Mr. Browne said. By year's end, the network expects 150,000 subscribers. The service will be available in Arkansas, Colorado, Illinois, Iowa, Kansas, Kentucky, Missouri, Nebraska, Ohio, Oklahoma and Tennessee.#

'Marketing & Media's' Swan dies

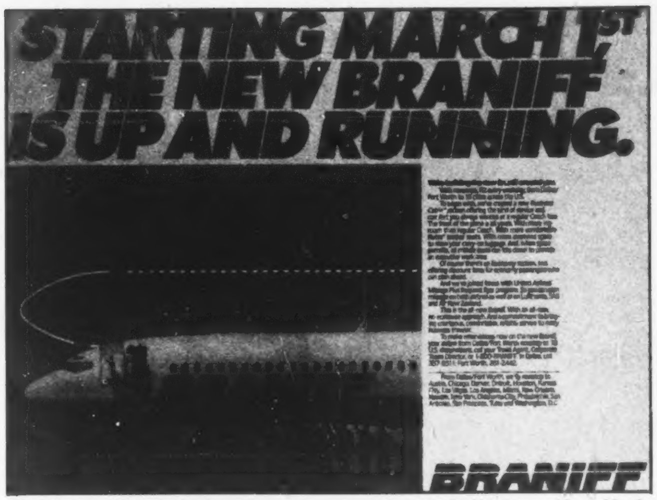
Norwalk, Conn.—Carroll J. Swan, editor emeritus of *Marketing & Media Decisions* and a 30-year veteran of the media trade press, died of cancer Feb. 5 at Norwalk Hospital here. A resident of Wilton, Conn., Mr. Swan was 69.

Mr. Swan received the title of editor emeritus last year after illness forced him to step down as editor of the advertising trade publication that he had been associated with since 1968.

During that tenure, Mr. Swan became known and respected by most leaders in the advertising and marketing industry for his vast knowledge of the field—the culmination of a lifetime of observing and recording its growth.

Mr. Swan left *Marketing & Media Decisions* in 1983, suffering from his illness. He was editor of the advertising trade publication.

Mr. Swan joined the former *Printer's Ink* soon after receiving a degree from Harvard University in 1937. He later served in the Army Signal Corps for 4½ years during World War II, serving in Europe. He returned to *Printer's Ink* after the war and later joined *Media Scope*, serving as the publication's managing editor for four years before being hired by *Media Decisions* in 1968.#


STARTING MARCH 1ST, THE NEW BRANIFF IS UP AND RUNNING.
BRANIFF

Braniff begins its $10 million ad campaign via N W Ayer, New York, today with this newspaper spread that positions the revived airline as the "all-new, no-nonsense airline."

Braniff is singing

(Continued from Page 2)

expects to appeal to executives.

Refurbished interiors of the airline's 30 727-200s include all-leather seats in an all-coach configuration with three seats on each side of the aisle. The middle seats on each side of the plane have backs that fold down to form a table-like surface with depressions for cups. But unlike other airlines, the backs of those middle seats remain in place to assure privacy.

The forward section aircraft is designated the Business Cabin, where full coach-fare passengers will be offered complimentary newspapers and meal service.

Passengers with special or discount-fare tickets will be seated in the aft cabin behind the partition but in the same seating arrangement.

Most of Braniff's ad budget will be allocated to print and radio, but tv spots will air in five markets, according to Mr. Lagow. N W Ayer, New York, is the agency.

In the joint promotion with the March of Dimes, Braniff will issue millions of rebate coupons through March of Dimes volunteers and supporters and through travel agencies.

When attached to a passenger's ticket, the coupon will trigger a 5% rebate and a matching 5% donation to the March of Dimes. The promotion will continue through June 15 with the theme, "Fly Braniff for the March of Dimes."

Braniff also plans an invitation-only "Stars Salute to March of Dimes," featuring country singer Lynn Anderson and the Beach Boys in concert March 3 in Dallas. Mike Love, lead singer for the Beach Boys, appeared with Braniff officials at a news conference here last week and described William Slattery, Braniff president, as the "Lee Iacocca of the air," comparing Mr. Slattery's efforts to revive Braniff to Mr. Iacocca's efforts to revive Chrysler Corp.

The airline has emerged successfully from Chapter 11 bankruptcy proceedings after an almost two-year battle.

Sources at American Airlines, one of Braniff's chief competitors, said Braniff will have an impact on American's business. The airline's return will stimulate keener competition, an American Airlines spokesman said, declining to be more specific.

The Civil Aeronautics Board last week granted a Certificate of Public Convenience and Necessity to Braniff, declaring the airline "fit, willing and able" to resume air travel, presuming the Federal Aviation Administration gives its final approval, which Braniff said it expects about Feb. 22.#

Iroquois Brands buys LaSauce from Armour

Phoenix—Armour & Co. has sold its LaSauce baking sauces to Iroquois Brands, as the latest move in a company drive to rid itself of lagging aspects of its business.

Sources within the Greyhound Corp. unit said it sold the cooking sauce line to the Greenwich, Conn.-based specialty foods marketer "because it was not meeting company objectives."

But those sources deny speculation the company plans to sell its remaining Armour-Dial food products, which include Armour Star shelf-stable canned meats and Appian Way pizza mix. Six months ago, Armour sold its Armour Food Co. division to Omaha-based ConAgra (AA, July 4).

The two flavors of LaSauce Chicken baking sauce and the single-item LaSauce beef baking sauce, marketed nationally, will become part of Iroquois Brands' Stamford, Conn.-based Iroquois Grocery Products subsidiary.

Sources within Armour admit LaSauce baking sauces did not live up to the company's expectations.

During 1982, Armour-Dial spent just more than $3 million on LaSauce via Foote, Cone & Belding/Honig, San Francisco, but measured media spending for the first nine months of '83 dropped to less than $100,000.

James P. McCaffrey, president and chief operating officer of Iroquois Brands Ltd., said that while the company will continue to seek acquisitions to complement its product groups, "the primary focus will continue to be on generating internal growth through increased market penetration and by introducing new products and product line extensions."#

WILLIAM B. CECIL

New York—William B. Cecil, a 30-year veteran of the magazine advertising sales field, died here of cancer Feb. 4. He was 60.

Mr. Cecil was vp-advertising sales for *Venture*, which in 1983 enjoyed the best year in its history. He joined the monthly from the Goldhirsh Group where he held various sales posts with *Inc.* and *High Technology*.#

Videogame cartridge sales

An estimated 80 million cartridges were sold in 1983 with perhaps a third heavily discounted. With a year of shakeout behind them, the survivors should return to profitability in 1984. *Source: Goldman, Sachs & Co.*

Company	Atari VCS system	Other systems	Total units (Millions)	Share (Per cent)
Atari	26	5	31	39
Mattel	4	8	12	15
Activision	9	2	11	14
Coleco	3	5	8	10
Imagic	5	1	6	7
Parker Bros.	4	—	4	5
Other	8	—	8	8
Total	59	21	80	100

Videogame rebound seen

New York—The loss-plagued videogame business has reason to be optimistic while the burgeoning home computer industry will have to stretch to maintain momentum, according to a report from Goldman, Sachs & Co. here.

The videogame industry, though shrinking and awash in red ink, is poised to return to profitability in late 1984 as the glut of game cartridges subsides and a shakeout leaves the field to fewer players, the report says.

The home computer market, whose growth has been predicated largely on low prices, needs other hooks to stimulate sales because the saturation point has been reached for selling on the basis of price alone. Still the report sees the software arena for home computers shaping up as the high-growth category in both fields.

The Goldman, Sachs report, compiled by analyst Richard P. Simon, predicts the present glut of videogame cartridges, or software, will ease by the fourth quarter.

"Of the estimated 80 million cartridges purchased by consumers in 1983, we estimated that. . .perhaps a third of the total purchased were distress sales, less than $8 a title," Mr. Simon said. "Atari, Imagic and Mattel were the major dumpers.

"In our judgment, perhaps more than 50% of annual sales of game cartridges occurs in the four-month period from November through February, and even a greater percentage of console sales," Mr. Simon said. "As a result of this, and the fact that we expect the flood of liquidation cartridges to abate by mid-1984, Christmas, 1984, could be a very healthy environment."

His projections are in line with those made within the industry, although Wall Street analysts have been pessimistic or noncommital about videogames.

Videogame hardware and software retail sales will be about $1.5 billion this year, down from $1.9 billion in 1983. The industry's peak year was 1982, with retail sales of $2.7 billion, Mr. Simon estimates.

The hottest segment shapes up as home computer software, which will reach $700 million in 1984, compared with $250 million a year before. This has pushed marketers to market their hit cartridges in leading home computer formats.#

TLK in line for all of Activision

By JENNIFER PENDLETON and RUTH STROUD

Activision and J. Walter Thompson USA have ended their more than three-year association, after the home videogame marketer called for a review in which JWT and co-agency Tatham-Laird & Kudner would compete.

Company vp-marketing Tom Restaino said it is likely Activision, Mountain View, Cal., will consolidate its business at Tatham, but that a final decision has not yet been made. While Tatham alone is preparing new advertising materials to present to Activision, Mr. Restaino described the current state of affairs as a "review." He said he will make a decision about the account in early March.

James K. Agnew, exec vp-JWT/West, San Francisco, said in a statement issued late last week: "Upon evaluation of the changing consideration of the industry, we believe that Activision's different and reduced advertising needs are better serviced at this point by another type of agency."

Noting that the electronics industry—and the videogames business in particular—is in the throes of change, Mr. Restaino said Activision hopes to develop a new strategy that will help it turn itself around. The company intends to concentrate a large part of its resources in developing and marketing videograme entertainment software for home computers.

In the first nine months of fiscal 1983, Activision had net sales of $49.6 million and a loss of $12 million, compared with net sales of $112.8 million and income of $13.5 million in the prior year.

While Mr. Restaino declined to specify Activision's past or current ad budget, sources say that over the last year it has dwindled from the $35 million to $40 million level to less than $10 million.

Tatham has been working on a tv campaign for Pitfall II, the sequel to Activision's worldwide best seller, Pitfall. JWT launched Pitfall 18 months ago.

Activision named Chicago-based Tatham as its second consumer agency in April last year.#

Unit reborn as Intellivision

Hawthorne, Cal.—Mattel Electronics division will be renamed Intellivision Inc., after the videogame system that is its primary product, when it is spun off from Mattel Inc. (AA, Feb. 6).

According to Terrence Valeski, Mattel Electronics senior vp-marketing and sales, who will head up the new company, the transfer of the Mattel unit is expected to be completed in about a month. The selling price is $20 million.

His partners in Intellivision Inc. are Ike Perlmutter and Bernard Marden, who own Odd Lot Trading, a New York retailer.

Mr. Valeski said ad plans call for continuing spot tv and print, with network tv during the Christmas season. Mattel spent $55 million in advertising in 1983. He said he hopes Ogilvy & Mather, New York, will continue on the account.

Intellivision acquired the right to use existing Mattel ads, minus the Mattel name, Mr. Valeski said. Advertising Age erroneously reported earlier that the agency had bought back rights to those ads.#

Olympics

(Continued from Page 1)

1988 Summer Olympics. Most observers said the 1984 Winter Games opening ratings were hurt by the delay in broadcasting the U.S. vs. Canada hockey game in prime time Tuesday, which allowed most people to learn the outcome before ABC could show the game. In Seoul, South Korea, where the '88 Summer Games will be held, the delay between event and broadcast will be even greater.

ABC's pregames promotion made much of the U.S. hockey team's "miracle" win over Russia in the 1980 Lake Placid games and its subsequent gold medal. That was dampened by this year's team's opening loss to Canada. ABC's hopes that interest in the hockey competition could rebound were dashed Thursday when Team USA lost its second straight match, this time to the Czechs.

Weather woes, too

As if time differences and the second hockey defeat weren't enough, ABC suffered delays of another sort when fog and heavy snow forced postponement of the first downhill skiing events on Feb. 9 and 10. ABC, which had planned 8 p.m.-to-11 p.m. (ET) coverage, instead wrapped up at 10 p.m. and inserted a "20/20," featuring all-rerun segments; Barbara Walters was brought in to handle live wraparounds.

ABC at press time said its Friday, Feb. 10, coverage hours (7:30 p.m. to 11 p.m.) would not be reduced by the second downhill delay.

Although its archrivals were quick to revel in ABC's poor showings to date, more objective observers cautioned against writing off the Olympics as a big event just yet. ABC isn't ready to drown its sorrows in slivovitz, Yugoslavia's strong plum brandy. Viewer interest levels could pick up as interesting competitions occur later in the games, involving U.S. skaters Scott Hamilton, Rosalynn Sumners and Elaine Zayak and skiers Phil and Steve Mahre and Tamara McKinney.

But ABC's seasonlong and February sweeps averages have been deflated by the first two nights' data. CBS statisticians estimated ABC would have to surpass CBS by two rating points a week for the remainder of the season to win. If ABC cannot generate that margin in the first Olympics week, it will be hard-pressed to do so later on.

ABC began its Sarajevo offerings on Feb. 7 by preempting prime time series fare for "The Gold & Beyond," a potpourri of pretaped U.S. vs. Canada hockey coverage blended with highlights from the 1980 Lake Placid games, previews of potential 1984 medalists plus some Olympics-themed songs sung by John Denver.

Time lag a killer

However, ABC appeared to have been done in by the fact that most viewers already knew Canada had won the hockey contest hours earlier, and by the special's surprisingly low-key pace.

With the Lake Placid coverage in 1980, ABC won the first three nights of Nielsens, with a 31 share the first night, a 36 the second evening and a 33 share the third.

CBS couldn't capitalize on ABC's dire straits—but NBC certainly did Tuesday: Its average for the night was a hefty 23.9/36.

National Nielsens for Feb. 8 showed ABC a close second to NBC for the night (16.2/25 to 16.9/26), as CBS lagged (15.7/24). ABC, whose opening ceremonies coverage had a 17.2 rating/27 share nationally, lost key momentum by opening with a first-run "20/20" at 8 p.m.; sponsored chiefly by Du Pont, it had a 21 share, compared to a 22 for CBS' Bugs Bunny special and a 27 share for NBC's "Real People."

Overnight Nielsens for Thursday, Feb. 9, showed ABC with a 14.6/21 average for the six metered markets, with NBC once again the main beneficiary of the Olympic tuneout. NBC won that night in New York, Chicago, San Francisco and Philadelphia; CBS narrowly won over NBC in Detroit but clearly over NBC in Los Angeles.

ABC's Olympic coverage that night had a 20 share in New York, Chicago, Los Angeles and Detroit, a 23 in San Francisco and hit a peak of 27 in Philadelphia. In each market, "20/20" lost points in ABC's closing hour.

The fact that the Feb. 7 hockey game and opening ceremonies, both pretaped, scored so poorly has led many tv and advertising execs to wonder just how attractive the 1988 Seoul Summer Olympics would be at any price. Virtually all Seoul coverage will be telecast in the U.S. 14 hours after the fact.

Even Barry Frank, senior vp, International Management Group, last fall painted a similar picture as a way of making the 1988 Winter Olympics in Calgary more attractive. At that point, IMG was handling tv brokering only for Calgary; earlier this year, IMG got those duties for Seoul as well. As for Calgary, ABC's announcement on the rights indicated only that "much" of the Calgary coverage would be live, as opposed to "most." But most delays would be "only" three or four hours.

ABC's coffers late last fall were swelled with nearly $190 million in Sarajevo Olympics ad revenues (AA, Nov. 14), and ABC execs have admitted to scoring a small profit. ABC is known to have spent $91.5 million on the tv rights and is believed to have allocated $90 million-plus to production and promotion costs.

Paul Schulman of Gardner Advertising's Paul Schulman Co. network tv buying subsidiary, New York, belongs in the camp that doubts ABC can repeat that feat or post a profit on its 1988 Calgary Winter Olympics investment ($309 million in rights alone). "In fact," he said days before the '84 games began, "I don't think the Winter '84 Olympics is going to be as big as people think," in large part because people will learn the winners of many events in advance.

A 'tough sell' expected

Snaring the Calgary rights "is great for the [ABC] affiliates and it's prestige for the network," he continued, "but it'll be tough to sell it all out." As for pricing of the commercial time, "I haven't the foggiest," except that it will be well beyond the $225,000 average 30-second spot for the summer '84 games. "It's great [for advertisers] if they merchandise it and tie in a lot of things," he cautioned, "but not as a straight media buy." His shop's major client, Ralston Purina, is not an Olympics backer.

There also are some cynics who believe that the Calgary rights were auctioned just before Sarajevo began, in case the '84 Nielsens couldn't match expectations and dragged down the rights fees.#

Not so Sterling idea?

By JOHN J. O'CONNOR

In an apparent attempt to outluxury Philip Morris Inc.'s Players, R.J. Reynolds Tobacco is boldly associating Sterling, its newest smoke, with such prestigious offerings as Porsche automobiles and Dom Perignon champagne.

On the face of it, the idea of cigaret advertising that achieves an instant luxury ruboff by featuring and naming products that have long been the trappings of the rich and famous, is nothing short of sterling, one might say.

But then, there's a little matter Winston-Salem, N.C.-based Reynolds apparently neglected to take care of before Sterling advertising broke recently in Florida, the lone state where the product was tested. RJR and its agency, Ted Bates Advertising/New York, did not obtain approval to feature those products in the ads.

A source at Schieffelin Inc., importer of Moet & Chandon's Dom Perignon champagne, confirmed that company lawyers have been alerted to the unauthorized use of the product. The same exec said while copy in the ad tries "to cash in on Dom Perignon" in a positive way ("It's only a cigaret like Dom Perignon is only champagne"), "there are a lot of negatives associated with cigaret smoking."

Porsche execs in Warren, Mich., also were surprised to learn that one of their legendary sports cars will be shown and identified in the first national advertising for Sterling starting in April (AA, Feb. 6). However, there was no immediate comment. But a company source said whenever "anyone wishes to use Porsche for ad purposes, they have to supply complete copy and layouts to us for approval."

With the controversy beginning to build—RJR now is saying that the products in the test ads may not be part of the national introduction and that replacements are being considered.#

CBS reports drug survey

By NANCY GIGES

New York—Traditional sources of medical information, the family physician and local pharmacist, still are considered the most useful sources of information about safety and effectiveness of prescription drugs, according to a CBS study relating to prescription drugs.

CBS noted that, in light of the controversy over direct-to-consumer advertising of prescription drugs and the Food & Drug Administration's call for more research, it has conducted this survey to document consumer attitudes and behavior toward prescription drugs (AA, Feb. 6).

The FDA currently has a moratorium on prescription drug broadcast advertising. The CBS report on attitudes was designed to provide documentation for the ensuing debate over whether prescription drug marketers should be allowed to advertise on tv.

The report indicated that consumers feel a lack of control and involvement in their medical situation, which additional information would overcome. They believe that society is overmedicated and overprescribed, and that the high patient-to-doctor ratio, the high cost and inconvenience of office visits, anxiety over illness and unfamiliarity with medical topics contribute to an anxious public.

In-home interviews were conducted with a nationally projectable sample of 1,233 consumers with prescription drug experience. The results are projectable only to the 77 million U.S. households with previous drug experience.

Currently, 95% of households found their physician useful as a source of information; 84% cited their pharmacist; 70%, the label; 63%, package inserts; 33%, mass media, and 25%, family and friends. More than one-third of all households use the *Physicians' Desk Reference* for information, and 18% own one.#

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Advertising Age

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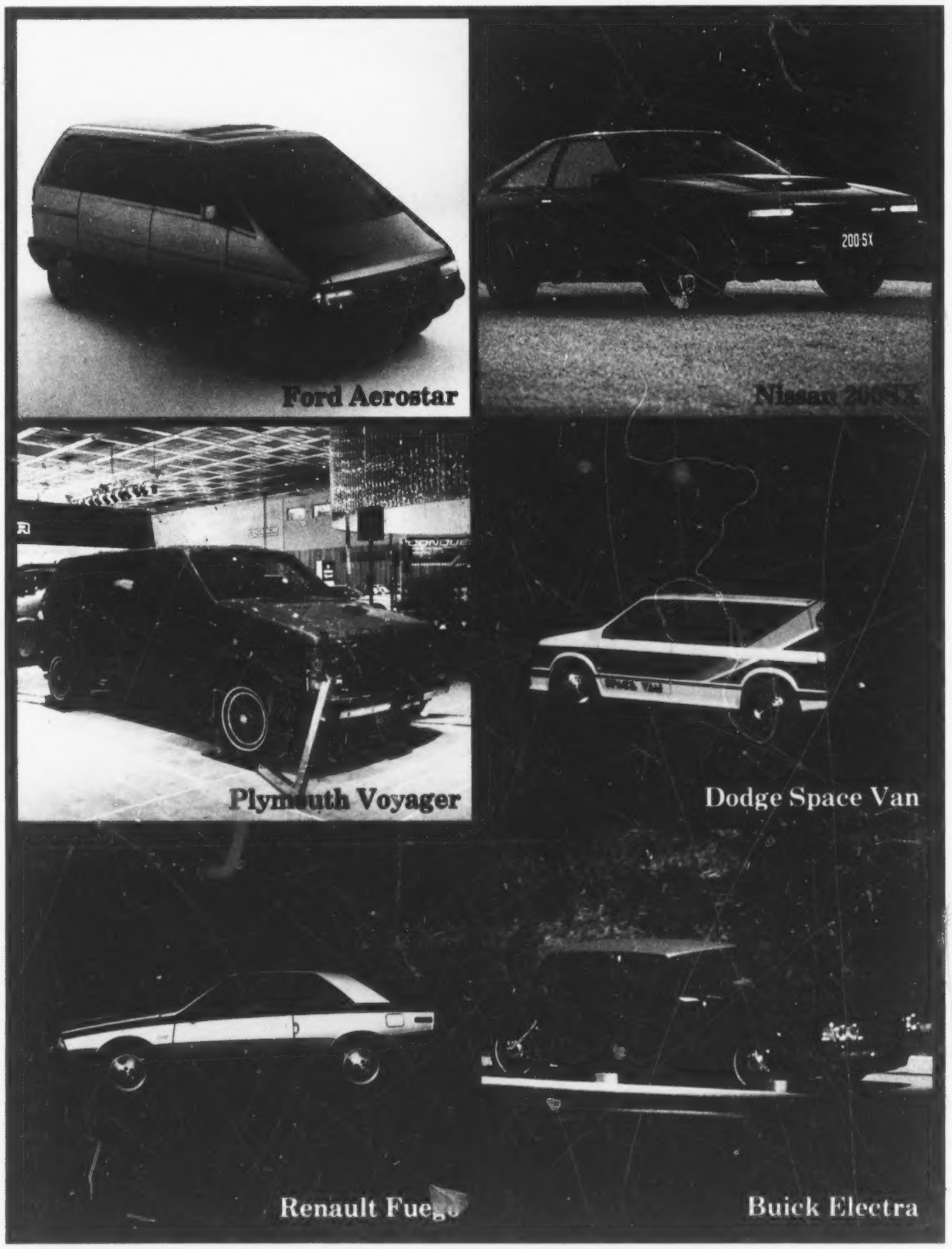

Ford Aerostar
Nissan 200SX
Plymouth Voyager
Dodge Space Van
Renault Fuego
Buick Electra

Benevolent Dictator

The rough-and-tumble career of 'Boss Lady' Jo Foxworth

— Page M-4

Special Report

Test Marketing: New technologies bring more precise data

— Page M-9

Forum

Lou Harris on the public's concern over pollution

— Viewpoint section

New models set to roll

Auto marketers looking to '85

More electronic 'bells and whistles' to lure buyers — Page 3

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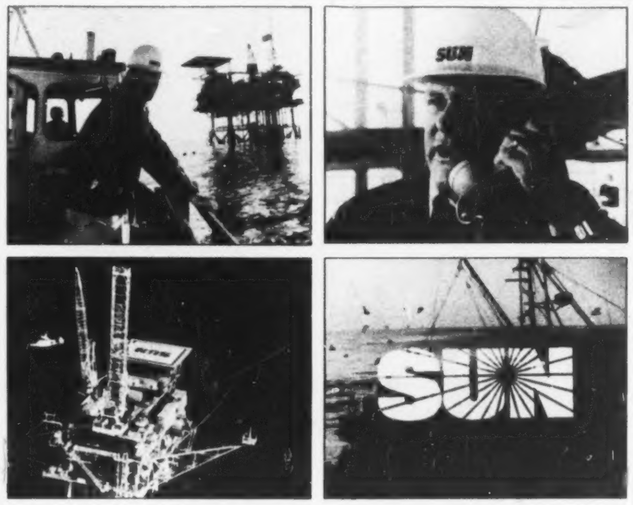

Willing workers

Stan Blossom, western district engineering manager at one of Sun's offshore oil sites, is featured in Sun Co.'s campaign to appear exclusively during the three tv networks' election coverage. N W Ayer handles. *(See story on Page 67.)*

NBC ratings golden as ABC Olympics lag

By DIANE MERMIGAS

Rough-and-tumble action series helped give NBC strength against ABC's Olympics telecasts, boosting the third-ranked network to its first weekly victory of the season.

Those series also appeal to the male sports viewers ABC was counting on for its Olympics audience.

NBC's "The A Team," which was the top-rated show of the season's 20th week, ended Feb. 12, made one of the strongest series showings against Olympics fare Feb. 7, averaging a 26.8 rating and 38 share. Two of NBC's other action-oriented Tuesday series—"Riptide" and "Remington Steele"—also dominated the competition with 23.5/34 and 21.4/37, respectively.

By comparison, the opening night of ABC's estimated $200 million coverage of the XIV Winter Olympics Feb. 7 drew an 11.6/18.

CBS' male-appeal dramas Thursday—"Magnum, P.I." (24.3/36) and "Simon and Simon" (26.4/38)—also outperformed the Olympics, which averaged 13.7/20 Feb. 9.

However, at the beginning of the second week of the Olympic telecasts, the stiffest counterprograming challenge came from NBC's six-hour miniseries "Celebrity." On Feb. 12, the debut of "Celebrity," which had a strong female skew, averaged 21.2/33, and a preceding episode of "Knight Rider" averaged 20.7/30, beating both the Olympics on ABC and CBS' regular Sunday series lineup.

Fewer U.S. Olympians expected to get endorsement deals. See Page 70.

The second night of "Celebrity," on Feb. 13, garnered 21.4/33 over CBS' regular series (which tied NBC with a 21/31 average for the night) and ABC's Olympics coverage (20.8/31).

The Feb. 14 conclusion of "Celebrity" averaged 24.9/37 with an "A Team" lead-in of 22.7/33. The Olympics averaged 21.9/32 for the night. A Disney special and the first half of "Gone with the Wind" on CBS mustered only 13.1/18.7.

In the previous week, both NBC and CBS primarily

(Continued on Page 70)

Playtex's Almay tries mass-Clinique image

By PAT SLOAN

International Playtex's family products division will introduce its new line of Almay hypo-allergenic antiperspirant/deodorants in April with an estimated $5 million advertising campaign. The move had been expected (AA, Jan. 2).

Packaged as solids, sprays and roll-ons, the new deodorants will replace the decade-old but low-volume roll-on and spray Almay Cheq line. The new effort marks the beginning of a complete Almay toiletries line that also will be developed and marketed by the family products division in Stamford, Conn. Almay's cosmetics and skincare products will continue to be handled through Almay's New York headquarters.

Next on deck for toiletries, retailers say, are new hair sprays and shampoos.

The high-visibility extension of the Almay hypo-allergenic image is being read by retailers as an effort on the part of Playtex to make Almay the "Clinique" of the mass market.

Clinique, an independent subsidiary of Estee Lauder Inc. formed long after the 50-year-old Almay, has become top-of-mind with both male and female consumers looking for gentle but effective fragrance-free cosmetics and toiletries in department stores.

The new Almay deodorants are 100% fragrance free and will be sold in drugstores only. They will be targeted at both men and women with sensitive skin with the theme, "Almay Hypo-Allergenic. . .because everyone can have sensitive skin."

Prime and daytime tv begins April 16, while print ads will break in the May issues of magazines. Geer, DuBois handles.

Refund coupons in magazines and newpspapers as well as cross-ruff coupons in packages of Almay mascaras and Jhirmack shampoos also will be used to promote the brand. All together, Almay plans to distribute 100 million coupons with the first—a 30¢-off offer—scheduled for May, reaching 36 million households. Two more drops are planned later in the year, in addition to 2 million cross-ruff coupons.

Like Revlon's Mitchum brand, the Almay line will

(Continued on Page 72)

Surpass in tests

WAYNE, N.J.—Pleased with the results of its relatively new Lady's Choice deodorant, American Cyanamid's Shulton is now coming out with a another new entry—called Surpass—that is packaged in an innovative dispenser.

The men's product, which comes in a bottle with a hard-surface-yet-porous dome applicator, is undergoing controlled-store tests in California. The company also has been conducting tests of tv commercials for the brand in another market, Atlanta.

Tv spots in animatic form open with an announcer: "I'm using this hairy arm to show you a breakthrough in men's antiperspirant. New Surpass. With this unique dome applicator." The spot claims it goes on clean, not messy like a roll-on, not waxy like a solid and doesn't scatter like an aerosol—it "releases a clear fast-drying formula which leaves nothing behind but all-day protection. New Surpass, the dome antiperspirant for men."

The ad agency was not determined at press time.#

highlights

Monday, February 20, 1984

A.C. Nielsen Co., facing increasing competition in the U.S. and abroad, plans to introduce new research, internal development and acquisitions. *See Page 6.*

Federal Communications Commission chairman Mark Fowler is determined to reenter the fight between Hollywood and the tv networks over financial interest and syndication rules. *See Page 6*

Hyatt Hotels is expanding its revamped "Wish you were here" campaign from print to broadcast with the launch of two new tv spots. *See Page 10.*

Frank Perdue, the chicken king, nearly had his feathers plucked by the National Advertising Division of the Council of Better Business Bureaus last month. *See Page 12.*

All photos on the cover were supplied by the car companies except for the Buick Electra photo, which is from Jim Dunne.

Health Research Group has challenged Federal Trade Commission chairman James Miller to force cancer warnings into advertising for smokeless products. *See Page 14.*

National Assn. of Television Programing Executives were told the U.S. broadcasting business is being forced to become a "globalized" business. *See Page 66.*

Sun Co. is beginning a $10 million corporate campaign this week to strengthen its identity not only with the public but its work force. *See Page 67.*

Magazine acquisitions took the spotlight as four publications changed hands. *See Page 72.*

CORPORATE CLOSEUP

Sunbeam Corp., since being purchased by Allegheny International in late 1981, has reorganized its operations, absorbed a series of management changes and edged toward profitability. *See Page 4.*

INTERNATIONAL

R.J. Reynolds Tobacco International's $5 million campaign to introduce Camel Mild in Japan is a major step by a U.S. advertiser. *See Page 42.*

The British beer market, one of the largest in the world next to Germany and the U.S., is undergoing major changes. Vast numbers of British beer drinkers are calling for lager instead of Guinness. *See Page 42.*

Canadian publishers have asked the country's Foreign Investment Review Agency to rule on whether there is significant U.S. ownership in a new Canadian company publishing a licensed version of a U.S. magazine in Canada. *See Page 46.*

MAGAZINE

Jo Foxworth, adwoman and author of "Boss Lady" and "Nine Commandments for Women in Business" is featured in the latest in our series of Benevolent Dictators interviews by Bart Cummings. *See Page M-4.*

Test Marketing: The new technology is helping find alternative ways to monitor consumer preference. *See Page M-11.*

After "The Day After," residents and college students of Lawrence, Kan., have taken stock of the made-for-tv film and discovered its most lasting effect on the town may be name recognition. *See Page M-48.*

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Business push on by AT&T

By ROBERT RAISSMAN

American Telephone & Telegraph Communications will break an estimated $40 million business-to-business campaign today in an effort to create a distinct brand image for its business long-distance services and other applications.

An AT&T spokesman declined to confirm or deny the budget figure, but the media schedule indicates the expenditure being put behind the new effort.

The campaign will involve roadblock buys on all three tv networks' early evening news. Two 60-second commercials will run through the third quarter on news, sports and prime time network tv. Thirty-second versions will run during the second quarter through the end of the year, augmented by a print campaign in newspapers and business magazines.

The budget is in stark contrast to past expenditures by the division that targets business with "800" numbers, Wats lines and teleconferencing. During the first nine months of 1983, AT&T Communications invested $212,600 in measured media, according to Leading National Advertisers.

LNA put the division's 1982 bud-

(Continued on Page 70)

Lab-to-rollout becoming more traveled test path

By Richard Edel

When product managers at Richardson-Vicks came up with an idea for a new beauty soap, they knew they had to move quickly. Concerned about the time, cost and openness of test marketing, they risked national launch of Olay Beauty Bar last July on the basis of simulated test marketing (STM).

Earlier in the year, Richardson-Vicks introduced Climacel, a protective moisture cream, into the Australian package goods market exclusively on the basis of favorable results from STM.

The fact, notwithstanding, that both products presumably performed well, most research specialists say it is a relatively new phenomenon that marketing managers have the confidence to launch new products or line extensions on the basis of STM.

For Richardson-Vicks, skipping the test market phase of new product development was less risky than one might think, according to Jim Figura, corporate director of market research.

"We are using STM in these cases to either accelerate the introduction of a product or to avoid test marketing," Mr. Figura explained. "Before we do any kind of STM, we would have to have a thorough understanding of the market and of the consumer. Because we have a very extensive background in skin care products, we can move rather quickly. It really is not the same as if we were trying to enter a totally new category."

Richardson-Vicks' Mr. Figura says an important reason for the increasing use of such techniques is the accuracy of market share predictions. Richardson-Vicks has conducted about 15 ASSESSOR pre-test models worldwide since 1978 and results have been highly accurate both in terms of substantiating research generated by Richardson-Vicks and in terms of making reliable market share predictions, he said.

Verification of the accuracy of STM models is the most significant advance Mr. Figura sees in the use of laboratory testing. STM has become a major go/no-go checkpoint for many companies in making new product national launch decisions. A major function continues to be reduction of risk by identifying products that may be big losers, he noted.

Research appears to confirm Mr. Figura's assessments. Competitive tracking by Richardson-Vicks on 22 categories of health and beauty aids produced by 108 companies shows a substantially higher probability of success in new product introductions

(Continued on Page M-40)

Richard Edel is a Chicago-based free lance writer.

Sometimes the way to sell more is to sell less.
Climacel.
Now. Clean Skin With The Touch Of Innocence.
New Olay Beauty Bar.

Climacel protective moisturiser is now nationally available in a 50g jar with a R.S.P of $6.75.

This follows a test market in South and Western Australia, where both the smaller 50g size and the regular 100g size were sold side by side. The results speak for themselves.

Overall, the two sizes achieved a 35% greater trial rate than the larger size on its own.

And in Western Australia the two sizes of Climacel showed a 6.4% value share of the pharmacy market, compared to a national average of 2.9% with one size.

Clearly, if you stock both sizes of Climacel, you'll sell even more than you do now.

Particularly with our ongoing television support in 1983.

Positive results from simulated tests prompted Richardson-Vicks to launch Climacel moisturizer in Australia and Olay Beauty Bar in the U.S.

But perhaps the biggest negative in using test marketing services to conduct lengthy and thorough research is the fear of being beaten to the punch by the competition.

"Time is always a problem," said Mr. Levine. "You worry that a competitor will see a new product and try to duplicate it before it's launched nationally, but we still test market about two-thirds of the time," he acknowledged.

> **"If there's not a lot of financial risk, we might just blast off with a new product," says John Blair, director-market research at Quaker Oats' food service division.**

"If there's not a lot of financial risk, we might just blast off with a new product," said John Blair, director-market research at Quaker Oats' food service division.

And when the Chicago marketer feels a test *is* needed?

"If the product is innovative, the competitive threat is high and the idea can be replicated, there are things a company can do to make it difficult for a competitor to read the performance," he said.

For example, Quaker might take a high-risk item it feels needs testing into a few stores in a limited area.

"That way," Mr. Blair explained, "we're not advertising to anyone that we have a new product. And we hope that the competition's sales force is asleep at the wheel."

S.C. Johnson & Son, Racine, Wis. sometimes uses its sales force as a vehicle for testing a product in grocery stores for six to nine months, said Richard F. Chay, director-marketing research. "We test market new brand names about 50% of the time, but it really depends on the product and whether or not it's a risky opportunity.

"If the idea is fragile and it's easy to copy, then we might forego test marketing altogether," he added.

Johnson, perhaps known best for its Johnson's Wax, will also test market established brands when it's concerned about reaction to a proposed price, packaging, or advertising change, Mr. Chay says.

But he is cautious about putting too much stock in test marketing results.

"There's no question in my mind that companies like BehaviorScan come up with accurate, sensitive results, but there might be a question about how projectible a small test market can be when it's compared to the entire U.S.," he pointed out.

"Some brands are highly regional so that a test market's results could be misleading, he warned. *—E.N.*

How it's done

Most simulated test marketing undertakings work similarly.

Consumers are intercepted in shopping centers (or sometimes at their homes) where they are interviewed for demographics and asked to rate various products on a point scale.

Next, they are shown commercials both for the test product and competitors' products and taken to a simulated store shelf environment where they are re-interviewed and given seed money or cents-off coupons to make a purchase. Those not purchasing the test product are given free samples.

After a use-up period, they are interviewed by telephone and asked to rate the test product against the competition on a series of attributes. They again are asked which product they would purchase. From their responses, anticipated market share is estimated.

Also known as pre-market (sales) volume forecasts, volumetric projection techniques and laboratory testing among other terms, STM is used by a variety of consulting companies and corporate research departments to estimate the potential success or failure of new products or concepts.

Based on complicated mathematical models, the techniques predict sales volumes that would result from variations on a host of business circumstances, such as product name, packaging, levels of advertising and promotion, distribution, pricing and quantity.

Use of STM and other laboratory research techniques is on the rise, according to a survey conducted last spring by Market Facts, a Chicago market research company, among research directors at 183 of the largest American consumer goods and services companies.

Between 1978 and 1983, the percentage of respondents saying the major share of research dollars is being spent on test market laboratories rose 4%. STM also jumped from fourth place to first as the market technique most used.

Also revealing is that 5% more companies in the same time frame now look to outside sources of STM, such as Management Decision Systems (ASSESSOR), Elrick & Lavidge (COMP), Burke Marketing Services (BASES) or Yankelovich, Skelly & White (Laboratory Test Market). *—R.E.*

New product introductions 1978-82

	% Test marketed	% Test market to national	% "Successful"	
			TM	No TM
Extensive users of simulated test markets	34%	16%	67%	46%
Others	66	29	31	14

Source: Market Facts, Chicago

Test market techniques used most

Per cent saying major share of research dollars spent on:	1978 %	1983 %	Net change %
Own test markets, with outside auditing	15	11	− 4
Controlled store testing	19	13	− 6
Test market laboratories	10	14	+ 4
Test market purchase diaries	4	4	—
Test market telephone tracking studies	11	4	− 7
UPC consumer diary panel split cable	NA	10	+10
UPC consumer diary panel no split cable	NA	2	+ 2

Source: Market Facts, Chicago

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- **Consumer Opinion Forums** — Most uniform network of central location facilities.
- **National Telephone Center** — Fastest growing telephone network.
- **Decision Systems** — Most results-oriented statistical analysts.

MARKET FACTS, INC.
THE SUPERIOR OPTION
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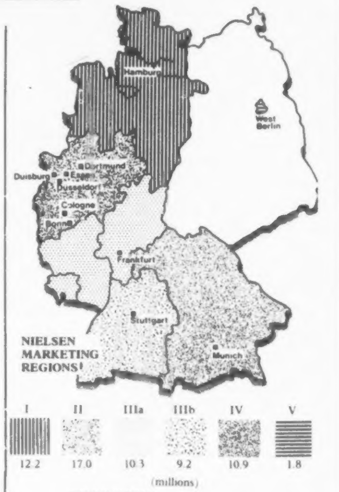
European test patterns

Test marketing practices in European countries vary widely, depending on country size, population mix and regional media availability. This look at the testing habits in seven countries was adapted from the January, 1984, European Media & Marketing Guide, published by ADVERTISING AGE's *Focus* with material supplied by D'Arcy MacManus Masius.

West Germany

Test marketing is conducted in five major areas of Germany. All media are available in these areas; coverage is good. Marketers tend to avoid using magazines for test ads in Saar because of the lack of regional editions.



NIELSEN MARKETING REGIONS
(millions)

POPULATION OF PRINCIPAL CITIES ('000s)

City		City	
West Berlin	1,898	Frankfurt	629
Hamburg	1,648	Dortmund	609
Munich	1,298	Dusseldorf	592
Cologne	976	Stuttgart	582
Essen	650	Duisburg	558
		Bonn	287

Ad spending by key product categories

	(billion DM)
Food	6.7
Banks	5.6
Tobacco	2.9
Alcoholic spirits	0.574
Wines & beers	0.885
Cars	0.761
Airlines	0.407
Electrical appliances	0.339
Pharmaceuticals	0.335
Hotels, Restaurants	0.312

Source: Schmidt + Pohlmann (Jan-Dec '82)

Netherlands

Test marketing is not frequently conducted for products that will rollout nationally, because of the size of the country. But the entire country is sometimes used to test products that will be introduced into all of Europe.

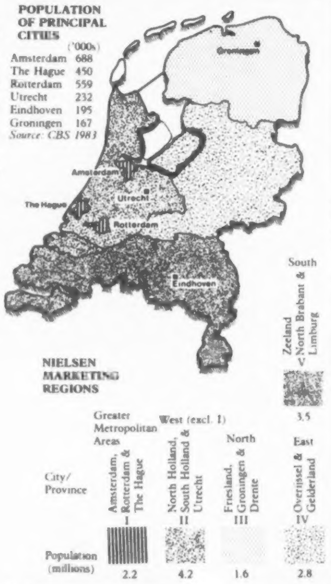
	(million DFl.)
Transport	114.8
Food (including non alcoholic beverages)	106.1
Banking, Finance and Insurance	94.3
Food outlets (national chain stores)	78.6
Department stores/ mail order firms	50.3
Alcoholic beverages	48.5
Cosmetics	46.3
Branded clothes and retail	45.4
Travel	38.8
Tobacco	37.2
Healthcare products	22.5

Source: BBC

POPULATION OF PRINCIPAL CITIES ('000s)

City	
Amsterdam	688
The Hague	450
Rotterdam	559
Utrecht	232
Eindhoven	195
Groningen	167

Source: CBS 1983


Groningen
Amsterdam
Utrecht
The Hague
Rotterdam
Eindhoven
Greater Metropolitan Areas
West (excl. I)
North
East
South
City/ Province
Amsterdam, Rotterdam & The Hague I
North Holland, South Holland & Utrecht II
Friesland, Groningen & Drente III
Overijssel & Gelderland IV
Zeeland North Brabant & Limburg V
Population (millions)
2.2
4.2
1.6
2.8
3.5

NIELSEN MARKETING REGIONS

CINCINNATI
THE BIG TEST MARKET

Cincinnati is the largest city named to the Dancer Fitzgerald Sample honor roll of eight test cities. Cincinnati features a diversified economic base, has a large and stable population base and is relatively isolated from other major markets. Cincinnati is the fifteenth largest CMSA in the United States, one of only twenty-two markets in the United States to be defined as a Consolidated Metropolitan Statistical Area by the Office of Information and Regulatory Affairs.

CINCINNATI CONSOLIDATED METROPOLITAN STATISTICAL AREA
(8 Counties)

Effective Buying Income	$16,137,783,000
Total Retail Sales	$ 7,565,419,000
Population	1,674,000
Suburban Population	1,194,300
Households	608,500

Source: Sales and Marketing Management Survey of Buying Power 1983

Cincinnati newspapers deliver significant shares of most market segments. The Enquirer and The Post are particularly adept at reaching those market segments that can and do buy more of all types of goods and services.

Cincinnati is the big test market. The Enquirer and The Post deliver efficient, effective market coverage in the big test market. Put the market and the medium to work for your product. Test in Cincinnati and introduce your product or service with advertising in The Enquirer and The Post.

CINCINNATI NEWSPAPER COVERAGE*
Net Unduplicated Readers of Daily Enquirer & Daily Post

	Average Issue	Five Issue
Total Adults 1,021,100	627,200 61.5%	803,300 78.7%
Household Income $35,000 or More 223,400	155,000 69.4%	184,700 82.7%
Professional, Technical or Managerial Occupation 214,800	149,500 70.0%	188,600 87.8%
College Graduates 183,600	127,700 70.0%	158,800 86.5%

*Source: 1983 Scarborough's National Newspaper Audience Ratings Study (Cincinnati SMSA)

The Enquirer and The Post
617 Vine Street, Cincinnati, Ohio 45202 (513)721-2700
Gannett Newspaper Advertising Sales
Gannett Media Sales
Sunday MAG/NET

Japanese

(Continued from Page M-34)

an alien market. But they often find that although they have introduced the same control test conditions as in the U.S., the test results may have inaccuracies built into them.

There is a tremendous shortage of test market cities in Japan because it is hard to find areas where the media can be isolated, especially for tv advertising. Four cities are thus repeatedly used: Hiroshima, Fukuoka, Shizuoka and Sapporo.

"Hiroshima or Fukuoka must be the most test-marketed cities for foreign products in the world. That alone must be a bias

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The Press & Sun-Bulletin
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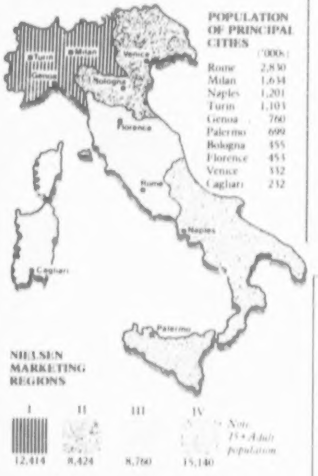
Italy

Because Italy has a large number of regional radio and tv stations, test marketing can be conducted in virtually any section of the country. Tests for major brand introductions have recently been done in Veneto, Toscana and Marche.


Turin
Milan
Genoa
Venice
Bologna
Florence
Rome
Naples
Cagliari
Palermo
NIELSEN MARKETING REGIONS
I
II
III
IV
12,414
8,424
8,760
15,140
Note: 15+ Adult population

POPULATION OF PRINCIPAL CITIES

	('000s)
Rome	2,830
Milan	1,634
Naples	1,201
Turin	1,103
Genoa	760
Palermo	699
Bologna	455
Florence	453
Venice	332
Cagliari	232

Ad spending by key product categories (1982)

	(billion L.)
Food	166
Cars	158
Alcoholic beverages	109
Pharmaceuticals (OTC)	35
Banks	15
Airlines	8
Tobacco	7
Entertainment	4
Hotels	2
Electrical appliances	0.6

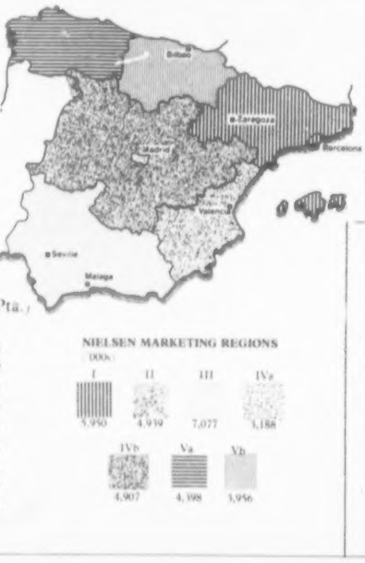
Source: SFP

Spain

POPULATION OF PRINCIPAL CITIES

	('000s)
Madrid	3,188
Barcelona	1,754
Valencia	751
Seville	653
Zaragoza	590
Bilbao	433
Malaga	503

Source: INE 1982


Bilbao
Zaragoza
Barcelona
Madrid
Valencia
Seville
Malaga
NIELSEN MARKETING REGIONS
('000s)
I
II
III
IVa
5,950
4,939
7,077
3,188
IVb
Va
Vb
4,907
4,398
3,956

Ad spending by key product categories (1982)

	(million Pta.)
Food	11,731
Automobile/Transport	8,185
Beauty/Hygiene	6,899
Alcohol & Soft drinks	6,753
Education	6,100
Banks	5,943
Commerce	4,864
Household goods	3,671
Leisure/Travel/Entertainment	812
Tobacco	519

Source: Economia 1983

Despite socioeconomic profiles that are not truly typical of Spain, the Canary Islands are often used for test marketing because of the presence of regional tv. The total population there is just over 1 million; a typical campaign using tv, backed by radio and magazines, would cost approximately 4.5 million Pta. per month. Testing on the Spanish mainland is sometimes done in Madrid, Barcelona and Valencia.

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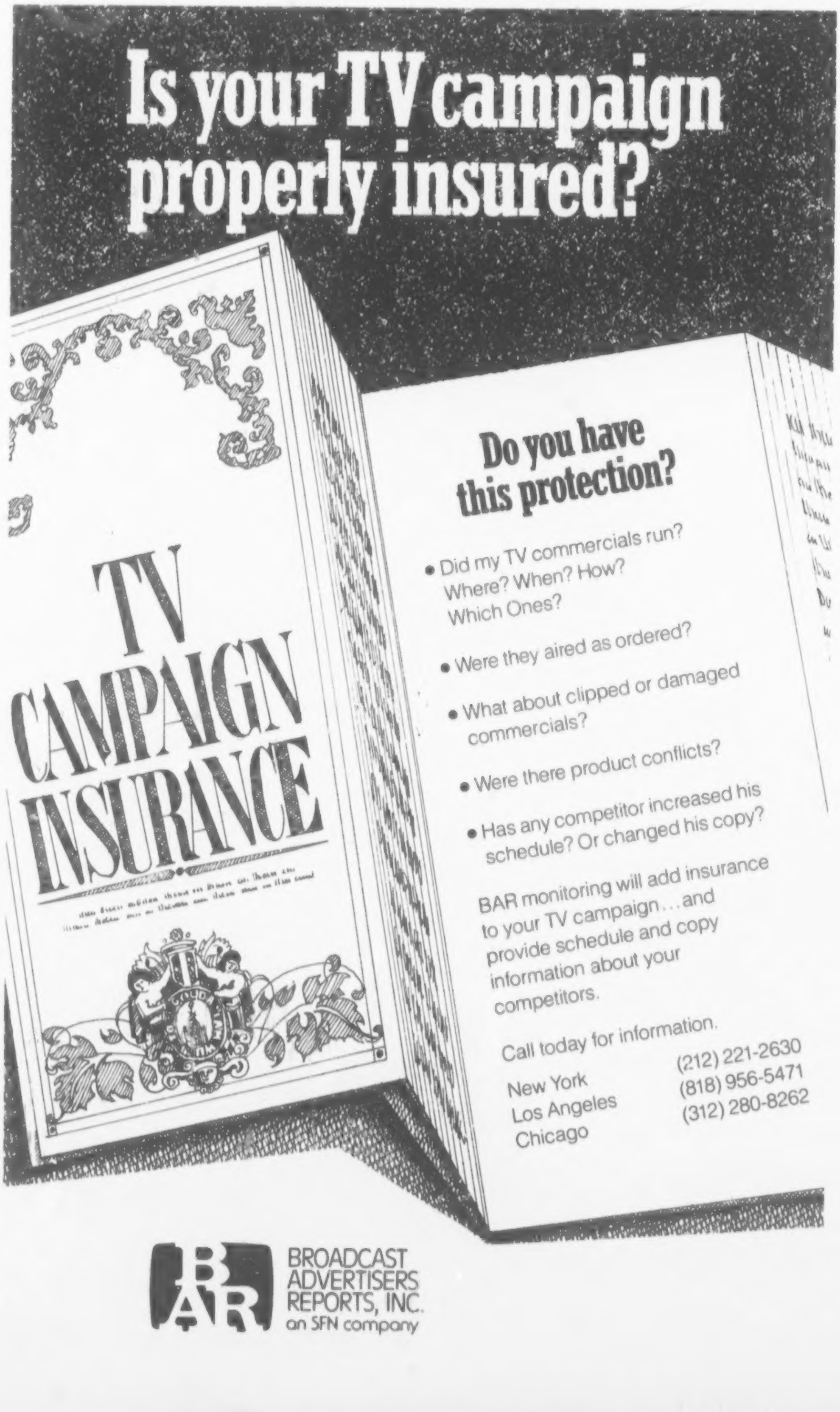
in test results," Mr. Fields pointed out.

And the fact remains that test marketing in the U.S. fashion, with test periods lasting from 12 to 18 months, may prove counterproductive by tipping off the Japanese competition.

To correct these problems, there are increasing suggestions that American subsidiaries in Japan should follow the lead of their parent organizations in the U.S., relying less on test marketing and more on pre-test market laboratories or home-use tests, or at least to modify American practices for the Japanese market.

"It would be wise for the Western companies to watch how the Japanese do things before imposing their classical test marketing methods," says Mr. Reed. "In other words, when in Rome . . . ."

> **Because they are confident they know the market, "the Japanese are a nation of hunch players" in an area such as test marketing.**



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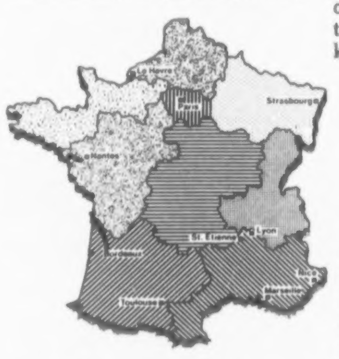
France

All nine Nielsen regions of France are used for test marketing, as are major cities. The Cote d'Azur and Lorraine areas also are considered good test areas because they both have regional tv (Tele Monte Carlo and RTL Luxembourg, respectively). The year that FR3 begins regional broadcasts in Lille and Bordeaux, those cities are expected to gain importance as test markets.

POPULATION OF PRINCIPAL CITIES

	('000s)
Paris	2,188
Marseilles	874
Lyon	413
Toulouse	347
Nice	337
Strasbourg	248
Nantes	240
Bordeaux	208
St. Etienne	204
Le Havre	199

Source: INSEE 1982



NIELSEN MARKETING REGIONS (% of households)	I	IIa	IIb	IIIa	IIIb	IVa	IVb	Va	Vb
	18.3	12.7	9.5	8.3	10.6	9.2	9.8	9.4	12.2

Ad spending by key product categories

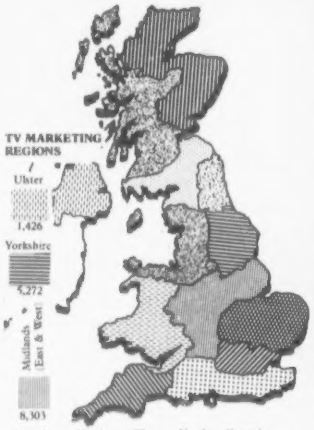
(FF million)

Food	1,855
Leisure/Entertainment	1,769
Services	1,653
Furniture	1,546
Retail stores	1,495
Toilet/beauty products	1,250
Transport industry	1,249
Drink/beverages	942
Clothing	856
Housekeeping products	686

Source: SECODIP 1983

U.K.

In addition to particular towns and cities, each television region in the U.K. is a potential test marketing area. Several national publications have regional editions that are based on the tv areas. These include *Sunday Times Magazine, Observer Magazine, Mail on Sunday Magazine, Reader's Digest, Radio Times, TV Times, Woman, Woman's Own* and *Woman's Realm.* It is generally possible to obtain space for test campaigns on short notice.



TV MARKETING REGIONS	Ulster	Yorkshire	Midlands (East & West)	Wales & West	East of England	London	South & South East	South west	North Scotland	North West	The Borders	North East	Central Scottish
pop. ('000s)	1,426	5,272	8,303	4,443	3,241	10,270	4,467	1,482	1,114	6,273	616	3,144	3,609

Ad spending by key product categories (1982)

	(million £)
Food	406
Leisure/Entertainment	189
Financial	164
Automotive	161
Alcoholic beverages	133
Hotels/Travel	121
Household goods	118
Toiletries	114
Electrical appliances	102
Tobacco	60

Note: TV, Radio & Consumer Press Spend Only.
Source: MEAL 1982

Greece

Salonica and Volos are popular test cities in Greece. Their socioeconomic profiles are similar to that of Athens, and available media include newspapers, cinema, posters and regional radio. The lack of regional tv does tend to somewhat reduce effectiveness of testing.

Salonica
Larissa
Volos
Patras
Athens

POPULATION OF PRINCIPAL CITIES

	('000s)
Greater Athens	3,027
Salonica	706
Patras	154
Volos	107
Larissa	102
Iraklion	101

NIELSEN MARKETING REGIONS pop in millions	I	II	III	IV	V
	3,369	706	1,767	1,759	1,514

Ad spending by key product categories (1982)

(million Dr.)

Food	1,066
Alcohol	566
Electrical appliances	416
Leisure/Entertainment	373
Tobacco	290
Automobiles	249
Airlines	83
Banks	78
Hotels	33

Source: Nielsen Hellas 1983

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- **CONSUMER TRACKING STUDIES:** *Talk to us about Central Location National WATS telephone tracking*

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Population	982,200
Households	358,600
Effective Buying Income	$10,542,780,000
Total Retail Sales	$4,796,794,000
Food Sales	$1,212,806,000
General Merchandise Sales	$525,852,000

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morning and Sunday

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MOORESTOWN, N.J. Moorestown Mall•(609) 234-5440
*PHILADELPHIA, PA. Neshaminy Mall•(215) 322-0400 (212) 966-7601
*TAMPA, FL. Countryside Mall•(813) 797-4868
*CHICAGO, ILL. Hawthorn Center•(312) 367-0036
MINNEAPOLIS, MINN. Burnsville Center•(612) 435-8581
*NASHVILLE, TENN. Hickory Hollow Mall•(615) 834-0900
OKLAHOMA CITY, OK. Cross Roads Mall•(405) 631-9738
*HOUSTON, TX. Sharpstown•(713) 988-8988
SAN ANTONIO, TX. Windsor Park Mall•(512) 657-9424
PHOENIX, AZ. Fiesta Mall•(602) 964-0021
SAN FRANCISCO AREA *Sun Valley Mall•(415) 798-2700
Sunnyvale Town Center•(408) 773-9777
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Many hesitate to simulate

Despite a growing number of marketers who wouldn't test without it, simulated test marketing is far from a universally accepted technique.

Several market researchers say they doubt STM's penetration is beyond 50%.

Companies do not employ simulated test marketing methods because they are not convinced that STM applies to their specific business situations, according to Thomas E. Hatch, vp-new business at Mattel Toys in Hawthorne, Cal.

"I'm amazed that many companies are not using these techniques because the cost of introducing a new product is phenomenal," Mr. Hatch says. Of course, STM techniques must be "customized" to fit indi-

Test market techniques usage

Per cent using in past year:	1978 %	1983 %	Net change %
Own test markets, with outside auditing	40	33	− 7
Controlled store testing	32	36	+ 4
Test market laboratories	32	37	+ 5
Test market purchase diaries	15	18	+ 3
Test market telephone tracking studies	49	54	+ 5
UPC consumer diary panel split cable	NA	23	+23
UPC consumer diary panel no split cable	NA	11	+11

Source: Market Facts, Chicago

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Rollout

(Continued from Page M-41)

to go faster to market and thus realize sales faster; the company in most cases avoids the cost of test marketing; the company has managed to stop spending on product opportunities that clearly do not meet minimum criteria.

That final point—eliminating potential dud products—may be the most important for corporate growth plans in the coming years, according to Thomas E. Hatch, vp-new business at Mattel Toys in Hawthorne, Cal. Mr. Hatch has 15 years experience in adapting STM models in the consumer products field at Gillette, Miles Laboratories and Mennen Co.

> **Simulated test marketing techniques costing about $60,000 found that a proposed Bristol-Myers product called Dissolve would achieve only about 1% of the market.**

He made the move to Mattel less than a year ago.

"The cost of launching package goods today is now so high that you have to have these [STM] systems to rigorously challenge the product idea and to determine what the financial impact will be," the Mattel executive said. "Even after that, you still don't know whether you have a success because competitive counter measures can be severe," he cautioned.

Mr. Hatch believes many package goods companies will place new (and riskier) emphasis on development of both established brands and new products—rather than on acquisition and corporate takeover—to achieve growth in the 1980s. To assist with this strategy, Mr. Hatch has developed a seven-step new product development process that involves no less than seven STM assessments prior to navidual business problems, but the potential for new applications is tremendous, the Mattel executive added.

In many cases, use of STM models depends on whether management thinks they work, says Boyd Sneddon, research director for the 'Big G' division at General Mills. "They're very gross tools and the aim in using them is to figure out whether this product has a chance of being successful given the volume criteria set for it. Or is it a bust?"

Mr. Sneddon says his division uses up to eight STM models a year primarily for pre-market volume estimations.

"Our primary reason for using these techniques is to weed out things that aren't worth going forward as contrasted with expecting very precise [market share] estimates from things that do get over the [volume] hurdle," the General Mills research executive explains.

According to Mr. Sneddon, the bottom line is whether product managers feel comfortable pushing products through each step in the development cycle based on assumptions used in the STM models.

Jim Figura, corporate director-market research at Richardson-Vicks, believes one reason for the slow acceptance by marketers of STM techniques is the hush-hush blanket that some companies throw over their research departments.

"There are no secret weapons in market research," Mr. Figura asserted.

"Everyone has access to the same tools and techniques. Some suppliers even sell the same data to direct competitors. The cutting edge is how a company uses what's available and the quality of the people running the show," he says. ∎

---

tional launch. Two separate STM models serve to screen product ideas in the "concept generation" phase, after which a go/no-go decision is made.

To illustrate, Mr. Hatch recalled an assignment to work on product development of a new analgesic product at Miles Laboratories. After conducting STM techniques, he concluded that the product would not achieve sufficient market share to warrant moving forward. Management agreed and the product was scrapped, he says. The cost of launching a similar product today would be between $30 million and $50 million.

While at Miles Labs, Mr. Hatch also used STM to evaluate the potential effects of a Bristol-Myers Co. test market product called Dissolve. Miles Laboratories, the manufacturer of Alka-Seltzer, was considering a multi-million-dollar defense strategy. Instead, Mr. Hatch conducted STM techniques on Dissolve for about $60,000 and found that it would achieve only a 1% share of the market. Bristol-Myers later went national with the product and, in fact, achieved a 1% share.

"They stopped promoting the product six months later and it died a horrible death," he added.

The STM models not only saved Miles Labs a bundle, Mr. Hatch noted, they gave a quick picture of Alka-Seltzer's positioning in the market.

If Dissolve would have appeared to be more successful, the next step would have been to determine the source of sales volume. If the product appeared to take heavily from Alka-Seltzer's market share, STM techniques could guide the development of an effective defensive strategy based on advertising, trade and consumer promotions, he explained.

STM models, at a cost of $50,000 to $100,000 each, are excellent tools both to determine which products will move into test marketing and to assess the effect of advertising, packaging and product name in establishing a new position in an existing market, he said. ∎

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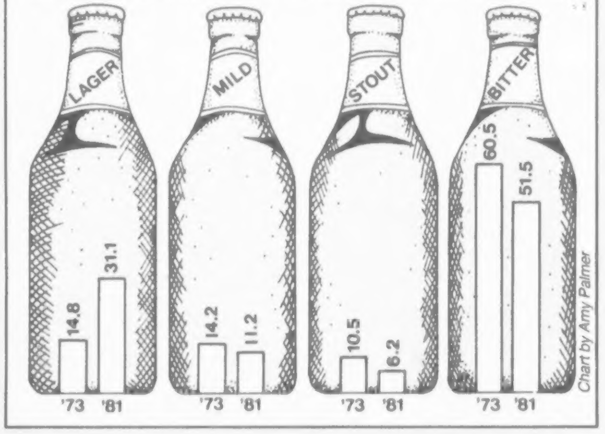
Brewers battle in Britain

Lager gains in Britain

The British thirst for imports has helped lagers double their share of the beer market. This growth has come while stout, such as Guinness, and bitter have lost nearly 10% of market share. Bars show per cent of market. *Source:* Advertising Age.



U.K. beer market changes its taste

By SEAN MILMO

London—The British beer market, one of the largest in the world next to Germany and the U.S., is undergoing major changes.

Vast numbers of British beer drinkers are asking for lighter, amber brews called lagers instead of the dark ales and stouts, like Guinness, for which the country is famous.

As a result, Guinness is looking outside the U.K. for market growth, and Anheuser-Busch is coming into the U.K. with Budweiser, a type of lager *(see related stories)*.

Foreign brands, which account for the largest variety of lagers in the U.K., are soaring in popularity. Carling Black Label from Canada is the U.K.'s No. 1-selling lager, followed by Skol and Heineken from the Netherlands and Foster's from Australia.

Most notable in this list is the absence of a U.K. lager, which, until recently, British brewers have shied away from producing, preferring to concentrate on ales and stouts.

In 15 years, the market share of lagers has grown to 35% in 1983 from 5%. Bitter and mild (both ales) make up the rest of the beer market, with stouts accounting for a small percentage.

In contrast to the ale market, where taste variations are an attribute, the distinguishing characteristic of lagers is their similarity. For the most part, the reason for this is that typical lager drinkers are

(Continued on Page 47)

Guinness may aim for world brand of beer

London—Guinness & Sons, well known for its dark, rich stout, is considering marketing its beer as a "world brand"—the first in the beer industry.

Sources say that is one of several possibilities under consideration by the marketer and its new worldwide agency, Ogilvy & Mather International, which handles the account in nearly every market outside the U.K. and Ireland.

"It is our real intention to be a significant force in the world beer market," says Peter Mitchell, who was named worldwide brand director for Guinness last summer. "We are now set to attack the world, but how quickly, into which markets and with what timing is still to be worked out."

The U.S. is considered critical. A Guinness spokesman said: "Our preliminary research [in the U.S.] reinforces our view that in Guinness we have a unique product which will appeal to people tired of bland beer and looking for flavor and character, and it is our job to market the product so it is exposed to more poeple."

Guinness' other main markets are in West Africa and the Far East. In the U.S. and Europe, Guinness' presence has been negligible, with little or no advertising support.

Meanwhile, other brewers and ad agencies are looking at the idea of creating at least a pan-Europe beer brand.

One reason is that Germany is under pressure from the European Economic Community to open up its beer market to foreign brews (AA, Jan. 23).

One U.S. ad agency has commissioned a study of the beer market worldwide, triggered by the potential in Germany, one of the world's largest beer markets.#

Why U.K. now looks good to A-B

By HOWARD SHARMAN

London—St. Louis-based Anheuser-Busch has a good chance of establishing a U.S. beer in the British market if it can overcome the poor reputation of U.S. beers here, sources say.

If Anheuser-Busch succeeds with Budweiser, other U.S. brewers are expected to tackle a market long considered too tough for U.S. beers.

It appears A-B is going ahead with plans to introduce Budweiser through the London-based Watney, Mann & Truman brewery.

Two ad agencies, J. Walter Thompson Co. and Abbot Mead Vickers/SMS, already are pitching the account.

A-B's original plan, to link with Allied Breweries, fell through last summer (AA, July 11).

A-B withdrew from the deal, apparently because the two partners could not agree on the level of marketing contribution each side would provide, sources said.

Two things A-B has in its favor is that lager is the fastest-growing segment in the beer market and the abundance of continental lagers available here.

Also important is A-B's linkup with Watney, which achieved great success in the early 1970s with the launch of Australia's Foster's lager, which Watney brews in the U.K. and sells on draft here.

However, the biggest obstacle is that U.S. beers do not have a good reputation with the British consumer.

"If you can say a beer comes from Germany, Denmark or even Australia, it works," says one adperson experienced in the beer market, "but people just don't believe that U.S. beer tastes good."

According to one observer close to the Allied-Anheuser negotiations: "The British public has very little experience of American beer. They do not expect it to be good because the U.S. has no brewing tradition. The British consumer expects it to be thin and watery."

All that most British beer drinkers know about U.S. beer is the limited experience they have had with malt liquors like Colt 45 (still sold here by Courage Ltd., a local brewer) and Schlitz malt liquor. But neither achieved any significant level of sales, and the taste was not popular with the consumer.

U.S.-brewed Budweiser has been available in the U.K. in bottles for some time and is sold in a small way in American-style bars and restaurants, but the company is keen on getting draft Budweiser to the mass market through the U.K. pubs.#

RJR's Camel Mild launch shakes up Japanese market

By JACK BURTON

Tokyo—R.J. Reynolds Tobacco International's $5 million campaign to introduce Camel Mild this month here is a major step by a U.S. advertiser to break down barriers to entering the Japanese market.

It is expected to raise a storm of protest among Japanese tobacco marketers, who have been left in the dark about concessions made to major U.S. tobacco companies by the state-run Japan Tobacco & Salt Monopoly (AA, Feb. 13).

The Japanese cigaret market—with $10 billion a year in sales—is the second-largest cigaret market in the world next to the U.S.

About 1,000 tv spots will air in Tokyo for Camel Mild, and print ads and outdoor boards will break in the rest of the country.

RJR estimates that ad spending for Camel Mild will account for more than 20% of all tobacco advertising in Japan this year. A total of $19 million was spent in 1983 on cigaret advertising in Japan, and this sum is expected to grow to $25 million this year.

The RJR launch represents one of the largest ad expenditures for any imported consumer product in Japanese history.

American tobacco companies, which account for 90% of foreign cigarets sold in Japan, estimate that sales of imported tobacco products could reach $2 billion annually, an almost eightfold increase, if restrictions, including high tariff duties, were eliminated.

Currently, foreign tobacco products account for only 1.5% of all tobacco sales in Japan.

RJR, Philip Morris Inc. and Brown & Williamson met last summer with JTS to discuss the government's restrictions on the marketing, advertising and distribution of imported cigarets.

When the tobacco monopoly made concessions in July, it asked that details of the agreement not be publicized in order to avoid any backlash from members of the Japanese Parliament who represent tobacco interests.

However, the size of the Camel Mild campaign, handled by McCann-Erickson/Hakuhodo, is expected to cause a backlash.

Under the JTS ad formula, only one-third of tobacco ad budgets can be used for tv, and tv advertising is permitted for a brand only during the first three years of its introduction in Japan.

In addition, the amount of ad spending permitted is linked to each company's sales volume for the previous year.

Last summer, JTS altered the sales formula, providing for an average 7% to 8% increase in ad spending, and including an inflation index for media costs.#

South Korea protests dbs Japan signal

Tokyo—The successful launch last month of Japan's first operational direct broadcast satellite, expected to begin service in May, has set off a diplomatic flap between Japan and South Korea.

South Korean officials said the dbs signal spillover represents Japanese "cultural aggression."

The officials said the government would ban the domestic production of frequency converters that could be used to pick up the satellite's frequency band.

They also said the government would stop imports of satellite antennas and other direct broadcast satellite receiving equipment from all countries until South Korea launches its own dbs in time for the 1988 Olympic Games in Seoul.

Finally, South Korea vowed to jam the new satellite's signals.

Japan exports more satellite equipment to Korea than any other country.

In anticipation of Japan's new satellite, Matsushita Electric and Toshiba plan to start selling dbs receiving equipment next month.#

world news roundup

(Continued from Page 3)

issue is compulsory licensing—which allows generic companies to copy name brand drugs in return for a 4% royalty to the proprietary company that developed the drug and holds the patent.

New York—Dow Jones & Co. international executives identified three problems with publishing a Latin American edition of the *Wall Street Journal* at a recent sales meeting. They are: Small advertising base, poor distribution and restrictions against foreigners publishing in Brazil.

Paris—Procter & Gamble Co. will launch Head & Shoulders shampoo here by next month. Agency: Dupuy-Compton.

Sao Paulo—Interpublic Proeme Publicidade won the $800,000 jeans account of Levi Strauss do Brasil, the second-largest jeans marketer here. The account was formerly with DPZ Propaganda.

ON THE MOVE: Howard Sharman to editor, *Marketing Week* magazine, London, replacing **Stephen Foster**. Mr. Sharman previously was London correspondent for Advertising Age. . .**Alfred Hirsch** to marketing director, Burger King Holding, Wiesbaden, from account exec, Ted Bates Werbeagentur, Frankfurt.

B&B moves to stop downward spiral in Germany

By DAGMAR MUSSEY

FRANKFURT—Benton & Bowles, faced with the fact that a key U.S. executive has been charged with embezzling $3 million from the agency (AA, Jan. 30), has another problem: A severe business hemorrhage in Germany.

In 1983 figures just released by *Horizont/Advertising Age Deutschland*, B&B showed the largest decline in billings of any major German agency—down 18.7% to $38.5 million, slipping from 17th to 21st place.

The situation for B&B may get worse before it gets better: Such key clients as Deutsche Texaco and St. Pauli Breweries' Jever beer are expected to leave the agency this year after the closing last December of B&B's Hamburg office. The two accounted for the lion's share of that office's $6 million in billings.

The biggest blow to B&B in Germany came last October when Procter & Gamble Co. reassigned about $8.5 million in accounts to Luerzer Conrad & Leo Burnett, and gave B&B only the $1.5 million Sanso wool detergent account. The reassignments occurred after Young & Rubicam resigned the P&G business to take on Colgate-Palmolive worldwide.

Then Ralph Schilling, the chief executive officer who was lured from McCann-Erickson two years ago, left B&B. Mr. Schilling was in charge when the agency lost Richardson-Vicks' denture fixative and cold remedy lines, Sunbeam Appliances' Rowenta and Reemtsma's $30 million cigaret media placement.

B&B execs are confident that the agency's new managing director—John Ferries—can turn the shop around. Mr. Ferries, who is presently in Frankfurt as acting chief executive, says, "In Europe we see Germany as the most important country, where we mean to invest heavily."

Mr. Ferries maintains that there are opportunities to come back with such clients as P&G, R-V and the Reemtsma group. He is also looking to buy another German shop.#

Germany's largest agencies

J. Walter Thompson showed the largest billings gain among Germany's top 10 agencies. Source: *Horizont/Advertising Age Deutschland.*

Agency	Gross income $ Millions 1983	Billings $ Millions 1983	$ Millions 1982	Change Per cent
Lintas Deutschland	23.7	158.0	165.0	– 4.3
Team/BBDO Group	22.4	149.2	137.7	+ 8.4
J. Walter Thompson	21.6	144.0	123.8	+16.4
McCann-Erickson	20.4	135.8	138.2	– 2.1
Troost Campbell-Ewald	13.0	87.0	84.0	+ 3.5
Grey Duesseldorf	12.7	84.8	84.8	—
Heumann, Ogilvy & Mather	12.7	84.4	74.5	+13.3
Young & Rubicam	11.9	79.2	75.0	+ 5.7
D'Arcy MacManus Masius	10.2	67.9	64.5	+ 5.2
Doyle Dane Bernbach	10.2	67.8	65.2	+ 3.9

British TV-AM in reprieve by shareholders

LONDON—TV-AM, Britain's troubled commercial morning tv station, has come back from the brink of collapse.

Early this month shareholders agreed to pump $2.8 million into TV-AM, but only conditioned on cost reductions.

This could involve laying off up to 40 employes, which may trigger a strike by any one of several unions. Without the layoffs, the station would go under in three months, one source said.

TV-AM is usually beaten in the ratings by the British Broadcasting Corp.'s morning tv program, even though TV-AM's number of average peak viewers has doubled to 1.1 million since last summer.

Advertisers and agencies are not convinced that the station is delivering enough housewife viewers.

As a result, the station is able to charge only $4,200 a minute.

Last month, TV-AM execs appealed for advertising directly to major advertisers, bypassing the agencies.#

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Source: Erdos and Morgan, December 1980, A Profile of Business Week International Subscribers.

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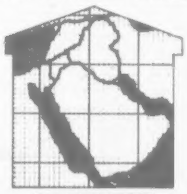

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Australian ad execs attack salary survey

SYDNEY—The Advertising Federation of Australia, which represents advertising agency executives, is challenging results of a survey of the top 125 executive salaries in Australia.

These salaries, published this month by *Australian Business*, put Michael Ball, 47, vice-chairman of Ogilvy & Mather International, at the head of the list with a salary of $506,660. In all, 18 admen made the list—four of them in the top 13.

Chief executives from U.S.-controlled agencies dominate the list, including O&M; George Patterson Pty. (part of Ted Bates Worldwide); John Clemenger NSW (part of BBDO); DDB/Berry Currie; USP Needham; D'Arcy MacManus Masius Australia; Foote, Cone & Belding, and McCann-Erickson.

Bruce Cormack, AFA director, said, "This is a gross example of speculative bean-counting. It's irresponsible and unchecked writing."

Andrew Clark, *Australian Business* editor, said: "If we erred, it is on the side of conservatism."#

U.K. beer market changes

(Continued from Page 42)

young men who consume beer with their friends in pubs, and they prefer consistency to variety.

"Many lager drinkers do not like differences," says James Best, planning director at Boase Massimi Pollitt, advertising agency for Courage Ltd., a U.K. brewer. "They still want to be sure that if they go from pub to pub they can drink largely similar lagers."

Most of the U.K.'s successful lagers are linked to continental Europe, but Watney, Mann & Truman, one of the top British brewers, broke ranks two years ago when it introduced Australia's Foster's lager into the U.K.

"We came in just at the right time because there was a lot of skepticism about the numerous continental European lagers on the market with German names," says Dennis Miller, marketing director at Watney.

Australia has a reputation in Britain of being a nation of fun-loving beer drinkers with whom the U.K. drinker can identify. Foster's introduction was backed by a $3.5 million campaign, created by Hedger Mitchel Stark.

In London, where the beer was introduced, Foster's took 6% of the draft beer market.

Though it went national only recently, it has helped push Watney's share of the lager market up 3% to 15%.

In line with the trend away from continental lagers, U.K. brewers have developed more confidence about producing their own lagers.

Whitbread & Co. launched its Gold Label lager in northern England one year ago, and Courage just introduced John Smiths lager in the northern and western areas of England and Wales.

But imported premium beers, particularly those from the Continent, are now the fastest-growing sector in the market, even though they still account for only 3% of lager sales.

Holsten, the country's top-selling premium lager, marketed by Watney and brewed by Holsten-Brauerei of Hamburg, was backed by a $3.5 million tv and print advertising campaign last year.

Holsten now has a 70% share of the premium lager market, but it is meeting stiff competition from Allied Brewers' imported Lowenbrau and Whitbread's Kaltenberg.

To expand their market shares in the imported premium category, Grand Metropolitan, owner of Watney, and Allied Breweries recently have set up two separate divisions to sell quality lagers from around the world.#

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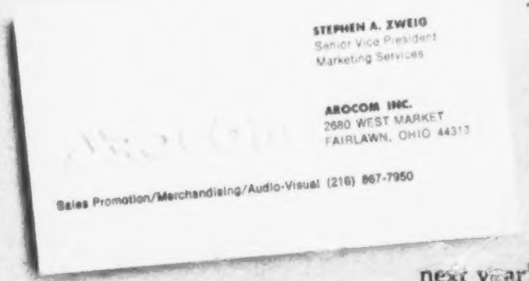

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Art & antiques

	Current month		Year-to-date	
	1984	1983	1984	1983
American Artist	66.9	57.7	113.8	103.4
Antiques	112.4	113.8	319.7	288.3
Art in America (11X)	142.4	84.1	243.4	166.3
Plate World	—	—	62.0	84.0
Portfolio (6X)	—	—	—	—
Southwest Art	75.0	65.3	155.8	177.3
Total Group	**396.7**	**320.9**	**894.7**	**819.3**
% change	**+23.6%**		**+9.2%**	

Auto/cycle/rec. vehicles

	Current month		Year-to-date	
	1984	1983	1984	1983
AutoWeek	98.8	115.9	201.5	233.9
Car & Driver	62.3	65.2	122.5	118.4
Car Collector & Car Classics	21.1	20.9	41.1	40.1
Car Craft	48.2	68.1	85.2	119.0
Cycle	44.3	74.8	68.2	110.3
Cycle Guide	35.0	45.0	58.4	71.6
Cycle World	46.8	63.9	73.0	88.3
Dune Buggies & Hot VWs	76.6	56.1	157.5	113.9
Family Motor Coaching	129.3	96.7	283.6	214.5
4 Wheel & Offroad	54.4	53.8	96.7	101.6
Four Wheeler	65.1	33.2	113.3	64.6
Hot Rod	37.7	56.3	68.3	87.9
Motorcyclist	31.7	43.7	46.5	64.4
Motor Trend	46.0	56.4	67.6	95.1
Motorhome	79.8	57.4	153.3	116.6
Pickup, Van & 4 WD	25.0	29.0	38.1	50.6
Road & Track	72.0	70.3	145.3	140.4
3 Wheeling	20.5	22.8	45.9	47.4
Trailer Life	109.9	92.7	216.1	180.8
Total Group	**1,104.5**	**1,122.2**	**2,082.1**	**2,059.4**
% change	**−1.5%**		**+1.1%**	

Boating & yachting

	Current month		Year-to-date	
	1984	1983	1984	1983
Boating	141.3	117.3	291.5	236.1
Chesapeake Bay	29.1	27.3	56.4	50.1
Cruising World	119.5	123.2	261.6	241.5
Lakeland Boating	53.0	41.0	101.0	82.0
Motor Boating & Sailing	216.3	196.3	387.6	339.5
Sail	144.9	119.2	269.5	222.0
Sea & Pacific Skipper	58.3	66.3	112.7	134.1
Small Boat Journal (6X)	42.6	41.6	42.6	41.6
Trailer Boats	34.3	26.5	60.6	46.6
Western Boatman (6X)	—	—	39.3	19.5
Yachting	166.1	126.2	370.6	321.2
Total Group	**1,005.4**	**884.9**	**1,983.4**	**1,734.2**
% change	**+13.6%**		**+14.9%**	

Canadian

	Current month		Year-to-date	
	1984	1983	1984	1983
L'Actualite	42.5	36.2	82.0	67.0
Chatelaine				
English Edition A	90.6	79.3	153.3	145.4
French Edition	75.2	69.0	130.4	124.3
City Woman	—	—	—	—
Equinox	—	—	29.8	40.7
Financial Post Magazine A	41.4	35.9	65.3	53.6
Flare A	—	—	55.2	45.6
Homemaker's Magazine	86.9	96.5	86.9	96.5
Madam Au Foyer	71.5	74.2	71.5	74.2
Macleans (52X) A	98.0	82.7	173.7	150.4
Quest Magazine (8X) A	—	—	—	—
Reader's Digest				
Canadian-English A	66.1	59.1	123.3	114.1
Canadian-French A	58.1	53.4	107.6	105.4
Toronto Life	61.2	60.0	111.9	110.0
Vancouver	50.1	55.0	101.3	116.2
Total Group	**741.6**	**701.3**	**1,292.2**	**1,243.4**
% change	**+5.7%**		**+3.9%**	

Civic/fraternal

	Current month		Year-to-date	
	1984	1983	1984	1983
American Legion	33.7	36.8	65.1	78.0
Elks Magazine (10X)	28.1	32.3	63.0	67.7
Kiwanis Magazine	13.5	—	26.8	—
Lion (10X)	11.6	6.3	17.6	11.8
Moose Magazine	28.0	31.0	28.0	31.0
Rotarian	18.9	11.5	36.0	31.0
V.F.W. (11X)	34.0	38.1	63.9	76.0
Total Group	**167.8**	**156.0**	**300.4**	**295.5**
% change	**+7.5%**		**+1.6%**	

Comics

	Current month		Year-to-date	
	1984	1983	1984	1983
Archie Comic Group (6X)	10.0	10.0	10.0	10.0
DC Comics	9.0	9.0	18.0	18.0
Marvel Comics Group	10.0	10.0	20.0	20.0
Total Group	**29.0**	**29.0**	**48.0**	**48.0**
% change	**+00.0%**		**+00.0%**	

General

	Current month		Year-to-date	
	1984	1983	1984	1983
American Forests	7.0	10.4	15.8	24.2
American Health (6X)	—	—	54.0	31.7
American West (6X)	—	—	25.7	29.3
The Atlantic A	30.4	34.4	60.0	67.3
Audubon Magazine (6X)	—	—	23.6	30.9
Bon Appetit A	81.2	72.1	131.0	133.8
Changing Times	40.8	36.0	88.3	58.6
Cuisine Magazine	54.6	30.1	92.4	56.0
Ebony	81.6	86.1	136.1	145.9
Fifty Plus	37.8	26.0	78.5	52.7
Food & Wine	35.2	30.5	68.5	61.9
Games	17.7	36.9	45.0	62.3
Geo	33.2	24.7	70.6	48.2
Gourmet	71.2	59.3	112.1	101.9
Home Entertainment (6X)	38.0	34.7	38.0	34.7
Harper's Magazine A	17.4	15.3	45.8	33.9
Life	27.9	36.8	112.2	118.9
Modern Maturity (6X)	45.2	40.6	45.2	40.6
Money	112.6	105.7	195.1	169.5
Moneysworth (4X)	—	—	17.2	17.4
Mother Earth News (6X)	62.7	71.7	62.7	71.7
Mother Jones	18.2	19.5	34.9	32.0
National Geographic	13.4	18.5	30.7	35.3
Natural History	47.8	35.4	92.2	60.8
Prevention	79.3	78.2	148.2	150.6
Psychology Today	20.7	26.4	43.0	45.8
Reader's Digest A	82.4	71.8	144.5	134.0
Saturday Evening Post (9X)	—	—	—	—
Signature	54.7	37.3	96.2	93.2
Smithsonian	90.4	72.3	156.9	127.8
Success	35.3	36.8	71.9	75.1
Town & Country	131.1	101.9	196.8	177.0
Travel/Holiday	52.0	42.6	87.1	85.1
Travel & Leisure	106.8	67.6	167.7	126.1
Vanity Fair	22.0	—	47.3	—
Video	65.2	61.0	140.0	131.2
Video Review	56.8	64.3	118.6	129.3
Writers Digest	25.4	24.1	48.8	49.7
Yankee	74.6	91.6	165.0	184.3
Total Group	**1,770.6**	**1,610.6**	**3,307.6**	**3,027.9**
% change	**+9.9%**		**+9.2%**	

Home

	Current month		Year-to-date	
	1984	1983	1984	1983
Americana (6X)	—	—	32.4	30.8
Architectural Digest A	95.3	91.7	169.5	165.7
Better Homes and Gardens	95.8	87.5	165.4	150.6
Colonial Homes (6X)	—	—	58.0	49.5
Country Journal	47.3	43.2	98.2	100.1
Country Living	58.4	50.4	108.0	85.2
Dallas/Ft. Worth				
Home & Garden	52.7	51.1	105.3	108.0
Early American Life (6X)	29.4	24.4	29.4	24.4
Family Food Garden (6X)	—	—	63.0	64.0
Family Handyman (10X) A	63.6	66.1	125.3	129.6
Flower & Garden (6X)	60.3	53.2	60.3	53.2
Home	43.6	23.0	77.4	49.8
The Homeowner (6X)	—	—	27.8	22.2
Horticulture	29.6	31.1	57.0	72.4
House Beautiful	69.0	64.7	129.5	133.3
House & Garden	73.2	52.3	118.4	143.7
Houston Home/Garden	81.2	79.9	156.0	164.4
Metropolitan Home	57.2	52.5	104.7	99.7
New Shelter (9X)	46.6	53.0	101.7	106.7
1001 Home Ideas	33.8	36.7	59.6	61.5
Organic Gardening	91.6	102.2	183.4	199.9
Phoenix Home/Garden	58.8	41.5	114.8	82.4
San Diego Home/Garden	63.2	68.2	118.7	124.3
Southern Accents (6X)	—	81.3	49.0	81.3
Southern Living	116.6	108.1	195.3	180.5
Sunset Magazine A	131.1	129.6	199.8	192.2
Texas Homes	58.1	45.5	152.3	129.1
Workbench (6X)	—	—	61.4	68.0
Total Group	**1,456.4**	**1,437.2**	**2,921.6**	**2,872.5**
% change	**+1.3%**		**+1.7%**	

In-flight & other passenger

	Current month		Year-to-date	
	1984	1983	1984	1983
Aboard Group (7) (4X)	—	—	17.1	26.4
Alaskafest	43.6	32.5	79.1	67.7
American Way	110.1	81.0	201.8	142.4
East/West Network				
Amtrak Express	30.0	34.8	58.3	63.2
Continental	56.5	51.2	105.0	104.2
Eastern Review	122.7	87.0	232.4	167.0
Ozark	45.2	34.3	88.2	60.3
PSA Magazine	87.0	69.5	165.2	131.7
Pan Am Clipper	55.5	46.0	95.7	77.0
Republic Scene	57.2	41.0	108.7	77.0
United	102.8	70.5	194.1	135.3
USAir	61.5	49.5	111.5	90.5
Western's World	67.2	51.5	117.9	93.2
Halsey Publications				
Air Cal	48.3	24.6	86.3	51.9
Delta Sky	75.3	52.2	147.1	98.9
Skylite	20.0	—	39.0	19.2
Hawaii	22.2	17.3	44.4	33.1
Pace (6X)	—	—	77.8	35.8
Spirit of Aloha	20.9	16.0	41.8	30.6
Southwest Airlines	87.9	86.2	162.2	175.0
Frontier	29.4	35.5	69.1	71.8
Northwest Orient	36.3	28.9	64.0	65.6
TWA Ambassador	63.6	44.9	114.7	78.0
Total Group	**1,243.0**	**954.4**	**2,421.4**	**1,895.8**
% change	**+30.2%**		**+27.7%**	

Men's

	Current month		Year-to-date	
	1984	1983	1984	1983
Esquire A	53.1	50.3	98.0	100.0
Firehouse Magazine	26.0	28.3	67.5	67.9
Gentlemen's Quarterly A	113.3	82.9	178.7	126.2
Penthouse A	43.4	43.2	93.5	100.1
Playboy A	39.4	63.1	132.6	146.3
Total Group	**275.2**	**267.8**	**570.3**	**540.5**
% change	**+2.7%**		**+5.5%**	

Metropolitan

	Current month		Year-to-date	
	1984	1983	1984	1983
Aloha (6X)	25.2	21.2	25.2	21.2
Atlanta	61.3	34.9	88.7	73.0
Baltimore	55.4	58.4	100.2	103.9
Boston	112.8	105.4	229.5	225.2
California	46.7	42.5	74.3	71.6
California Living	34.1	48.4	74.2	87.3
Charlotte (10X)	23.0	19.6	23.0	40.1
Chicago	93.4	86.8	216.4	173.5
Chicago's North Shore	77.4	64.3	149.9	144.1
Cincinnati	40.7	47.1	87.7	96.1
Cleveland D.	86.0	57.6	135.9	108.9
Coast (38X)	76.6	65.1	153.6	124.7
Columbus Monthly	48.0	54.6	98.7	91.9
Commonwealth	22.7	21.5	74.7	41.7
Connecticut	75.4	68.3	146.9	136.2
Country Magazine	29.7	20.4	53.0	39.4
County Life	35.0	—	85.0	40.0
D/Magazine, Dallas/Ft. Worth	98.7	82.2	166.4	169.8
Denver	24.7	24.4	44.7	49.1
Exclusively Yours,				
Wisconsin (15X)	54.2	54.1	108.2	109.7
Grand Rapids	34.7	35.5	70.0	75.7
Gulfshore Life (10X)	104.0	80.0	202.0	152.8
Honolulu	56.8	69.3	108.0	120.3
Houston City	74.2	61.0	132.2	107.4
Indianapolis	46.0	29.8	86.0	91.6
Kansas City	40.1	32.7	71.7	53.7
Long Island Life	20.0	—	55.0	43.0
Los Angeles	167.0	152.0	317.0	302.0
Louisiana Life (6X)	—	—	63.2	68.0
Madison	42.0	40.0	92.0	80.0
Miami/South Florida	82.6	78.4	180.0	174.0
Milwaukee	30.3	—	57.2	10.7
Minneapolis/St. Paul	84.4	77.7	141.2	128.2
Monthly Detroit	39.9	58.4	62.4	95.4
Nashville	39.0	51.0	78.0	108.0
New Jersey Monthly	52.6	50.2	95.1	86.2
New Mexico	34.0	13.5	75.0	35.1
Ohio	39.1	33.7	72.8	64.7
Oregon	32.4	20.2	67.9	31.7
Orlando	78.8	73.0	155.0	136.0
Palm Beach Life	119.5	98.8	227.6	201.4
Palm Springs Life	146.8	152.0	318.2	302.5
Philadelphia	132.9	130.3	215.7	210.2
Phoenix	81.0	74.5	174.3	161.2
Pittsburgh	61.7	56.7	104.9	93.5
St. Louis	55.0	49.0	96.0	92.0
San Diego	102.7	111.4	223.8	229.7
San Francisco	58.4	52.5	106.2	90.0
San Francisco Focus	41.2	36.7	76.7	69.5
Shenandoah/Va.				
Town&Country (6X)	—	—	49.0	28.6
Tampa Bay Monthly	41.6	—	119.3	—
Texas Monthly	95.8	82.1	177.0	151.7
Twin Cities	46.7	37.2	93.3	72.6
Washington Dossier	48.7	52.8	86.7	91.8
The Washingtonian	137.0	138.0	246.0	241.0
Total Group	**3,387.9**	**3,005.2**	**6,652.6**	**5,947.6**
% change	**+12.7%**		**+11.8%**	

Movie/romance/radio/tv

	Current month		Year-to-date	
	1984	1983	1984	1983
Macfadden's Women's Group:				
Modern Romances	35.0	35.0	49.0	55.6
Secrets	35.0	35.0	49.0	55.6
True Confessions	35.0	35.0	49.0	55.6
True Experience	35.0	35.0	49.0	55.6
True Love	35.0	35.0	49.0	55.6
True Romance	35.0	35.0	49.0	55.6
Sterling Women's Group:				
Daytime TV	27.5	30.8	54.0	61.1
Modern Screen	20.5	34.8	20.5	33.3
Movie Mirror (6X)	20.5	—	41.0	—
Soap Opera Stars	20.5	24.3	40.0	48.5
TV Movie Screen (6X)	—	34.8	—	34.8
TV Picture Life (6X)	20.5	—	41.0	29.3
Teen Bag (6X)	6.5	—	6.5	2.4
Total Group	**326.0**	**334.7**	**497.0**	**543.0**
% change	**−2.5%**		**−8.4%**	

Music/entertainment

	Current month		Year-to-date	
	1984	1983	1984	1983
American Film (10X)	—	—	40.3	41.2
Audio	59.3	37.3	121.9	85.4
Circus Magazine	30.9	25.0	66.0	54.0
Dance Magazine	70.0	56.1	130.3	117.1
Musician	66.7	75.3	122.7	128.3
Playbill	45.2	50.0	92.4	94.3
Record	16.8	6.3	37.2	11.4
Stereo Review	40.2	44.7	82.5	85.4
Total Group	**329.1**	**294.7**	**693.3**	**617.1**
% change	**+11.6%**		**+12.3%**	

Newspaper, Sun. magazines

	Current month		Year-to-date	
	1984	1983	1984	1983
Family Weekly A	52.8	85.2	130.6	175.7
Parade	49.5	76.5	123.1	155.8
Total Group	**102.3**	**161.7**	**253.7**	**331.5**
% change	**−36.7%**		**−23.4%**	

Outdoor & sport

	Current month		Year-to-date	
	1984	1983	1984	1983
Alaska	37.4	33.3	72.2	64.8
The American Handgunner (6X)	—	—	39.8	37.0
American Hunter	16.1	14.3	30.8	30.5
American Rifleman	24.8	23.2	51.0	48.4
Backpacker (6X)	—	—	31.2	36.2
Bass Master (8X) A	52.9	47.9	97.1	101.4
Bicycling (9X)	—	—	92.9	87.9
Field & Stream	83.4	97.1	136.1	151.7
Fins & Feathers A	62.1	38.5	93.2	63.6
Fishing World (6X)	—	—	31.2	32.2
Florida Sportsman	97.3	78.2	172.4	139.6
Flying	37.3	40.0	69.5	60.7
Fur-Fish-Game	23.5	22.9	50.7	45.6
Golf Digest	104.4	92.0	147.9	139.6
Golf Magazine	131.7	119.7	269.4	232.9
Guns	28.8	27.4	55.7	55.7
Guns & Ammo	41.9	41.9	71.3	81.0
Muscle & Fitness	102.0	104.0	221.0	208.0
Outdoor Life	89.4	85.3	140.0	139.4
Petersen's Hunting	29.8	34.0	55.0	61.1
The Runner	35.4	37.2	73.2	74.2
Runner's World (13X)	35.3	38.3	85.5	38.6

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. 1984 year to date figure reflects additional seven pages from classified advertising not originally included in January figures. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

(Continued from Page 57)

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Salt Water Sportsman	82.9	61.3	145.7	125.4
Shooting Times	44.0	40.7	75.3	66.2
Ski (8X) A.	65.0	50.1	160.1	133.2
Skiing (7X)	73.8	60.1	161.1	147.1
Skin Diver	88.0	85.9	159.9	148.3
Southern Outdoors (8X)	—	—	36.4	40.8
Sport	48.8	31.3	85.2	60.8
Sports Afield	88.9	83.6	151.5	146.5
Tennis	61.5	65.6	105.4	112.5
Western Outdoors (10X)	47.4	31.3	47.4	31.3
World Tennis	26.0	24.3	49.7	59.4
Total Group	**1,659.8**	**1,509.4**	**3,264.8**	**3,051.6**
% change		**+10.0%**		**+7.0%**

— Photography —

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Photographer	33.3	45.7	71.6	91.4
Petersen's Photographic	31.0	29.3	60.7	64.1
Popular Photography	94.6	114.3	184.7	226.5
Total Group	**158.9**	**189.3**	**317.0**	**382.0**
% change		**−16.0%**		**−17.0%**

— Religious —

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
BBI Jewish Monthly (10X)	22.1	24.9	40.3	40.3
Christian Herald	34.5	30.0	66.7	64.5
Christian Life	27.2	20.1	51.2	48.9
Christianity Today	74.8	86.5	115.0	142.2
Inside (4X)	—	—	—	—
Moody Monthly	53.8	52.4	97.2	102.9
Today's Christian Woman (6X)	—	—	24.2	—
Total Group	**212.4**	**213.9**	**394.6**	**398.8**
% change		**−0.7%**		**−1.0%**

— Science/electronic/mechanic —

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Compute	92.7	126.2	204.8	238.0
Computers & Electronics	49.4	69.6	101.4	139.9
Creative Computing	132.5	179.0	291.2	368.7
Discover	49.7	54.4	77.9	86.8
Family Computing	60.7	—	131.1	—
Mechanix Illustrated	62.4	64.6	113.7	124.7
Omni	50.3	50.2	105.6	99.5
Personal Computing	—	—	—	—
Popular Mechanics	90.2	88.2	169.9	160.9
Popular Science	74.5	77.4	152.9	146.9
Science Digest	27.7	28.0	52.6	60.3
Science 84 (10X)	—	—	39.3	38.3
Scientific American	51.8	50.6	114.5	84.8
Spectrum	73.5	78.3	168.2	158.4
Total Group	**815.4**	**866.5**	**1,723.1**	**1,707.2**
% change		**−5.9%**		**+0.9%**

— Women/fashion/service —

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Bride's Magazine (6X) A.	—	—	517.0	495.0
Cosmopolitan A.	183.5	155.0	334.9	304.6
Essence	85.8	69.7	145.2	131.7
Family Circle A.	105.0	113.0	243.4	250.2
Glamour	133.5	146.0	230.1	244.8
Good Housekeeping A.	159.9	163.9	268.5	280.1
Handmade (6X)	—	—	26.4	30.4
Harper's Bazaar	131.4	99.6	207.5	166.7
Health	38.7	32.2	71.1	52.5
Ladies' Home Journal	96.6	80.5	189.8	155.4
Ladycom	51.0	44.0	80.5	74.5
Lady's Circle	8.9	7.8	17.1	17.0
Mademoiselle	133.2	100.2	205.3	170.6
McCall's	93.4	80.9	160.7	148.2
Modern Bride (6X)	—	—	413.8	398.1
Ms.	45.1	38.0	75.2	67.8
New Woman	46.3	49.4	82.2	81.6
Parents Magazine A.	72.4	74.7	125.9	127.8
Playgirl	38.2	41.7	74.6	82.5
Redbook	85.5	82.7	157.1	140.2
Self	78.8	63.4	138.1	112.1
Seventeen	74.7	78.3	140.5	139.6
Shape	51.0	40.0	103.0	73.0
Soap Opera Digest	27.9	27.3	54.4	45.5
'Teen Magazine	39.3	44.4	65.7	65.6
True Story A.	72.0	69.1	100.0	110.9
Vogue	263.6	219.2	383.3	346.1
W Magazine	139.2	113.0	224.4	197.0
Weight Watchers	35.4	32.2	60.8	55.9
Woman's Day A.	94.0	110.8	167.2	175.5
The Workbasket (10X)	46.0	31.8	86.5	74.5
Working Mother	67.9	59.3	122.0	110.5
Working Woman	82.2	83.0	146.6	147.0
Total Group	**2,580.4**	**2,351.1**	**5,418.8**	**5,072.9**
% change		**+9.8%**		**+6.8%**

— Youth —

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Boys' Life	18.2	22.6	34.2	46.1
Campus Life	38.1	37.0	91.1	73.4
Total Group	**58.3**	**59.6**	**125.3**	**119.5**
% change		**−5.5%**		**+4.8%**

January

— Business —

	Pages Jan. 1984	Pages Jan. 1983
Atlanta Bus. Chronicle (52X)	30.6	40.5
Barron's (52X)	200.1	187.9
Black Enterprise	27.0	19.7
Boston Business Journal	86.4	54.5
Business Week (52X) A.	252.6	237.7
California Business	67.9	54.0
Capital District Bus. Review	45.9	36.5
Corporate Report/Kansas City	85.4	43.0
Corporate Report/Minnesota	79.5	75.9
Crain's Chicago Bus. (52X)	114.4	83.5
Crain's Cleveland Bus.	54.6	55.4
Dallas/Ft. Worth Bus. (52X)	33.3	37.5
Dun's Business Month	61.0	39.0
The Executive	50.2	39.8
Financial World (24X)	30.8	27.6
Florida Trend	91.7	69.2
Forbes (26X)	261.6	205.9
Fortune (26X) A.	198.6	127.8
Frequent Flyer	35.4	30.0
Hawaii Business	36.8	44.7
High Technology	18.5	30.9
Houston Bus. Journal (52X)	127.6	163.7
Inc. Magazine A.	101.3	64.3
Income Opportunities (10X)	—	—
Industry Week (26X) A.	79.0	77.8
Indianapolis Business Journal	105.1	94.8
New Orleans Citibusiness	115.6	—
Nation's Business A.	18.9	20.0
New England Bus. (20X) B.	41.7	38.2
New Jersey Success	—	—
Pacific Business News (52X)	86.6	93.7
Philadelphia Bus. Journal	79.0	65.0
Pittsburgh Bus. Times (52X)	64.0	57.0
Savvy	44.2	36.6
St. Louis Business Journal	130.1	99.0
Texas Business	58.5	33.5
Venture	57.3	40.8
Total Group	**2,971.2**	**2,425.4**
% change		**+22.5%**

— Newspaper Sunday magazines* —

	Pages Jan. 1984	Pages Jan. 1983
Arizona Republic	60.9	67.7
Boston Globe	160.5	143.0
Chicago Tribune	58.1	69.6
Cincinnati Enquirer	62.5	64.4
Cleveland Plain Dealer	33.6	52.6
Columbus Dispatch	28.7	31.8
Dallas Times Herald	61.4	67.2
Denver Post	64.3	102.7
Detroit News	65.0	72.2
L.A. Times Home Magazine	86.8	51.7
Louisville Courier-Journal	61.7	61.7
Miami Herald	42.7	55.0
New York News	23.9	41.7
New York Times Magazine	204.4	198.6
Philadelphia Inquirer	54.3	52.3
Toledo Blade Magazine	35.6	37.4
Washington Post	71.7	69.2
Total Group	**1,176.1**	**1,238.8**
% change		**− 5.0%**

— Weeklies/bi-weeklies —

	Pages Jan. 1984	Pages Jan. 1983
The Advocate (25X)	119.3	146.9
Army Times Military Group:		
Air Force Times (52X)	125.0	136.2
Army Times (52X)	121.4	132.3
Navy Times (52X)	137.6	156.5
The Times Magazine	6.8	5.8
The Blood-Horse (52X)	671.6	641.5
Capper's Weekly (26X)	38.9	25.9
Commonweal (22X)	7.9	9.2
Golf World (43X)	66.7	71.2
Grit (52X) A.	36.9	37.1
National Review	19.0	20.9
New Republic (48X)	24.3	25.0
New York Magazine (50X)	145.0	135.9
New Yorker (52X)	204.5	225.6
Newsweek (52X) A.	205.5	143.7
People (52X)	184.6	164.1
Rolling Stone (25X)	40.5	38.9
Sporting News (52X)	46.8	46.6
Sports Illustrated (52X) A.	154.7	161.8
Time (52X) A.	177.1	194.0
Travelhost (52X) C.	2,405.0	2,419.0
TV Guide (52X) A.	327.5	346.5
Us Magazine (26X)	48.5	57.3
U.S. News & World Report (52X) A.	96.9	108.9
Total Group	**5,412.0**	**5,450.8**
% change		**−0.7%**

— Foreign —

	Pages Jan. 1984	Pages Jan. 1983
Buenhogar:		
Central America	—	1.0
Colombia	11.7	17.2
Dominican Republic	7.0	12.0
Ecuador	12.0	3.0
Mexico	17.3	29.0
Peru	9.5	11.8
Puerto Rico	7.0	9.3
U.S.	9.5	7.8
Venezuela	12.0	17.0
Coqueta:		
Central America	—	—
Colombia	4.0	1.0
Mexico	2.5	2.0
Peru	—	—
Puerto Rico	0.5	—
Venezuela	1.0	2.0
Geomundo:		
Central America	1.3	2.0
Chile	1.3	3.0
Colombia	1.0	6.0
Ecuador	1.0	3.0
Mexico	0.3	6.0
Peru	1.3	3.0
Puerto Rico	2.3	2.0
Venezuela	10.3	6.0
Hombre De Mundo:		
Central America	5.0	4.0
Chile	4.0	4.0
Colombia	4.0	8.0
Ecuador	4.0	5.0
Mexico	4.0	6.5
Peru	4.0	3.0
Puerto Rico	3.0	3.0
Venezuela	9.0	10.0
Ideas Para Su Hogar:		
Central America	—	—
Chile	—	—
Colombia	3.0	13.0
Ecuador	2.0	1.0
Mexico	1.3	14.7
Peru	4.5	3.0
Puerto Rico	—	—
Venezuela	8.5	7.5
Intimidades:		
Central America	—	—
Chile	—	1.0
Colombia	—	1.0
Mexico	0.5	2.5
Puerto Rico	—	1.0
Venezuela	3.0	3.0
Mecanica Popular:		
Argentina	5.8	6.7
Central America	9.7	11.3
Chile	3.5	5.8
Colombia	9.2	18.2
Mexico	7.3	9.2
Peru	9.7	14.7
Puerto Rico	10.7	11.3
Venezuela	10.7	20.7
The Ring en Espanol:		
Mexico	—	—
Puerto Rico	—	—
U.S.	1.3	1.0
Venezuela	—	1.0
Vanidades Continental:		
Central America	1.3	2.2
Chile	—	0.7
Colombia	21.0	21.2
Dominican Republic	1.0	6.2
Ecuador	3.7	2.8
Mexico	24.7	49.0
Peru	9.7	10.5
Puerto Rico	11.5	19.7
U.S.	30.5	27.5
Venezuela	16.7	20.5
Business Week Int'l.	66.4	91.1
Cosmopolitan Foreign Editions:		
Australia	47.1	44.6
Brazil	30.0	33.0
France	68.3	37.2
Germany	30.0	18.3
Great Britain	70.3	39.0
Greece	38.0	50.0
Holland	9.0	6.0
Italy	15.7	17.3
Japan	27.7	33.3
Cosmopolitan en Espanol:		
Central America	—	0.3
Colombia	—	5.8
Ecuador	—	0.7
Mexico	14.8	25.2
Peru	—	4.7
Puerto Rico	6.2	12.0
U.S. (Spanish language)	11.7	12.7
Venezuela	6.5	6.8
International Communications:		
African Business	13.3	16.5
New African	19.8	20.5
The Middle East	18.3	17.8
International Herald Tribune	54.3	61.3
International Management:		
Africa	6.8	10.8
Europe	18.0	20.7
Latin America	3.0	4.7
Middle East	15.5	9.2
Pacific	5.7	10.5
Johnston International:		
Alam Attijarat	40.7	41.0
Ejecutivo	6.3	8.3
Modern Africa	13.6	18.5
Modern Asia	19.5	34.1
Newsweek International-A:		
Atlantic	50.1	44.0
Latin America	52.0	39.4
Pacific	24.0	20.4
Reader's Digest:		
Arabic	8.0	9.5
Asian	155.5	201.0
Australian	59.0	26.5
Belgian-Flemish	25.0	31.0
Belgian-French	20.5	22.5
British	44.6	57.4
Chinese B.	94.5	79.8
Danish	24.3	44.3
Dutch	27.0	31.0
Finnish	37.0	37.5
French	33.3	30.3
German	57.2	42.7
Iberian	5.0	13.0
Indian-English	67.0	58.5
Indian-Hindi	4.0	1.5
Italian	19.5	27.0
Japanese	23.9	43.1
Korean	24.5	19.3
Latin American:		
Argentina	15.5	5.0
Brazil	2.0	10.0
Central American	5.0	5.0
Chile	12.5	8.5
Colombia	24.0	22.5
Ecuador	6.0	8.5
Mexico	20.4	33.3
Peru	7.0	7.5
Puerto Rico	3.0	3.5
U.P.B.	2.0	8.5
U.S. Spanish	9.5	9.5
Venezuela	3.0	7.5
New Zealand	40.5	40.5
Norwegian	14.8	13.0
Portugal	15.0	25.0
South African	46.0	27.0
Swedish	27.0	16.0
Swiss-French	22.0	11.1
Swiss-German	27.6	16.0
Time International:		
Time-Asia	52.5	53.2
Time-Atlantic	38.4	55.1
Time-Canada	106.2	82.4
Time-Latin America	20.6	31.1
Time-South Pacific	54.1	52.3
Visao (52X)	—	—
Vision/Latin America (26X) A.	10.8	18.4
Total Group	**2,478.4**	**2,657.5**
% change		**− 6.7%**

New Fonda 'Workout' warms up

NEWPORT BEACH, CAL.—Jane Fonda is working up a sweat again.

Karl Video Corp. here, the company that two years ago introduced the now best-selling videocassette, "Jane Fonda's Workout," will offer a new tape in March designed to appeal to hard-core fitness freaks.

This time, the actress will lead the "Jane Fonda's Workout Challenge," a 90-minute program tailored for athletes, dancers and other serious devotees of aerobic exercise.

"Workout Challenge" is not meant to be a sequel to the earlier tape, a company spokesman said, but rather the latest in a series of tapes developed to appeal to specific market segments. The new tape, which will cost $59.95 at retail, also is available on RCA videodisc for $19.99.

"Workout Challenge" is the latest of several new titles planned by Karl Video. "Prime Time," an exercise tape for middle-age and older people, will be introduced this fall.

To accompany the debut, Simon & Schuster will publish a book of the same title, as it did with the original "Workout."

Next month, Ms. Fonda will begin promoting "Workout Challenge," appearing on tv shows and in department stores in major cities.

Although there will be no consumer campaign, Karl is offering a co-op ad plan for its retailers.

Videocassette sales also will get a boost from the apparel industry. Capri Beachwear, New York, in March will offer a new line of "Jane Fonda's Workout" activewear (AA, Nov. 21). Zimmerman, Galanty & Fiman, Santa Monica, is the agency.

"Jane Fonda's Workout," the book, videocassette and videodisc, were introduced in 1982.

In 1983, Karl Video came out with its second tape in the "Workout" series, "Jane Fonda's Workout for Pregnancy, Birth and Recovery."#

Braniff rivals fuel promotions

By TOM BAYER

Dallas—Airlines have continued to deny that they are concerned about the March 1 reentry of Braniff to the competitive skies.

Yet, route expansions, fare reductions and promotions are beginning to emerge and they coincide with Braniff's startup days.

Delta Air Lines is planning to increase the frequency of flights on six Dallas-Fort Worth routes scheduled for Braniff service. The increased frequencies beginning in May and June are to Austin, Tex.; Kansas City, Mo.; New York's LaGuardia; Oklahoma City; Ontario, Cal., and San Antonio.

With the increased schedule, Delta will have 136 daily departures from Dallas-Fort Worth, compared with Braniff's 82 and American Airlines' 275.

Continental Airlines on March 1 will add flights from existing markets, including Oklahoma City, Minneapolis-St. Paul, Kansas City, Washington, Tulsa, Los Angeles and Denver, and will start service from Detroit and Philadelphia.

Continental is expecting its two millionth passenger Feb. 21 and is planning to reward the person with a one-month pass for unlimited travel on Continental.

It also will lower fares Feb. 21 in 73 markets between the Midwest-Northeast and West Coast. Promotional unrestricted fares will end March 31 or April 30.

Some reduced fares will have no expiration, Continental said.

United Airlines on Feb. 17 said it would match in selected Midwest cities additional fare cuts announced by Continental. United had matched Continental's first wave of price reductions on western and midwestern flights announced earlier last week.

A United spokesman also said the carrier would not meet Continental's cuts to several eastern markets for fear "it would trigger a systemwide fare war."

Southwest Airlines last week began a 10-week "Puttin' on the Ritz" consumer sweepstakes with Avis, in which the grand prize is a 1984 Cadillac Eldorado Biarritz with a customized interior to match the new interiors of Southwest's aircraft.

More than 60 other prizes will include various trips on Southwest Airlines, and passengers who book their flights through travel agents will get free upgrades on their Avis rentals.

American Airlines has announced a series of discount fares offering 20% to 30% off normal coach fares for travel to and from California during the 1984 Olympic Games in Los Angeles.

One set of fares is in effect for tickets purchased through May 15, and a second group of fares will be available May 16 through the Olympic season, American said.#

Magazine acquisitions begin

By STUART J. ELLIOTT

New York—The anticipated boom in magazine acquisitions this year (AA, Jan. 30) got under way last week when:

- *Interior Design* and *Corporate Design* were sold by Whitney Communications here to Cahners Publishing Co., Boston.
- A joint-venture company was announced to publish *Success*.
- Gralla Publications here bought its first property since being acquired by Great Britain's United Newspapers (AA, Sept. 5).

The Whitney move was somewhat of a surprise, as the company was known to have solicited bids for all of its magazines in a package buy—not only the two design books but also *Art in America*, *50 Plus* and *Waterway Guide*, a quartet of annual regional publications.

Sources said the bids were in the range of $30 million to $40 million. Details were not disclosed.

Interior Design, a monthly with a circulation of 49,161, is the largest publication for the interior design trade. *Corporate Design*, an every-other-monthly with a controlled circulation of 25,000, is aimed at corporate design and building executives. Both will remain based in New York, under publisher Lester Dundes. Their place in the Cahners organization is yet to be determined.

The joint venture to publish *Success*, a monthly with a circulation of 233,417, is being established by Success Unlimited, Chicago (and its chairman, W. Clement Stone), and Hal Publications, New York (and its chairman, Dale Lang). Each purchased an interest in the other's company, though the extent of their new equity positions has not been revealed.

The joint company, of which Hal will be the "managing partner," according to Mr. Lang, will assume control of *Success* with the September issue. James Horton, president of Hal, which publishes *Working Woman*, will become publisher of *Success*. He succeeds Charles Colletti.

Mr. Colletti, who was on vacation last week and could not be reached for comment, recently denied that a sale of his magazine was pending. *Success'* editorial offices are to be moved to New York from Chicago, joining the business offices.

Mr. Lang last year engaged in fruitless negotiations with Time Inc. concerning a possible joint venture or buyout (AA, May 9).

Gralla announced it is buying *Sew Business*, the leading magazine for retailers and marketers in the home sewing, fabrics and crafts industry, from Sylvan Publishing, Fort Lee, N.J. Purchase price was not disclosed.#

Spot the similarities?

"Where's the beef?" has a commercial ancestor: "How's it taste?"

The popular Wendy's commercial was directed and produced by Chicago's Joe Sedelmaier, whose trademark is the use of unusual characters that he draws from the everyday world. Clara Peller, the 80-year-old former manicurist from Chicago whose current "Where's the beef?" line now is part of the vernacular, has starred in many Sedelmaier commercials, including one with rabbits for Jartran truck rentals and one for Rhodes frozen bread dough, a product of Dakota Bake-N-Serv.

The Rhodes spot was shot late in 1982 for Minneapolis agency Fallon McElligott Rice, and ran regionally in the Midwest. (FMR recently lost the account when the client relocated to another city.)

The commercial centers on five elderly matrons, a loaf of bread and a knife. It incorporates music from the same composer Mr. Sedelmaier always uses; a voiceover talent he uses in many spots, and has the "Sedelmaier look" that comes from the director's close involvement in the writing and designing of all commercials he produces for agencies (AA, Nov. 11, '82).

"Cut it, Edna," the first matron says in that spot. "No, you cut it," demures Edna, who is headed off by Ms. Peller's character who says, "Don't look at me, I'm too nervous."

"How's it taste?" her character asks.

"Buttery" is the response.

Patrick Fallon, president of the Minneapolis shop, says the agency has received phone calls from members of the local advertising community asking if FMR is disturbed by the similarities between the two spots. "It comes with the territory," Mr. Fallon says, referring to working with Mr. Sedelmaier.

Tom McElligott, vp-creative director of the agency, has produced more than a dozen spots with the Chicago director. Sources at FMR describe him as "disappointed with Mr. Sedelmaier" about the similarities in the two spots.

Mr. Sedelmaier, however, has his own "beef" with the Rhodes spot. After he had finished the commercial, he says, the agency deleted Ms. Peller's distinctive voice and dubbed in a "sweet little old lady" voice, Mr. Sedelmaier says.

Mr. Fallon confirms: "We didn't like her voice. It just was not understandable."

Wendy's "Where's the beef?" used Ms. Peller's own voice—rough-edged though it is. "Clara's voice is what made that thing," Mr. Sedelmaier says.#

Wendy's

(Continued from Page 3)

tle, Wendy's is reveling in a wave of free publicity worth many times the $8 million spent on the campaign.

Negative publicity has come from the Michigan Commission on Services to the Aging, which last month asked Wendy's to withdraw the ads. Gray Panther national president Margaret Kuhn said some members had voiced displeasure with the spots' depiction of the elderly.

A Wendy's spokesman expressed regret that offense was taken in some quarters, but said the company feels the spots portray the characters as "strong-minded enough to demand quality."

Meanwhile, Wendy's also is working the other end of the demographic spectrum. Last week it launched a new premium promotion for its Kids Meal with the first national consumer introduction of the "Moodies."

The little characters, which personify various emotions, will be offered through March as part of Wendy's efforts to improve its appeal to children (AA, Oct. 24).

Wendy's says 65 licensed Moodies products are being marketed and that the characters soon may be the subject of a children's book line and comics strip.

Kent Toys and Sisson Associates, New York, its licensing agent, report the Moodies products will reach 200; 20 company licensees are signed up thus far.

No advertising support for the Moodies is planned.#

Agency financial results

With most agencies reporting (JWT and DDB have not released results yet), 1983 will go on the books as a good year for revenues — all except for Mickelberry showed a double-digit increase. Source: *Advertising Age*.

	Income ($000)			Revenues ($000)		
Agency	1982	1983	(%)	1982	1983	(%)
Fourth quarter						
BBDO	5,550	6,872	+23.8	61,959	78,561	+27
FCB	4,157	4,431	+ 6.6	48,657	57,622	+18
Grey	2,342	2,653	+13.2	40,287	47,660	+18
Interpublic	6,997	9,679	+38.3	170,256	178,161	+ 5
Mickelberry	1,621	1,227	−24.3	25.189	26,901	+ 6
O&M	5,991	8,994	+50.1	95,863	108,940	+14
Ally*	1,020	873	−14.4	45,299	50,709	+12
Twelve months						
BBDO	14,982	18,055	+20.5	212,739	263,999	+24
FCB	10,912	13,070	+19.8	179,990	206,605	+15
Grey	6,809	8,026	+17.8	142,150	161,992	+14
Interpublic	21,075	25,380	+20.4	565,435	603,044	+ 7
Mickelberry	2,792	2,601	− 0.7	74,729	91,245	+22
O&M	14,840	17,800	+19.9	327,411	358,395	+10
Ally*	1,029	1,031	+ 1.9	69,130	85,321	+23

**Ally & Gargano's results are for the second quarter and first half of fiscal year.*

Wall Street keeps up confidence in shops

By PAT SLOAN

Wall Street's new-found confidence in the advertising industry continues, backed by the latest round of agency yearend results.

Agency stocks generally have performed no worse than the overall stock market in its recent slide. "So far, so good," says Dean Witter Reynolds' Fred Anschel. "Ogilvy's fourth quarter was somewhat above my expectations and BBDO is on target."

He said results from both JWT Group and Doyle Dane Bernbach are due at the end of March. He expects both will be "okay."

At Foote, Cone & Belding Communications, Norman W. Brown, chairman, says, "Our fourth-quarter results were significantly better than we anticipated when we last reported earnings in November.

"Revenues exceeded budget in every region but one, with the largest increase occurring in our three U.S. regions and in the FCB Associated Communications Cos. FCB/Europe and FCB/Latin America-Pacific also showed important gains," he said.

In connection with the NCK Organization merger, Mr. Brown added that although merger activities added to 1983 costs, no revenues will be realized until 1984.

Among those agencies that have released their results, only Ally & Gargano showed a slip in the quarter ending Dec. 31, 1983 (the second quarter in Ally's fiscal year). While billings rose 12% to $50.7 million from $45.3 million a year earlier, net earnings dropped about 14% to $873,000 from $1 million.

Wall Street has not yet begun to follow closely Ally & Gargano, which went public in late 1983. The drop in earnings was presumably caused by the phaseout of the Commodore International account. Although the agency has picked up six new accounts (Union Carbide Corp., Pfizer, Franklin Computing, Comp-U-Card, WYNY [fm] and SFN Electronic Publishing) since the loss of Commodore last year, those account gains have not yet had an impact on earnings.

Last week, the agency also picked up Bryan Foods, the $400 million division of Consolidated Foods. Previously at Henderson Advertising, Bryan Foods billings are estimated at $2.5 million.

Mickelberry Corp.'s last fiscal quarter earnings were down, but Alan Gottesman, a vp with L.F. Rothschild, believes this has not been because of poor management but rather because "they have grown so fast." He is looking for earnings improvements in 1984 "as long as the agency's acquisitions pan out and advertisers do not pull back from spending."#

Almay deodorant line set

(Continued from Page 2)

be priced at the high-end of the market. The 2-oz. super dry solid will sell for about $2.51, the 4-oz. spray for $2.33 and the 1.5-oz. roll-on for $2.06, according to Almay.

The Playtex/Almay deodorant effort comes at a time when category dollar volume is on the rise, according to Towne-Oller. In 1982, the market grew only 10.5%, but in the first, second and third quarters of 1983 it grew by 11.3%, 11.2% and 17.5%, respectively.

Although the $1 billion market continues to be led by Procter & Gamble and Gillette Co., with total-brand shares of 23.3% and 20%, respectively, according to Salomon Bros.' Diana Temple, Gillette's $28 million restaging of Right Guard has not yet stopped market share erosion. In September, Right Guard had a 9.3% share in supermarkets, down from 9.9% in 1982. At that time, Dry Idea also was down, while Soft & Dri appeared to be holding.

Ms. Temple believes, however, that Gillette's Body Flowers deo-cologne could rack up sales of $25 million by the end of 1984.

Procter & Gamble's Sure and Secret brands also slipped in share. According to Salomon Bros. data, Sure has an 11.9% share, down from 13.6% in 1982, and Secret has 11.3%, down from 12.5%. P&G is now testing Oasis, a dual-layered deodorant/antiperspirant stick that Ms. Temple expects will soon be rolled out.

Industry estimates show Mitchum slightly up in market share to just under 3% in supermarkets. Mennen gained some momentum in the first nine months of 1983 with its Lady Speed Stick, a brand that earned a 1.2% share in the third quarter with $4 million in advertising support.

Carter-Wallace's Arrid also gained share, Ms. Temple said, moving up one percentage point to a 13.7 share by the end of the third quarter. Unilever's Impulse deo-cologne increased share by half a per cent to 3.2%.#

Advertising Age

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Schick to slash leaders

By ROBERT RAISSMAN

Warner-Lambert Co.'s Schick razor unit again will slash away at Gillette and Bic with a strong comparison tv spot on behalf of its disposable razor.

Both Warner-Lambert and its agency, William Esty Co., New York, declined comment on the upcoming commercial. Industry sources said, however, it will feature Schick sheriff Jennifer Wells and razor-toting San Francisco 49er quarterback Joe Montana.

The initial Schick comparison spot, which broke last March (AA, Jan. 3, '83), resurrected the battle of the blade. It sent Gillette complaining to the networks that the commercial contained "false claims." Gillette was miffed by Schick's claim that its razor was sharper than Gillette's Good News!

A Gillette spokesman said the Boston-based company would take a "wait-and-see" posture before commenting on the upcoming Schick commercial.

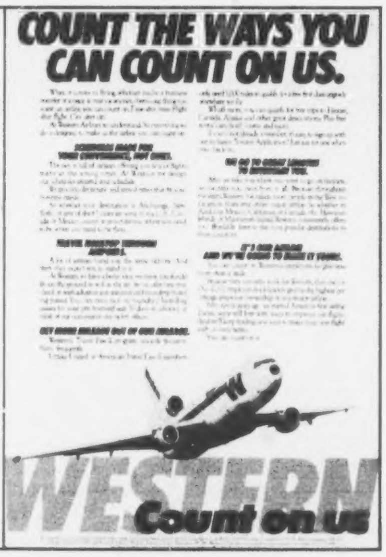
Sources said Gillette did not challenge Schick with litigation because the Schick disposable had "little impact" on Gillette sales. They said that despite Schick's estimated $12 million advertising expenditure in 1983, the Morris Plains, N.J.-based company, at the maximum, gained 2% of the disposable market.

Gillette, they said, has 60% of the

(Continued on Page 82)

Ah, Browning

Western Airlines is breaking a new $12 million campaign wooing business travelers, its first effort from new agency Doyle Dane Bernbach/West. Ads compare the airline's route system to that of United and its early-morning schedule to that of Pacific Southwest. *(See story on Page 77.)*


COUNT THE WAYS YOU CAN COUNT ON US.
WESTERN
Count on us

last minute news

Y&R scores big at AT&T, Kraft, Harvester

New York—American Telephone & Telegraph Communications has moved its $20 million overseas calling programs (international long distance) account from N W Ayer to Young & Rubicam. Also, the company is moving to Ayer a number of "developmental" assignments Y&R handled, such as the equal access campaign. District manager Phil Shyposh said the total budgets for the developmental accounts had not been determined. However, he indicated they eventually could equal the overseas calling budget. Y&R also added Dart & Kraft's Kraft Dairy Group, Philadelphia, for its Breyers ice cream business, also from Ayer. Spending for '84 is between $7 million and $10 million. Ayer keeps Breyers yogurt, Sealtest and Polar B'ar ice cream squares. In Y&R's Chicago office, International Harvester has joined the roster—for corporate advertising. Budget is $5 million. Tatham-Laird & Kudner handled until last fall (AA, Oct. 3).

ISC to break 'pride' campaign for Colony wine

San Francisco—ISC Wines of California will pull the wraps off its first advertising for Colony wine since it purchased the brand and several

(Continued on Page 8)

Breaks with tradition

New Pepsi ads turn to humor

By JOHN J. O'CONNOR

With music superstar Michael Jackson's involvement sending it to the zenith of hype, Pepsi-Cola USA's new blockbuster campaign for flagship Pepsi represents a dramatic departure from past advertising showing America living, loving and laughing.

In a concerted effort to present to "a new generation" of soft-drink lovers a brand image strikingly different from those slices of Americana that are a hallmark of archrival Coca-Cola commercials, Pepsi will augment the two 60-second Jackson Brothers commercials breaking nationally Feb. 28 with five others in which humor plays a key role.

Over-all spending is estimated to exceed $40 million.

Although Pepsi has attempted to keep a lid on their content, sources close to the Purchase, N.Y., company confirmed that one of the

(Continued on Page 78)

GF ups coffee bid with Le Cafe entry

By GAY JERVEY

General Foods will usher in yet another new, and decidedly different, coffee on April 1: Le Cafe, a premium, flavored ground roast under the heretofore instant-only International Coffee banner.

Le Cafe, which comes in amaretto, cinammon and mocha flavors, will be launched initially only on the West Coast, where GF introduced a decaffeinated version of its Yuban brand last month.

The company also will roll out its Maxwell House decaffeinated brand to 85% of the country on April 1 (AA, Feb. 13).

Multimedia advertising for Le Cafe—which is currently being sold to the trade—will break April 2 with the tag line, "It's more than coffee, it's Le Cafe."

According to a GF spokesman, the product's flavors, distinct packaging and style will be featured in the initial advertising. "The first executions will be highly product-focused," he said. "They will explain the flavor, usage occasions—in general, create awareness of the brand's premium nature."

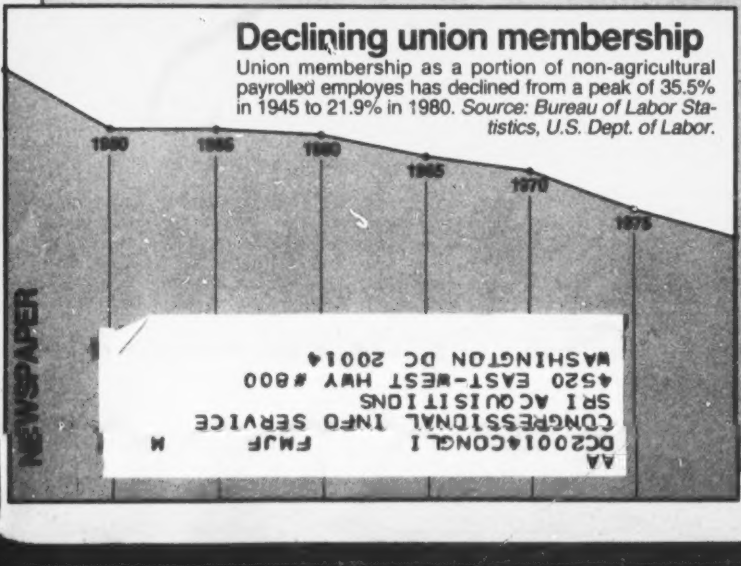
GF declined to reveal budget

(Continued on Page 78)

SAFETY FIRST
TONY RONDO
LATHE OPERATOR
JOHN RIGGINS
FOOTBALL PLAYER
AFSCME
The union that works for you
Gerald W. McEntee
President
William Lucy
Secretary Treasurer

Labor works on its image

Union marketing efforts to increase membership are becoming more frequent and more professional. Football star John Riggins shows his union card in an AFL-CIO spot (far left) parodying American Express' "Don't leave home without it" theme, while Shields & Yarnell lend their mime talents to an AFSCME commercial (near left).



Declining union membership

Union membership as a portion of non-agricultural payrolled employes has declined from a peak of 35.5% in 1945 to 21.9% in 1980. *Source: Bureau of Labor Statistics, U.S. Dept. of Labor.*

AA
DC2001◆CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Unions test marketing waters

By SCOTT HUME

After decades of believing the business of labor is labor, unions are belatedly, and sometimes reluctantly, entering a new age.

Like the companies it has faced across countless bargaining tables and picket lines, organized labor is entering the business of marketing.

From creating advertising to producing tv programing, organized labor is taking its case to the public more visibly and more professionally than ever before. The transition from adversary to advertiser has its critics, but most labor leaders say the real risk would be in holding back any longer.

Unions' raised voices signify more than a desire to be heard. In the wake of the U.S. Supreme Court's ruling last week that companies may unilaterally amend or abrogate existing union contracts when they file for bankruptcy, organized labor believes it is fighting for its survival.

Marketing may not provide solutions to all its problems, but it now seems labor's best option.

"Organized labor has a good product to sell, but it hasn't been taking advantage of the media available," says Susan Kellock, director of corporate campaigns for Kamber Group, a Washington consultancy. "Unions have been very shy about that."

That reticence is evaporating, she says, and the proof is increasingly evident:

- The public now is likely to see image advertising from the American Federation of State, County & Municipal Employees or the American Postal Workers Union sandwiched between spots for soft drinks and breakfast cereals.
- The AFL-CIO's Labor Institute for Public Af-

(Continued on Page 56)

Canon seeks market snap

By GAY JERVEY

In its biggest launch since the AE-1 eight years ago, Canon USA this spring will try to strengthen its hold on the U.S. 35mm photography market—and put some new life into it—by introducing two new cameras.

The company will begin shipping in April the T70, a technologically elaborate single-lens reflex camera for advanced amateurs and beginners, and the MC, a lens-shutter model designed more for members of the "point-and-shoot" school of picture taking.

Ads for the MC will break in June, with the T70 kickoff slated for the Summer Olympics, around which Canon's entire 1984 multiproduct campaign will be focused. As an official sponsor, Canon reportedly has bought some 100 spots during ABC's two-week broadcast between July 27 and Aug. 13.

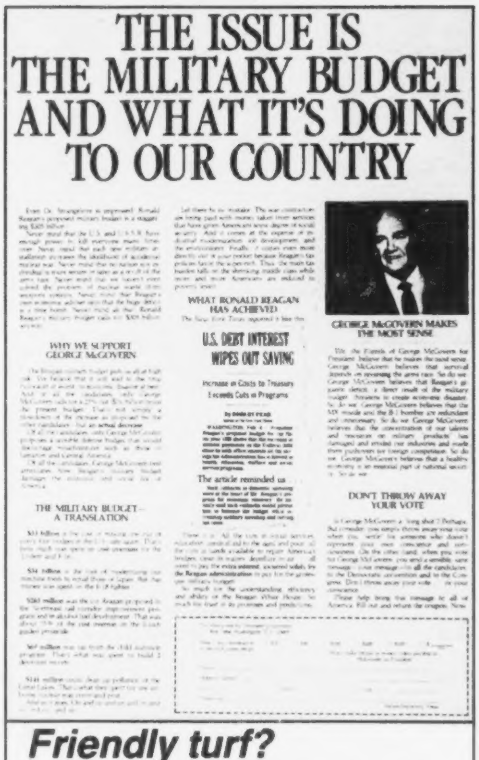
Although Canon declined to disclose the budgets for either the T70 or the MC, sources estimate that the company will spend as much as $20 million on the over-all launch.

Canon believes its latest offerings will stimulate the entire U.S. photographic market, which has turned sluggish because of the recession and competition from other forms of home entertainment.

As such, Canon said the new entries combined comprise perhaps the most significant—and expensive—introduction in corporate history. For the recent Snappy introduction, the company committed to backing it with some $40 million between break date and 1985.

The T70 sports such features as programed automatic exposure modes, automatic film loading and varied lens capability. It carries a suggested retail list of $450, versus $280 for the simpler MC. Both models, however, are expected to retail for as much as $100 less, given normal retailer discounting.

Creative has not been finalized, but the T70 likely will be marketed as a "new vision in photography," its initial promotional tag line. Grey Advertising handles Canon's tv and Dentsu has print.#



THE ISSUE IS THE MILITARY BUDGET AND WHAT IT'S DOING TO OUR COUNTRY

WHY WE SUPPORT GEORGE McGOVERN

THE MILITARY BUDGET—A TRANSLATION

WHAT RONALD REAGAN HAS ACHIEVED

U.S. DEBT INTEREST WIPES OUT SAVING

Increase in Costs to Treasury Exceeds Cuts in Programs

The article reminded us

GEORGE McGOVERN MAKES THE MOST SENSE

DON'T THROW AWAY YOUR VOTE

Friendly turf?

George McGovern hits New England primary states with ads discussing the military budget.

McGovern unleashing ad spending

By SUSAN SPILLMAN

Following a surprisingly strong third-place finish in the Iowa caucuses last week, Democratic presidential candidate George McGovern is now in the midst of his first major media campaign since declaring his candidacy last September.

Short on funds, the former South Dakota senator aired only one tv spot for a few days before the Iowa caucuses. But between Feb. 17 and "Super Tuesday" March 13, Mr. McGovern will spend about $65,000 on tv and radio spots and about $30,000 on print advertising in New Hampshire and Massachusetts.

"Super Tuesday" is the day primary elections are held in 12 states, including Massachusetts—the only state of those 12 in which Mr. McGovern has qualified for government matching campaign funds and the only one of the 12 states for which he has any media plans.

For tomorrow's New Hampshire primary, Mr. McGovern and his opponents have purchased time on tv stations in Boston and Portland, Me. New Hampshire has only one tv station of its own. The Boston stations reach about 75% of New Hampshire, while the Portland stations cover the northern third of the state.

Mr. McGovern's first "media blitz" consists of two 30-second and one 60-second tv spots, a 60-second radio spot and a page ad in the *Boston Globe* and New Hampshire papers. The advertising combines emotional appeal and issues.

Two of the tv commercials and the radio spot capitalize on Mr. McGovern's "vote your conscience" speech delivered at the Iowa debate. The spots feature portions of Mr. McGovern's address in which he urges: "Don't throw away your vote. . .You owe me that vote, even if you don't believe I'll be the eventual nominee. . .Don't throw away your conscience."

'84 Marketing the Candidates

This is a plea that opponent Sen. Gary Hart began piggybacking on in a new radio spot that will run in New Hampshire through tomorrow. The announcer in Sen. Hart's spots tells voters, "Don't just vote your conscience, but vote for someone who can get elected."

Mr. McGovern's third tv commercial, the 30-second

(Continued on Page 82)

BK, Wendy's turn up heat

By SCOTT HUME
and JANET NEIMAN

While Wendy's capitalizes on the success of its "Where's the beef?" campaign, Burger King is breaking new advertising emphasizing salads as well as rethinking its pricing structure.

Burger King next week will launch a new network tv campaign for its salad bars that asks a question of its own: "Have you had your salad today?"

The spots give the No. 2 chain a chance to resupport a menu item consumers may be passing up during the 39¢ hamburger/49¢ cheeseburger promotion.

That promotion's success, Burger King chairman J. Jeffrey Campbell told securities analysts in St. Petersburg Beach last week, is causing the chain to undertake "an in-depth analysis of its pricing structures and those of our competitors." That could mean a permanent price reduction for Burger King's bottom-of-the-line menu items, but Mr. Campbell said Burger King "is not going to start a price war without a declaration."

Wendy's, meanwhile, last week shot a new "Where's the beef?" commercial in the Chicago studio of director Joe Sedelmaier *(see related story on Page 3).*

The spots could air as soon as next week, depending on how quickly the film can be edited and network buys can be made. Dancer Fitzgerald Sample, New York, is Wendy's agency.

The shoot had been delayed when Clara Peller, the diminutive "star" of the commercials and focus of recent media attention (AA, Feb. 20), acquired a lawyer/agent to renegotiate fees for her appearance. Acceptable terms were agreed upon and filming proceeded.

Wendy's is itself taking the commercial

(Continued on Page 80)

highlights

Monday, February 27, 1984

ABC-TV will hold off decisions on any Sarajevo Olympics makegood requests until after Nielsen audience research is in for all dayparts. *See Page 6.*

Calcium supplement marketers are moving to broad-based consumer ad campaigns, spurring unprecedented competition in the category. *See Page 12.*

National Distillers ads for Windsor Canadian whisky have attracted the scrutiny of Seagram lawyers. *See Page 28.*

Marvel Comics has a major licensing push supporting its new "Secret Wars" title, led by Mattel. Not to be outdone, DC Comics has licensed its superheroes for a Kenner Products toy line. *See Page 28.*

The Wool Bureau is shooting for high visibility in advertising. *See Page 37.*

Top 20 imported wines had a lackluster 1983 as case depletions hit 29.3 cases—almost no change over the previous year's total. *See Page 40.*

Ford Tractor Operations is looking beyond the traditional male-farmer audience with ad campaigns aimed at suburbanites and farm women. *See Page 57.*

Radio sales for 1984 are expected to run about 10% ahead of last year but will not reach previous projections of 14% increases, according to a detailed analysis by Masla Radio president Jack Masla. *See Page 64.*

Shasta Beverages is beginning a new tv push for its Capri Sun drink aimed at the Hispanic market. *See Page 66.*

CORPORATE CLOSEUP

Trailways is pursuing a growth course in an industry hampered by declining ridership and faced with opportunities and challenges brought about by deregulation. *See Page 4.*

INTERNATIONAL

Gruner & Jahr, the German publishing concern that is loaded with cash and has no way to grow much in Germany, is boosting its international expansion drive. *See Page 46.*

The Canadian government is expected to announce shortly an inquiry into the $1.04 billion pharmaceutical drug business. *See Page 47.*

Coca-Cola Co.'s Sprite and Philip Morris Inc.'s 7UP are about to do battle over the French market, the last big country in Europe that hasn't been fully exploited by international brands. *See Page 48.*

VIDEOTECH

Time Inc., for the first time, agrees to supply its magazines through a database. *See Page 50.*

Zenith Radio Corp. is planning to market a new line of videocasssette recorders featuring the VHS program format. *See Page 50.*

MAGAZINE

While the $9 billion giant Beatrice is restructuring, it is waging marketing battles across the country and committing millions of ad dollars to its products. *See Page M-4.*

Toiletries and Beauty Aids: In aggressive pursuit of the consumer's heart, fragrance marketers are blending imagery and personality in their product advertising. *See Page M-9.*

Living in a world without advertising seems bizarre and unfathomable to us, but to citizens in the Soviet Union it's not unusual. *See Page M-46.*

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Jerry set for Reagan re-election

New York—Ronald Reagan may soon have Jerry Della Femina, Madison Avenue's most celebrated shaved head, helping his bid to give his Democratic opponent a scalping to remember this fall.

Mr. Della Femina generally was ducking the press last week after it was learned Della Femina, Travisano & Partners was in line to create the advertising for the $25 million-to-$30 million Reagan re-election ad drive.

Mr. Della Femina said he also had been hearing his agency was a heavy favorite to win it, but he was extremely guarded with his comments, saying only that he had met with Reagan campaign aides last week essentially to show them his shop's work and credentials.

"It would be terrific to get it," Mr. Della Femina said, adding that one of the first things he would do is call Peter Dailey, the vice-chairman of Interpublic Group of Cos. He played a key role during Mr. Reagan's successful 1980 election campaign.

So did Philip Dusenberry, BBDO vice-chairman, and it was he who helped screen the Della Femina shop and other agencies here for the assignment. Messrs. Dailey and Dusenberry previously have turned

(Continued on Page 82)

MIDNIGHT BLUES

(A True Hotel Story)

The plane was two hours late.
Then there weren't any cabs.
It rained and you got soaked.
You ate two meals in the air. No dinner.
You are beat.
Your kids are two thousand miles away
and your wife says they're coming down with something.
The clock strikes twelve and
you're standing at the hotel desk waiting for someone to notice you.
In "Charley's Showboat Lounge,"
on the other side of the lobby, lights are frantically flashing.
Someone puts on Greatest Disco Hits of All Time.
Your head throbs to the beat.
Finally, the desk clerk appears.
Does he say, "Mr. ______, we're glad you finally got here!
We kept the room. Anything we can do for you?
Room Service? Wake-up call?"
No.
Actually, he doesn't say much of anything.
It takes forever for him to give you
a registration card.
Then he wants to see "I.D."
There's only one thing to do.
Go to the hotel that knows
how to take care of business.

NEXT TIME RAMADA

1-800-2-RAMADA

Ramada Inns goes after business travelers — Page 81

Hefner looks to direct mail, new publications, video

Playboy charts its growth

By ROBERT REED

CHICAGO—Playboy Enterprises soon will begin mapping a strategic plan aimed at furthering the growth of its existing publishing and entertainment properties, says company president Christie Hefner.

In an interview, Ms. Hefner said Playboy's goal is to position itself as a premier marketer of print information and video programing.

The plan will take shape over the next 12 months, as a restructured management team comes on line, she says. It is being formulated at the same time as Playboy nears completion on the sale of its 45.7% interest in the Atlantic City hotel and casino—a move that will add some cash to Playboy's coffers.

And it also comes in the wake of the $1.2 million profit the company reported for the fiscal second quarter—the first black ink seen in two years.

According to Ms. Hefner, Playboy's blueprint probably will call for:

- Starting more direct-mail properties designed around the publishing division's *Playboy* and *Games*.
- Making small publishing acquistions.
- Possible launches of new publications.
- Enlarging the programing scope of the fledgling video division.

In addition, it will continue to concentrate on attaining further product licenses for goods bearing the Playboy and Playmate signatures, while also going on with the franchising of the Playboy clubs.

The foray into direct mail would, at the outset, mean marketing newsletters, books or services that would bear either the *Playboy* or *Games* logos.

"Direct marketing is a growing business, and there are some real opportunities there," says Ms. Hefner. It is already sending insurance packages to subscribers.

Playboy is thinking about bringing a financial newsletter into the fold targeted at *Playboy's* reader list, says Ms. Hefner. There is also the possibility of starting up various onetime specialized books.

Also, it is a distinct possibility that the company will be more aggressive in its pursuit of smaller publishing acquisitions.

"We'll consider looking into other areas where there are good levels of reader and advertiser acceptance and where a larger company like Playboy could be helpful," says Ms. Hefner. She says, however, that her company is not in the market for any major acquisitions.

"I wouldn't want to cash-borrow and spend $40 million on something," she notes.

Yet, Playboy "wouldn't rule out" starting up some publications from scratch if they were based on good ideas.

The video division also is shifting its direction. At the outset, it confined programing to sex-oriented serials and magazines. Now Playboy is gradually getting back into producing original films.

Playboy is currently backing 18 feature

(Continued on Page 80)

Acquisition aggressiveness crucial to food companies

By NANCY GIGES
and JANET NEIMAN

ST. PETERSBURG BEACH, FLA.—Growth through acquisition was the overriding theme here last week as food and beverage marketers told the Consumer Analysts Group of New York how they plan to survive in an increasingly competitive marketplace.

Executives from Campbell Soup Co. and R.J. Reynolds Industries, for example, talked of their progress in infusing marketing dollars into businesses that previously had been run as commodities.

Reynolds president-chief executive officer J. Tylee Wilson said the company's Del Monte division, acquired several years ago, is just beginning to realize substantial benefits from its restructuring into a "marketing-driven company."

Del Monte's plans for this year include expansion of branded fresh pineapple, the testing of other fresh fruits (including grapefruit and papaya) and a new frozen food line (*see story on Page 80*).

Mr. Wilson said Reynolds would not rule out large-scale acquisitions, but a more likely scenario would be smaller-scale add-ons or fill-ins for existing lines.

Campbell president R. Gordon McGovern said Campbell easily could digest about $200 million in acquisitions every two years.

Pillsbury Co. is looking for growth from both internal development and acquisitions, according to vice-chairman Winston Wallin. "Our acquisition efforts have been and will continue to be focused on consumer foods domestically and internationally," he said, adding that diversification involving more consumer product lines, more restaurant concepts and international expansion "appeals to us."

Campbell Soup plans packaged salads and Hispanic foods. See Page 66.

As for past acquisition success, ConAgra's John Phillips, president of the company's prepared foods unit, told the group that its recent addition of Armour's frozen foods to the company's line has put the company both in the "Chevrolet end" (with its Banquet label) and in the "Cadillac end" (with Armour Dinner Classics) of the business.

Executives from Reynolds, Consolidated Foods, Quaker Oats, ConAgra and Campbell expressed interest in mail-order businesses. RJR's recent purchase of Bear Creek includes Harry & David mail-order gifts and Jackson & Perkins' plants.

While many of the executives agreed they viewed acquisitions as a means to fill out their lines, IC Industries' chairman William B. Johnson said he is seeking a major base to replace the railroad subsidiary the company eventually intends to sell.

IC's success in the franchise business as both franchisor with Midas and franchisee with Pepsi-Cola General Bottlers has prompted a close look at this type of business; he said he currently is reviewing two companies as potential acquisition candidates.

General Foods president Philip L. Smith said his company is in the market for both self-standing acquisitions such as Oscar Mayer & Co., which GF acquired in 1981, as

(Continued on Page 80)

world news roundup

MEXICO CITY—Brandy Presidente, Mexico's best-selling liquor, is expected to pick a new agency early next month to handle its $5.4 million account. McCann-Erickson, J. Walter Thompson Co. and D'Arcy MacManus Masius are vying to replace Camacho Publicidad.

LONDON—Stroh Brewery Co. plans to reintroduce imported Schlitz beer in the U.K. through Scottish distributor Rivinend. Schlitz entered the U.K. seven years ago, but ad support declined. No ad plans yet.

MEXICO CITY—Beecham de Mexico will introduce Aqua-fresh toothpaste, Aqua Velva aftershave and Vanderbilt fragrance in April, supported by a $3 million ad campaign through Ideas y Hechos-Grey.

BERN—Young & Rubicam won the new $2.5 million account of Promarco, a group of 54 Swiss brand-name marketers that wants to use an ad campaign to fend off competition from generic brands.

SCHWALBACH—Procter & Gamble is rolling out improved Luvs, via Luerzer Conrad & Leo Burnett, and Pampers, via Compton, with refastenable tapes in Germany.

PARIS—The French government is proposing a new law that would restrict the number of print ads used by liquor companies.

LONDON—Nabisco Brands has realigned its agency roster, dropping JWT, due to potential client conflict, and Wight Collins Rutherford Scott, the agency with the smallest Nabisco billings. Collett Dick-

(Continued on Page 46)

DMM mulls all options for '88 goal

By DENNIS CHASE
and HOWARD SHARMAN

D'Arcy MacManus Masius Worldwide executives, who have had preliminary talks with potential merger candidates (AA, Feb. 20), now are saying that the agency can double in size by 1988 without linking with another agency.

DMM, which recorded a 1983 worldwide billings growth of 9% in a just-released financial statement, has been stymied in its talks with potential merger candidates partly because of DMM's insistence that it not be treated as a second, third or fourth-string agency group within a giant holding company.

"A number of people have been looked at and a number dis-

(Continued on Page 77)

adWatch

New categories for 1984

Question: Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which first comes to mind? Numbers represent percentage of first mentions in category. *Source: SRI Research Center, Lincoln, Neb.*

Personal computers	
Apple	28.2
IBM	11.5
Commodore	7.5

Home electronics	
Sony	4.3
RCA	3.6
General Electric	3.1

Apparel	
Levi's	10.6
Jordache	5.4
Sears	4.0

Financial institutions	
Merrill Lynch	7.9
E.F. Hutton	6.9
Dean Witter	1.6

Apple and 'beef' big hits on ad recall menu

By SCOTT HUME

Wendy's "Where's the beef?" campaign and Apple's "1984" spot for its Macintosh computer couldn't be more dissimilar in style. But in addition to being two of last month's most-discussed advertisements, they have another trait in common.

Both were among last month's best-remembered advertising.

Wendy's showed up among the 10 most frequently named advertisements regardless of category in the January adWatch, ADVERTISING AGE's monthly survey of consumer advertising awareness.

Apple made a surprisingly strong showing—28.2% of first mentions—in the computer category. Previously, computers had been lumped in the home electronics category, where in December Apple advertising had come to mind first for only 7.6% of the 1,250 adults polled.

That had been good enough only for the No. 2 spot behind category leader Atari (13.9% in December).

But the dramatic "1984" tv spot that aired for a week before the Super Bowl, as well as new spots for Apple's Lisa computer, last month put Apple in front.

Atari, meanwhile, placed fourth (5.6% of mentions) when last month's 1,251-person sample was asked to name the first computer advertising that came to mind. Placing second and third were IBM (11.5%) and Commodore (7.5%).

In order, January's 10 most frequently named advertisers were: (1) Miller/Miller Lite; (2) Coca-Cola; (3) McDonald's; (4) Burger King; (5) Ford; (6) Budweiser/Budweiser Light; (7, tie) Wendy's, Stroh's, Chevrolet; (10) Pepsi-Cola.

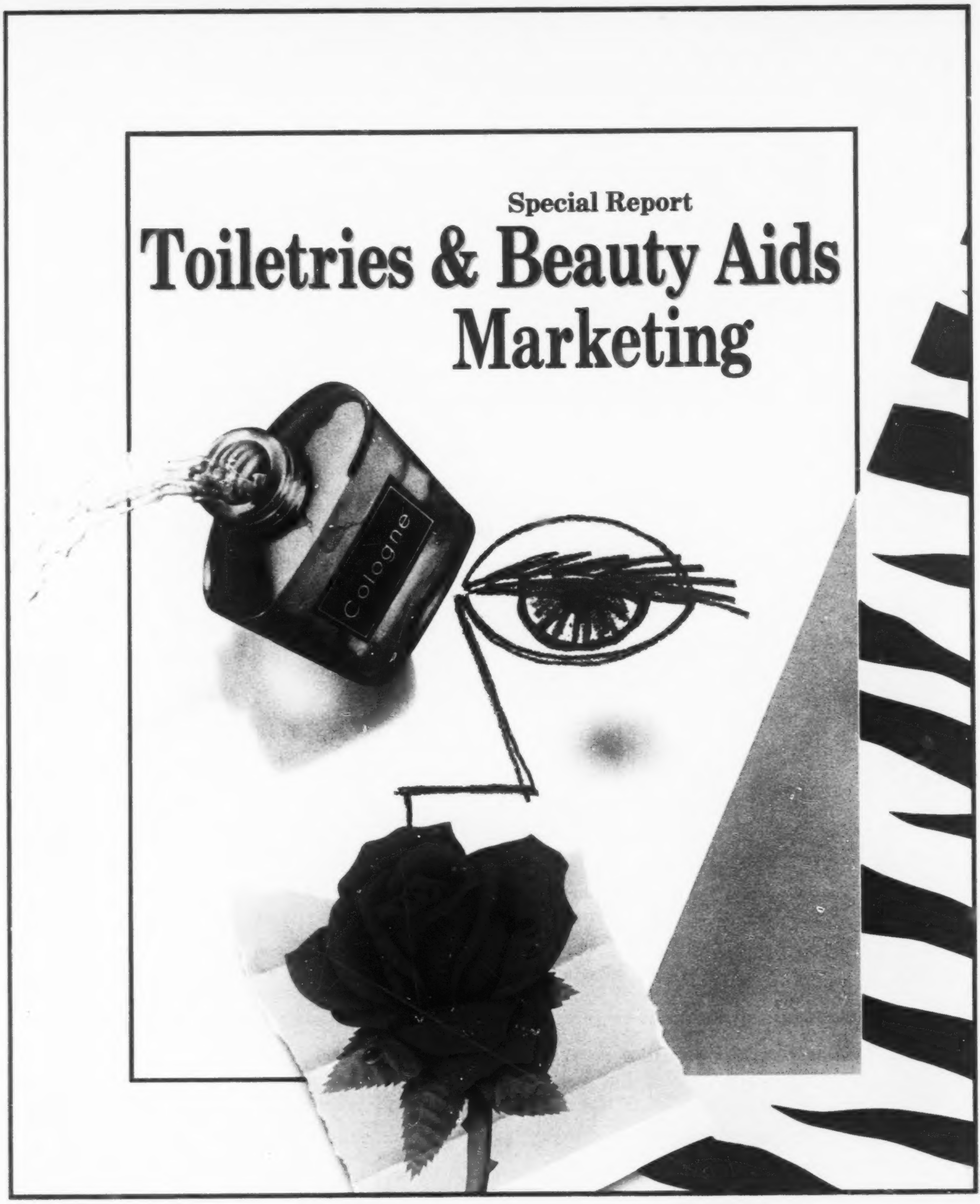
Wendy's appearance in last month's top 10 was its first since adWatch began in April, 1982. Still, it remained in the shadow of McDonald's and Burger King.

The same held true in the separate fast-food category. McDon-

(Continued on Page 73)

Special Report

Toiletries & Beauty Aids Marketing



Fred Nelson

New strategies revive the rose's fading bloom

By Bess Gallanis

Product duplication fueled the fragrance industry's steady growth during the 1970s, but eventually manufacturers suffocated in their own scents, as products overwhelmed the consumer of the 1980s.

The fragrance industry—estimated at $3 billion retail sales annually—is frantically searching for a sweet-scented tonic to revive itself.

New directions in advertising indicate the industry's search for the right imagery to bring the consumer back. But reflecting social trends is no longer enough to differentiate a fragrance in an overcrowded marketplace.

The Charlie fragrance is now evocative, rather than provocative as the Charlie Girl dances through the night.

Other elements in the marketplace have numbed the fragrance industry's pulse points as well. The most recent recession, consumer resistance to impulse buying and product diversion are merely the beginning.

Retail dollar sales of women's fragrances increased only 3% in 1982, according to Product Marketing, an industry trade publication, as unit sales volume took a dip—a decline that for a few years was obscured by steady price increases.

The rush to get new products to the marketplace all started with that *provocateur* of the 1970s, Charlie. Striding solo, confident and in control, attracting the attention of admirers, but choosing to gather none, Charlie, the upstart, spoke to the new woman of the 1970s. Charlie, backed by the seemingly bottomless coffers of Revlon, endured to become the best-selling fragrance in the world—

(Continued on Page M-10)

Bess Gallanis is a Chicago-based free lance writer and frequent contributor to Magazine. She wrote about L'erin cosmetics in last year's special report on Toiletries and Beauty Aids.

Men's fragrance ads: There's

By Hortense Leon

The smoke of marketing fire power is billowing from the men's fragrance segment. There is an escalating battle going on. The prize is the American male.

Sensuous and entertaining as these ads are, do they really sell the product?

The battle is being waged on two fronts. First, it is seen in the proliferation of ever glossier, glitzier and gushier tv, radio and print advertising promising everything to the consumer.

Then, there is the drama that is being played out in the board rooms and among the ad agencies. These are the folks who make the claims: Their product is up; the sky's the limit; the men's fragrance business is definitely taking off this time.

But if everyone is doing so well, what is all the sound and fury about? Why is the advertising war heating up? And where are all the figures?

In any case, one thing is certain. The consumer is the winner in this struggle. He or she is reaping the benefits in discounts, giveaways, and most of all in being able to see some very entertaining advertising.

Why would any videocassette recorder owner want to zap out such titillating commercials as the one for Paco Rabanne by Ogilivy & Mather, where we eavesdrop on sexy sweet nothings whispered over the phone by two lovers? (She stole away from his bed to get to the airport, leaving him asleep, looking like "a toppled Greek statue." She also swiped his Paco Rabanne cologne.)

But if Paco Rabanne has the over-25 crowd breathing heavy, other contenders vie for the attention of those in the post-pubescent years.

(There are, of course, some recent, and more sober fragrance introductions with names like CEO and Wall Street, designed to appeal to the executive male—but then, the aura of power has connotations all its own.)

John Paul Itta, president of the agency bearing his name in New York, speaks lovingly of his own creation, a commercial for Coty Wild Musk and Coty Musk cologne, the latter being for men: "It's a kind of fantasy creation of the first man and woman on earth or of the first encounter between two people who have never seen the opposite sex," he says.

"They eye each other. They're sparsely dressed. The man has a Michelangelo-like purity. The woman's body, which is equally beautiful, is the result of contact with a rugged, hostile environment, not [trips to] the Nautilus. They are supposed to be from early tribes, a noble new species on earth. We watch them stalk each other. It's like a ritual. She touches him. One touch bares a thousand quivers."

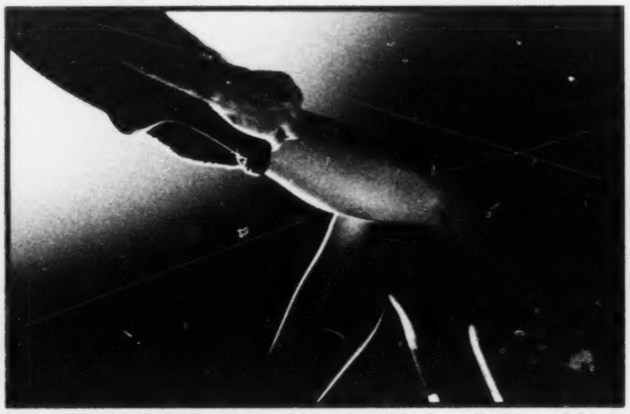
Sexual messages in perfume and cologne ads are not new. Yet, the kind of hard sell we have been seeing of late, with almost explicit sexual material, seems to be on the upswing. Fragrance companies are pulling out all the stops as the market begins to look a little crowded.

A trip to the men's cologne counter at a major department store tells the story. At a Marshall Field department store in suburban Chicago, the counter this past Christmas displayed perhaps 50 different bottles of the stuff, each more beautiful and suggestive than the next.

And if (potential) love is for sale at the fragrance counter, so are the popular notions promoted by the human potential movement, including the one that a man need no longer conform to the macho stereotype.

The print ad for Mem Co.'s English Leather Musk, for example, emphasizes youthful lust over mature passion. It features Greg Horner, a student at Washington State University. The ad is designed to warm the hearts of jittery adolescents about to embark on their first romantic adventure. The ad reads, "Wear Musk by English Leather when you're feeling bold. Or when you're feeling shy. Either way, Musk by English Leather will speak for you."

Another ad that speaks to the "New Age" man is one for Chanel's Antaeus, which shows a nude, Greek god draped just below the waist in red satin. He has his back to the camera and is turned at an angle, much like

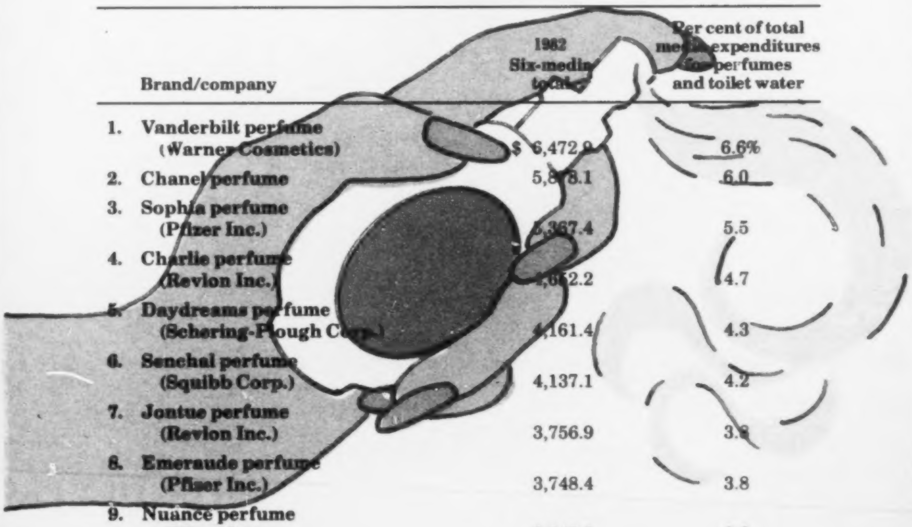


Jovan's Musk brings out the animal in her (left) and him. The leggy scene (above) was deleted from a network tv Jovan spot—but it wasn't too risque for MTV.

Hortense Leon, a Chicago-based free lance writer, has, thus far, had no unprintable experiences while wearing musk cologne.

Pouring dollars into scents

Media expenditures for perfumes and toilet water by major advertisers ($ thousands)



	Brand/company	1982 Six-media total	Per cent of total media expenditures for perfumes and toilet water
1.	Vanderbilt perfume (Warner Cosmetics)	$ 6,472.9	6.6%
2.	Chanel perfume	5,8[illegible]8.1	6.0
3.	Sophia perfume (Pfizer Inc.)	5,367.4	5.5
4.	Charlie perfume (Revlon Inc.)	4,6[illegible]2.2	4.7
5.	Daydreams perfume (Schering-Plough Corp.)	4,161.4	4.3
6.	Senchal perfume (Squibb Corp.)	4,137.1	4.2
7.	Jontue perfume (Revlon Inc.)	3,756.9	3.8
8.	Emeraude perfume (Pfizer Inc.)	3,748.4	3.8
9.	Nuance perfume (Pfizer Inc.)	3,545.8	3.6
10.	White Linen perfume (Estee Lauder Inc.)	3,159.9	3.2
	Top 10 total	$44,880.1	46.0%

Source: Leading National Advertisers

Strategies

(Continued from Page M-9)

a position Revlon executives claim it still holds.

But Charlie was not merely the workhorse in the Revlon corral. It blazed a trail for the entire fragrance industry. "What Charlie did was break new ground," says Sanford Buchsbaum, executive vp-advertising for Revlon. "The fragrance made a major statement that caused a proliferation of me-too products."

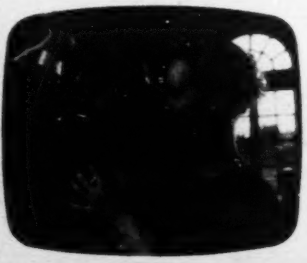
Until Charlie was launched in 1973, there were no major brands, according to Mr. Buchsbaum. The fragrance market was rather static and predictable. The enormous success of Charlie provided market impetus for a proliferation of

HOW TO BUILD
A FIRE
by Joan Collins

brands at both the popular price points and prestige price points.

And as the winds of social change wafted gently through the 1970s, so has fragrance advertising very subtly shifted its emphasis from life style positioning to one that's product-driven—you wear the fragrance, the fragrance doesn't wear you.

Says Annette Green, director of the Fragrance Foundation in New York: "We're seeing new



Charlie blazes a trail for the fragrance industry . . .

lust in their spots

the classic statue of Atlas holding up the world—only he's holding up a giant replica of Antaeus. The caption reads, "A reflection of strength and sensitivity."

But sensuous and entertaining as these ads are, do they really sell the product? Some say yes.

Sexual awakening at the dawn of fragrance advertising—that's what this commercial for Coty Wild Musk products is all about.

"The American male is starting to buy cologne," says Joseph Messina, senior vp-creative services at Halston Fragrances. "He is following the lead of his European counterpart who has always worn cologne." Halston itself is indicating its optimism by recently launching a new fragrance called Halston 101, the third in its line of men's cologne.

But this kind of optimism is not rampant among the ranks of financial analysts. Says Marie Davis of Smith Barney Harris Upham & Co., speaking as a consumer: "Men are still not buying cologne for themselves. I don't see this happening—and I live in New York, where people are supposed to be progressive. I buy it for my husband, but it sits on the shelf. So I use it around the Kitty Litter because it smells good."

Annette Green, executive director of the Fragrance Foundation in New York, tells this story: "We're going through a sensory revolution. It is the antithesis of the computer and technology revolution. People are involving themselves at one level with technology and at a personal level with products of the senses. Fragrances speak very specifically to this phenomenon."

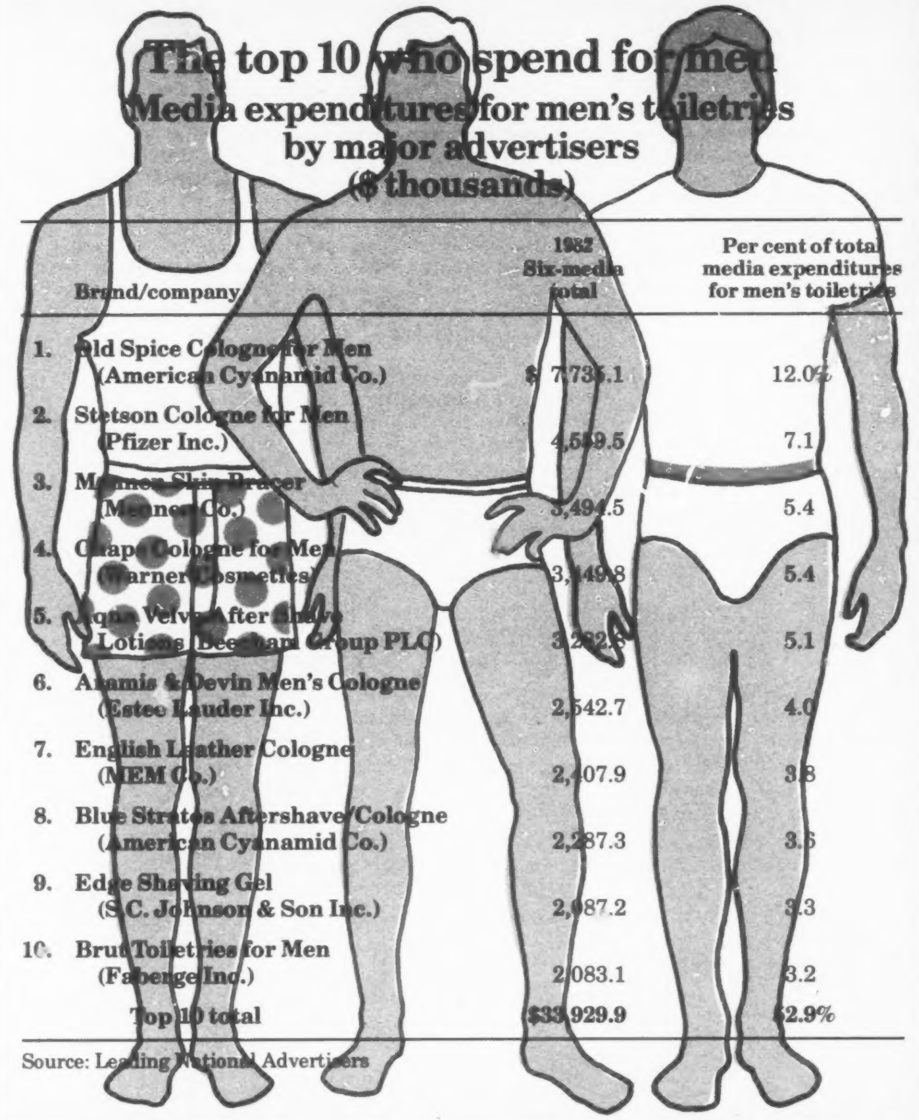
Miss Green feels that "although there are threatening elements in the environment," consumers can "at least control their own personal environments. I think men have reacted very positively to this message."

Yet, it still seems to be more women than men who are actually making the purchases. According to a report by Business Trend Analysts in Commack, N.Y., more than 50% of men's fragrance purchases are still made by women.

Jack Salzman, analyst and first vp at Smith, Barney, believes that the fantasy in the men's fragrance business is carried beyond what appears on the tv screen and in the pages of slick magazines.

Says Mr. Salzman, "No one knows what the market is, who is buying and if the product is ever used. Few companies have done market research to determine this. Also, manufacturers don't report sales for specific product lines so cosmetics companies don't have a hard data-

(Continued on Page M-44)



The top 10 who spend for men

Media expenditures for men's toiletries by major advertisers ($ thousands)

	Brand/company	1982 Six-media total	Per cent of total media expenditures for men's toiletries
1.	Old Spice Cologne for Men (American Cyanamid Co.)	$ 7,735.1	12.0%
2.	Stetson Cologne for Men (Pfizer Inc.)	4,559.5	7.1
3.	Mennen Skin Bracer (Mennen Co.)	3,494.5	5.4
4.	Chaps Cologne for Men (Warner Cosmetics)	3,449.8	5.4
5.	Aqua Velva After Shave Lotions (Beecham Group PLC)	3,282.8	5.1
6.	Aramis & Devin Men's Cologne (Estee Lauder Inc.)	2,542.7	4.0
7.	English Leather Cologne (MEM Co.)	2,407.9	3.8
8.	Blue Stratos Aftershave/Cologne (American Cyanamid Co.)	2,287.3	3.6
9.	Edge Shaving Gel (S.C. Johnson & Son Inc.)	2,087.2	3.3
10.	Brut Toiletries for Men (Faberge Inc.)	2,083.1	3.2
	Top 10 total	$33,929.9	52.9%

Source: Leading National Advertisers

Scoundrel
REVLON

Dynasty's Joan Collins helps Revlon create a personality for its Scoundrel perfume.

product attributes, and advertising reflects [the position] that the product does something for you." Charlie is now the evocative fragrance rather than the provocative fragrance, as the Charlie girl dons a sexy dress and dances through the night. And, at the market's high end, the sleek sophistication of Catherine Deneuve's pouting endorsement of Chanel No. 5 has given way to inspiring our New Wave fantasies.

The aggressive pursuit of a place in the consumer's heart has passionately taken the industry in a new direction—but it is shrouded behind soft-lensed shots and subtle headlines that whisper romance, romance everywhere. It started with Revlon's Jontue in the mid-1970s. According to Revlon's Mr. Buchsbaum, "Revlon recognized that women had made the equality point, which Charlie addressed. By 1975, women were hungering for an expression of femininity. They were ready to re-express themselves personally, and that was Jontue's position."

The marketplace reacted to Revlon's lead, and quickly followed with Cacharel's Anais, Anais, Max Factor's Le Jardin (with devastatingly romantic actress Jane Seymour as spokeswoman), Warner Cosmetics' Vanderbilt and the newest entry, Ruffles, an Oscar de la Renta perfume manufactured by Parfums Stern.

Vanderbilt was one of the most successful new product launches of 1982, going national on network tv, supported by print. Gloria Vanderbilt's signature swan motif is carried through from the bottle to the advertising, which portrays a fluttering swan in an inky-dark pool of water and a tagline that says: "Let it release the splendor of you."

Tapping the same romantic theme, but using a different approach, Oscar de la Renta's Ruffles, in limited distribution at a prestige price point, was introduced last fall with promotional events in six cities to establish it as an "important" fragrance. Two hot-pink hearts in a romantic *pas de deux* symbolize mutual sharing and the tagline spells it out: Ruffles is "the fragrance to love and be loved in."

But what will turn the head of today's consumer? "Advertising alone isn't the answer," says Ms. Green. "The marketplace is so volatile and changing so fast that the consumer is no longer loyal to the concept of a signature fragrance. The consumer has become accustomed to the free gift with purchase, which promotes the line more than the fragrance. Manufacturers have begun addressing the issue of bringing the consumer back to the fragrance."

Ms. Green applauds the efforts of manufacturers who are attaching personalities to the fragrance. Manufacturers claim opportunity motivated them. But undoubtedly the extra panache helps diminish the enormous risk of a new product launch. Charles of the Ritz Group recently announced a licensing agreement with 20th Century-Fox Licensing Corp. to

(Continued on Page M-44)

... and causes a proliferation of me-too products.

Lusty spots

(Continued from Page M-11)

base. Everyone says the market is growing, but no one knows how fast.

In the 1970s, when there was an estimated 4% to 6% unit growth per year for the industry as a whole, it was not necessary to keep track. But now things have slowed down.

"The fragrance business is sort of like the movie business in one respect. Most movies don't make money, but the ones that do, make a lot. It's the same in the fragrance business. Only a few products make it, but those which do, make it big."

Quorum cologne makes a man smell good. But it may also make him a regular hell-raiser.

As to the lack of hard data, Mr. Salzman's point is illustrated by his own estimates of the size of the men's fragrance sector.

Mr. Salzman believes $500 million in retail sales to be a good guess for 1983. Miss Green, on the other hand, believes that men's fragrances did about $850 million in retail sales this past year, which she says is about a 14% growth.

Says Mr. Salzman of the generally small sales that any one product can achieve in this market, "Even Old Spice probably doesn't do over $50 million a year. Polo, one of the biggest sellers, did exceedingly well at $30 million to $50 million in sales at the manufacturer's level in 1983.

"In comparison, [Revlon's] Charlie, one of the most popular women's fragrances, did $45 million to $50 million at its peak in 1980-81."

But whatever the sales figures happen to be, Smith Barney does have a handle on which fragrances are the most popular. Reports Mr. Salzman: "According to our current buyers survey of men's fragrances, which indicates the best selling—not necessarily those with the highest volume—Aramis and Polo are tied for No. 1 followed by Lagerfeld and Paco Rabanne."

No two analysts seem to think alike regarding this peculiar industry. While Mr. Salzman compares its volatility to that of the movie industry's, which implies perhaps that it is amusing, David Saks, vp-management director for A.G. Becker, Paribas, is at the other end of the spectrum: It leaves him cold. "The cosmetics industry never changes," he says. "The products are always the same. They're just wrapped in different bottles. That's why I stopped following the industry in the mid-1970s.

"I've never seen a well managed company. And of course the profits are volatile. That's because the industry has a problem. Management can't seriously ask people to invest because the tastes of the public are too fickle. Products are sold on the basis of whim, fad and hype. It's very much like the blue jean market. Furthermore, it's not a growth industry."

And there are other industry critics and naysaysers. William J. Fitzgerald, a consulting economist in Potomac Md., whose namesake company monitors the industry, says that his findings are not as rosy as the claims of the companies. Quite the contrary. Although at this writing the figures for December haven't been processed yet, Mr. Fitzgerald says that sales going into December were flat.

"The problems in the industry," says Mr. Fitzgerald, "have been disguised by price increases in recent years. But in fact, from our survey of usage rates, we have found that people are using fewer cosmetics in general. The industry peaked in the third quarter of 1981.

"Of the families in the $35,000-and-under classification, we found fewer people buying. In this income bracket, we found that women who make most of these purchases were not buying their husbands cologne for gifts. They were buying shirts or ties or other apparel if the money was tight. This phenomenon blew up the myth that the fragrance business is recession-proof. In fact, cars did better in late 1983 than cosmetics."

Added to the problem of attracting buyers to cosmetics shelves in general is the conflict within the industry between mass and prestige products. "There's a war shaping up in the cosmetics industry between the two categories," says Mr. Fitzgerald. Even during the recession people were buying upscale—and they continue to do so. The reason, of course, is that off-price selling is a growing phenomenon. More and more, we are seeing prestige products available in off-beat places.

At the same time, Mr. Fitzgerald believes that the problem of diversion of prestige products into unconventional channels isn't as great for men's fragrances as it is for women's. "Women who buy for themselves are concerned about getting the product at the lowest price, regardless of what kind of box it comes in. If they are buying a gift for a man, however, they will make sure it has a nice gift box, and so may buy regular price. And, if the man is buying for himself, he doesn't look for bargains in the way the woman usually does."

Despite the confusion, one thing is certain: Fragrance marketers, each carving out a specific market segment, trying to to put an end to the cologne-only-at-Father's Day buying pattern. After all, look what the Paco Rabanne man has to look forward to.

Taking a clue from the birds and bees

Men wear cologne to turn women on; women wear it to turn men on. An interesting thesis, considering that fragrance historically has been attributed with aphrodisiacal properties. But does it really work?

There are few fragrances that actually have any proof of their drawing powers, but Andron by Jovan (a division of Beecham Cosmetics in Chicago) may be one exception.

Launched in 1981, Andron, marketed in male and female versions, has become in the last year and a half an important product to watch. Its popularity is based on the claim that one of its ingredients, alpha androstenol, is a human pheromone. Pheromones are chemical substances that communicate sexual excitement to the opposite sex and trigger sexual attraction.

Pheromones, which until recently have only been identified in animals, are a topic of controversy: Not all scientists investigating the subject believe that there is proof they exist in humans.

> **"The scent went throughout my body. I wanted to let my animal instincts be free."**

However, John E. Amoore, a private consultant to Jovan, is a biochemist who does believe this. He is appearing as a spokesman for Jovan on the lecture circuit and talk shows, and while he does not claim absolute proof for the substance, he believes there is strong evidence in its favor.

Jovan representatives say that they have gotten testimonial letters from people who have come into contact with the product. For example, one letter from a 32-year-old woman says that she smelled Andron on a 70-year-old physician and became incredibly turned on.

She says, ". . . . The scent went throughout my body . . . . I wanted to let my animal instincts be free . . . . My eyes were lighted with lust . . . . My mouth started to fill with saliva . . . . "

The woman also says in her letter, "Please excuse the explicit description. I'm not at all a vulgar person . . . . To me, Andron is the first legal aphrodisiac." Of course, the company does not claim exactly to be marketing a legal aphrodisiac, but neither does it hesitate to share its fan mail with the public.

—*H.L.*

Strategies

(Continued from Page M-11)

manufacture a Dynasty (as in the hot prime time tv saga) line of prestige price point female and male fragrances and cosmetics—and a scent has yet to be developed. "It shows a trend toward concentrating on the product by giving it an identity," says Ms. Green, referring to the Dynasty collection.

Robert Miller, president-ceo of Charles of the Ritz Group, says: "We'll work closely with the stars of 'Dynasty' to develop a product consistent with the personality of the character." Mr. Miller hesitates to confirm trade rumors that the first fragrance to be developed will be Krystle, named for character Krystle Carrington. But he adds: "A Krystle fragrance would be warm and feminine—a reflection of her character."

It's difficult to discuss fragrance advertising without mentioning Chanel, cited by industry sources as one of the biggest advertising spenders and dramatic image makers. Through third-quarter 1983, Chanel spent approximately $1.3 million on spot tv commercials for Chanel No. 5, according to figures published in Leading National Advertisers. Last year, Chanel focused on promoting its latest campaign for the classic fragrance.

The theme "Share the Fantasy," was incorporated into two commercials. Directed by New Wave stylist Ridley Scott (of "Bladerunner" and "Alien" motion picture fame) for agency Doyle Dane Bernbach in New York, "Pool" and "Gardens" tap what Chanel presumes are the 1980s woman's fantasies. The commercials' critics charge the message is obscure and nobody understands it. But it gets attention, and says Philip Naquin, vp-advertising, ". . . very top-of-mind awareness is one of our goals.

"The objective in working with these images is to appeal to young people coming into the market by keeping Chanel's image fresh," says Mr. Naquin. "Other fragrances were copying the Deneuve approach—Cie, for example, by using [actress] Candice Bergen. We felt a change was necessary [illegible] were seeking a future direction.

"Awareness and attitude of Chanel is as a classic, quality product," he says. "We're proud of our classic history and want to use it as a springboard into the future."

That's all fine and well, according to an industry observer, who asks, "But does it make people buy it? You run the danger of speaking to an elitist audience, and frankly, I don't think anybody's really found the New Wave yet."

While marketers spend on advertising that promotes today's image, the danger to the industry's future lies in product diversion, which Mr. Miller feels looms as the industry's larger problem. "Because of the discount phenomenon and diversion of products there has been a blurring of classes of trade. Product diversion destroys the images of brands. Where the woman buys the product is as important as what she buys.

"It's a costly business to get into the department stores. The consumer and the department stores have come to expect promotional gifts with purchase, and that diminished the value of the product and adds an extra expense that benefits no one," exhorts Mr. Miller.

Sweet sales of success

Top five brands of women's fragrances distributed through department stores

1982* rank	Brand (company)
1.	Oscar de la Renta (Parfums Stern)
2.	Opium (Squibb Corp.)
3.	Lauren (Warner Cosmetics)
4.	Halston (Esmark Swift)
5.	White Linen (Estee Lauder)

*All brands have less than 5% share due to a highly fragmented market.

Source: Busines Trend Analysts

Coming

Next week Advertising Age Magazine's special report will focus on Personal Computers.

High-tech magazines still flying high

By STUART J. ELLIOTT

NEW YORK—The Audit Bureau of Circulations' latest magazine circulation figures (AA, Feb. 20) indicate recent readership trends remain basically unchanged.

The per-issue averages for the six months ending last Dec. 31 show continuing interest in books covering high technology, food, business, women's interests and the health and fitness boom. The men's sophisticates, and other titles that have been losing readers, for the most part still are doing so.

Mirroring the six-month results are the circulations of the top 10 magazines, as their rankings are the same as for the six months ending Dec. 31, 1982. The largest gain was 11.6%, while the largest loss was 2.8%.

High-tech titles again are flying high, as seen in these circulation gains: *Compute!* 247.1%; *Personal Computing*, 106%; *Popular Computing*, 67.4%; *Video*, 61.5%; *Infoworld*, 56.2%; *Video Review*, 55.1%, and *Electronic Games*, 53%.

All four members of the epicure category showed gains: *Food & Wine*, 42.5%; *Cuisine*, 5.7%; *Bon Appetit*, 2.8%, and *Gourmet*, 2.2%.

In the business field, circulation increases ranged from 1.4% for *Forbes* and 2.6% for *Fortune* to 25.5% for *Venture* and 47.8% for *Inc*. One, *Business Week*, showed a decline, and that was just 0.3%. *Nation's Business*, which was suffering serious circulation drops (AA, Nov. 29, '82, *et seq.*), rebounded, with a gain of 22.6%.

Women's magazines generally were strong. Among the Seven Sisters, four gained—*Redbook*, 4%; *Ladies' Home Journal*, 2.3%; *McCall's*, 1.4%, and *Woman's Day*, 1.3%—while three declined—*Family Circle*, 2.8%; *Good Housekeeping*, 1.8%, and *Better Homes & Gardens*, 0.6%;

The newer women's books fared even better, with all but a handful showing higher circulation. *Savvy* and *Working Mother* were each up 18.5%, and *Working Woman* was up 12.8%.

Health and fitness magazines are still healthy, as shown by these results: *Shape*, up 78.1%; *American Health*, up 45.4%; *Prevention*, up 8.4%, and *Health*, up 2.3%.

Somewhat less healthy was the science category, which showed mixed results. While *Omni* and *Discover* gained circulation, by 4.4% and 3%, respectively, both *Science Digest* and *Science 83* were down, by 2.4%.

Far less healthy was the men's sophisticates category, where the long-running story of losses went on. *Playboy* lost 292,000 copies (down 6.5%), to 4,209,324. *Penthouse* lost 274,741 copies (down 7.3%), to 3,500,275.

Again the pattern held of other magazines targeted to men gaining circulation while their racier competitors lost it: *Esquire*, up 11.8%, and *Gentlemen's Quarterly*, up 5.7%.

The supermarket tabloid field also suffered, as all but one title registered declines, ranging from 8% (*Star*) to 13.5% (*Globe*). The exception: *Weekly World News*, up 18.6%.

Magazines in sales declines that saw those declines steepen included *Pickup, Van & 4-Wheel-Drive*, which is to be renamed (AA, Feb. 13), down 24.7%, and *Psychology Today*, down 20.7%.

Among the newsweeklies, two out of three gained circulation: *Time*, up 3.4%, to 4,615,594, and *Newsweek*, up 0.5%, to 3,038,832. *U.S. News & World Report* showed a decline of 1.6%, to 2,122,619.

For those who keep score corporately, here's what happened to the three largest (by number of titles) publishing companies. Hearst, with 13 magazines, had gains in 10 and losses in three. The largest increases were *Connoisseur*, 59%; *Country Living*, 31.3%, and *Town & Country*, 13.3%. The three declines: *Colonial Homes*, 0.5%; *Good Housekeeping*, 1.8%, and *Science Digest*, 2.4%.

Conde Nast, with eight titles, split evenly. Ahead were *Gentlemen's Quarterly*, 5.7%; *Glamour*, 7.4%; *Gourmet*, 2.2% (it joined Conde Nast in October), and *Self*, 13.6%. Down were *Bride's*, 9.9%; *House & Garden*, 41.5% (as part of a planned rate-base slash when it changed formats); *Mademoiselle*, 1.4%, and *Vogue*, 5.3%.

At Time Inc., all seven titles showed circulation gains: *Discover*, 3%; *Fortune*, 2.6%; *Life*, 3.4%; *Money*, 23.2%; *People*, 4.1%; *Sports Illustrated*, 3.7%, and *Time*, 3.4%.#

Largest magazines by circulation

Modern Maturity's **gain of nearly 1 million readers far outdistanced the gains or losses of the other top ten magazines. The 2.3% jump by *Ladies' Home Journal* was second among increases while the top three managed less than 1% each. Figures represent the per-issue average for the six months ending December 31 of each year. *Source: Audit Bureau of Circulations***

Rank '83	Rank '82	Name	12/31/83	12/31/82	Change Per cent
1	1	*Reader's Digest*	17,937,045	17,900,290	+ 0.2
2	2	*TV Guide*	17,066,126	17,003,698	+ 0.4
3	3	*National Geographic*	10,626,224	10,613,599	+ 0.1
4	4	*Modern Maturity*	9,296,187	8,328.199	+11.6
5	5	*Better Homes & Gardens*	8,041,951	8,088,226	− 0.6
6	6	*Family Circle*	7,193,079	7,400,984	− 2.8
7	7	*Woman's Day*	7,025,290	6,932,355	+ 1.3
8	8	*McCall's*	6,358,293	6,267,469	+ 1.4
9	9	*Good Housekeeping*	5,393,087	5,489,934	− 1.8
10	10	*Ladies' 'Home Journal*	5,252,444	5,134,649	+ 2.3

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adWatch

(Continued from Page 3)

ald's remained the undisputed leader in awareness in January, as it captured 41.8% of first mentions behind its "America's meat and potatoes" campaign. Burger King was No. 2 with a 21.5% share.

Wendy's remained No. 3 with 7.7% of first mentions, a gain of about 1 percentage point since December.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a nationally projectable sample of consumers to name the advertising that first comes to mind in a variety of product-service categories from all they have seen, heard or read in the previous 30 days.

Last month, 1,251 adults were questioned by phone. Under adWatch methodology an increase or decrease between monthly samplings of 2.8 percentage points is considered statistically significant and attributable to more than sample variation.

In addition to separating computer advertising from the home electronics category last month, several new categories were added.

Nearly half the sample (46%) was unable to recall any **wearing apparel** advertising, but 10.6% named Levi Strauss, enough for the No. 1 rank. Jordache was No. 2 with 5.4% of first mentions. The smiling faces of Cheryl Tiegs and Arnold Palmer were memorable enough for Sears to take the No. 3 spot with 4%.

Merrill Lynch's advertising moved into an initial lead in the **financial institutions** category added last month. E.F. Hutton's 6.9% share was a close second to Merrill Lynch's 7.9%, indicating a tight race for awareness in future months. Dean Witter was third with 1.6%.

Six out of every 10 adults surveyed were unable to name a single advertisement for financial services.

In other categories last month:

- The Purina brand of **pet foods** was last month's largest single gainer in advertising awareness. Purina, with tv support last month behind the introduction of its Sea Dog brand, came to mind first for 16.5% of the sample, a 5.2 percentage point jump over its December awareness level.

Alpo remained in the No. 2 spot with a 7.9% share, while Purina's Meow Mix cat food was named by 3.8% to place it third.

- Some uncharacteristic changes took place in the normally quiet **breakfast foods** category last month. The Kellogg's umbrella brand name that had led the category in awareness for the previous six months tumbled to fourth place with a 3.5 percentage point drop to 4.2% of first mentions.

General Mills' Cheerios, meanwhile, rose 3.3 percentage points to 8.2% and the No. 1 spot. Two other GM brands, Total and Wheaties, tied for second with 5.6%.

- Polaroid may be feeling the absence of former celebrity spokesman James Garner. It registered the month's largest decline in awareness, falling 5.6 percentage points in the **cameras & photographic equipment** category. Polaroid's 10.1% share of first mentions dropped it to the No. 3 spot behind Kodak (30.5%) and Canon (16.4%).#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

the advertising market place

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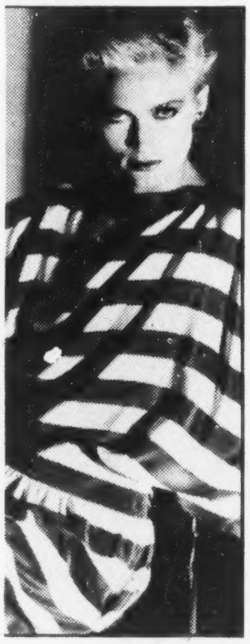

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C2710

Fall tv season preview — Pages 47, 48 & 49 **U.S. News adds value** — Page 4

Advertising Age®

$1.25 a copy; $52 a year · The International Newspaper of Marketing • In Two Sections, Section 1. · March 5, 1984

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It's a go for national 'Washington Times'

By RICHARD L. GORDON

WASHINGTON—The upstart *Washington Times* is out to show that four can play the "national" newspaper game, with the launch of a national edition starting in northern California April 16.

The *Times*, created 22 months ago to be the newspaper voice for conservatives in the nation's capital, plans to leapfrog the country via satellite with a 24-page Monday-to-Friday paper that Ronald Reagan's personal pollster, Richard Wirthlin, has quietly tested among California readers.

The official announcement, due this week, confirms the first step—the April launch from a printing site in Hayward, Cal., outside San Francisco (AA, Feb. 20). On June 4, there will be a second step—when publishing starts at an undisclosed printing site to serve Southern California.

At least two other sites are likely to be in operation before this fall's election.

According to James Whelan, *Times* editor and publisher, the newspaper's owner, the News World Communications affiliate of the Unification Church, has already committed more than $3.7 million to equip 11 printing sites with the necessary satellite dishes and related gear needed to print the paper.

An eventual network of 20 plants, which he claimed could be in place by 1985, would "assure same-day mail delivery of the paper to 90% of the country."

These investments are moving ahead even though the *Times'* Washington metropolitan edition is still a long way from turning a profit in its battle with the entrenched *Washington Post* for advertising and circulation.

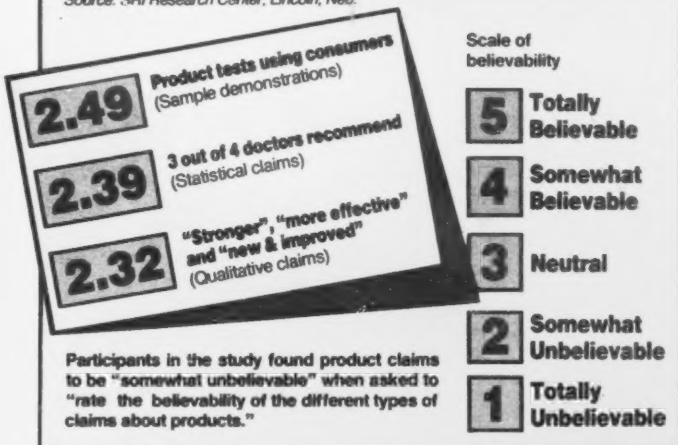
Mr. Whelan said his paper has only about 100,000 circulation and

(Continued on Page 72)

The image of advertising

Rating believability

Source: SRI Research Center, Lincoln, Neb.



Participants in the study found product claims to be "somewhat unbelievable" when asked to "rate the believability of the different types of claims about products."

Product claims not believable

By NANCY MILLMAN

Marketers that make specific product claims in their advertising have a credibility problem.

A recent study conducted for ADVERTISING AGE asked consumers to rate the believability of sample demonstrations, qualitative claims and statistical claims they see or hear in advertising. Sample demonstration is the only type of product claim that approached a "neutral" rating.

Qualitative claims and statistical claims were rated "somewhat unbelievable" over-all.

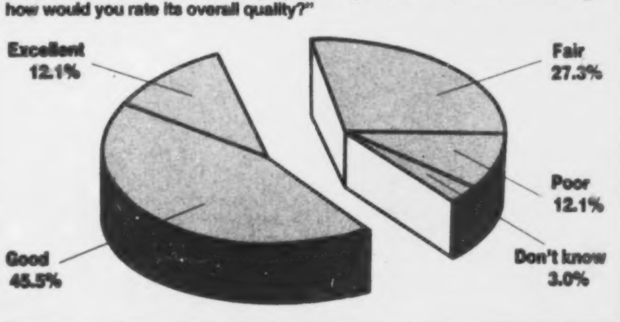
The study is the second in a series on the image of advertising conducted for AA by SRI Research Center, Lincoln, Neb. It was conducted in November, 1983.

A stratified random sample of 1,250 respondents was contacted, and all were called a minimum of three times. The sampling was

(Continued on Page 32)

Rating television advertising

More than 50% of the participants in the study answered either good or excellent when asked, "thinking specifically about television advertising, how would you rate its overall quality?"



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Brewer considers regional brands

A-B readies Eagle beer

By ROBERT REED

Anheuser-Busch's brand explosion continues as it prepares to test Eagle, a new economy-price beer designed to give the No. 1 brewer entry into a segment gaining in consumer popularity and industry importance.

There is brewing-circle talk that Eagle—which adopts the name of Anheuser's salted-snacks line—will be just one of the beer marketer's new low-end beers. It is possible A-B will start up other brands in various regions that will bear names with local or parochial appeal, brewing sources say.

Also, A-B apparently is having second thoughts about tagging its soon-to-be-introduced malt liquor with the name King Cobra (AA, Feb. 20). It will test that name in tandem with the label Panther, according to sources.

A-B declined to comment on this information.

This influx of new products reflects a revamped marketing strategy on which A-B has recently embarked. The plan is designed to continue A-B's market-share growth within a sluggish beer-selling environment (AA, Nov. 14).

Industry sources are attributing Eagle's entry into the low-end segment to this positioning and to some other important factors.

One of A-B's primary goals is to go head-on against Stroh Brewery Co.'s expansion of its low-price Schaefer brand, which was rolled out last year into the beer-thirsty Sunbelt and has seen sales gains of 1 million bbls., giving a total of 3 million bbls. in 1983, according to industry data.

That brand, coupled with the growth of Stroh's popular-price Old Milwaukee, is making the Detroit-based brewer a dominant factor in those low-price-but-high-volume segments, prompting A-B to seek a presence, says Manny Goldman, beverage analyst with Montgomery Securities, San Francisco.

St. Louis-based A-B also is keeping a watchful eye on Miller Brewing Co., which is preparing another

(Continued on Page 73)

Carnation gives FCB ad portion

By JENNIFER PENDLETON

LOS ANGELES—Carnation Co. has shifted 20% to 25% of its total $50 million-to-$60 million advertising business to Foote, Cone & Belding.

It represents the company's first major commitment to a second agency in almost 70 years.

The switch also marks the first time Carnation products have gone outside the Interpublic family, and represents a return to the West Coast of the business.

It is fueling further speculation that principal agency SSC&B is losing its hold on Carnation.

Sources close to the company

(Continued on Page 70)

last minute news

Popsicle consolidates products at DFS

ENGLEWOOD, N.J.—Popsicle Industries, a subsidiary of Consolidated Foods, has merged advertising for its frozen confections at Dancer Fitzgerald Sample, New York. Included are Popsicle, Fudgsicle and Creamsicle, plus Oreo Cookies 'n Cream, now in national distribution. Spending for 1984 will be $6 million. Previous agencies: Levy, King & White, Buffalo, for the Popsicle line and Wm. Esty Co. for the Oreo item.

Stroh names Ohlmeyer for ad, programing work

DETROIT—Stroh Brewery Co. has added Ohlmeyer Advertising, New York, to its list of agencies with an assignment to produce advertising and programing, although Ohlmeyer has not yet been given a specific Stroh brand. Programing is expected to be sports events and network specials.

Mexicana reviewing its $6 million U.S. account

LOS ANGELES—Mexicana Airlines is reviewing agencies for its $6 million U.S. account. Finalists include Keye/Donna/Pearlstein; Eisaman, Johns & Laws, JWT and incumbent Dailey; decision due at the end of March.

Almaden stresses taste in new chablis debut

SAN JOSE—Almaden Vineyards is introducing Golden chablis, a fruitier, more upscale alternative to Almaden Mountain chablis. A $6 million cam-

(Continued on Page 8)

MCI ads looking to stars

By ROBERT RAISSMAN

MCI Communications will leave its upstart image behind today when it begins a campaign using establishment-type celebrities.

The new commercials are both to distinguish MCI from the nearly 200 long-distance carriers in the market today and to continue attacking AT&T.

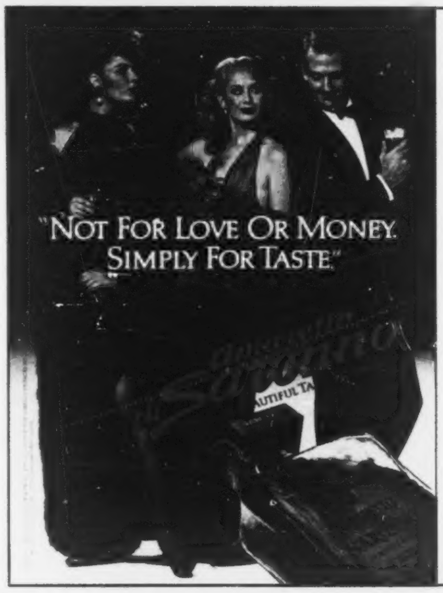
Merv Griffin, appearing in his first tv commercial, will lead off in a series of four commercials. Charles Feeney, senior vp-management supervisor at MCI agency Ally & Gargano, said the company would use two other celebrities between now and the fall. He declined to identify them.

Not only will MCI take a different tack in the campaign, but the company also will increase its advertising expenditures during fiscal 1985, which begins April 1. Ed Carter, MCI's senior vp-marketing, said the company would spend $45 million in fiscal '85, compared with $31 million in fiscal '84.

Mr. Feeney said the move to celebrities was not a response to AT&T, which uses Cliff Robertson and other "stars."

The fact that MCI is now a $1.5 billion company with 3 million customers led MCI to switch its advertising focus from the concept of discount long-distance to telling the public what the company actually is—a big corporation.

The consumer knows that MCI is a discount carrier, Mr. Carter said. "The consumer who doesn't buy from us now wants to know that we are big. They want to know that we are big enough to be established, credible and trusting. Many people don't have any idea how big we are."#



For taste, not love

Amaretto di Saronno is being repositioned by Glenmore Distilleries in the most aggressive marketing program in the brand's 95-year history. Ads tag lined "Not for love or money. Simply for taste" break in April issues of 20 consumer magazines. Louisville-based Glenmore will be spending at the rate of $7 million on an annualized basis, via Bloom Agency, New York.

Jerry declines Reagan ad job

By JOHN J. O'CONNOR

Unable to work out satisfactory arrangements concerning agency compensation and allocation of his time, adman Jerry Della Femina reluctantly has removed Della Femina, Travisano & Partners as the leading candidate to handle the Ronald Reagan/George Bush $25 million-to-$30 million re-election ad campaign.

Philip Dusenberry, vice-chairman of BBDO and the man who recommended Mr. Della Femina, has supplied the committee with names of additional agencies. A commission spokesman said, "Fortunately, we're in the position where we don't need to be making commercials right away."

"I really wanted to do it," Mr. Della Femina said in a telephone call from Chicago. "But they wanted to pay us well below a 15% commission and 10% for production. In a sense, they really want an agency to work on a volunteer basis."

The assignment also would have included media buying, he said, which would have necessitated hiring several additional media buyers to what he envisioned would be an 80-person staff, including some volunteers.

Another major snag involved

(Continued on Page 72)

Theatricals bomb at net box office

By DIANE MERMIGAS

The three commercial networks will be paying less for fewer theatrical films in the future after the beating box-office blockbusters have taken at the hands of made-for-tv product this season.

The most dramatic example came Sunday, Feb. 26, when the network tv debut of "Star Wars," which attracted a 25.1 rating, 35 share on CBS, was blunted by the premiere of the five-hour ABC made-for-tv movie "Lace," the first night of which averaged 28.2/39.

It was a profound upset, considering that Hollywood in recent years has not turned out a box-office hit with more mass appeal than "Star Wars" and that many in the industry considered "Lace" a steamy custom-made tv drama with no particular redeeming values. NBC's Feb. 26 rebroadcast of "Urban Cowboy" mustered only 10.5/15.

To compound matters for CBS, indications are the network will have to provide make-goods to advertisers.

The situation underscored a dilemma with which the networks have wrestled for some time—that high-price theatrical films no longer are potent counterprograming forces because of their advanced exposure on pay cable tv and home videocassette players. About 40% of America's tv households are wired for cable and about 10% use vcrs.

Made-for-tv movies and miniseries, which generally cost half the price paid for theatrical film rights by network tv, have emerged as the prime time events which generate the most excitement, revenues and ratings. They frequently employ such sure-fire elements for success as being based on well-hyped best sellers, focusing on provocative topical story lines and showcasing popular tv stars.

ABC and CBS are locked in a photo finish for February sweeps. See Page 70.

The networks now more than ever will be sinking their programing dollars into original product over which they have more control.

" 'Star Wars' did well despite the fact that it didn't win the night. But who would have guessed that the top grossing movie of all time would be beaten by a tv miniseries? What happened Sunday is a decisive blow against using theatrical films the way we have in the past," said Harvey Shephard, senior vp-programing, CBS Entertainment.

"We aren't going to stop buying theatrical films altogether, but we're going to come pretty close to it, and we're going to divert all that money to made-for-tv product instead. We're already doing it," Mr. Shephard said.

For the next season, the top-ranked network is planning a record 39 hours of miniseries (costing about $2 million per hour to produce) and 45 different made-for-tv movies (costing about $1 million per hour to produce), compared with only 10 network tv theatrical releases.

"It will get to the point, and very quickly, where the prices of theatrical films for network tv are going to drop dramatically because they don't have the value they once did for the networks, or the distributors will come up with an alternative for showing some films first on network tv before they go to pay cable. But things won't be the same anymore," Mr. Shephard said.

Lew Erlicht, president, ABC Entertainment, was quoted last week before leaving on a trip out of the country as having the same sentiments. "Unless there is a change in their selling

(Continued on Page 70)

highlights

Monday, March 5, 1984

Two Federal Trade Commission members have told Congress that new ad-case selection policies supported by Reagan administration appointees have "virtually no legal precedent." *See Page 6.*

Procter & Gamble and Chesebrough-Pond's began airing in court their differences over the advertising for competing Wondra and Vaseline Intensive Care skincare lotions. *See Page 6.*

Dr Pepper is planning to boost its advertising and marketing efforts after becoming a privately owned unit of Forstmann Little & Co. *See Page 12.*

International Data Corp. vp-marketing Joseph Levy says that computer software companies are missing the mark in their advertising and losing potential sales. *See Page 45.*

Two market research companies have unveiled new sophisticated devices and diagnostic services for measuring tv audiences. *See Page 56.*

CORPORATE CLOSEUP

U.S. News & World Report Inc.'s financial success—its stock has soared to $625 a share—may bring an end to the 22-year-old span of employe ownership. *See Page 4.*

INTERNATIONAL

The World Health Organization in Geneva is about to be attacked by an international consumer group with demands for a tough pharmaceutical marketing code at the WHO's annual meeting in May. *See Page 42.*

Britain's Independent Broadcasting Authority is being pressured to launch an investigation this year into the practice of tv stations granting volume discounts to agencies and advertisers. *See Page 42.*

J. Walter Thompson Co. appears to have kept the lion's share of the $45 million Ford of Europe account after the account had been considered ripe for a move to Ogilvy & Mather International last year, according to sources. *See Page 43.*

Brazil's carnival, the high point of the Brazilian year, which is being celebrated during five days this month in Rio de Janeiro, is becoming an unprecedented media and advertising event. *See Page 43.*

VIDEOTECH

The tv networks already are gearing up for development of new series for the 1984-85 season. *See Pages 47-49.*

The Summer Olympics in Los Angeles will interrupt regular production of tv series there, and possibly delay the start of the new tv season. *See Page 47.*

Warner Amex Cable of Cincinnati is teaming with independent station WXIX-TV to bring interactive commercials to viewers. *See Page 50.*

MAGAZINE

Network news is facing an uncertain future as it is challenged by alternative news sources and a pervasive discontent with the quality of the news itself. *See Page M-4.*

Personal Computers: The fun-and-games beginnings of the industry have evolved into a real marketing battle among companies to survive. *See Page M-11.*

Agency-client conflict is a problem on the rise as the latest discussion among ADVERTISING AGE Magazine's Sounding Board members shows. *See Page M-64.*

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7UP fizzes at Mac's counters

By ROBERT REED and SCOTT HUME

Seven-Up Co. has been dealt a significant blow by McDonald's Corp.'s decision to bypass 7UP as its lemon-lime drink for competitor Coca-Cola's Sprite.

The fast-food company said last week that after testing both 7UP and Sprite, "management's choice for a lemon-lime drink is Sprite." Now, Sprite will be placed on the company's list of approved products, meaning it is the sole lemon-lime option that can be used in all of McDonald's 6,200 U.S. units.

Also, while Diet 7UP remains an approved option, it is likely that operators will choose the other approved diet drink, say industry analysts—Diet Coke.

McDonald's requires that two of its standard four soft-drink offerings be Coca-Cola and a carbonated orange-flavored drink. Operators may pick one of two approved diet drinks, either Diet Coke or Diet 7UP, and another flavor which now can be either Sprite, Dr Pepper or a root beer. A Seven-Up spokesman said it was not officially told of McDonald's action and declined to comment further.

The Sprite decision means sev-

(Continued on Page 73)

Lotion case chafes judge

By NANCY GIGES

New York—Both Procter & Gamble and Chesebrough-Pond's called a string of scientists to testify on clinical methodology as the two companies began fighting the battle over skin lotion advertising in federal district court here.

Judge Gerard Goettel is hearing testimony to decide whether a temporary restraining order should be issued against either Wondra (P&G) or Vaseline Intensive Care (Chesebrough-Pond's) lotion advertising until the court hears the case.

The two companies are countersuing and asking for temporary and permanent restraining orders regarding each others' advertising (AA, Jan. 9).

Both make superiority claims in tv commercials, and the key issue was summed up by the judge at the start of the hearing: "I have skimmed the factual portion [of the trial memorandums], which can be summarized as saying the other side's tests stink and ours are great, and you should enjoin them and not us."

In the complaint, P&G said Vaseline Intensive Care's claim that it is unsurpassed in relieving dry skin is false and deceptive because improved Wondra has been proven superior in independent clinical studies. For its part, C-P has said improved Wondra has never been tested against regular VIC lotion.

The hearing is scheduled to continue this week.#

FTC 'deception' language hit

Washington—Two dissenting Federal Trade Commission members have told Congress that the new ad case selection policies supported by Reagan administration appointees "create an entirely new definition of deception" which "has virtually no legal precedent."

The 63-page legal brief, signed by commissioners Michael Pertschuk and Patricia Bailey, is expected to play an influential role later this month when the House commerce and energy committee calls FTC chairman James C. Miller III to justify changes in the commission's policing of advertising.

The two Carter administration holdovers claim the definition of deception outlined by FTC's new majority in a letter to the committee "is rife with inconsistencies, presents confusing and sometimes contradictory standards" and "ignores important legal precedent."

Chairman Miller issued a statement contending the dissenters "have once again mischaracterized the statement," and commissioner George W. Douglas termed the issues raised by their brief "a tempest in a teapot."

The intramural battling is expected to come into focus March 26 when Rep. John Dingell (D., Mich.), will confront chairman Miller with the two conflicting opinions of what the law means.

Rep. Dingell already has recorded his annoyance with the FTC majority by returning its October submission to Mr. Miller with a sharply worded note contending it is not responsive to the committee's request for an analysis of the present state of the law.

Chairman Miller says the purpose of the new language is to give the industry and the staff clear guidance on the limit the commission applies to its own powers. The definition is virtually identical with proposals that he has urged Congress unsuccessfully to adopt as part of the Federal Trade Commission Act.

Documents released by FTC illustrate how its senior staff sees the new language as a safeguard against unreasonable cases. Under the standards advocated by the majority, the staff document said, FTC would have avoided cases such as Firestone Tire & Rubber Co., California Milk Producers Advisory Board, Quaker Oats and Westinghouse Electric Corp.

(In the Firestone case, according to the staff summary, FTC challenged ads for a tire called Safety Champion, on the ground that they implied these tires are safer than all others. The milk board case charged that the phrase "everybody needs milk" is false because some people are allergic to milk. The Westinghouse case challenged use of the word "new" for tv tubes made from recycled glass, and the Quaker case attacked the phrase "hickory-kissed flavor" on the ground that the charcoal briquets were made from corncobs rather than wood.)

The majority policy defines deceptive ads as those "that are likely to mislead consumers acting reasonably in the circumstances to their detriment."

The dissenters claim this introduces new language that will confuse the courts, and they contend that deception has traditionally been defined as "acts or practices which have a tendency or capacity to mislead a substantial number of consumers in a material way."

The dissenters claim that introduction of the term "acting reasonably" opens up a possibility that consumers who do not exercise caution would not be protected.

The majority contended that the meaning was twisted, that acting reasonably meant it was a reasonable interpretation of what the ad actually intended to do.#

Gen. Mills makes 'toast'

Minneapolis—General Mills will introduce new Cinnamon Toast Crunch children's cereal nationally in April.

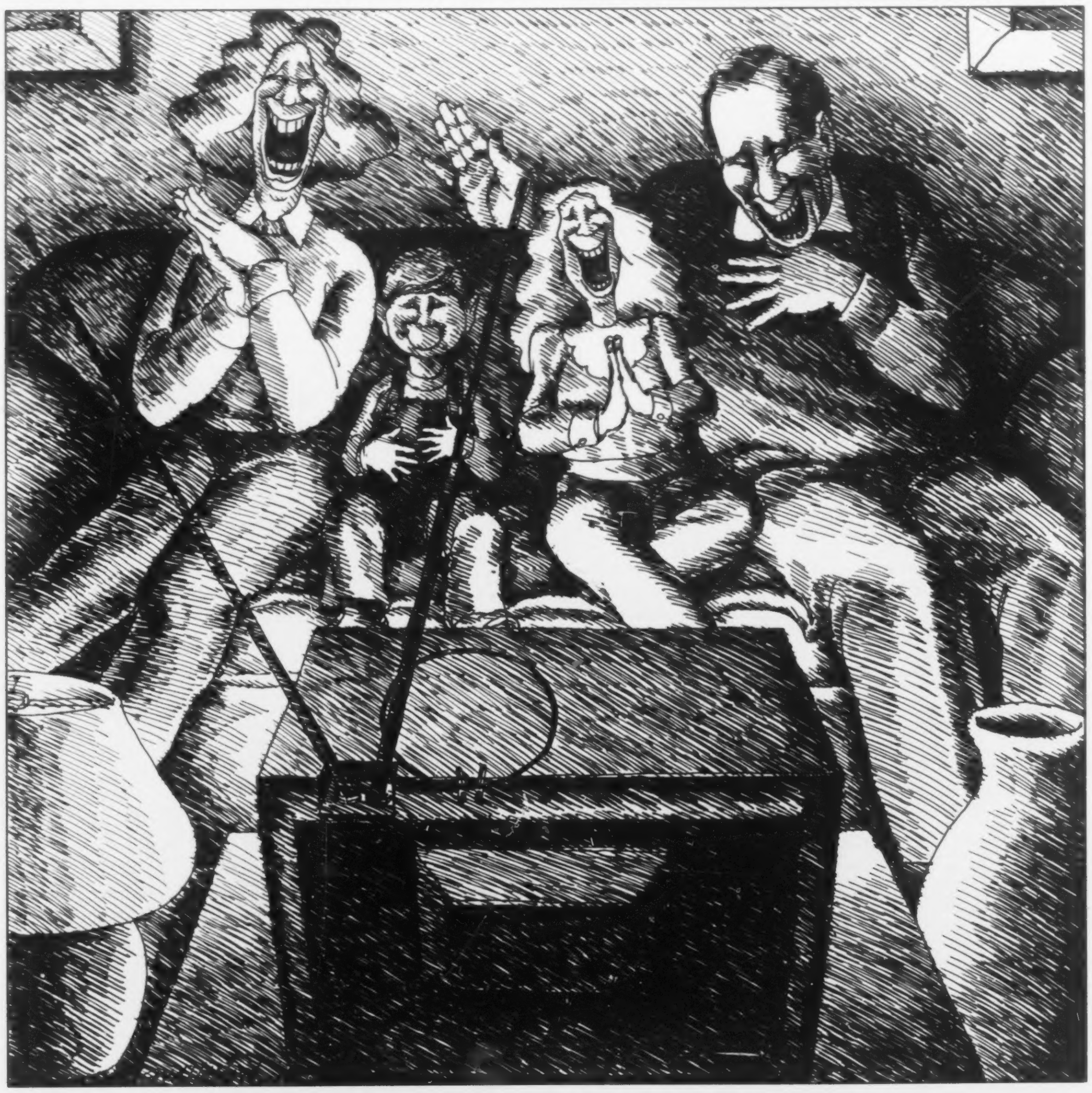
The whole wheat-based cereal is said to resemble Big G's Golden Grahams, with cinnamon coating.

Support includes tv spots running on children's programs, 25¢ newspaper insert coupon in June, 25¢ direct-mail coupon, in-pack coupons and 25¢ cross-ruff coupon on the company's Nature Valley Granola Bars.

A "toastally awesome" t-shirt being offered on packages could signal the campaign theme. Campbell-Mithun has the assignment.#

corrections & clarifications

- *People's* rate base (AA, Feb. 27, P. 78) is to increase to 2.75 million in July.
- The Columbia Data Products assignment to Kenyon & Eckhardt (AA, Feb. 27, P. 8) is being handled by the New York office, while the J.H. Filbert business goes to the Boston office. Also, the $3 million Holiday Inns account in Europe has been assigned to K&E affiliate Butler Dennis Garland.
- The December ad linage figures for *New York News* were reported erroneously. They should be: 1983-37.7, 1982-54.8, year-to-date, 1983-678.6, and year-to-date, 1982-667.1 (AA, Jan. 23, P. 68).#



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GB Gaylord Broadcasting Company

Ad image

(Continued from Page 1)

stratified and broken out by region based on the four Census Bureau regions of the continental U.S.

This is the first time respondents were asked particular questions about product claims.

The Federal Trade Commission also is conducting research on ad substantiation to determine whether consumers expect ad claims to be consistent with available research (AA, Oct. 3).

When asked to rate the believability of sample demonstrations in advertising, 30% of all respondents said they were "not at all believable"; 25% said "somewhat believable"; 18% were neutral; 19% said "somewhat believable," and 8% found this claim totally believable.

The mean score was 2.49 on a scale of one to five, five being totally believable.

Females were more positive than males in their responses: 9% found demonstrations "totally believable" and 28% "not at all believable," while 5% of the men interviewed said "totally believable" and 33% said "not at all believable."

The highest income bracket measured—$40,000 and up—was toughest on product claims: 5% of that group found demonstrations totally believable and 36% said they were not at all believable.

Of respondents in the less-than-$10,000 bracket, 11% found demonstrations totally believable and 22% said not at all believable.

Consumers also were asked to rate the believability of "statistical claims" such as "three out of four doctors recommend."

The mean score was lower on this question: 2.3. Only 4% of males and 5% of females said such claims were totally believable; 14% of males and 18% of females said somewhat believable; 18% of males and 20% of females were neutral; 27% of males and 24% of females found them somewhat unbelievable, and 36% of males and 32% of females said not at all believable.

In the demographic breakdown, the $40,000-and-up income group gave this question a mean score of only 2.04—only 3% found this type of claim totally believable while 46% found it totally unbelievable.

The $10,000-to-$20,000 income group rated this type of claim the highest: 5% said such claims were totally believable; 27% said totally unbelievable.

The third type of product claim consumers were asked to rate was a qualitative claim such as "stronger," "new and improved" or "more effective." Again the mean score of 2.39 indicates a perception that such claims are somewhat unbelievable.

Females again rated such advertising slightly higher with a 2.51 mean score compared with 2.24 for men. Again, the $40,000-and-up income group strongly disbelieved such advertising claims—39% said totally unbelievable while only 3% said totally believable.

Respondents in the western region of the U.S. consistently rate believability of each type of advertising claim much lower than respondents in the other regions.

Respondents upheld the findings of the first study (AA, Oct. 24) regarding the over-all quality of advertising, with 63% giving a rating of excellent or good.

In this study, consumers were asked to comment specifically on tv advertising, an area that is being addressed by American Assn. of Advertising Agencies' research into the image of advertising.

The over-all quality of tv advertising was rated lower than was the over-all quality of all advertising. Of the total respondents, 12% said the quality of tv advertising is excellent; 45% said it is good; 27% said fair; 12% said poor, and 3% did not respond.

As income levels go up, the rating of tv advertising goes down. On a scale of one to four—one being poor and four being excellent—the mean scores were as follows: In the less-than-$10,000 bracket, 2.7; to $20,000, 2.64; to $30,000, 2.57, and $40,000 and up, 2.46.

As in the earlier study (AA, Oct. 24), respondents were asked to agree or disagree with the following statement: "Advertising is generally trustworthy and honest." Of the total number surveyed, 5% strongly agreed; 39% agreed; 6% were neutral; 35% disagreed, and 12% strongly disagreed (4% didn't respond).

In addition, consumers were asked what media they rely on most when making day-to-day purchases and major purchases.

As in the first study, newspaper ads scored highest for day-to-day purchases, followed by in-store materials and then tv commercials.

In-store advertising beat newspapers in the scores for major purchases, a change from the first study, but the change in numbers is not statistically significant.#

Winging it

Arresting print ads from Karastan, breaking this month from Ally & Gargano, use surrealistic photographs of birds and a peering human eye in a miniature room with Karastan carpeting with the headline, "Some of us have more finely developed nesting instincts than others."

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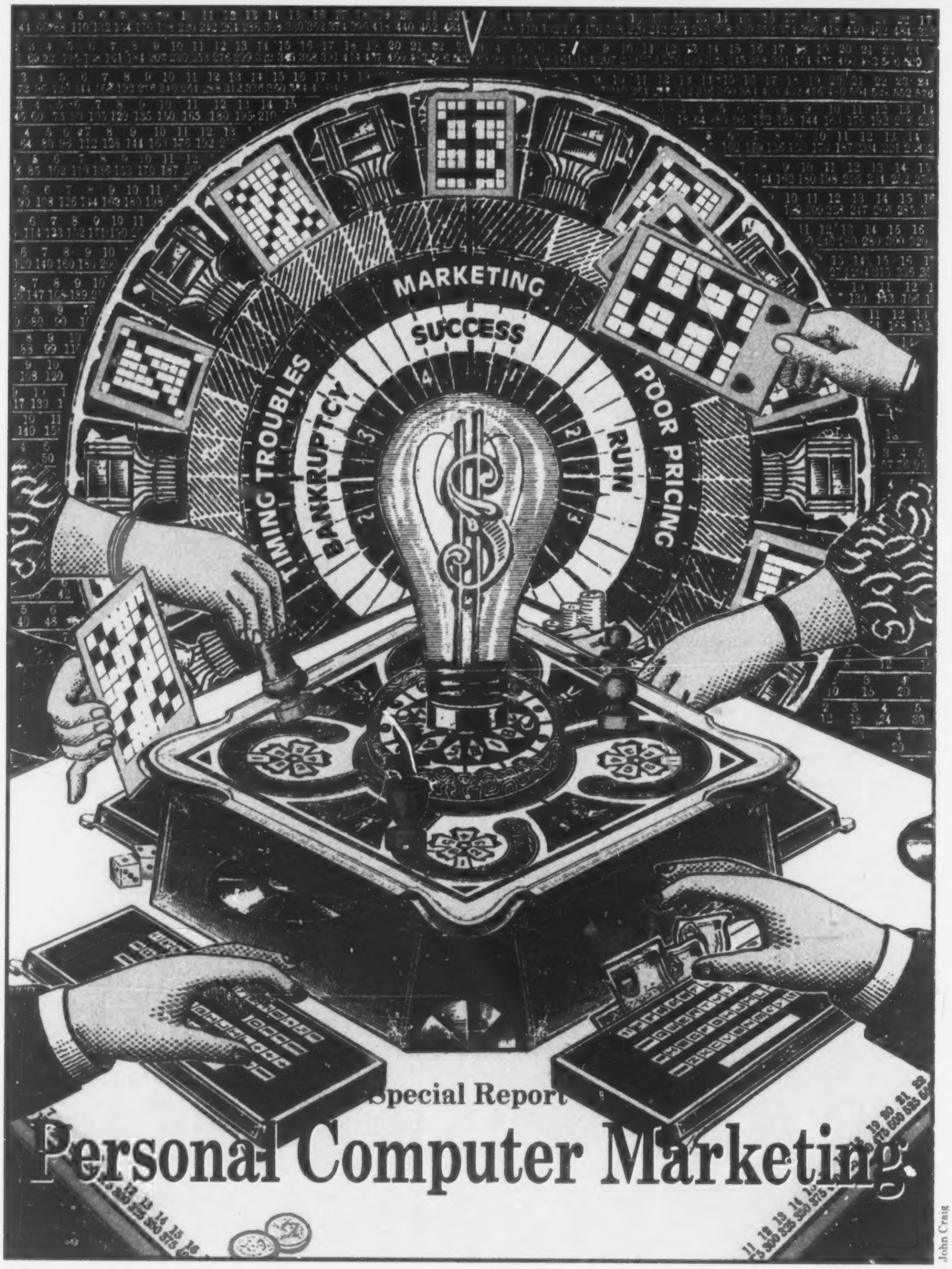


John Craig

Computer marketing: No longer fun and games

By Daniel Burstein

Shakeout. Shakeup. Shakedown. The volatile world of home and personal computers is spinning like never before, and where it stops will say a great deal about the future of technology products and businesses in the American home and the American economy.

In the five years since Apples and Radio Shacks first began creeping into the lives of ordinary people, the microcomputer business has gyrated through product cycles that took the automobile and the tv set, the only consumer goods comparable in their historical influence on home life, a decade or a generation to experience.

Today, the vast majority of hobbyists, techno-enthusiasts and other early pioneers already have computers. By the end of 1984, so too will the vast majority of people for whom a computer has become a necessity: People who have a regular need to manipulate words and numbers or to access data banks.

The significance of this fact is not lost on computer hardware manufacturers—at least not the ones who hope to survive the increasingly cutthroat tactics of the industry.

The order of the day is to create a truly mass market for home computers—a market that goes far beyond those who already have a perceived need for such a machine. Realizing that most Americans do not routinely spend much time reading, writing or crunching numbers—and that computers for home entertainment are transitory products by definition—the challenges are powerful indeed for marketers who hope to penetrate beyond the 20% of Americans who now own computers or plan to buy one in 1984.

The challenges are powerful to penetrate beyond the 20% of Americans who own a home computer.

Atari's senior vp-marketing, Ted Voss, puts the situation succinctly when he says, "The people who pioneered this field were technology-oriented. But now the essence of the business is consumer marketing." Or as Bob Lively, editor of the "Sizzle Sheet," a publication devoted to marketing trends in computers says, "We used to have a technology-driven industry, and now, for all intents and purposes, we have a market-driven one."

Marketing. Marketing. Marketing. Go anywhere in Silicon Valley and that's the word you hear over and over again, with good reason. The inner workings of most small computers are the same, with the key ingredients provided by the same handful of suppliers. Much of the software to make the machines do useful tasks is also the same. Although manufacturers have tried to distinguish themselves by providing innovative features, these too are replicated by competitors almost as fast as they appear. The result is that no computer on the market today technologically stands head and shoulders above the competition in its niche.

The real differences are found in price, service, compatibility, distributor networks and, perhaps most importantly, image and corporate identity. In other words, the first generation of home computer buyers bought on the basis of a careful study of the machine's power, storage and internal architecture; today's buyer is more concerned with ease of use and the manu-

(Continued on Page M-12)

Dan Burstein is a New York-based free lance writer and frequent contributor to Magazine.

Games

(Continued from Page M-11)

facturer's reliability. Consequently, today's computer buyer is more likely to be influenced by advertising than ever before.

"Much of the technology is now in the public domain," says Atari's vp-corporate communications, Bruce Entin. "The industry has done a great job of putting machines on store shelves, and proving how much power can be packed into a beige box. But it has been less good at explaining what you can do with these boxes."

The new emphasis on marketing is also a direct consequence of IBM's entrance into the personal computer field in late 1981, and its current plunge into home computers with its much-discussed PC*jr.*, which is just now being shipped after months of speculation. When IBM arrived on the personal computer scene two years ago and gobbled around 30% of new unit sales in its product category, other manufacturers confronted the problem of a shrinking market for the first time in the history of this Wild West growth business.

> **"The industry has done a great job of proving how much power can be packed into a box. It has been less good at explaining what you can do with these boxes."**

The IBM PC is considered to be among the greatest marketing success stories of all time. From the Charlie Chaplin advertising campaign to the reassurance Big Blue could provide confused and frightened customers with quality service, everything about it clicked. The result is that IBM has gotten away with selling its PC at a premium price that is 25% to 40% above other manufacturer's products—and the public has thus far been willing to pay.

Competition with the IBM PC is a life-and-death issue for manufacturers with products that fall into a similar category of power, functions and use like Apple's Macintosh, Compaq's IBM-compatible portable, TeleVideo, Kaypro and Hewlett-Packard's 150. All these machines must distinguish themselves from IBM's PC in some concrete way to win consumer loyalty.

Apple has its "mouse," H-P its "touch-screen," TeleVideo its high quality monitor and "ergonomic" design, Compaq its portability and Kaypro its bundled package of hardware and software. But spokesmen for the advertising and marketing departments of all those companies agree that they must get two messages across to consumers: An image of their company as one the consumer can identify with and the benefit to the consumer of their product over IBM's.

The fear of IBM's great marketing strength has now descended into the ranks of the lower price computers that are designed for lighter home use like Atari and Commodore. With the rumor spreading that IBM plans to spend as much as $40 million this year advertising its PC*jr.*, everyone is nervous, even though the price tag on the *jr.* is far higher than comparable home machines, and is in fact on a par with the more powerful competitors of the IBM PC like Apple and Kaypro.

Apple talks of spending $50 million to advertise its new products this year, and figures for H-P run nearly as high. At TeleVideo the figure is $20 million, including the first plunge into tv advertising, up from $7 million last year. Those companies taken together with IBM will spend as much on advertising as was spent by the whole computer industry in 1982.

Add the advertising expenses of the estimated 100 or more other viable computer hardware manufacturers, including the first serious Japanese entrants into the field, plus software vendors and computer retailers, and the consumer will be deluged with advertising messages related to computer products in 1984 that may cost manufacturers close to a billion dollars.

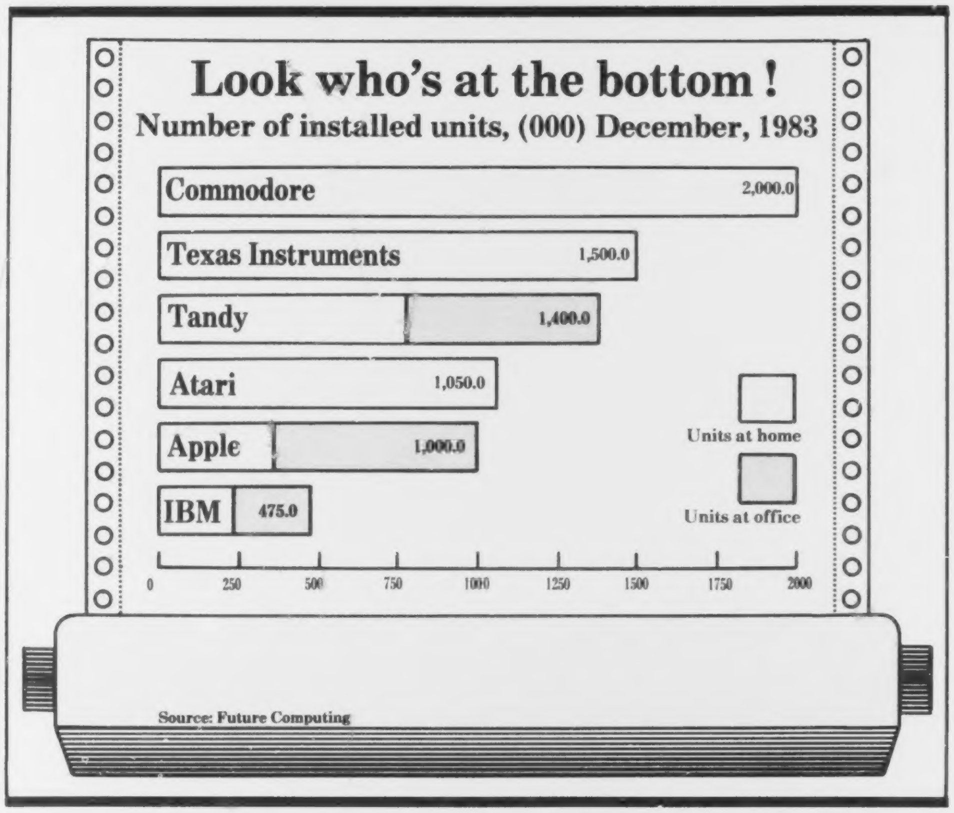
"Advertising is far more important than before," says Esther Dyson, a well known industry analyst and publisher of the "Release 1.0" newsletter on market trends. "You have to bombard the consumer to be known in the market, but you also have to bombard with a clear message."

Adds Harold Kinne of Future Computing, a market research company: "Advertising is growing in importance because the market that manufacturers are trying to reach is broadening. Of course it is very expensive. So we may see companies trying to use more public relations and other, cheaper tools. But with so many clones and so many lookalike products, to be successful, the bottom line is that you've got to get exposure through advertising."

The costs, especially for smaller companies, can be overwhelming Kaypro, the Solana Beach, Cal., manufacturer, tried tv advertising for the first time in the last quarter of 1983. Running only in the Los Angeles and New York markets, the spots, created by Della Femina, Travisano's Los Angeles office, won high marks for the way they positioned Kaypro's "one low price complete" against other marketers' add-on approach.

Largely through the expense of the nearly $3 million campaign, however, Kaypro's marketing costs zoomed from less than 5% of sales to close to 18%. That was just too much for a company that has based itself on trying to sell the lowest price machine in each product category it enters.

Observes vp-marketing David Kay: "Tv certainly provides terrific exposure and we may use it again. But we're not going to play an IBM-style game where $100 of every PC purchase goes to pay for Charlie Chaplin's services. That's almost as much as the cost of the most important parts inside a computer. We are targeting consumers who are more individualistic than the IBM buyer and are willing to look a little harder to find good



Source: Future Computing

Lesson 1: Remember they're human

Sometime last year, Apple Computer's advertising and marketing people sat down with their agency, Chiat/Day, and looked at a reel of every computer tv spot they could find.

"It was the funniest clutter reel in the history of advertising," recalls Chiat/Day's Paul Cohune.

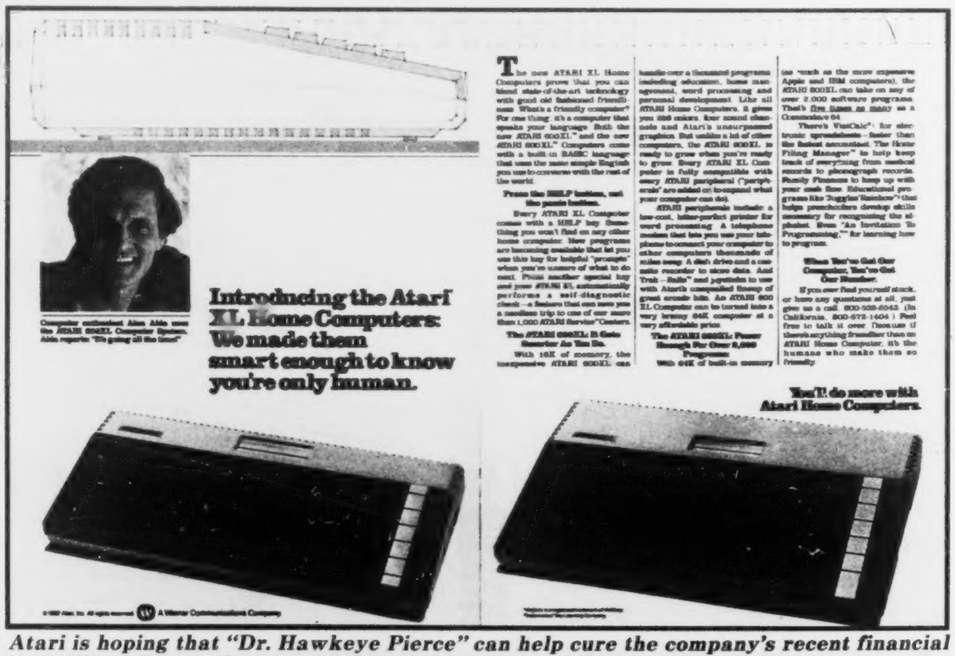
"You had bits and bytes, RAMs and ROMs; everyone yelling conflicting messages about features and price. There was very little there that was relevant to the individual," he says.

Concurs Apple's advertising director Henry Whitfield: "Looking at that reel, we realized that most manufacturers were not communicating at all. Many were flying by the seat of their pants."

Apple chose to find its way out of the clutter by focusing on life styles of individuality and achievement as the backdrop against which Apples are used—such as the now-classic spot opening with a female basketball player working out at the gym, and then returning to her office and her Apple.

Later, these were supplemented by austere, futuristic spots designed to stress Apple's excellence in technology through evocative images rather than machine specifications.

"We can't compete with IBM in selling safety and security," says Apple's Mr. Whitfield. "Our focus groups . . . perceive Apple as young, innovative and risk-taking, while they view IBM as safe, conservative, well managed, but not as exciting. We definite-


Introducing the Atari XL Home Computers: We made them smart enough to know you're only human.
You'll do more with Atari Home Computers.

Atari is hoping that "Dr. Hawkeye Pierce" can help cure the company's recent financial illness by convincing ordinary consumers that they need and want a computer.

value in a machine like ours."

Mr. Kay believes alternate means of establishing identity are more cost effective. As an example, he cites Kaypro's grants program, which has donated more computers to the California schools than any company besides Apple and is now involved in supporting humanitarian causes in the third world. "These kinds of activities communicate our corporate commitment to make technology accessible to people more effectively than expensive corporate image advertising," says Mr. Kay.

Apple, while one of the heaviest ad spenders, is also a strong believer in alternative forms of communicating information about the product and the company. Says advertising manager Henry Whitfield: "To play the game, you've got to be on tv. But if you had no competition on tv, you could do a much more effective job of communicating through print advertising. And good public relations is essential.

"Because computer products are so sophisticated, people look for more information about them than what they get through advertising. The influence of a Peter McWilliams (the author of several best-selling computer books) or other important writers and reviewers is overwhelming," says Mr. Whitfield. "I'd take a big story about Apple in *Newsweek* any day over a tv ad in terms of its credibility and influence on consumers."

> **"There is no shakeout. What's happening is a shakeup. More companies made more money this year than last, and the market is nowhere near saturation."**

Which companies are taking the biggest byte of the pie?

Personal computer market shares

	1980	1981	1982	1983*
Apple	29.3%	41.8%	28.5%	22.0%
IBM	0%	5.0%	22.2%	28.0%
Tandy	37.6%	22.5%	10.1%	7.0%
Hewlett-Packard	5.3%	6.1%	4.7%	3.5%
Commodore	15.9%	10.6%	3.6%	3.5%
Franklin	0%	0%	2.5%	3.5%
Others	11.9%	12.6%	20.2%	29.0%

*estimate

Source: Dataquest

While recognizing the great power of the press—acknowledging that Apple tries to use the press as much as possible, saying that the controversial "1984" Super Bowl spot was designed to "hype the press and create an event around the introduction of the Macintosh" as much as anything else—Mr. Whitfield is also critical of "pack journalism" and a lot of uninformed copy about the computer industry.

"The press swings like a pendulum. First, Apple was the bloom on the rose. Then the press decided IBM could do no wrong and helped create a myth that IBM was synonymous with the whole personal computer industry. Now that we're back with Macintosh and IBM looks like they've messed up with the PC*jr.*, we're getting better coverage again," Mr. Whitfield says.

"But the fact is, in all these articles there is little original reporting. Everybody just seems to read everybody else's articles until certain 'facts' become accepted truths. I get surprisingly few phone calls from people who are writing about Apple all the time."

Like many others inside the computer industry, Mr. Whitfield perceives the so-called "shakeout" differently than the media image of it as a ruthless Darwinian process that will leave only a handful of companies intact. "Look," he says enthusiastically, "this is the biggest growth business there is. Look at stereos, which are somewhat comparable. There's an awful lot of profitable companies around in that field, and they've managed to stay in successful competition for quite a while."

That view is shared by Future Computing's Mr. Kinne. "There is no shakeout. What's happening is a shakeup. More companies made more money this year than last, and the market is nowhere near saturation. People talk about 'computers' as if it were all one industry. Really, it's like the 'transportation industry' where you have everything from skateboards to bicycles, cars, Jeeps, buses and 18-wheel trucks," he says. "Of course there will be a major manufacturer eventually in each product category, but what his name will be is by no means clear. Furthermore, you're not likely to see lots of Chapter 11s and other disasters. Polite mergers and acquisitions will be much more the rule."

Gary Baughn, former marketing director at TeleVideo, doesn't think it's going to be all that polite, however. "There's a lot of companies around surviving on 30% gross margins. You just can't do that. You've got to have 50%, because otherwise, when IBM starts price cutting—and they will before long—you won't be able to turn that corner with them." To Mr. Baughn and others in Silicon Valley, IBM is a piranha that hasn't really started to bite yet.

He expects IBM will either drop its price drastically below the level of the competition, whose chief selling point up to now has been lower price products, or come out with a new technical standard that will render the previous "IBM-compatible" market obsolete.

"IBM will do something to try to drop the others out of the chase. They want to own the whole market. So our strategy has to be to impress TeleVideo on the public mind as one of the major players that isn't going to be shaken out and will stay right there with IBM," says Mr. Baughn.

A "Get in on the Boom" campaign, created by Grey Advertising, is now in motion depicting a growing TeleVideo growing with growing businesses and a growing economy. The signature of the campaign is a memorable electric green line rising off a business chart to impress the reader/viewer with TeleVideo's growth atmosphere as well as one of its product's major technical attributes—screen resolution.

Advertising, in TeleVideo's estimate, is the key tool for establishing awareness. But Mr. Baughn also cautions that advertising—particularly national tv advertising—is almost useless without an effective distribution network. In the beginning TeleVideo made the mistake of doing splashy advertising without a strong dealer system in place. Now that ComputerLand stores are stocking the product, how-

(Continued on Page M-16)

beings

ly want to appeal to the risk-takers and the innovators."

Atari is another company that has recognized that technology is "both the great attraction and the great fear" in selling computers, according to senior vp-marketing Ted Voss. "Technological innovation drove this field before; now people need innovations explained to them."

Alan Alda became the vehicle to communicate what the innovations are about and what to do with all that power. "After our name and our product, Mr. Alda is our most important asset," says Mr. Voss.

Mr. Alda, Atari executives believe, is a personality who combines seriousness with accessibility, and whose easy manner symbolizes Atari's ease of use. He "seems to radiate the idea of learning being fun and having fun learning," observes Mr. Voss.

Atari expects that the consumer-friendly strategy symbolized by the Alda campaign can halt the recent flow of financial red ink by convincing a growing number of ordinary consumers that they need and want an Atari. —*D.B.*

Lesson 2: Hire marketers

In line with the growi[illegible] emphasis on mass marketing, computer manufacturers are reaching out to the wizards of package goods and brand management not only to staff their marketing departments, but even to fill top executive slots.

The most prominent example of this trend is John Sculley, who took over as president of Apple Computer last April.

He was lured away from the presidency of PepsiCo Inc. not only by a $2 million financial package, but by the challenge of bringing the skills to the "Apple Generation" that made the "Pepsi Generation" come alive.

Thus far, Mr. Sculley has won high marks by industry analysts. Observes Esther Dyson, publisher of the authoritative "Release 1.0" newsletter: "Sculley knows marketing, but his main asset at Apple is that he is an all-around good manager." Apple insiders say his greatest value has been in focusing corporate strategy and product development.

"A lot of people identify the 'Apple Generation' spots we did last year with Sculley," says Apple advertising manager, Henry Whitfield.

"But actually, those were well on their way to development before. Where he has really helped the company has been in developing a cohesive product strategy," he says.

Mr. Sculley was not the first big name from consumer goods to make the leap to the executive suite at a computer company. That distinction belongs to Robert Jaunich II, the former president of Consolidated Foods, who took over as president of Osborne Computer Corp., Hayward, Cal., in January, 1983, only to see the company file for bankruptcy a few months later.

Today, Mr. Jaunich remains on the board and Adam Osborne makes periodic noises about reviving the company that was the first to make a portable computer and the first to provide a full function system for less than $2,000.

But nasty recriminations have flown back and forth between innovator Mr. Osborne and professional manager/marketer Mr. Jaunich.

Mr. Osborne says he made a mistake by bringing in a "smokestack" manager who was unaccustomed to the freewheeling innovative style of Silicon Valley.

Mr. Jaunich retorts that the company had so many concealed financial and managerial problems that it was a lost cause long before arrived.

The debate will doubtless continue over whether marketing computers is significantly different from any other consumer product.

But for some, the answer is already clear.

"It's obvious now in Silicon Valley that the home computer business is fundamentally a market-driven, consumer-oriented business," observes Bruce Entin, vp-corporate communications at Atari. "Technology will always be important, but you've got to have corporate leadership that understands brand name identity and that knows how to create consumer motivation."

Practicing that philosophy in choosing a new ceo last July, Atari filled the position with James J. Morgan, formerly executive vp-marketing at Philip

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Games

(Continued from Page M-13)

ever, he believes the company can advertise more intensively with better results.

"This industry is maturing very fast," Mr. Baughn philosophizes. "The whiz kids and the technological gurus just don't have the consumer marketing experience that's needed now. A lot of us feel we understand the market, but we don't have the understanding that the consumer marketing specialists have of the end user."

Big changes in the home computer marketplace may well come as more professional marketers do more consumer research before developing their products and their advertising campaigns. H-P, for example, developed the touch-screen machine on the basis of their first full-scale, end user research.

"Many home computer manufacturers are quite vague about who the home user is," says Randy Goldfield, president of the Omni Group, a New York consulting firm that offers a unique audit of technology companies' media-related activities including advertising, public relations and other corporate communications. "We recently found a major company that did no research at all on response to advertising. But marketing of computers is professionalizing fast. That same company today has a whole department for that purpose."

Hire

(Continued from Page M-13)

Morris.

Like Apple's Mr. Sculley, Mr. Morgan's influence has been felt most strongly in bringing the company's general business practices up to state-of-the-art. Arthur Gemmell, vp, was quoted recently as saying, "A lot of what Mr. Morgan has done is just fairly standard business basics. We just somehow became a $2 billion company without any of them."

Other consumer marketing-oriented professionals at Atari include David Ruckert, senior vp-entertainment software marketing, who was formerly vp-marketing at the Clairol division of Bristol Myers, and Theodore Voss, senior vp-marketing, advertising and marketing services, who came to Atari after 17 years at Polaroid.

Criticizing the tendency to exaggerate differences between businesses designated as high-tech and others, Atari's Mr. Entin says, "The technology Jim Morgan was involved with at Philip Morris, turning out 6,000 cigarets a minute without error, is every bit as good as the technology at a computer manufacturer.

"People like Jim, while they aren't scientists, certainly have an awareness of and an appreciation for technology."

Among the other players in the home computer game who have brought the more traditional marketing and managerial outlook into the top corporate echelons are Mattel Inc., whose new president, William Mack Morris, was a veteran of Combe Inc. (health and beauty products) and Squibb Corp.'s Life Saver division, and Commodore International, which recently replaced founder, president and ceo Jack Tramiel with Marshall F. Smith, former president and ceo at Thyssen-Bornemisza, a diversified industrial group.

Software companies also have recognized the impact of marketing, and a few of the leading ones searched for experienced marketers to facilitate their efforts.

Jay Mixter, director-marketing at Spinnaker Software, arrived on the scene a little over a year ago having worked in brand management and new products at Frito-Lay and Richardson-Vicks.

Focusing on quality packaging, developing a memorable logo, catchy print advertising and store displays, Mr. Mixter says: "We were probably the first software company to devote most of an $800,000 venture capital infusion to aggressive marketing. It's paid off handsomely. We have created a strong brand-name identity for Spinnaker products."

Mr. Mixter says that he's looking for more people with consumer goods experience to take up the challenge of marketing software at Spinnaker. So, although many analysts are saying times are tough for those trying to make it big in the marketing arena these days, at least one sector is looking for a few good marketers. —*D.B.*

Survival

(Continued from Page M-14)

frequently reported. The truth is that Apple Computer Corp. is running a very distant second.

Volume sales numbers published in the press are generally inaccurate and uninformed, because they are based on computer store sales statistics. The bulk of IBM sales are made directly to large customers, so they never get counted.

Right now IBM is manufacturing and selling approximately 10,000 personal computers per day, which gives it a sales volume that is four to five times Apple's. The flip side of this coin, however, is that for innumerable reasons, IBM is never likely to capture more than approximately 75% of the personal computer market. A combination of people who buy on price or object to IBM will guarantee roughly 25% of the market for the also-rans. That amounts to a lot of microcomputers that compete with IBM.

As for the low-end market—machines selling for less than a thousand dollars—IBM has no presence there yet, and the PC*jr.* is still out of the low-end price range. The current leader, Commodore, may have a long reign over this market segment because of its manufacturing and marketing expertise.

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Timing troubles chip into sales

By Richard Edel

It is strange that personal computer manufacturers extol the element of time as a critical reason for owning their products and yet misuse it so in their marketing execution.

The simple fact is that the industry is plagued by glitches that result from poor timing of product introductions, miscalculation of production capability or, perhaps worst of all, stimulation of product demand before it is tested and ready.

Timing errors, although definitely a nightmare for marketing managers, represent a serious threat to profitability and ultimately survival of the product line itself. And in the computer industry, when a product line fails, the company may go under with it.

There's an old saying that there are no bad management decisions, only bad timing, says Bill Meserve, an electronics industry strategist for Arthur D. Little & Co. In attempting to establish themselves firmly in the marketplace via carefully orchestrated product introductions, he adds, some manufacturers shoot themselves in the microchips because of their timing troubles.

Coleco Industries, for example, timed the market entrance of its Adam computer with great care. However, engineering and production problems continually pushed back the reported spring, 1983, delivery dates. While the company predicted 500,000 units would be shipped in 1983, only 95,000 entered the market by year's end, a spokesman says. The company suffered a substantial fourth quarter 1983 loss because of this.

"The timing [of Adam's introduction] was perfect. They would absolutely have cleaned up in the fourth quarter," says Mr. Meserve. "As it happened, late shipments brought about negative rumors about the company that it must remedy before it can get back on track."

Another company victimized by timing problems last year was Osborne Computer Corp. Osborne collapsed in September, filing for Chapter 11 protection following a series of devastating marketing and management mistakes.

A key problem was that Osborne undercut the market for its Osborne I by introducing its Executive model shortly afterward. Subsequent delays in shipping the Executive brought the company's cash flow to a near halt, analysts say. Compounding the mistake, Osborne announced the Executive II—an IBM compatible product—at the same time it was about to begin shipping the Executive, again undercutting its market.

Alexander Stein, senior industry analyst for Dataquest Inc., says such timing gaffes are symptoms of buckling under the forces of a rapidly changing market.

"Potentially, a great many changes in the market could affect vendors and each one could be catastrophic," he says. "In this market, I think you're expected to make mistakes. The difference is that a Digital Equipment Corp. could make several and survive where a Coleco or an Osborne is allowed only one."

The result is a marketing climate where attempts to gain footholds or simply to maintain market shares in various segments result in sometimes disjointed marketing efforts that, if unsuccessful, easily could put smaller companies on the ropes.

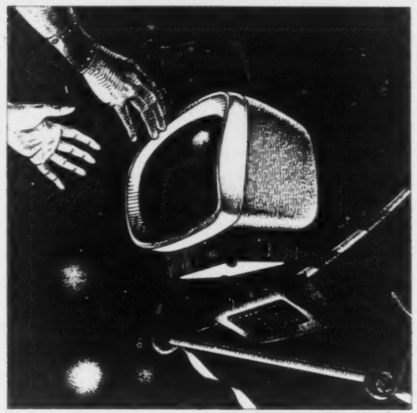
The impact of IBM alone on the market has forced many manufacturers to re-orient marketing plans, says Mr. Stein. Some hurried the timing of product introductions, stressing IBM compatibility, and others quickly examined strategies for confronting IBM on its own turf, analysts say. Apple, they claim, is positioning its Macintosh-Lisa products for business users and appears ready to fight.

But it's not just the entrance of large, strongly financed companies that will cause an uproar in the personal computer market. Mr. Stein says vendors are in for a strain as the trend toward marketing specifically for an industrial market and a separate consumer market develops.

"Currently we have an *ad hoc*

(Continued on Page M-20)

Richard Edel used to sell business computer systems until he decided to go for the really big money as a free lance writer and graphic designer in Chicago.



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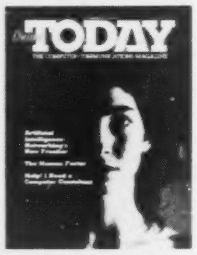

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Timing

(Continued from Page M-18)

marketing approach," he says. Some analysts believe that assessment applies even to the meticulously laid plans of IBM. They are debating whether IBM's timing of the PC*jr.* introduction was off target. Although IBM announced the product in November and provided display models soon after, it was not able to ship until mid-January. In effect, IBM created demand for a product that was not available, which may have hurt sales and left IBM dealers taking heat from customers during the peak Christmas sales period.

Announcing a product before it is ready to be shipped is a "classic mistake" with these kinds of products, says Matthew M. Meehan, technology analyst with Salomon Bros. "People may say you should never announce a product until you ship, but your company may get to a point where you need the marketing momentum. You've got to always be blowing the smoke and keeping focus on your name. IBM did it with the Peanut (PC*jr.*), but did it for a reason."

The reason, suspects Mr. Meehan, serve was to blunt demand for lower price personal computers intended for the home market. "If that assumption is true, I think IBM made a mistake [in timing]," he says. "That strategy works very effectively in the business world, but does not work well in the consumer world, and the Peanut is a consumer-oriented product."

In other words, a business will hold off purchasing a computer

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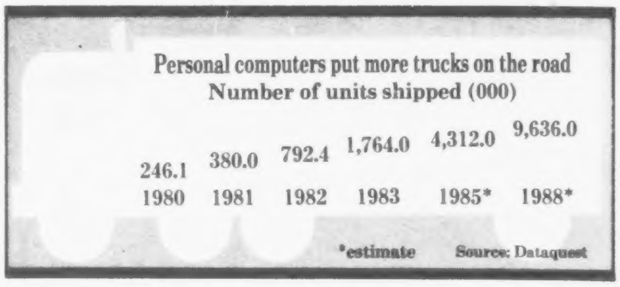

Retailers given a lump of coal for Christmas

While it is impossible to sell future models of personal computers from the retail shelf, many manufacturers try just that approach when pitching products to consumers. And that strategy—among others—perturbs Roger Lewis, vp-marketing at ComputerLand corporate headquarters, Hayward, Cal. ComputerLand, which in 1984 is expected to reach the billion dollar mark in sales, is the largest independent retailer of computer products with 600 outlets in 26 countries.

"There should be a company down here called 'Future Features' because there seems to be a tendency to use a lot of publicity to announce products that aren't available just to let people know what you're working on," he quips. "In some cases, though, it tends to knife the products you're already selling."

A case in point is IBM's PC*jr.*, also known as the Peanut, which was unveiled—but not shipped—in November at the very time Christmas sales were beginning to boom at ComputerLand stores. The Peanut drew a great deal of interest without generating any sales. Many unhappy consumers either bought other machines to place under their Christmas trees or waited until mid-January when shipping began.

"When IBM says it has a new product in this price range, there are a lot of people who will want it," Mr. Lewis says. "We had a lot of stores where consumers would walk in and ask for the PC*jr.* and, of course, it wasn't there, just a display model. Consumers were told, 'We don't know when we're going to be getting them, but here is your rank in the pecking order.' "

Some analysts say IBM's timing was intended to defer purchases of competitive products, others say media attention forced the company to announce early. An IBM spokesman says simply that there is a traditional lag between announcement and shipping dates for a product.

"It was beginning to sound like God's gift to the office," says Warren Waldbrand, senior consultant for Omni Group Ltd., a research and consulting firm. "I'm guessing that a possible reason for the November announcement was that they feared if they didn't announce and describe the product, they faced disappointment in the marketplace."

IBM, however, was not alone in causing discomfiture for retailers over the Christmas buying season. Texas Instruments picked Oct. 31 to announce it was exiting the home computer market. This bewildered many potential buyers, who confused the company's Home Computer division with its Data Systems Group, which continued to produce business computers.

"A lot of the publicity generated from Texas Instruments getting out of the home com-

(Continued on Page M-22)

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Timing

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until it's sure that it's making the correct decision; a consumer is more likely to buy impulsively.

Mr. Meserve compares a consumer with $500 to a shark in a feeding frenzy. That consumer will gobble up merchandise until satisfied, he says.

Douglas R. LeGrande, vp-marketing operations for IBM, acknowledges that the computer giant was roundly criticized by dealers over its timing strategy, but says the problem was unavoidable.

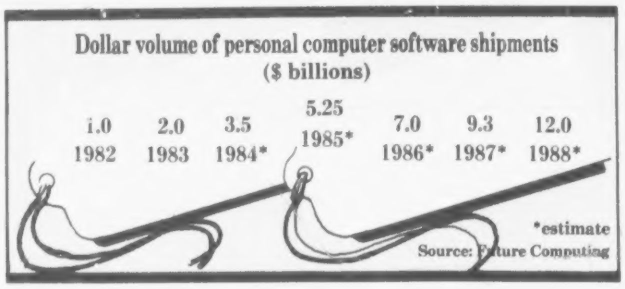
Traditionally, there is a lag between product introduction and shipping, he says. "Our dealers have said, 'We wish you would have had the product available over Christmas.' But they understand our position."

IBM was the target of much pre-introductory media speculation over the capabilities of the PC*jr.*, Mr. LeGrande says. That interest stimulated demand before the first Peanut ad ran. Some analysts believe it may even have forced IBM's hand to introduce the product early rather than risk market disappointment from inflated claims about the product.

In spite of IBM's announcement of the Peanut's impending arrival, manufacturers that had the necessary inventory during the holidays were rewarded with spectacular sales. "Apple just absolutely had a bonanza in December, recording the highest sales of any month in its history," says Mr. Meserve.

Even after announcing its

(Continued on Page M-24)



Coal

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puter business did not reinforce the fact that the company was not getting out of the market for business computers," Mr. Lewis says. "Consumers were thinking Texas Instruments was getting out of the personal computer business entirely."

ComputerLand sales representatives, who only sell business computers, endlessly explained the situation, realizing that "nobody wants to buy from a company that is getting out of the business," Mr. Lewis says. Once the situation was clarified, products from the Data Systems Group moved well, he adds.

A TI spokesman admits there was a communications problem with end users, and that consumers did perceive that TI was out of the computer business entirely. After a flurry of meetings with marketing managers and advertising agency executives, however, the company decided how to handle the situation: Do nothing.

"We decided the best strategy was to continue advertising the TI Professional model on its own merits and not comment on the Home Computer division's exit from the market," the spokesman says.

TI also continued advertising its discontinued home computers, compounding the misunderstanding, says ComputerLand's Mr. Lewis. "It confused me that they continued to run that nifty ad with the 3-year-old kid pushing the buttons even after the announcement.

But the real clincher for a product introduction was Osborne Computer Corp.'s announcement of the Executive model last spring. At the time, sales of the Osborne I were brisk, Mr. Lewis says, and subsequent delays in product availability virtually halted sales of that model.

"Put yourself in the shoes of the consumer. For the price, the Osborne I was a pretty nice piece of equipment. It had a screen, keyboard, hardware and bundled software," he says. "But when you read that the company is coming out with another machine, you just sit back and wait." Consumers sat back and waited long enough to help put Osborne on the ropes for good.

Such delays in purchasing personal computers often are brought on by marketing strategies that rely on improved technology as the reason for buying a particular model, says Joseph L. Levy, vp, International Data Corp. "People ask, 'Why should I buy a computer today when tomorrow it will be twice as fast and half as expensive?' "

Focusing on technology also presents the double threat of frightening away potential buyers and of not being able to follow through on promises. Mr. Levy cites frequent examples of product announcements followed by delays in development, manufacture and shipping. The big losers in this situation are the retailers and manufacturers —consumers can always find somewhere else to spend their money. —*R.E.*

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Timing

(Continued from Page M-22)

withdrawal from the home computer market, Texas Instruments sold its entire stock of 99/4a computers in the fourth quarter, says Jon Campbell, a company spokesman. The 99/4a had moved poorly through the beginning and middle of 1983, he says. Commodore was allocating shipments of its popular Commodore 64, analysts say, because it couldn't produce the machine fast enough to satisfy demand.

Once the Peanut was ready to be shipped, IBM was poised to catch up with the companies that were prepared for Christmas season sales via a huge media campaign. Estimates place IBM's media budget for the PC*jr.* at $40 million, although Mr. LeGrande declines to comment.

IBM, however, is not the only company on the receiving end of pot-shots from retailers over the timing of product introductions. Gene O'Donnell, vp-hardlines merchandising with Hills Department Stores, a 117-store chain based in Canton, Mass., criticizes the personal computer industry as a whole on timing.

"Timing has been a big problem all along the way for retailers," Mr. O'Donnell says. "We've had to cancel some ads at the last minute because of problems with shipping, and we've not always had the quantities available [from manufacturers] to support a particular ad."

Mr. O'Donnell blames the problem on manufacturers attempting to grab an unreasonable share of the market. "I think that's a major problem in this industry," he says.

"Everybody is trying to increase their market share and get the retailers hyped on their products. As a result, they try to get you to give initial commitments that they cannot live up to."

Dollar volume of personal computer hardware shipments
($ billions)

5.0	8.0	11.5	15.75	20.0	24.7	30.0
1982	1983	1984*	1985*	1986*	1987*	1988*

*estimate Source: Future Computing

Big guys mean business

Runaway growth and the entrance of large manufacturers into the personal computer market are causing it to evolve unusually fast, says Alexander Stein, senior industry analyst for Dataquest. Dataquest estimates compound annual growth rates for personal computers of 60.5% between 1982 and 1987.

In dollar terms, the industry has grown from annual sales of $495 million in 1980 to $4.7 billion in 1983. By 1985, it is expected to reach $11.9 billion and almost $28 billion by 1988. Units shipped also grew from 246,000 in 1980 to nearly 1.8 million in 1983. By 1985, units shipped are expected to top 4.3 million and to exceed 9.6 million by 1988. At the same time, sales of higher-priced units are rising faster than sales of lower-priced models, which are marketed for home users.

"The days when products like the Apple II can dominate the market are passing," Mr. Stein says. "People are asking for higher performance machines."

Indeed, with the entrance of IBM, Digital Equipment, NCR, Data General Corp., Hewlett-Packard, Sperry Univac and other corporate giants into the fray, Mr. Stein sees an important shift taking place. The market for business users—by far the largest segment with 55 million white collar workers—is being cordoned off by manufacturers of mainframes and minicomputers.

The reason for IBM's success is product preference among large companies, says Warren Waldbrand, a senior consultant with Omni Group, a New York-based computer research organization. Compatibility with IBM's operating system, widely recognized as a *de facto* industry standard, is crucial in dealing with large companies, many of which have IBM mainframes and minis.

Out in the cold are the entrepreneurial companies that pioneered the personal computer market. "Being left out of one segment of a very lucrative and high volume market that they helped to create," Mr. Stein says, "are companies such as Apple and Tandy Corp. These companies are now to go to smaller business users, educational users, professionals and the home computer market."

This may be where the other companies find their niche. For the small business and home user, IBM still ends up grappling with its poorer cousins.

"Our research measuring business demand for IBM compatability is very strong in the largest companies, but demand falls off significantly once outside that [arena]," Mr. Waldbrand says. "IBM is not a standard embraced by 100% of the marketplace." *—R.E.*

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Magazines face terminal illness

By Craig Endicott

In the Zork III computer game by Infocom the object is to meet and destroy the ruthless Dungeon Master. This ruler of the Great Underground Empire gives Adventurers three chances to do him in: Twice he will resurrect those he destroys before delivering the *coup de grace* that puts the Adventurer under for good.

Zork III in the down-to-earth context of computer magazines has a fearsome twin—Success Quotient. This behemoth is elusive and defies any magazine from tapping its secrets to reach the Throne of Success.

Word has it that Success Quotient is setting up for the kill of any number of magazines. Analysts say this pending shakeout will occur for many reasons:

- Advertising dollars are growing, but they are being concentrated among the very top magazines. Because of this thin ad distribution in the lower echelons of the magazine sector, financial tremors can turn into major quakes when hardware companies run into hard times, as they seem to be doing.
- The number of magazines covering microcomputers has burgeoned, making it increasingly difficult for publishers to approach advertisers, especially considering many of them lack sophistication. Some don't know what a media director is, comments a publisher's representative.
- The growth in the market is in machine-specific magazines, a direction some believe is a tactical mistake. The rub is that a host of magazines may cover the same machine and thus fight for the same ad dollars, squeezing out the less competitive.
- Many give newsstand operators a larger than standard cut off the cover price just to join the hundreds of other computer magazine titles on the selling block. This practice led to the so-called "black summer" of 1983 for computer magazines.
- Now that major magazine publishers have entered the fray, largely through acquisition, the lesser-knowns will require greater financial staying power.
- Editorial coverage is turning more toward application—what can be done on a computer rather than what computer to do it on—as consumers turn more toward software as their purchase criteria.

Advertising dollars have grown with the industry *(see table on Page M-62)*, but are they enough to keep the flurry of new computer titles in business?

> **"We estimate that the top 10 magazines get 80% of the ad dollars, leaving most of the market to fight for leftovers."**

In 1980 there were fewer than 30 computer magazines, founded largely by technically-proficient operators who served up highly jargoned prose largely to the trade and hobbyists. Earlier this year that number had grown to 150 titles that cover only microcomputing. In all, some 530 devote at least 50% of their editorial to microcomputers.

Such a prolific rate means greater competition for the ad dollar. "We estimate that the top 10 magazines get 80% of the ad dollars today, leaving most of the market to fight for leftovers," says Sheila Clarke, vp-marketing, Adscope, a Goldendale, Wash.-based research company.

In addition, ad pages are expected to drop this year, according to John Klingel, a magazine consultant. "The momentum in the market cannot just keep going the way it is. There will be a shakeout. A lot of the magazines have even built their forecast around the spurt, and will pay for it."

The magazine shakeout will merely mirror the fireworks in the microcomputer industry. "Five years ago, among our leading advertisers were MITS, Processor Technology, Polymorphic Systems, Southwest Technical Products and IMSAI. None are around today," says David Ahl, publisher of Creative Computing. Many of today's pacesetters—Osborne, Mattel, Atari and Texas Instruments—have fared no better.

Each failure of a hardware producer sends shockwaves through the magazines that have sprung up to glean the advertising budgets of the giants.

Consolidation is now beginning to occur on the software side, which will take more advertisers out of the market just as hardware deaths and mergers have done. "Already there is a shakeout among software producers," admits John Williams, director-marketing of Sierra On-Line, which spends $1.8 million on advertising, largely in computer magazines. "We cut back on our advertising in the fourth quarter last year to reassess the effectiveness of our spending, and the comment we got from the magazines was 'oh, no, not you, too.' "

Many of those who advertise can't survive unless each ad quickly turns into sales. "Some 70% of the ads we place bear some form of promotional tie-in either through direct response or through dealer sale," says Jay Eisenberg, president of JE Publishers Representatives in Los Angeles. "They [the ads] must generate instant sales or the advertiser dies."

When Texas Instruments announced it was stopping the production of its TI 99/4a computer last fall, the bootstrap vendors among the advertisers in the magazine serving the 99/4a user, *99er Home Computer*, breathed

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Craig Endicott, an Evanston, Ill.-based free lance writer and frequent contributor to Magazine, is attempting to read every computer-oriented publication. He anticipates a completion date of January, 1999.

Machine specific: Perilous publishing at best

Down but never out is the motto *99er Home Computer* is trying to make good. Knocked down once, the magazine's demise and subsequent revival illustrate the dangers confronting a growing sector of computer magazines—the machine-specific.

Things hit rock bottom for *99er* on Oct. 31, 1983, when Texas Instruments announced it would pull the $49.95, TI 99/4a home computer—the magazine's bread and butter—off the market. The December issue was ready to roll at Emerald Valley Publishing Co. in Eugene, Ore., but the company literally stopped the presses.

Two months elapsed before the magazine, with *99er* conspicuous only in terms of its absence from the title, re-entered the fray as *Home Computer*, a more general sort of name one must admit.

It had a new format, too, aimed at a more general sort of audience: Four computer-specific systems are now being covered—Commodore's 64 and VIC-20, Apple II (II-plus and IIe), IBM's PC*jr.* and the defunct 99/4a, which still has 1.5 million users, second only to the 2 million in the Commodore camp, according to Future Computing, a Dallas-based information service that monitors the personal computer industry.

"Four systems bound under one skin," is how Gary M. Kaplan, magazine publisher and Emerald Valley president, describes the revival. The magazine intends to publish at least six programs per computer in each issue.

"The synergy between the four systems will strengthen the magazine and provide adhesion," says Mr. Kaplan, who is banking heavily on TI 99/4a users trading up to more sophisticated systems like the others covered in the magazine.

Emerald Valley plans to distribute the magazine into as many of the 3,500 computer stores that carry computer magazines as possible. This gives the magazine a broader reach than it had as a single machine-specific publication when the TI 99/4a was carried only in major department stores. The rate base also will jump from 185,000 to 250,000.

"We're totally in the dark about how successful we will be," says Mr. Kaplan. Some industry participants aren't holding their breath. "If I did not make 99/4a products I would not advertise," says one software marketer, "because 80% of the mailing list is to TI users." That's a limited audience.

Computer system hardware makers seldom turn over warranty lists to machine-specific magazines, cutting a publication off from its potential reader base. Even if they supplied names, the list would represent only 15% to 25% of the user base because that is the rate of return for product registration.

In addition to the fact that they deal with a limited circulation, the advertiser base can also be minimized depending on the featured component's manufacturer's policies. TI essentially inhibited the *99er's* advertising universe from the start by keeping the 99/4a's technical specs under tight patent control, licensing only a handful of software manufacturers to publish games and programs.

This proprietary stance also limited the adaptation of machine peripherals (modems, keyboards, printers, etc.) to the 99/4a, wiping out more potential ad dollars. The potential of the peripheral market is further reduced because it is largely generic, with implements like modems and printers hooking up to most systems with ease. This makes general computer publications a more attractive medium for these manufacturers' ads than machine-specific magazines.

When TI left the market it gave production rights back to companies like Sierra On-Line, another software producer, which published TI software under license. John Williams, Sierra marketing director, says Sierra probably will continue producing the software for a while. "But we are a special case," he says, without elaborating. "If I had a TI 99er program to market right now I would shelve it."

He questions whether there is any real money in TI software now. Because of production expenses ($5 a game), games are produced in large lots of 5,000, which means a $25,000 investment without a mass retailer. "Sears won't want to stock 99/4a software once it's out of the computers," he says. The other marketing alternative is mail order, which is not strong in this industry, although that is

99er
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Sprightly Tricks to Pep Up Commodore Programs
Creating a Real Data Base on the Unexpanded VIC-20
Apple 3-D Graphics Made Easy
Super Sound & Music on the TI-99/4A
FREE Bound-in Home Computer Digest

***Hoping that there's strength in numbers, 99er expanded its editorial coverage to four manufacturers when it returned from its hiatus as* Home Computer.**

easier when the magazine immediately stopped production. Why? Their ads were rendered useless due to fire sale prices that swept through the marketplace following the announcement.

"In such circumstances, it is best to lay low for a while and hope the market rejuvenates," says Gary M. Kaplan, publisher of *99er*, which has been revived as *Home Computer. (See story below.)* He says the financial condition of many of his advertisers was poor to critical to begin with: "Many were running up heavy credit in advertising; some asked if they could pay off in installments."

99er illustrates the danger of machine-specific magazines: When the machine goes, so goes the magazine. This sector, besides being the most vulnerable, is the fastest growing.

Reaching the advertiser has become increasingly difficult for the magazines now that so many are competing for the same dollars and their level of sophistication in reporting computer happenings far exceeds their understanding of publishing matters.

For example, circulation claims in the market have become laughable to the big advertisers who get preferential treatment somewhere between half the rate-base claim and financing for their first mortgage.

Few computer magazines are audited, although new publications coming out of the major publishing houses are being audited, which should put them in better stead with the more sophisticated advertisers.

Salesmen pushing unaudited titles often leave Mr. Williams of Sierra On-Line incredulous with their unsubstantiated banter. "Few salesmen tell the truth," he notes. A salesman for one of the new magazines for the PC*jr.* recently outlined the readership demographics of the as yet unpublished magazine. Another salesman claimed a paid circulation of 350,000 for a magazine that had been on the market only seven months and conducted one minor promotion of only 100,000 direct mail pieces.

"To get my money, [some of these outfits will] have to give me a very special deal, like free advertising, or they are going to get thrown out of my office," Mr. Williams says only half in jest. "To be honest, there are a lot of suckers (advertisers) in the industry," he adds. Consultant Mr. Klingel agrees: "There are a lot of unsavvy advertisers with a lot of money, but they're going to have to get a lot smarter where they spend it."

Advertisers, like Sierra On-Line, that are thirsting for publications with verifiable data, are helping magazines develop readerships in which these advertisers can have faith. For example, when an Apple product registration card comes in to Sierra On-Line, it is forwarded to *Softalk*, an Apple-specific publication. This provides Sierra with a circulation list it can trust. In exchange, it is given first stab at preferred ad placement.

Many magazines have gone to publishers reps for more than ad procurement—comprehensive front-office assistance and utter survival. JE Publishers not only sells ads, but prepares marketing strategies, educates publishers and even works with them on distribution and ad collection. Without such assistance, many publications would have fallen prey to Success Quotient, and may yet now that greater financial power is a requirement.

The need to secure substantial financial backing is attributed largely to the entrance of the big publishing houses. Ziff-Davis, for example, now has 13 computer magazines. The drive to be competitive also has influenced editorial/advertising ratios, and Mr. Klingel estimates that most titles average 60% advertising per issue. He also notes that little money is made in circulation and newsstand sales.

Distribution skirmishes erupted in the rush to get new titles on newsstands. Ziff-Davis last summer pulled magazines out of newsstands where operators demanded publishers provide a higher cut than the indus-

(Continued on Page M-62)

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one of the routes software producer Infocom of Cambridge, Mass., will go with its 99/4a computer games.

But the *99er's* move toward becoming less machine specific may not spell the end of its troubles.

An industry consultant believes *Home Computer* is going to find stiff competition, particularly from the plethora of new IBM PC*jr.*-specific publications—currently numbering five—entering the market.

The problems of Emerald Valley don't necessarily reflect an industrywide plight among machine-specific magazines, but they come close.

"Machine-specific magazines are a long-term tactical mistake," believes John Klingel, a magazine circulation consultant based in San Francisco. "These magazines will disappear with standardization—which is just around the corner."

Despite all of these problems, a handful of software manufacturers are excited about the big TI residual market, static as it may be. Software gameking, Infocom, is translating 10 games for the *99er*.

The company already markets games for 18 other systems so its reliance on 99/4a-related sales is not critical.

So, despite cancellation of the components they feature, machine specific magazines may be invincible, possessing an advertising base and reader/user universe that live on past the components themselves.

Perhaps the strongest segment of the computer industry will be the one that writes about it.

—*C.E.*

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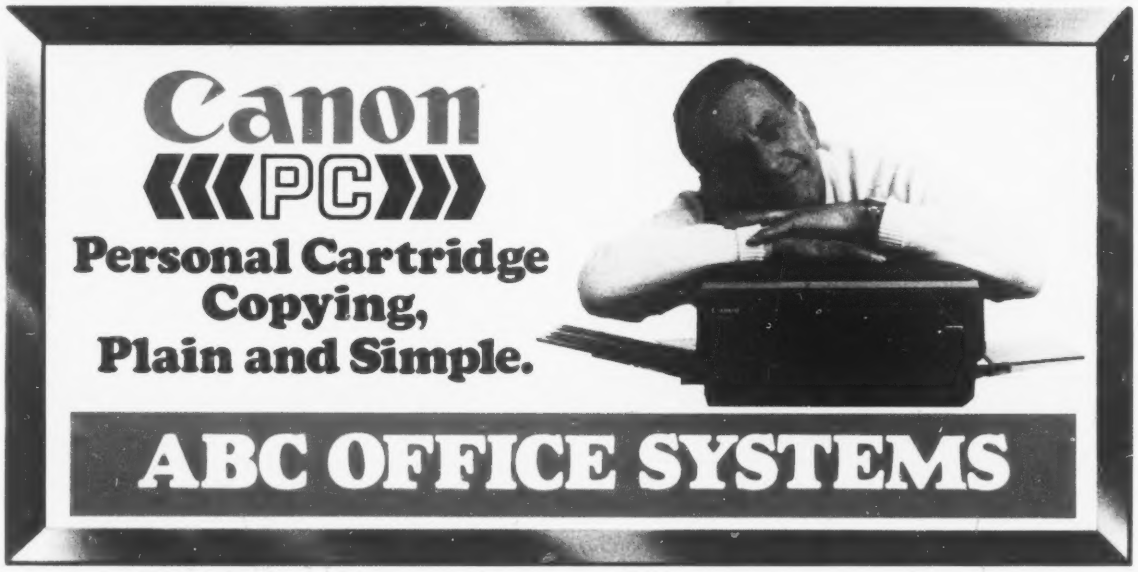
PLAIN AND SIMPLE: OUTDOOR ADVERTISING MADE CANON'S TV ADVERTISING WORK HARDER.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ABC OFFICE SYSTEMS

When the Copier Division of Canon U.S.A. needs to reach a broad target audience of business people and professionals right before the point-of-sale, nothing can duplicate the effectiveness of Outdoor Advertising.

Canon's Paul Schwartz explains it this way: "National advertising, primarily television, had already established Canon's reputation as the front-runner in office machines. In addition, our famous spokesperson, Jack Klugman, had generated a large amount of initial consumer awareness and long-term recognition for our PC Copier advertising. What we needed next was to tell potential customers where they could buy the copiers Jack Klugman sold so well."

The solution was plain and simple. And effective. Translate television's Jack Klugman into Outdoor's Jack Klugman. The visually strong design, with its quick message, well-known face, and sizable space for retailer identification tells prospects where they can locate the Canon PC Copier.

By continually triggering recall of their TV sales message in Outdoor, Canon extends the benefits and the costs of their TV advertising program.

In other words, Outdoor makes Canon's TV advertising work harder. And vice versa.

To find out how Outdoor can improve every TV buy you make, call the Institute of Outdoor Advertising at (212) 986-5920. Or write: IOA, 342 Madison Avenue, NY, NY 10173.

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IOA
INSTITUTE OF OUTDOOR ADVERTISING

OUTDOOR MAKES TV LOOK GOOD.

Illness

(Continued from Page M-61)

try standard of 10% of the cover price. Some monthlies were even dropped on the sly by newsstand operators after only two weeks on the shelves in order to make room for more publications, laments Mr. Ahl at Creative Computing. "We dubbed the season our black summer," he says, referring to the fact that generally only 60% of all copies that hit the newsstands were sold.

With most observers predicting that editorial coverage will increase in importance, most computer magazines, especially the catalog lookalikes, will have to boost their slim editorial ratios or get zapped by Success Quotient.

Editorial content is turning more toward application as the magazines cultivate a larger user base. Magazines stressing application will have to devote greater editorial space to display comprehensive programs and risk incurring the wrath of software manufacturers that do not want their programs printed.

Run-ins already are occurring, particularly between manufacturers and machine-specific magazines, most of which are editorially independent of the manufacturer covered. In late 1983, the Wayne Green publishing division of CW Communications reached an agreement with Tandy that Mr. Green, who publishes two Tandy-oriented publications, would stop writing his often critical column. Since then, Tandy increased its advertising in the magazines and made available its warranty card list to solicit subscriptions—rare in this industry. While good for business, all of this would seem to cast a shadow on editorial independence in the minds of purists.

Several magazines are part of larger corporate groups that also market software. That software can receive glowing reviews, raising an issue of credibility. Or, just the opposite can happen. At Scholastic, its Family Computing magazine recently drew salvos from the company's Wizware software division for planting a "not enough value for the money" tag in its review of Wizware's Square Pairs game.

The shift toward application also is caused by the growth in computer literacy, a direct result of the expanding user base. "These users, for example, won't want to tinker as much, repair or modify their machines, or know how it works or care for that matter—the kind of stuff readers and advertisers have wanted," says Peter Abrahamson, consultant with Publishers Consultants Management Group. "In an on-going basis this market will be served by as little as two publications," he predicts. From 150 titles, that represents a real shakeout

This fickle industry seems programed by some fecund Dungeon Master to procreate magazines with abandon. But now it is getting ready to eat its own. The question is not so much who will die, but who will survive?

Top 10 microcomputer end-user publications
(Ranked on 1983 ad revenue)

Rank	Publication	Revenue ($000) '83	Revenue ($000) '82	Revenue % change	Ad pages '83	Ad pages '82	Avg. ad pages per issue
1.	Byte (McGraw-Hill)	**28,758**	26,157	+ 10	**4,394**	3,997	366
2.	Personal Computing (Hayden Publ.)	**23,863**	10,506	+127	**2,306**	1,930	192
3.	PC Magazine (Ziff-Davis)	**14,992**	2,396	+526	**4,225**	1,213	384
4.	Creative Computing (Ziff-Davis)	**11,862**	5,568	+113	**2,159**	1,749	180
5.	Computers & Electronics (Ziff-Davis)	**11,697**	2,358	+396	**686**	207	57
6.	InfoWorld (CW Communications)	**10,052**	5,492	+ 83	**2,611**	2,076	50
7.	PC World (CW Communications)	**8,219**	—	—	**1,966**	—	218
8.	Compute! (ABC Publishing)	**7,658**	1,664	+360	**1,787**	1,182	149
9.	Popular Computing (McGraw-Hill)	**7,431**	2,608	+185	**1,428**	832	119
10.	Softalk/Apple (Softalk)	**7,282**	3,799	+ 92	**1,947**	1,536	162

Source: Adscope

Kids teach their parents a thing or two

Remember when Superman was in diapers and he lifted a car off his earthly father? At that point his adopted parents knew he had that *je ne sais quoi.*

In the eyes of today's computer industry, Superman holds no monopoly on "that special something."

It's sort of an all-in-the-family publication whose common denominator is the dumb parent, or to be kind, less computer literate moms and dads.

Rather, a host of computer literate youngsters have become its kryptonite kids.

This youth market is the target of Scholastic Inc.'s latest magazine entry—*K-Power*—and the description of this audience by publisher Shirrel Rhoades leaves even the less-jaded among us to say: "It's come to that."

"Our target is savvy teens and pre-teens. These kids know more about computers than their parents.

"It is more technical and sophisticated than *Family Computing* [another Scholastic title]. It's for kids who have discretionary income." Or, in other words, for parents who are willing to dole out the subscription fee.

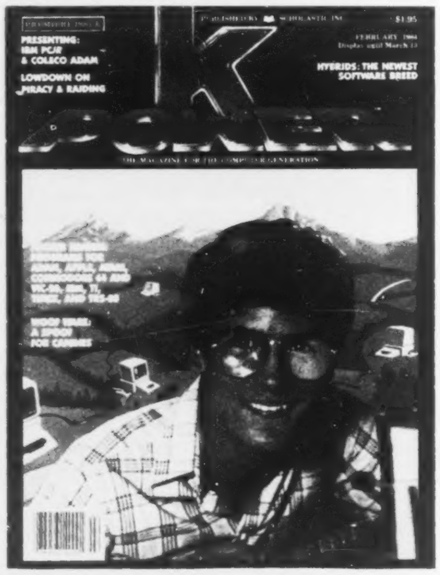
K-Power, which hit the market in late January with a 200,000 rate base, followed the successful entry last fall of *Family Computing,* sort of a general all-in-the-family publication whose common denominator is the dumb parent, or to be kind, less computer-literate moms and dads.

As might be expected, *K-Power* has an editorial problem: It must write "down to" and "up to" its audience at the same time. This has led to development of the K-Net, a panel of top-flight computer kids hooked up by modem to whom Scholastic editors can pose tough questions and from whom they can get readable copy, software reviews and credible answers.

K-Net diminishes the risk of developing a patronizing tone and thus turning off the audience, and cues editors to the level of computer sophistication in this market.

If the level of that sophistication among the K-Net panel is any indication, the editors at *K-Power* may have to go back to school.

Panelist Stephanie Kaufman, a 17-year-old senior at George Washington High School in Denver, is computer literate in several languages—she knows BASIC like the back of her hand—transcribes manuals and tutorials into computer language in an advanced computer class at school, works out calculus problems on the computer and instructs her parents in setting up the family budget on their Apple IIe. In her spare time she reviews computer games for magazines, edits the school paper and competes in weekend debate contests.


K-POWER
PRESENTING: IBM PCjr & COLECO ADAM
LOWDOWN ON PIRACY & RAIDING
HYBRIDS: THE NEWEST SOFTWARE BREED
$1.95
FEBRUARY 1984
THE MAGAZINE FOR THE COMPUTER GENERATION

K-Power's *K-Net, a panel of top-flight computer kids, answers tough questions in a credible and readable manner.*

Her father is learning BASIC and her 8-year-old kid brother is not far behind.

"Kids have just gotten into computers faster than fathers," she proffers.

Panelist Eric Fisch, a 14-year-old from St. Paul, Minn., became known to Scholastic because of a first place in regional competition for programing. A freshman at Highland Park Senior High School, he is on the school math team and in a senior-level computer class. He knows BASIC and is preparing to learn Pascal.

At home, Eric signs on to the Apple II-plus with his 17-year-old brother "who learned the computer from other kids," and his father, a chemist with 3M.

Lest one think these kids a bit too cerebral for even their computer literate *K-Power* contemporaries, it is comforting to note that they do have more traditional interests:

"I joined Nautilus yesterday," says an excited Stephanie.

And "I play the bass clarinet in the school band," beams Eric, who also loves to play baseball and is no doubt torn between playing a pickup game after school and "practicing" his computer.

—C.E.

Coming

Next week Advertising Age Magazine's special report will focus on International Tv.

3/13/84 C2710-1

General Foods to pour $225 million into its drink mixes -- See Page 2

Advertising Age®

$1.25 a copy; $52 a year — *The International Newspaper of Marketing • In Two Sections, Section 1.* — *March 12, 1984*

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Four A's tackles ad image with ads

THIS AD IS FULL OF LIES.

LIE #1: ADVERTISING MAKES YOU BUY THINGS YOU DON'T WANT. Advertising is often accused of inducing people to buy things against their will.

But when was the last time you returned home from the local shopping mall with a bag full of things you had absolutely no use for? The truth is, nothing short of a pointed gun can get *anybody* to spend money on something he or she doesn't want.

No matter how effective an ad is, you and millions of other American consumers make your own decisions. If you don't believe it, ask someone who knows firsthand about the limits of advertising. Like your local Edsel dealer.

LIE #2: ADVERTISING MAKES THINGS COST MORE. Since advertising costs money, it's natural to assume it costs *you* money. But the truth is that advertising often brings prices down.

Consider the electronic calculator, for example. In the late 1960s, advertising created a mass market for calculators. That meant more of them needed to be produced, which brought the price of producing each calculator down. Competition spurred by advertising brought the price down still further.

As a result, the same product that used to cost hundreds of dollars now costs as little as five dollars.

LIE #3: ADVERTISING HELPS BAD PRODUCTS SELL. Some people worry that good advertising sometimes covers up for bad products.

But nothing can make you like a bad product. So, while advertising can help convince you to try something once, it can't make you buy it twice. If you don't like what you've bought, you won't buy it again. And if enough people feel the same way, the product dies on the shelf.

In other words, the only thing advertising can do for a bad product is help you find out it's a bad product. And you take it from there.

LIE #4: ADVERTISING IS A WASTE OF MONEY. Some people wonder why we don't just put all the money spent on advertising directly into our national economy.

The answer is, we already do.

Advertising helps products sell, which holds down prices, which helps sales even more. It creates jobs. It informs you about all the products available and helps you compare them. And it stimulates the competition that produces new and better products at reasonable prices.

If all that doesn't convince you that advertising is important to our economy, you might as well stop reading.

Because on top of everything else, advertising has paid for a large part of the magazine you're now holding.

And that's the truth.

ADVERTISING.
ANOTHER WORD FOR FREEDOM OF CHOICE.
American Association of Advertising Agencies

By NANCY MILLMAN

PALM SPRINGS, CAL.—Taking an aggressive and confrontational approach, the American Assn. of Advertising Agencies is launching an ad campaign for its members' product—advertising.

The newspaper and magazine campaign is the culmination of nine months of work on the part of the organization's committee on the image of advertising.

Former Four A's chairman John Bowen (1982-83) made improving the image of advertising the organization's No. 2 priority—behind activities in Washington—during his term. Outgoing chairman Paul Harper (1983-84) has continued the mission.

Black-and-white ads have been created by Fallon McElligott Rice, Minneapolis. Agency vp-creative director Tom McElligott is a member of the committee.

The strategy is to change consumer perceptions that "advertising makes people buy things they don't want, increases the cost of goods and helps sell inferior products," according to the Four A's.

In addition, said Foote, Cone & Belding's John O'Toole, chairman of the committee since last May, the campaign is designed to "provide some answers and some ammunition to those in the general public who are positively or neutrally disposed to advertising, but are constantly exposed to critical, sometimes hostile, opinions about it."

The ads use dominant bold headlines to grab attention. "No amount of advertising can make you buy a product you don't want," says one headline over illustrations of Billy beer, an Edsel and French's Doggie Donuts.

Another, shown at left and headlined "This ad is full of lies," proceeds to pick apart four frequently heard myths about advertising, including "Advertising makes things cost more."

It signs off with the words, "Advertising. Another word for freedom of choice."

Media organizations, including Time Inc., Hearst Publications, *U.S. News & World Report*, the *New York Times* and *New York Daily News*, have committed to run the campaign without charge.

More print ads, as well as radio, tv and poster executions, are being prepared, Mr. O'Toole said.

Mr. O'Toole's committee also includes Rena Bartos, senior vp, J. Walter Thompson Co.; Keith Reinhard, chairman, Needham, Harper & Steers/USA; Harold

(Continued on Page 62)

'Dirty dozen' pol ads may be cited

PALM SPRINGS, CAL.—Political advertising is in for tough scrutiny from the Four A's.

As part of its effort to improve the image of advertising, the industry organization is asking its 600 member agencies to watch for violations of the Four A's code of ethics in political campaign advertising during this election year.

The leadership of the group believes that political advertising is a factor that contributes to negative perceptions of advertising in general.

After the election, according to Charles F. Adams, exec vp and director of the Washington

(Continued on Page 62)

Photo by Mary Herlehy

Newly elected Four A's chairman John O'Toole stands between outgoing chairman Paul Harper (l.) and president Len Matthews *(see story, Page 62).*

ABC works out formula for Olympics make-goods

By DIANE MERMIGAS

ABC-TV has begun approaching Winter Olympics advertisers with a proposal for make-goods that would be based on the difference between the estimated and the actual ratings delivered by each sponsor's schedule of buys during the events.

Such a formula would assure nearly all of ABC's 45 Winter Olympics advertisers some kind of compensation for ratings that declined across the board from the previous winter games.

A source at ABC said the formula would be applied uniformly to all advertisers.

However, ABC's uniform shortfall ratio for advertisers probably will be less than the 30% that overall Olympics ratings fell short of ABC's projections.

Some major advertisers said ABC's proposed formula for make-goods would translate into compensation of 10% to 15% of the total amount they spent on commercial airtime during the games. However, a source at ABC said the network's make-goods formula would have nothing to do with how much money advertisers spent.

It is believed that ABC would attempt to place much of the compensated time during its broadcast of the Summer Olympics, which begins July 28, although some of the time probably will be placed in other sports events, such as baseball, Olympic trials and possibly National Collegiate Athletic Assn. football games.

ABC has slightly more than $20 million in available time left to sell for the Summer Olympics, which is expected to generate $430 million in revenues. The Winter Olympics, which ran for fewer days and fewer tv hours, generated

(Continued on Page 67)

NEWSPAPER
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last minute news

McCann lands $30 million more from Goodyear

AKRON—Goodyear Tire & Rubber Co. awarded its $30 million international account to McCann-Erickson, New York. McCann handles most of the overseas Goodyear business, and beat out J. Walter Thompson USA, which has the $40 million domestic account. McCann will replace the Troost branch of SSC&B and Campbell-Ewald units in the new assignment. C-E last November lost the domestic side to JWT (AA, Nov. 14).

Beiersdorf to take After Sun lotion national

NORWALK, CONN.—Beiersdorf Inc. will introduce Nivea After Sun lotion nationally next month, with an ad and promotion budget estimated at more than $3.5 million. National ads, including network tv and print, start in May; regional tv and print ads in Florida, Arizona and the West Coast kick off April 16. Agency is Posey, Parry & Quest, Greenwich, Conn.

Rorer denied motion for injunction against AHP

NEW YORK—A U.S. district court judge here denied William H. Rorer Inc.'s motion for a preliminary injunction against American Home Products' ad claims for its Riopan Plus antacid (AA, Nov. 14). Rorer, which markets Maalox, had argued that the lab tests supporting the AHP comparative claims were inadequate.

Renfield moves $5 million account to McCann

NEW YORK--Renfield Importers, in a move to consolidate its international advertising efforts, has awarded worldwide business for Asti Spu-

(Continued on Page 8)

Levi puts gold into 501 jeans

San Francisco—The jeans worn by California gold miners 134 years ago soon will get a $36 million national promotional push from parent Levi Strauss & Co.

Consumer advertising, including tv, radio and print, will break in May for Levi's 501 jeans for men, women and children. The jeans, designed by company founder Levi Strauss, are the original shrink-to-fit, button-fly variety with the trademark metal button, a leatherlike patch and a red cloth tab on the back pocket.

Levi's 501 jeans have been growing in popularity in recent years, but "the vast majority of 501 jeans volume comes from a core of loyal users in the western U.S.," said Linda Aletto, the company's consumer marketing director.

The company, the world's largest branded clothing marketer, hopes to expand its consumer base in the West and introduce 501s to the rest of the country by spending what it claims is the largest amount of money in apparel history to promote a single product.

Levi Strauss, the official outfitter of the U.S. Olympic team, will mount a separate advertising effort tied to the Olympics during the summer games in Los Angeles. It is not clear whether ads for 501s will tie in, though spots will air during that 18-day period.

Foote, Cone & Belding, Levi's agency, still is exploring creative strategies, with definite plans to emerge in the next few weeks.#

NONE OF THE SUGAR. ALL OF THE TASTE.
SUGAR FREE
COUNTRY TIME
LEMONADE FLAVOR
Sugar Free Country Time sweetened with 100% NutraSweet.
Tastes like good old-fashioned lemonade.

Country Time responded to a test-market restaging effort, which will be taken national this spring.

General Foods sees growth in drink mixes

By NANCY GIGES

Few would have thought a couple of years ago that the mature powdered-beverage business would soon pace the sales growth of food giant General Foods.

But this year, a two-year revitalization program began to bear fruit, and powdered beverages—led by old-timer Kool-Aid and newcomer Crystal Light—will grow 19% over the previous year for the company's fiscal year that ends late this month, executives say.

The company is so pleased with its progress that it is pouring $225 million into advertising and promotion for the Kool-Aid, Crystal Light, Country Time and Tang drink-mix lines for its upcoming fiscal year be-

(Continued on Page 65)

Ketchum goes after Reagan ad account

By JOHN J. O'CONNOR and RICHARD L. GORDON

A top White House aide has confirmed that he plans to meet with Donald G. Sullivan, president of Ketchum Advertising, Pittsburgh, who is seeking to gain the $25 million-to-$30 million Reagan reelection campaign.

In a candid telephone interview Friday, Reagan aide Michael McManus said that he would also meet next week with two undisclosed New York shops that are considering making presentations.

"I didn't know the agency business eats its young," he said, in reflecting on the frustration he and others have experienced now that the selection process has been steeped in gossip and controversy.

He admitted that a 1982 *Oui* interview of Jerry Della Femina, whose agency has dropped out of the race, was a "negative," but not overriding, reason why a deal could not be reached (AA, March 5).

"It was a combination of things," he continued, among them the "financial package" and amount of time the Della Femina, Travisano & Partners chairman was willing to make available to the campaign.

Ketchum's Mr. Sullivan, who contacted Advertising Age for help

(Continued on Page 67)

Super-day ads get tough

By SUSAN SPILLMAN

The long-awaited "Super Tuesday" tomorrow should go a long way toward shaping the advertising strategies of the Democratic presidential candidates left in a thinned-out field.

But the ups and downs of the primary campaigns so far have already produced altered, more confrontational messages from candidates as they head into this day of six primaries and five caucuses:

- Sen. Gary Hart, on a high since his three successive victories in New England, is enjoying the fruits of winning. Campaign donations are flowing in, and new commercials are introducing the candidate to the crucial South, as well as taking some shots at Walter Mondale.
- Mr. Mondale, no longer the undisputed front-runner, is plowing forward with a commercial message taking direct aim at Mr. Hart. Though Mr. Mondale continues to run ads spinning a down-home, leadership image of himself, this latest commercial represents a twist in his campaign advertising.
- Sen. John Glenn, quickly running out of funds and time, is running commercials that are using the phrase his campaign has assiduously avoided so far: "The right stuff."
- The Rev. Jesse Jackson still has not bought any commercial time, even though the South, where three primaries take place Tuesday, is considered important to his fortunes. He continues his brand of personal campaigning and gathering media attention.
- George McGovern is placing his resources into the primary in Massachusetts, the only state he won as the Democratic candidate for President in 1972.

'84

Marketing the Candidates

Democrats look to build war chest via ads. See Page 67.

"Super Tuesday," as it has been dubbed, comprises three primaries in the South—in Alabama, Georgia and Florida—as well as others in Massachusetts and Rhode Island and among Americans abroad. At the same time, five caucuses are taking place in Hawaii, Nevada, Oklahoma, Washington and

(Continued on Page 67)

highlights

Monday, March 12, 1984

Quaker State Oil will begin a network tv and print ad campaign in May for its new plastic-bottle container. *See Page 6.*

Leaf Confectionery plans to test a two-item line of aspartame-sweetened gumballs targeted to adults. *See Page 10.*

Avon Products is trying to infuse a new aggressiveness into the pitch of their sales representatives. See Page 12.

Kenyon & Eckhardt, following its acquisition by Lorimar Productions, is going through a series of personnel changes as it positions itself for growth under its new parent. *See Page 24.*

The U.S. Postal Service's shift in procedure, giving all publications using second-class mail equal handling, has created tension between publishers and postal management. *See Page 29.*

K mart is renovating its stores throughout the U.S. as it pursues its new "upscale" image of brand names and higher-quality merchandise. *See Page 52.*

CORPORATE CLOSEUP

Hiram Walker Inc.'s tradition may be old-fashioned, but the company also is attuned to current marketing techniques and is promising new products, line extensions and—when necessary—repositionings through the 1980s. *See Page 4.*

INTERNATIONAL

"Good Morning, Europa," the first pan-European morning tv program, will be broadcast to a potential audience of 300 million viewers of state-run tv networks by June. *See Page 36.*

Foote, Cone & Belding's pending majority purchase of the Siboney agency network in Latin America appears to be the solution to one of the agency's biggest international problems: Its spotty network south of the border. *See Page 36.*

Hanna-Barbera Australia is involved in a bitter dispute with the Australian Olympic Federation over the rights to symbols used in marketing promotions for the upcoming '84 Summer Olympics to be held in Los Angeles. *See Page 38.*

VIDEOTECH

Cabletelevision Advertising Bureau has made its first unified pitch for a share of the millions of political ad dollars that will be spent on this year's elections. *See Page 41.*

Group W Productions has nailed down several major sponsorships that should enable it to tally $40 million in 1984-85 barter syndication sales. *See Page 44.*

MAGAZINE

Political consultants have been recognized as a force behind the front-runners since the late 1960s, and their influence continues to be felt throughout the current election campaign. *See Page M-4.*

International Television: The new cable and satellite technologies cross national borders to deliver tv programing and advertising with international appeal. *See Page M-9.*

Creative thinking is business' best ally, says marketing professor Theodore Levitt in an excerpt from his book, "The Marketing Imagination." *See Page M-21.*

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NETWORK RADIO RATINGS 30

$1.25 a copy, $52 a year, $95 two years. Add $99 per year for air delivery to Europe & Middle East. Add $31 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; ROGER DI GREGORIO, fulfillment director; HEIDI SCHULTZ, senior circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

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Mark gets top spot at Colgate

New York—Reuben Mark, 45, president, Colgate-Palmolive, will succeed Keith Crane as chief executive officer at the conclusion of the annual meeting May 3.

Mr. Crane, 63, who has been the company's chief executive for the past five years, will remain chairman. Mr. Mark continues as president.

Also at that time, William S. Shanahan and J. Dale Sherratt, exec vps, will be named to the new posts of senior exec vps-chiefs of operations. Mr. Shanahan will be responsible for worldwide Colgate and related businesses, while Mr. Sherratt will head Kendall and related hospital, industrial and fiber businesses.

Mr. Mark joined Colgate in 1963 and served in various product management posts. He became marketing manager for the Western Hemisphere in 1967 and director of marketing-European division in 1969.

He has headed subsidiaries in Canada and Venezuela and also served in the Far East.

He became vp-general manager, household products division, in 1975 and group vp-U.S. operations in 1979. He was elected exec vp in 1981 and president-chief operating officer a year ago.#

Soft-drink marketing: It's all showmanship

By NANCY GIGES

New York—It was a day of one-upmanship as the three leading soft-drink companies—Coca-Cola Co., Pepsi-Cola Co. and Seven-Up Co.—invited the media to separate press conferences March 7.

In the morning, Seven-Up disputed Coca-Cola's claim, to be made later in the day, that Diet Coke had become the third-largest brand.

Later, in the lobby of Radio City Music Hall, Coca-Cola USA president Brian G. Dyson did make that claim, noting that 7UP was the No. 3 brand in 1983 for the full year, but that Diet Coke was now selling at a much greater rate than 7UP.

Mr. Dyson then outlined a new wide-ranging advertising and promotion program the company has planned to support the rapidly growing brand.

Pepsi-Cola's news was to confirm that it had signed pop singer Lionel Richie to a two-year contract estimated at more than $5 million (AA, Feb. 20). For those dollars, the singer will appear in Pepsi commercials beginning in 1985 and he will compose and perform a Pepsi theme song. Also, Pepsi will be the sole sponsor of his concert tours through next year.

These news conferences came 10 days after the celebrated debut of a new BBDO-created Pepsi ad campaign, starring rock superstar Michael Jackson.

Not to be outdone, Coca-Cola has its own star-studded commercials in new executions for Diet Coke. Called "Premiere II," the spots, like earlier versions, feature cameo appearances by well-known figures from the business, sports and entertainment worlds. The new list includes entertainers Paul Anka, Shari Belafonte, Bill Cosby, Robert Klein, Jayne Kennedy and Lorenzo Lamas; sports stars Julius Erving and Marcus Allen; Ted Turner from business; Miss America Vanessa Williams, and the Cabbage Patch Kids in a class of their own.

SSC&B, using the same music, has added new versions to the key line, "Just for the taste of it," to fit the celebrity's personality, such as "just for the thrill of it" and "just for the fun of it."

When the spot made its debut last week on "The CBS Evening News," it was preceded by another 30-second spot featuring Mr. Dyson saluting the bottlers, wholesalers and retailers who enabled Diet Coke to achieve the No. 3 position. He also mentioned that the company wanted to thank consumers by giving everyone in America a free Diet Coke.

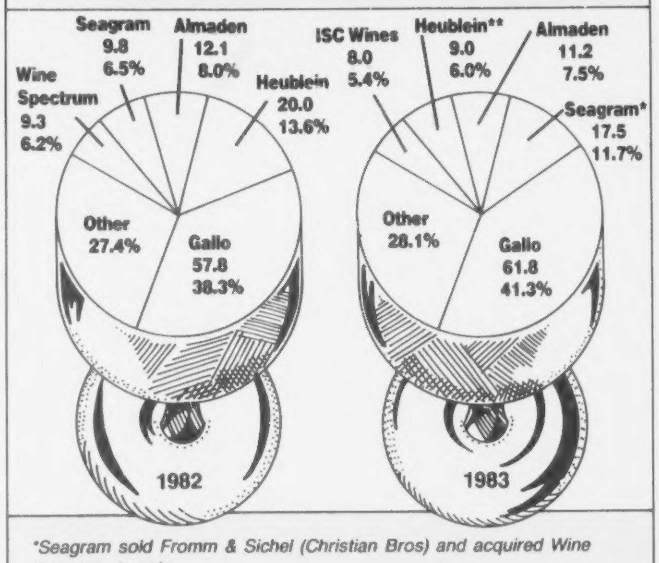
The offer, available last weekend, was made through massive couponing in 1,300 newspapers. A coupon enabled consumers to get a bottle or can of Diet Coke free or was worth 60¢ off on a six-pack in a supermarket, or consumers could obtain a refund for a fountain Diet Coke with proof of purchase. The

(Continued on Page 61)

Top California wine marketers

The data pertain to California wines only. Figures represent number (in millions) of 9-liter wine cases shipped and percentage market share each company claims. ***Source: Preliminary estimates from*** **Impact** ***wine and spirits newsletter***

Chart by Amy Palmer



**Seagram sold Fromm & Sichel (Christian Bros) and acquired Wine Spectrum brands.*

***Heublein sold some California wineries and brands to ISC Wines (Allied Grape Growers).*

world news roundup

Athens—The Greek government has banned the European Economic Community commission's $6 million tv campaign for its June parliamentary elections, saying Greeks don't need to be told to vote. West Germany also has banned the campaign *(see related story, Page 36).*

Hamburg—Peter Scholl-Latour has left his post as editor-in-chief of Gruner & Jahr's *Stern* to become the magazine's publisher and an executive for G&J's German tv operations. He became *Stern's* top editor after publication of the fraudulent "Hitler diaries" (AA, Feb. 27). He will be replaced by Rolf Winter, editor-in-chief of G&J's *Geo.*

Loerrach—Suchard, a Jacobs Coffee subsidiary in West Germany, has moved its $6.5 million creative account for Milka chocolate bars back to Young & Rubicam, Frankfurt, from TBWA. Electronic media stays with J. Walter Thompson Co. and print with Compton Germany.

Johannesburg—Sun International, which operates all the casino resorts in South Africa, has consolidated its $2.5 million account with Grey Phillips, Bunton, Mundell & Blake.

Tokyo—Gannett Co. chairman and president Allen Neuharth will visit Japan, Hong Kong and Singapore next week as part of a study on whether to publish *USA Today* in the Far East (AA, Jan. 22).

Buenos Aires—Mitsubishi will bring its light-truck line into Argentina by midyear through local licensee Fiat Vehiculos Industriales. Asahi Tsushin is the agency. No budget released.

Toronto—American Motors Corp. will move its estimated $5 million English-language account in Canada from F.H. Hayhurst Advertising to Grey Advertising, which already handles AMC's U.S. account.

(Continued on Page 36)

Australian looking at U.S. News

By DENNIS CHASE

Palm Springs, Cal.—Australian Consolidated Press, one of the biggest media companies in Australia, is considering bidding for U.S. News and World Report Inc.

But "it may be too expensive for us," said Trevor John Kennedy, editor-in-chief of ACP, Sydney.

Mr. Kennedy is in New York this week to meet with Morgan Stanley & Co., the New York investment banker that was asked by U.S. News to shop around for buyers (AA, Feb. 20).

U.S. News has acknowledged that one potential buyer—which it would not identify—has been in pursuit since December. The company has an appraised value of $39 million, but the unidentified suitor's offer is said to have been considerably higher than that.

Outside of Australian media

(Continued on Page 63)

Flat sales force winery changes

By RUTH STROUD

The five largest California wine makers, faced with a new pecking order brought on by changes in winery and brand ownership, are jockeying to settle into their own marketing positions.

Four of the top five wine companies are breaking the post-holiday lull with new advertising efforts, product introductions and hints of new marketing directions.

This activity follows a year that saw one winery—Wine Spectrum, including Taylor California Cellars—change hands, as another, ISC Wines of California, came into being when its owners purchased brands from Heublein Wines.

The one constant has been the dominance of E.&J. Gallo Winery, which continues to be the largest of the California wine companies by far.

The concentrated marketing efforts are coming at a time when growth in the California wine industry, which accounts for 68% of all wine sold in the U.S., has been flat.

Case shipments in 1983, according to figures from *Impact*, the wine and spirits newsletter, increased by 1.4% to 149 million in 1983 from the year before. This increase comes on top of a 0.7% gain from 1981 to 1982; the previous year-to-year increase was 4.6%.

The recent shifting of brands and wineries has resulted in the following ranking of the top companies: E.&J. Gallo, Jos. E. Seagram

(Continued on Page 66)

شفروليه كورفيت . جهاز التعليق المتطور المكون من ذراع تحكم
GM

The headline for this ad translates to "Chevrolet Corvette. Its advanced five-link control arm suspension is just one indication of its sophistication." Though written here in Arabic, it's suitable to appear in Spanish, Dutch, German or French versions as well. McCann-Erickson, Troy, Mich., developed the ad for General Motors Overseas Distribution Corp.

GM mapping future on truly global scale

By RALPH GRAY and JESSE SNYDER

Detroit—General Motors is fast becoming Global Motors. It's starting to market Japanese Chevrolets in Puerto Rico, and it is due to bring German-Korean cars to the U.S.

That's in addition to jointly producing a car in the U.S. with Toyota that can be sold here and overseas. GM also is eyeing Mexico for production of low-volume U.S.-designed vehicles to be sold in the U.S.

Its newly organized domestic car divisions now are free to buy overseas from GM subsidiaries or others. GM has high hopes for its new line of front-wheel-drive luxury cars in overseas markets.

The marketing vehicle for much of this is the new GM Overseas Distribution Corp. and its agency, McCann-Erickson, Troy, Mich. GMODC was formed from GM's old North American Vehicles Overseas operation, which was limited to selling U.S. or Canadian-built vehicles overseas.

Sales of North American vehicles have been flagging, mostly because of the strong dollar, which makes U.S. exports expensive.

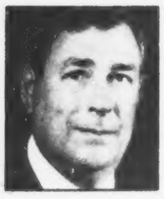
As more non-North American vehicles get pumped into the overseas pipelines, the decline—to 68,200 cars in 1983 from 91,000 in 1982—should halt, said William G. Zeising, McCann-Erickson senior vp-management rep on the GMODC account.

Beyond 1985, he expects cars built in foreign countries to eventually outnumber North American vehicles in the GMODC lineup.

GM's goal is to start selling a "full spectrum"—in size and price—of vehicles through its overseas network. The plan calls for the sales effort to begin in the Middle East, where volume is the highest.

"We've got these overseas sources, and we're not taking full advantage of them,"

(Continued on Page 64)



research beat / BY JACK HONOMICHL

Election year puts pollsters in spotlight

March 13 has been dubbed Super Tuesday by political mavens because there are 11 primaries or caucuses.

These heavily publicized events, following the caucuses in Iowa and Maine and primary in New Hampshire, focus attention on those survey researchers—*i.e.*, political pollsters—who work for those hundreds of candidates and incumbents contending for the 33 U.S. Senate seats, 435 U.S. House seats and 13 gubernatorial seats that are up for grabs in November. That's not to mention the numerous presidential aspirants.

Like crocuses in the spring, this bevy of political researchers pops up every two years. Through newspaper and magazine articles and tv and radio interviews, the public gets a glimpse of people such as Peter D. Hart, Arthur J. Finkelstein, William R. Hamilton, V. Lance Tarrance, Dorothy J. Lynch, Robert M. Teeter, Michael Rowan and Richard B. Wirthlin.

Mr. Wirthlin has become a media personality because of his role as President Reagan's research guru and personal friend.

The following is a who's who of political pollsters, people you'll hear a lot from during the next eight months.

Democratic candidates

The researcher working for former Vice-President Walter F. Mondale, seeking the Democratic presidential nomination, is Peter D. Hart, 42, president of Peter D. Hart Research Associates, Washington, the largest research company specializing in Democratic party candidates.

Mr. Hart started his research career working for Louis Harris and Oliver Quayle, both Democratic pollsters. Since starting his own company in 1971, he has been involved in campaign efforts for, among others, Morris Udall, Edward Kennedy, Ernest (Fritz) Hollings and the late Hubert H. Humphrey.

In the 1984 campaign, the Hart organization is involved with the following senatorial candidates: Howell T. Heflin in Alabama; Thomas Harkin in Iowa; Max Baucus in Montana; Norman E. D'Amours in New Hampshire; James B. Hunt in North Carolina; John D. Rockefeller IV in West Virginia, and Lloyd Doggett, one of many contending for the Senate seat being given up by Republican John Tower in Texas.

Sen. Gary Hart, the prominent Democratic hopeful from Colorado, is getting research counsel from Dorothy J. Lynch, 36, a relative newcomer to the field—and the first woman pollster to be so involved in a presidential race. (Among other things, she is considered an expert on the so-called gender gap.)

Ms. Lynch started her research career at NBC and later worked for Patrick H. Caddell, who is best known as the research counsel to former President Jimmy Carter. She set up her own shop, Lynch Research, in the Georgetown section of Washington a little more than one year ago.

The making of presidential image-makers, 1984. How important are they? See Page M-4.

Former astronaut John H. Glenn Jr. has his research ties with William R. Hamilton, 44, president of Hamilton & Staff, Chevy Chase, Md., a company prominent in polling and consulting to Democratic candidates since it was founded in 1963. Through the years, Mr. Hamilton has been involved with such notables as Thomas P. (Tip) O'Neill, Edmund Muskie, Claude Pepper, Adlai E. Stevenson III and Birch E. Bayh Jr.

In the current go-round, the Hamilton company is associated with the following senatorial aspirants, among others: Walter Huddleston in Kentucky; Bennett Johnson Jr. in Louisiana, J.J. Exon in Nebraska and Joan Growe in Minnesota.

Sen. Alan M. Cranston, the California senator who dropped out of the race after the New Hamphshire primary, got his research counsel from Michael Rowan, 42, who heads the Rowan Group, New York, which was founded in 1970. Mr. Rowan got his political start in Alaska working on the campaign of former Sen. Maurice (Mike) Gravel. Currently, about half of Mr. Rowan's work is in political campaigns outside the U.S., most notably in Venezuela and Puerto Rico.

As far as I can determine, the other Democratic hopefuls—Jesse L. Jackson and George McGovern—do not have research backup.

Another research company active in Democratic politics is Penn & Schoen Associates, which has offices in New York and Washington. Founded in 1975 by two young students at Harvard University—Mark J. Penn and Douglas E. Schoen—this company has been associated with former Gov. Hugh Carey in New York and Brendan Byrne, former governor of New Jersey, as well as with the colorful mayor of New York, Edward I. Koch.

In 1984, Mr. Schoen says, his company will be involved in 15 congressional races and the Missouri gubernatorial campaign of Norman Merrell.

The Republican side

There are four research companies "recommended" by the Republican National Commi —Arthur J. Finkelstein & A ciates in Irvington, N.Y.; Lance Tarrance & Associate Houston; Market Opinion search in Detroit, and D sion/Making/Information Santa Ana, Cal., and Washing They pretty much have a lock high-level Republican work.

The president of Market O ion Research, Robert M. Tee 45, got his start in politics in mid-1960s working for Geo W. Romney, the onetime pr dent of American Motors C who became governor of Mi gan. In the interim, Mr. Tee has been associated with num ous Republican biggies, includ former presidents Richard Nixon and Gerald R. Ford, the current Vice-Preside George Bush.

In 1984, MOR is working several incumbent Republic senators, including Charles Percy in Illinois, Nancy Land Kasselbaum in Kansas, Willi Armstrong in Colorado, Willi S. Cohen in Maine, Strom Th mond in South Carolina a Thad Cochran in Mississippi—well as for newcomers Ja Lousma, the former astronaut

(Continued on Page 34)

Research people

Mediamark taps Selso

Chicago—Armella Selsor has joined Mediamark Research, New York, as manager of a new MRI office here.

He had been vp-media director of the Chicago office of Bozell & Jacobs since 1981.

Other people moving:

Peter Mackoff, to vp at Research Princeton, N.J., from vp-marke research and planning, Warner sure division of Warner Commur tions, New York.

John M. Dennerlein to consultant, cial projects, SPAR, Elmsford, N.Y new post. Previously, he was an in pendent consultant in forecasting marketing information systems.

Hazel Kahan to vp-research and m ket planning, Satellite Televis Corp., Washington, from vp-resea Warner Amex Cable Communi tions, New York.

PROMOTIONS:

Burke Marketing Services, Cincin has named six new vps: **Michae Baumgardner** in the consulting vices division; **David F. Bieber, chael Hess** and **Lindsley J. Sc** in the BASES division, and **Jan Brown** and **Alan Halkuff** in Test Marketing Group.

Gail F. Ritacco to vp, Guideline search Corp., New York, from pr group manager.

Steven J. Campana to vp-group h and **Stephen Gerzovich** to vp-di tor of field operations at Direction Decisions, New York.

Karl E. Rosenberg to corporate vp, search Systems Corp., Evansvi Ind., from director of operations.

Michael Feltz to group research m ager, Roadrunners Sales Group, Pe Television, New York.

Laura Vogel to senior project analy marketing research, Lorillard, York.#

Network/radio ratings

These figures are the number of adult listeners, 25 to 54, who were tuned to the network in an average quarter hour at any time during a seven-day period between 6 a.m. and midnight. These numbers were measured during spring to fall 1983 (RADAR 28) and fall to spring 1982/1983 (RADAR 27). ***Source: RADAR — Radio All-Dimension Audience Research, prepared by Statistical Research Inc., Westfield, N.J.***

Rank R-28	Rank R-27	Network	RADAR 28 (1983)	RADAR 27 (1982/83)	Per cent change
1	1	ABC-Entertainment	961,000	919,000	+ 4.6
2	2	ABC-Information	898,000	888,000	+ 1.1
3	3	NBC	786,000	883,000	−11.0
4	5	RKO-I	693,000	715,000	− 3.1
5	6	CBS	635,000	625,000	+ 1.6
6	4	ABC-Contemporary	624,000	720,000	−13.3
7	10	RKO-II	593,000	480,000	+23.5
8	7	MBS	518,000	562,000	− 7.8
9	9	The Source (NBC)	474,000	508,000	− 6.7
10	15	RADIORADIO (CBS)	419,000	294,000	+42.5
11	12	ABC-Direction	405,000	343,000	+18.1
12	8	ABC-FM	385,000	524,000	−26.5
13	13	ARC-Rock	343,000	341,000	+ 0.6
14	11	National Black Network	308,000	379,000	−18.7
15	14	Sheridan Broadcasting	292,000	308,000	− 5.2

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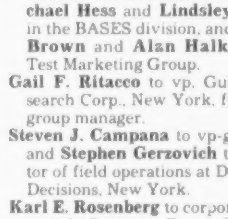

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videotech update / BY MAURINE CHRISTOPHER

No Nonsense profiles history's leading ladies

Whose poetry made a strong president weep?

Who was the first woman to run for president?

Who was the mother of the environmental protection movement?

Who was hanged without a trial for her purported role in the assassination of Abraham Lincoln?

What reporter covered every president from Coolidge to LBJ and gave John F. Kennedy some of his happiest times on tv?

Who was the first American woman to own and publish a newspaper?

If you're a woman who needs stimulus and cheer in this long, cold winter and superstation WTBS in Atlanta is within reach of your tv set, try to catch the 90-second historical vignettes about famous femmes, past and present. Placed by Grey Advertising, "A Glimpse of History. . .In The Company of Women" can be seen three times weekly during the movie breaks.

The answer to the first question is Julia Ward Howe, a prolific poet who wrote the lyrics to "The Battle Hymn of the Republic." Her moving words brought tears to the eyes of President Lincoln. She's the leadoff woman in this fascinating new cable tv series from No Nonsense Fashions.

Each vignette opens with a well-known present day man or woman giving a clue as to who is being profiled. Then comes a 30-second commercial for one of three No Nonsense pantyhose brands, followed by sequences about the mystery woman and her accomplishments.

These capsule profiles are fun. More significantly, they should provide inspiration for women who are looking for powerful enough role models to spur them on, whatever happens.

Victoria Woodhull, an early feminist, was the first woman to run for president, in 1872, if the researchers for World Communications, which created and produced this charming series, are to be believed. This attractive eccentric, who at one point managed to live with her ex and current husband simultaneously, also split the women's movement.

The next three questions are easier; you probably already have the answers.

Rachel Carson in her best seller "Silent Spring" put civilization on notice that the world, as we know it, was in danger of extinction if industrial and chemical pollution was not halted.

Mary Surratt, a Washington landlady, went to the gallows, without a trial, for her alleged role in the murder of Lincoln, one of America's greatest Presidents.

May Craig, a New England newspaper woman and a panelist on "Meet the Press," gave another charismatic head of state, JFK, some of his most relaxing moments with her probing, unorthodox questions at White House press conferences. "I'd rather be remembered as grim than giggly," she said, when criticized for her bird-dog, relentless approach to the high and mighty.

Amelia Jenks Bloomer is singled out as the newspaper publisher-owner who has been remembered most for promoting bloomers as a fashion. However, she also fought for women's rights and, according to this too-brief glimpse, she clashed with Tennessee authorities over women as property holders. The all-male legislature declared that women couldn't own property because they had no souls, according to World Commuications' research.

Women chosen for this 52-week series come in all sizes, shapes and colors. One thing they have in common: They are distinctive, memorable types and often persons of accomplishment and influence.

Eleanor (Mrs. Franklin D.) Roosevelt reminds us that "No one else can make you feel inferior without your consent." A quote from the brilliant British suffrage leader Emmeline Pankhurst sounds eerily appropriate for today: "Let the women stand shoulder to shoulder with the men to win the common victory which we all desire."

Dixon Johnston, president of No Nonsense Fashions, Greensboro, N.C., said the women selected achieved notability because of their "no nonsense" approach to life. One might say that's ideal sponsor-program compatability. The commercial inserts focus on active, pretty legs going about work and play.

Jay Kholos, president of World Communications, looked for interesting, dynamic women who made an impact but who were not necessarily perfect. Few contemporaries are profiled. Exceptions include Wilma Rudolph, a 1960s Olympics star, and Muriel Siebert, the first woman to sit on the New York Stock Exchange. "We were looking for people who had been famous long enough to be viewed with historical perspective," Mr. Kholos said. "We didn't consider women who have been famous for about five minutes."

Highly positive fan mail has been coming in at an encouraging rate, reports Roger Beahm, No Nonsense director of marketing. The main adverse criticism, and I concur, is that the capsules are frustratingly brief.

How about pulling out some of the more substantial figures for longer treatment in a series of half-hour specials?

I suggested this, as did many fans who wrote to the sponsor.

Now, we'll have to wait to see whether the idea catches fire. It just might if enough women (and men) endorse the suggestion and particularly if this campaign seems to be having a favorable impact at the cash register.#

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Cable 'adolescent,' exec says

NEW YORK—There was bad news for the cable tv industry at the Assn. of National Advertisers media-day gathering here recently, and good news on the tv syndication front.

Asked whether the cable medium was dead or alive, Dawn Sibley, senior vp, MCA Advertising, stated it was "definitely alive" but that "at this time most advertiser-supported cable networks have barely reached an adolescent stage."

She added that most of these networks "have not yet begun to achieve the strength they need to compete for viewers in order to become strong selling mediums.

"As someone responsible for investing dollars," she continued, "I am extremely concerned with the selling strength of the media I invest in. The reality of this business is that, as much as they might like to, most advertisers really don't have funds to experiment with or the dollars to invest in learning about the future media world."

As for cable's eroding of broadcast network shares, Ms. Sibley said, "Achieving a share of viewing has never been an objective in network buying. In this business, share has traditionally been used to measure a program's success." The basic goal in using network tv is generally mass reach or coverage of the target audience.

So even though network share erosion is a reality, thus far there has been no evidence that the networks are suffering a loss in reach potential, she said.

With most lost network tv shares going to pay tv services without commercials, she maintained, all advertisers are losing the same share of voice.

However, Ms. Sibley said cable "has the potential of achieving significant viewing levels" and that the ratings of several cable networks demonstrate that viewers "know how to find them when they want it."

■ Dick Robertson, senior vp-sales and marketing, Telepictures Corp., called syndication "the not-so-silent fourth network" at the workshop, and stated that while syndicators are "not attempting to kill Goliath [the networks]," they are "giving him some pretty severe headaches."

Since tv syndication won't "materially diminish network's ability to compete," he positioned it as an "additive" to network buys.

The availability of not only "pure" barter shows but also "cash plus barter" series, he said, has given advertisers "an additional place to go with network money, a place that delivers a solid alternative to a network-only national tv buy."#

Top-rated movies on tv

Theatricals are bombing at the network tv box office this 1983-84 season (AA, March 5). Here is a list of all movies that have aired on the three commercial tv networks Sept. 26, 1983, through Monday, Feb. 27, 1984. The chart includes the title of the film, rating and share, whether it's a made-for-tv movie (M-f-tv) or theatrical (Thea.) and the network that aired it. Only four theatricals made the list. *Source: A.C. Nielsen Co.*

Movie	Rating/share	Movie type	Network
The Day After	46.0/62	M-f-tv	ABC
Lace-part 2	31.7/46	M-f-tv	ABC
Something About Amelia	31.6/46	M-f-tv	ABC
The Gambler II-part 2	29.6/45	M-f-tv	CBS
The Gambler II-part 1	29.4/42	M-f-tv	CBS
Lace-part 1	28.2/39	M-f-tv	ABC
Master of the Game-part 3	28.2/42	M-f-tv	CBS
Master of the Game-part 2	27.7/40	M-f-tv	CBS
Stir Crazy	26.7/41	Thea.	ABC
On Golden Pond	25.2/37	Thea.	NBC
My Mother's Secret Life	25.1/36	M-f-tv	ABC
Chiefs-part 1	25.1/36	M-f-tv	CBS
Star Wars	25.1/35	Thea.	CBS
Celebrity-part 3	24.9/37	M-f-tv	NBC
Kennedy-part 3	24.3/37	M-f-tv	NBC
Master of the Game-part 1	24.2/35	M-f-tv	CBS
Stripes	24.0/36	Thea.	ABC
Chiefs-part 3	23.7/36	M-f-tv	CBS
Policewoman Centerfold	23.6/35	M-f-tv	CBS
Chiefs-part 2	23.0/36	M-f-tv	CBS

Chart by Amy Palmer

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™

Wineries

(Continued from Page 3)

& Sons (Taylor California and Paul Masson), National Distillers & Chemical Corp. (Almaden), R.J. Reynolds Industries (Heublein Wine's Inglenook) and ISC Wines (Colony).

As part of this effort to create different and competitive corners in the market, Almaden Vineyards is introducing Golden Chablis, a fruitier and more upscale alternative to its Mountain Wine Chablis (AA, March 5).

Almaden, which had about a 6% drop in shipments in 1983 from 1982, has been under a mandate from National Distillers to implement a more "firebrand" style of marketing to halt its dwindling market share. That share has slipped from 9.4% of the California wine market in 1980 to about 7.5% in 1983, according to *Impact*.

Effect of Taylor cited

Industry analysts date the beginning of Almaden's decline to Coca-Cola Co.'s dramatic launch of Taylor California Cellars in 1978. Coca-Cola launched a comparative ad campaign in which paid experts judged Taylor California superior to various California wines, including Almaden, Inglenook and Sebastiani.

At the same time, the Atlanta company won a suit against the federal Bureau of Alcohol, Tobacco & Firearms over BATF rules barring taste tests in wine advertising.

Taylor California subsequently siphoned share from several top California wineries, but Almaden probably took 50% of the beating, according to one industry estimate. The winery waited until last fall to fight back with its own comparative ad campaign, which insiders called "too little, too late."

Now, under new leadership and a new agency, BBDO/West, which succeeded Dancer Fitzgerald Sample late last year (AA, Nov. 21), Almaden is trying to make a comeback with Golden Chablis. It is being supported by a $6 million ad campaign, the largest ad spending the 132-year-old winery has thrown behind a single brand, a spokeswoman said.

Network tv and radio spots, using the theme "If you've got a taste for white, Almaden's got the taste for you," will break March 19.

Almaden is dropping the words "Almaden Vineyards" from the Golden Chablis label in favor of the simpler "Almaden." Spots aim to make Almaden's somewhat flagging image more contemporary.

The new-product introduction and modernized packaging may put Almaden back on the right track, said industry analyst Ed Everett.

"Their lack of packaging changes over a number of years kind of left them in the dust," Mr. Everett said. "They began to be perceived as old hat. But I think they have a good shot with this product."

At ISC Wines of California, the newly formed fifth-largest U.S. winery, the emphasis appears to be on producing quality wines through "pride of ownership." The message should come through in a spot tv campaign for Colony wine breaking next week in about 25 markets (AA, Feb. 27).

Colony tale related

The spots, shot in the original Italian Swiss Colony winery in Sonoma Valley, feature a forthright, fortyish gentleman-farmer recounting the story of how the Colony people got tired of being owned by a corporation on the other side of the country, so "we at Colony scraped together everything we had to buy our winery back."

Allied Grape Growers, an agricultural cooperative and a major shareholder in the San Francisco-based ISC Wines, purchased Colony, Italian Swiss Colony, Jacques Bonet and a host of other brands from R.J. Reynolds Industries' Heublein Wines last year.

First FCB campaign

The ad campaign, part of a $5 million to $6 million annual budget, is the first from ISC's agency, Foote, Cone & Belding, San Francisco. It is also the first significant advertising for the brand since Allied Grape Growers' acquisition.

The message of the campaign is one no other winery of comparable size can use, observed ISC vp-marketing Richard Moyer.

"Most of our competitors—with one exception—don't look at the wine business for their sole source of support," he points out. "When Heublein owned us, if Kentucky Fried Chicken returned 6% and wine 4% [profit], then wine got less attention."

Aside from ISC Wines and privately owned E.&J. Gallo, the other wine concerns in the top five are owned by big corporations with other interests.

Under ISC Wines, Colony's ad support is increasing markedly. During the first nine months of 1983, when Heublein still owned Colony, the company laid out $720,000 in spot tv for the brand, compared with $5.6 million for Inglenook, which is still part of the Heublein stable.

Many analysts give ISC Wines high marks for trying something new, but question its new owners' commitment to promoting its brands.

"I think the odds are skewed against them," said one observer. "I don't think they have a good, deep well of money to spend on marketing and advertising."

While ISC brings a new look to Colony, Seagram is maintaining the hard-hitting image for Taylor California Cellars, the brand it acquired along with other Wine Spectrum brands from Coca-Cola. In tv and radio spots that broke late last month—the first under Seagram—Taylor returns to the controversial comparative campaign that introduced the brand five years ago. But although it uses the opinions of taste experts, the campaign backs away from the original ads' direct-confrontation approach.

With this campaign, Seagram is moving to beef up ad spending almost to 1982 levels, when Coke spent more than $13 million to promote the brand. The company spent about $1.9 million during the first nine months, according to Leading National Advertisers figures, but let Taylor California languish after selling it to Seagram.

Market Watch, an industry trade pubication, estimates that Taylor California depletions rose by only 5% last year over 1982, compared with 45% in 1982 over 1981.

In the new tv spots, the camera pans left to right over an array of Taylor California and competitive brands—Almaden, Inglenook and Sebastiani. Announcer Frank Langella refers to wine experts who recognized Taylor California's quality and tells consumers that "millions of people who drink Inglenook, Almaden and other California wines are drinking Taylor California Cellars. Are they better wines? Judge for yourself."

Kenyon & Eckhardt, New York, is the agency.

By purchasing the Wine Spectrum for $200 million-plus, Seagram catapulted into second place in the California wine market. The acquisition nearly doubled the company's share of the market in 1983 to 11.7%, still leagues behind Gallo's estimated 41.3% share. The purchase also raised questions about how Seagram would reposition Taylor California, a brand competitive with its own Paul Masson.

Officially Seagram has said little about its plans for Taylor California. But the Seagram source said the current campaign should squelch reports that the New York wine and spirits company plans to let the brand die and put all its efforts behind Masson.

Industry speculation that Taylor California will become Seagram's "fighting brand," while Paul Masson assumes a more upscale positioning, is essentially correct, the source said.

No Masson changes seen

Meanwhile, Seagram has no plans to alter its Masson ads. It will continue to use Sir John Gielgud's dry wit and the familiar "We will serve no wine before its time" theme in various "life-style situations." But it has added a new phrase, "taste of time," in a new print campaign for its Classic Varietal wines, scheduled to break in April (AA, Feb. 13).

STRIKE GOLD.
ALMADEN INTRODUCES A WHITE WINE SO DIFFERENT, IT'S A GOLDEN OPPORTUNITY
Almaden

A trade ad for Almaden's new Golden Chablis underscores an attempt to give the wine an upscale image.

The two remaining wineries have less ambitious plans in the works. Heublein Wines, which came to RJR as part of the $1.39 billion acquisition of Heublein Inc. in 1982, is focusing all of its attention on Inglenook and the brand's new campaign.

The theme, "The wine that celebrates you," is an evolution of its earlier "Wine that celebrates food" message, with a more emotional, personal tone. Heublein Wines, now the country's fourth-largest wine marketer, is aiming to present wine as a more social, less elitist, beverage, said director of marketing John Martini.

In 1983, Heublein's shipments declined by 20% from the previous year; part of the decline came from the brands it sold to ISC Wines.

Gallo, alone among the top five U.S. wine marketers, doesn't appear to be hatching any changes in its Ogilvy & Mather-created "All the best" theme—yet.

The Modesto-based wine giant is the least threatened by the shifts in market share and ownership that occurred last year. Its share of the California market jumped from 38.3% in 1982 to 41.3% in 1983, and it has less to worry about with Seagram, a predictable competitor, than Coca-Cola, which delighted in causing a row.

"[Owner Ernest Gallo] has so much momentum he's like a victorious army mopping up," noted one analyst. "He feels pretty sure he can handle Seagram with one hand tied behind his back. His one danger will be slipping into complacency."#

Amaretto forgoes 'love' for 'taste'

By GAY JERVEY

Amaretto di Saronno always has been known as the liqueur of love, romance and the rose.

But next month, Glenmore Distilleries will reposition its almond-flavored concoction via the most aggressive marketing program in the brand's 95-year history, featuring ads themed: "Not for love or money. Simply for taste" (AA, March 5).

Ads break in April issues of 20 consumer magazines, including *Cosmopolitan*, *Life* and *Playboy*.

Over the next three months, Louisville-based Glenmore will be spending at the rate of $7 million on an annualized basis supporting the campaign.

Running in both page and spread executions, ads jettison the product-shot approach in favor of one featuring beautiful people.

The spread shows two men and four women in formal black evening attire, standing in various postures and slants against a plain black-and-white backdrop. Each carries a cocktail—presumably Amaretto di Saronno—with one lady dangling the traditional Amaretto long-stemmed rose.

The Amaretto bottle does appear, but not as the centerpiece. It floats at an angle in the lower right-hand corner of the ad, accompanied by the gold script treatment of the words "Amaretto di Saronno" with another new tag line, "The most beautiful taste in the world."

Yet-to-be finalized ads will strike similar debonair poses, said Jim Lynch, vp-marketing director for Foreign Vintages, the Glenmore unit that distributes and markets Amaretto in the U.S.

He describes this strategy as integral to reaching the type of audience that Amaretto wants to build.

"Initially, the approach with Amaretto di Saronno was more traditional," he said. "Now we want to broaden our appeal by making the ads more trendy, more life-style-oriented, but still talking to quality and versatility in a subtle way."

Glenmore this summer also plans to run a more tactical campaign that will highlight Amaretto's versatility as a mixed drink. Libations such as Amaretto and orange juice, Amaretto and coffee, or Amaretto and club soda will be promoted individually in a series to run in consumer magazines.

In addition to outdoor ads and point-of-sale material, Glenmore and Bloom Agency, whose New York office created the campaign, are planning a promotion geared to the up-and-coming or affluent.

Glenmore and Bloom clearly hope to enliven the brand's image —and thereby sales—by infusing some sophistication into Amaretto's sweet taste and look. One of the hottest brands in the mid-1970s, it has suffered in recent years at the hands of other relatively new liqueurs, particularly Baileys Irish Cream.

As such, Amaretto's compounded annual growth rate, which peaked between 1975 and 1982 at 20.8%, has been flat for almost three years, according to *Market Watch*, published by M. Shanken Communications, New York. That publication also notes that Amaretto di Saronno annual sales have lingered at 675,000 case depletions since 1981.#

JAMES W. PARTNER

WESTFIELD, N.J.—James W. Partner, 64, senior vp-corporate development, Selling Areas-Marketing Inc., the marketing research subsidiary of Time Inc., New York, died here Feb. 29 after an extended battle with cancer.

Mr. Partner, a native of Spokane, received his MBA degree from the University of Washington at Seattle in 1943 and then taught statistics and marketing at the University of Washington, Northwestern University and Cornell University before joining Dun & Bradstreet, in 1952.

Subsequently, he held posts at Audits & Surveys and Marketing Research Corp. of America before joining SAMI as a vp in 1970. Since 1973, he has also served as an associate professor in the graduate school of business, Pace College.

Prominent because of numerous presentations to marketing research and grocery trade groups, Mr. Partner was well recognized as an authority on the measurement of product movement through retail grocery outlets.

MAX BROWN

POMPANO BEACH, FLA.—Max Brown, a longtime figure in marketing and publishing, died here Feb. 14 at age 77.

After serving as exec vp of Fels & Co., the detergent and soap manufacturer, Mr. Brown joined Hearst Magazines' *Good Housekeeping* in 1965, as director of industrial relations. He held a variety of posts at the monthly, retiring in 1975 as vp-associate publisher.#

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Reaching Hispanic America

How the media serve a burgeoning market —A Magazine special report

FOSTER and KLEISER
café
combate
está aquí

FOSTER and KLEISER
TECATE
TECATE.
UN
ORGULLO
MAS.

FOSTER and KLEISER
Nadie puede
McDonald's "Sí"
lo puede hacer
McDonald's

GANNETT OUTDOOR
Pepsi Free
Pepsi Free.
¡Sin cafeína...
pero con sabor!

Hardee's jumping into fray

No. 4 hamburger chain is planning its first foray into network tv advertising this summer, and that indicates its transition from the regional to national scene is near. It will stress menu items the "Big 3" chains can't match. — Page 1.

GOP hits Hart

The Republican party breaks tv commercials today attacking candidate Sen. Gary Hart's "new ideas" theme. — Page 1.

'News' awaits Hoge moves

James Hoge is not saying what changes he'll bring to the *New York Daily News*. But some speculation says the newly appointed publisher may create a design that would bring a new "tone" to the resurgent Tribune Co. newspaper. — Page 2.

Georgia brand hot in Japan

Coca-Cola's Georgia coffee-flavored soft drink is giving a much-needed lift to the market in Japan. — International section.

TWO CLASSICS. ONE FROM AVON

Avon Products, long a merchandise direct selling leader, is now moving to meet fundamental changes in its traditional market. —Page M-4

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GOP ads aim at Hart's 'new ideas'

Mondale, Hart at O.K. Corral

'84 Marketing the Candidates

By SCOTT HUME

CHICAGO—Sen. Gary Hart, riding on the momentum of mounting campaign financing, will have spent more in tomorrow's Illinois primary than in any of the elections held on the ballyhooed Super Tuesday.

According to Eleanor Tillinghast, a Hart media aide, the Democratic senator is spending $340,000 on tv and radio in Illinois. That compares with $310,000 spent on media in Florida, $144,000 in Georgia, $69,000 in Alabama and $164,000 in Massachusetts, all of which had Democratic presidential primaries on March 13.

It's only fitting that Mr. Hart's campaign is spending so heavily in Illinois. Former Vice-President Walter Mondale last week called tomorrow's Illinois presidential primary the "shootout at the O.K. Corral" and, as he and Mr. Hart rolled their increasingly combative campaigns into this mid-western state, the firearms analogy appeared apt.

Both Democratic candidates arrived in Illinois with their media guns loaded and aimed at each other.

Mr. Hart's advertising continued to portray the election as a choice between "old ideas that have failed and a new generation of ideas." Mr. Mondale's worked hard to position him as experienced while decrying the "fuzziness" of Mr. Hart's positions.

Mr. Mondale's staff last week was mum on how much media weight they expected to put behind their candidate's charge. But political analysts suggested Illinois represents too crucial a test for the Mondale campaign for it not to pull out the stops and probably exceed Mr. Hart's spending total.

With Sen. John Glenn's withdrawal, the Democratic media shootout was reduced to a duel, al-

(Continued on Page 82)

By RICHARD L. GORDON

WASHINGTON—Republicans, unwilling to let Democrats have the political stage to themselves, break tv commercials in 84 markets today, challenging the "new ideas" theme song played by Democrat Gary Hart.

In this first campaign round for 1984, the Republican National Committee is using three 30-second spots and is spending $1.2 million over a 10-day period.

All three spots dismiss Democratic "new ideas" talk as little more than "the empty promises of the past" and end with the tag line: "The Republicans. The Future."

Anti-Hart themes are strongest in a GOP spot dubbed "Diet." In it, a young woman on a bicycle compares Democratic "new idea" talk to the "all new wonder diet" that doesn't require exercise or watching what you eat.

"And if you believe that," she says, "you'll believe that the 'all new' Democrat ideas and leadership are new. They're the same old empty promises."

Although the "new ideas" theme is the centerpiece of Mr. Hart's surging campaign, the GOP hasn't written off the possibility that it might have to deal with Walter Mondale.

The former Minnesota senator, who has encountered roadblock after roadblock in his campaign, gets a once-over in two other GOP spots. In them, a factory worker and a young woman dressed as a college graduate talk about how times have improved since the 1980 election. "People in Washington overpromised," they complain, and the commercial dissolves to a picture of President Jimmy Carter and Vice-President Mondale.

Hal Larsen Etc., San Francisco, is the Republican National Committee agency. SFM Media Services handled the buy.#

Canada Dry puts RJR in soft drinks

By JENNIFER PENDLETON

Del Monte Corp.'s proposed acquisition of Canada Dry will put the San Francisco-based subsidiary of R.J. Reynolds Industries into the multi-billion carbonated soft-drink industry for the first time. And it may put another ad agency in the business as well.

The agreement in principle, under which Del Monte will buy the New York-based soft-drink company from Dr Pepper Co., Dallas, will be completed in a month, pending approval. Terms of the

(Continued on Page 8)

last minute news

Beatrice, Esmark officials hold discussions

CHICAGO—High-level officials of Beatrice Foods and Esmark met last week to discuss a merger of the two companies, according to *Crain's Chicago Business*. While the companies refused to comment, sources say the meeting was held March 14 to discuss "a possible combination of the two." No further details could be learned. A Beatrice-Esmark merger would form a company with estimated combined 1984 revenues of more than $16 billion. The merger rumor has been heard frequently since a securities analyst meeting in Florida (AA, Feb. 27).

Johnson taking sugar-free Fiberall national

RACINE, WIS.—Rydelle Laboratories is rolling sugar-free Fiberall bulk laxative national with advertising and promotion designed to spur quick awareness and trial. Fiberall has been in test, via FCB, in the West (AA, Feb. 13), where Metamucil recently introduced its sugar-free variety.

NBC ousts Mulholland; reorganization expected

NEW YORK—Robert E. Mulholland, president-chief operating officer of NBC since 1981, was forced to resign March 16 after 23 years with the

(Continued on Page 8)

Warner Amex unit mulls public offer

By SUSAN SPILLMAN

NEW YORK—Executives at Warner Amex Satellite Entertainment Co. are eyeing the possibility of taking their popular but not-yet-profitable MTV: Music Television public.

MTV's parent is a unit of Warner Amex Cable Communications, which is owned jointly by Warner Communications and American Express. At press time, WASEC president Jack Schneider could not be reached for comment, and spokespersons at both Warner Communications and AmEx refused to discuss the matter.

But other sources close to the company confirmed that WASEC is exploring the option of going public, although no prospectus has been filed with the Securities & Exchange Commission.

Such a move would supply troubled Warner Communications with a much-needed infusion of cash. Late last week, Warner reportedly agreed to buy back its stock held by Rupert Murdoch for an estimated $180 million, ending a takeover threat.

For American Express, it would enable at least a partial escape from the cable tv industry—a business American Express is said to have lost patience with several

(Continued on Page 88)

Hardee's jumps into net tv fray

By SCOTT HUME

Hardee's Food Systems is undertaking major shifts in its marketing strategies that should speed its transition from a regional to a national fast-food power.

The keystone to that transition will be Hardee's first foray into network tv advertising. Company officials say only that it is planned for "this summer," but sources indicate Hardee's and agency Benton & Bowles, New York, are finishing a new network campaign that will debut during the week of Memorial Day.

Executives of the 2,000-unit chain, headquartered in Rocky Mount, N.C., are tight-lipped about the campaign's content, but Hardee's already is making some moves in anticipation of going head-to-head with the "Big 3" national burger chains, McDonald's, Burger King and Wendy's.

One strength that new advertising is expected to hit hard is menu variety. Earlier this month Hardee's added a Turkey Club sandwich to a menu that already included roast beef, ham and cheese, chicken and fish offerings in addition to a variety of hamburgers (including three different ¼-lb. choices) and a separate, biscuit-based breakfast menu.

That's a lineup none of the other burger chains can match.

In the South, Hardee's strongest market, its made-from-scratch bis-

(Continued on Page 78)

Fast-food chains' tv spending

McDonald's in 1983 remained the largest restaurant-chain tv advertiser, outspending the next three closest advertisers combined, even though it increased expenditures less than did chief rivals Burger King and Wendy's. Significantly, McDonald's was the only major chain to increase network spending (up 35%) more than local spending (up 13%). BK upped its spot buying 63% over 1982, while Wendy's local tv expenditures increased 74%. *Source: Television Bureau of Advertising from Broadcast Advertisers Reports data.*

	1982 ($ thousands)			1983 ($ thousands)			Per cent change
Rank/Chain	Network	Local	Total	Network	Local	Total	'82-'83
1. McDonald's	59,875.9	92,759.6	152,635.5	80,930.9	105,024.4	185,956.4	+22
2. Burger King	35,400.4	28,758.7	64,159.1	35,642.1	46,823.4	82,465.5	+29
3. Kentucky Fried Chicken	27,184.3	14,845.4	42,029.7	30,576.7	19,250.8	49,827.5	+19
4. Wendy's	13,817.3	17,790.2	31,607.5	18,683.4	31,029.9	49,713.3	+57
5. Pizza Hut	13,282.5	22,402.7	35,685.2	17,006.8	30,152.3	47,159.1	+32
6. Red Lobster inns	—	25,866.4	25,866.4	7,674.0	21,086.5	28,760.5	+11
7. Taco Bell	—	11,473.8	11,473.8	—	18,559.8	18,559.8	+62
8. Long John Silver's	—	20,159.0	20,159.0	—	17,644.4	17,644.4	−12
9. Hardee's	—	10,794.6	10,794.6	—	17,582.5	17,582.5	+63
10. Denny's	12,426.5	4,470.4	16,896.9	12,165.8	4,466.9	16,632.7	− 2
11. Jack in the Box	—	8,795.7	8,795.7	204.1	14,838.0	15,042.1	+71
12. Arby's	4,801.9	7,398.4	12,200.3	6,270.4	7,652.1	13,922.5	+14
13. Dairy Queen	—	8,744.1	8,744.1	—	10,625.7	10,625.7	+22
14. Sizzler	—	8,644.7	8,644.7	—	8,846.2	8,846.2	+ 2
15. Godfather's Pizza	—	5,855.3	5,855.3	—	8,103.1	8,103.1	+38
Total	170,104.1	405,908.5	576,012.6	213,388.5	498,133.1	711,521.6	+24

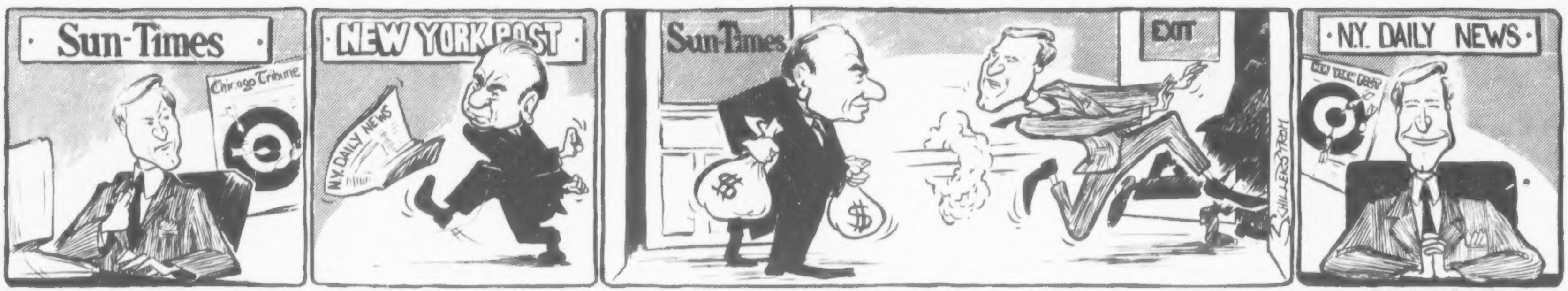

Illustration by Roger Schillerstrom

Hoge seen setting new tone for 'News'

By STUART J. ELLIOTT
and ROBERT REED

New York—James Hoge's expertise in running a big-city daily is what persuaded Tribune Co. to hire him last week to run its *New York Daily News*.

What he does once he gets there April 23 is a subject he isn't discussing much now.

That hasn't stopped many in the industry, however, from speculating whether the former *Chicago Sun-Times* publisher will attempt to make the *Daily News* more upscale and give it a new "tone."

Mr. Hoge, who went head-to-head for a quarter-century against his new parent company's *Chicago Tribune*, both at the *Sun-Times* and the *Chicago Daily News*, was appointed last week as publisher and chairman-chief executive officer of New York News Inc.

Two months ago, he quit as publisher of the *Sun-Times* after his group of investors was outbid by Rupert Murdoch, who owns the *New York Post*, in its attempt to purchase the paper from Field Enterprises.

"I love competitive journalism," Mr. Hoge, 48, said on a one-day visit here March 14, during which his appointment was announced. "I think it's the most fun. The *Daily News* is in the most media-rich environment in the country, and we have to keep a very broad view of who and what it's competing against to have the right strategy and execution."

Along with Mr. Hoge's appointment, Tribune Co. named Arthur Wible Jr. president-chief operating officer of New York News Inc. He had been exec vp-director of sales. There were indications from company insiders that more major personnel changes would be announced soon.

Messrs. Wible and Hoge are succeeding Robert Hunt, who was publisher and president-ceo of New York News Inc. Mr. Hunt, who came to New York in 1979 from Chicago, returns there to become president-ceo

(Continued on Page 86)

Norwich ads break, new product tests

P&G's sights on analgesics

By NANCY GIGES

Procter & Gamble has set its sights on becoming a major factor in the $1.2 billion analgesic category.

The Cincinnati company has broken its first national advertising campaign for Norwich aspirin, a heretofore unadvertised brand picked up when P&G acquired Norwich-Eaton Pharmaceuticals, and has started test-marketing new Encaprin aspirin capsules, directed at arthritics.

In targeting this category as a corporate growth opportunity, P&G goes up against Sterling Drug, Bristol-Myers, American Home Products and Johnson & Johnson, all well-entrenched and experienced marketers of analgesics.

P&G is testing Encaprin in Tucson, backed by tv spots. The company describes the product as a "capsule that contains hundreds of individually coated micrograins of aspirin."

The product is formulated to pass through the stomach before dissolving, which helps to relieve some of the digestive discomfort and side effects often suffered by arthritics who must take large doses of aspirin for relief.

Encaprin comes in regular (325mgs) and extra-strength (500mgs) formulations and in bottle sizes ranging from 50 to 200 capsules.

In tv commercials created by Dancer Fitzgerald Sample, an announcer says, "If you have arthritis pain, here's some good news." Showing the package, he says, "It's a better way to treat arthritis than plain aspirin." Viewers then are shown "hundreds of coated aspirin micrograins" that bring "unsurpassed relief to painful stiffness." It closes: "It's better. . .safer for your stomach than ordinary aspirin."

P&G said the product is being marketed by the company's health and personal-care division in Cincinnati, although it carries the Norwich-Eaton name on the package and is manufactured at Norwich facilities.

P&G acquired Norwich-Eaton in 1982 and has reviewed every drug

(Continued on Page 86)

Continental testing victim coverage plans

By ROBERT RAISSMAN

Continental Insurance is testing victim-assistance insurance plans designed to aid families of missing children, crime victims and victims of fraud.

Arthur Domingo, a Continental spokesman, said the policies are new to the insurance industry. "They are totally unique. . .Nobody has had experience insuring crime victims," he said.

The plans are being tested in California, Colorado, Minnesota, Kentucky, Wisconsin and Indiana. Tv and print ads by Dancer Fitzgerald Sample are being used in each market.

Kurt Graetzer, account supervisor, DFS, said that since the concept was so revolutionary and sensitive, it presented the agency with an unusual creative task. The agency took a positive direction, Mr. Graetzer said, giving a human portrayal of the benefits the insurance offers. The spots avoid scare tactics, he said.

"It's not creative meant to hype people's fear of things they already

(Continued on Page 86)

highlights

Monday, March 19, 1984

Clorox Co. is making a second run at the the $260 million catbox filler market, planning a major push for the national introduction of Fresh Step odor-controlling cat litter. *See Page 6.*

Sun Newspapers' new combined Saturday edition, the *Saturday Sun*, is set to debut March 24 with three of four sections devoted to leisure-time interests. *See Page 10.*

American Honda Motors said a second agency will join Needham, Harper & Steers/USA on its roster, to handle a new line of higher-price, luxury sporty cars. *See Page 12.*

Ford Motor Co.'s new advertising for its line of cars is targeted at the "yump"—the young, upwardly mobile professional. *See Page 31.*

The advertising industry outside the U.S. increasingly is being attacked by anti-free market, anti-U.S. government groups. *See Page 70.*

Tom Selleck cover stories stir a tiff between *Ladies' Home Journal* and *McCall's*. *See Page 79.*

CORPORATE CLOSEUP

Michael V. Katz believes the Sunnyvale, Cal.-based Epyx computer software company he heads is well equipped to handle change in the fast-growing industry because it considers the consumer first. *See Page 4.*

INTERNATIONAL

Coca-Cola Japan officials are hoping to assume market leadership this year in a product category unique to Japan: Coffee-flavored soft drinks. *See Page 48.*

Acapulco Joe S.A., a Mexican sportswear marketer, plans a dramatic expansion of U.S. outlets over the next few years, and the marketer initially will not use any advertising. *See Page 48.*

Campaign Life, a leading Canadian anti-abortion group, is stepping up its campaign for an ad boycott of *Homemaker's* because of the magazine's stand on abortion. *See Page 50.*

VIDEOTECH

Fifty-seven per cent of the combined networks' returning series this season have maintained or improved their ratings over last year. *See Page 58.*

CBS is relying on support from one national advertiser, General Motors, to back its biggest gamble of 1984, the $14 million "George Washington" miniseries. *See Page 60.*

MAGAZINE

The "new" Avon Products hopes to recover from its earnings slide with acquisitions, its time-proven network of direct salespeople and new fragrances from well-known French designer Louis Feraud. *See Page M-4.*

Marketing to Hispanics: A careful combination of media, with insight to an often ill-defined audience, can be used to reach this growing market—one that is ripe for sales messages. *See Page M-9.*

Adman Hank Seiden reminisces about the late Rosser Reeves, former chairman of Ted Bates & Co., proponent of the hard sell and creator of the agency's Unique Selling Proposition—who, he says, had the most influence on his own philosophy of advertising. *See Page M-44.*

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$1.25 a copy, $52 a year, $95 two years. Add $99 per year for air delivery to Europe & Middle East. Add $31 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; [illegible]OGER DI GREGORIO, fulfillment director; HEIDI SCHULTZ, ser[illegible] circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

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Stroh's targeting Hispanics

By BOB MARICH

Los Angeles—The West Coast introduction of the Stroh's and Stroh Light beers not only signals the near completion of national distribution for the brand but the first major effort to court the Hispanic market.

Stroh Brewery Co. shortly will announce that Bermudez & Associates, Beverly Hills, has been hired to handle the company's advertising to the Hispanic market.

The nation's third-largest brewer also appointed Hector Elizalde as national manager of Hispanic market development. That development was announced at a Beverly Hills luncheon kicking off the California introduction of the two Stroh brands. He had held a similar post at Anheuser-Busch.

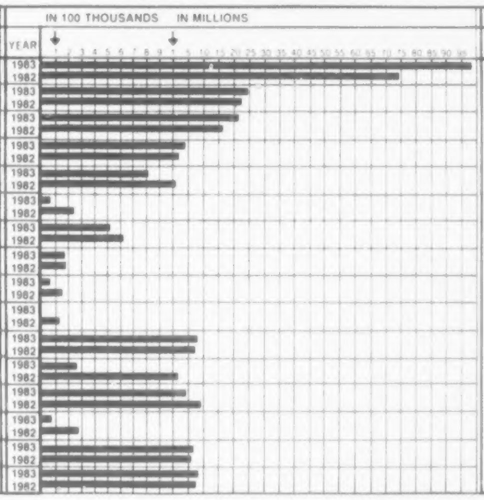
Acceptance by Hispanic consumers is key to the Detroit-based brewer's expansion moves into Hispanic-market strongholds in the West and Southwest. It intends to be national with both brands in June, according to the company.

"In addition to our general market media, we will also be heavily involved in both black and the ethnic market in radio, outdoor and newspaper," John H. Bissell,

(Continued on Page 86)

FLASH REPORT: Newspaper advertising investment for December

December 1983



CATEGORIES	DOLLARS 1983	DOLLARS 1982	CHANGE ACTUAL $ G OR L	CHANGE % G OR L
Department stores	$97,933,744	$74,465,865	+23,467,879	+31.5
Food stores	24,718,716	22,181,862	+2,536,854	+11.4
Radio, tv, phonographs, records	21,853,135	16,071,285	+5,781,850	+36.0
Alcoholic beverages	4,414,580	3,341,554	+1,073,026	+32.1
Cameras, photo supplies & services	804,182	1,070,838	-266,656	-24.9
Beverages: coffee and tea	52,714	247,391	-194,677	-78.7
Beverages: soft drinks, diet/non diet	500,535	639,891	-139,356	-21.8
Soaps, cleansers & polishes	182,974	187,770	-4,796	-2.6
Cold, cough & sinus remedies	45,039	145,122	-100,083	-69.0
Headache remedies & sedatives	0	117,405	-117,405	-100.0
Publishing & media	7,685,048	6,564,369	+1,120,679	+17.1
Sporting & Leisure time equipment	248,529	2,255,570	-2,007,041	-89.0
Cigarettes	4,761,836	9,308,156	-4,546,320	-48.8
Cosmetics, makeup & manicure products	66,867	270,044	-203,177	-75.2
Airlines	6,207,880	5,510,295	+697,585	+12.7
Passenger cars-new	7,703,797	6,877,436	+826,361	+12.0

This Flash Report of newspaper advertiser investment, compiled for Advertising Age by Media Records, is derived from tabulations that cover 33 dailies and 25 Sunday editions in 14 cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Dallas, Denver, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco and Washington.#

Source: Media Records Inc.

Radio-tv group leads ad gains

New York—Advertising spending in newspapers in December rose in seven measured categories and fell in nine, according to a Media Records survey for Advertising Age.

The largest percentage increase came in the category of radio-tv-phonographs-records, up 36% to $21,853,135, followed by alcoholic beverages, up 32.1% to $4,414,580, and department stores, up 31.5% to $97,933,744.

The largest percentage decrease was to be found in the category of headache remedies and sedatives, down 100% to 0, followed by sporting and leisure-time equipment, down 89% to $248,529, and beverages (coffee and tea), down 78.7% to $52,714.#

'Times': Newspaper or trade paper?

(Continued from Page 38)

ington, we see the consequences. Robots, marching in circles in front of the White House and Congress, brandishing their signs and chanting self-righteous slogans. A mockery of the informed citizen who has reached decisions by exposing ideas to rational discussion.

* * *

People who are intellectually isolated can mistake their assumptions as fact. Assertions repeated often enough achieve a degree of credibility. The most fundamental constitutional principles are treated casually.

As we near the 200th anniversary of our Constitution, that Constitution suddenly is perceived as needing a lot of adjustments. A Constitution written by conservative landowners that preserved freedom so well for so long does not suit the present generation of conservatives.

What the courts will not change, they are ready to rewrite. On all fronts, through their control of all branches of government, they pursue their ends.

Journalists are experiencing this firsthand. There has been a consistent series of efforts to raise walls between reporters and sources. In Grenada, the military was allowed to operate without a watchdog—something Lincoln would not allow in the most dire hour of the Republic and Eisenhower did not expect even in the crucial period before the invasion of Europe.

The ability of the watchdog to do its job is under heavy assault, and the press is not getting the support it believes it has a right to expect, partly because so many people—including people who are not conservatives—have been sold strange ideas about who we are and what we do.

Is there an "ever-leftward drift" in the press, as Mr. Whelan believes? When a reporter asked executives of the *Washington Times* why they don't offer balanced op-ed pages like other newspapers, he was told: The more literate liberal columnists had already been snatched up.

Leftward drift, but shortage of available liberal columnists?

Is it the reporters and editors who are poisoning the news? Consider this account of events in Iowa. Walter Mondale, the candidate endorsed by the AFL-CIO, had ignored Gary Hart's challenge that he explain where he differs from organized labor. Mary McGrory describes the consequences:

"The question came up at every stop he made in Iowa. He was not in the habit of talking about his differences with his friends, he said stubbornly. But the press would not quit and, making his rounds, Mondale was like a mailman trying to shake off a terrier with a grip on his ankle.

"An exasperated political counselor riding in a press van asked a reporter when it would stop. It wouldn't, he was told."

Eric Sevareid, formerly of CBS News, sees complaints about the press as a two-way street. "You, the public, feel the press is full of biased and inaccurate writing and speaking. . .But what you don't seem to realize is that there is also a lot of inaccurate and biased listening and reading."

I don't believe this plea for public support for the press is self-serving. We journalists will fill our papers and sell just as many. You simply won't get the information that helps you know how power and money are used and what really goes on in Washington, Beirut and El Salvador.#

Postum marks 90th year

White Plains, N.Y.—General Foods' Postum, a grain-based beverage that is served hot, is celebrating its 90th anniversary this year.

Robert Sansone, vp-general manager, beverage division, said it is still selling reasonably well and continues to be profitable. But he also believes that in today's marketplace, where there are more older people (the brand is skewed to the older consumer) and a demand for all-natural products, Postum may provide opportunities not yet realized.

The company has begun advertising the beverage mix in publications directed at older people, a program that could be expanded into other media.#

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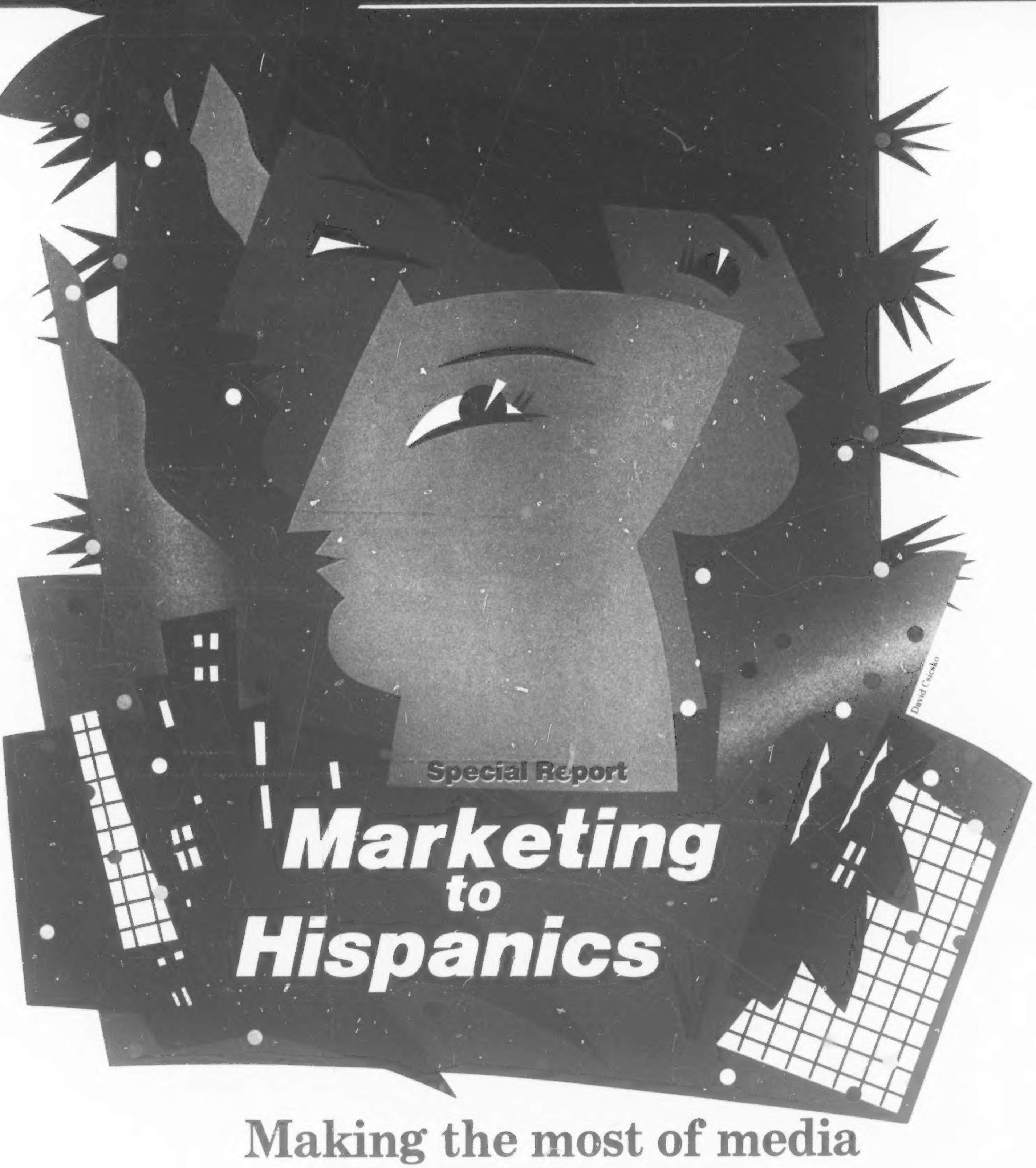


David Csicsko

Special Report

Marketing to Hispanics

Making the most of media

By Craig Endicott

San Antonio is a market that is 52% Hispanic, a powerful political bloc that elected the city's first Hispanic mayor, Henry Cisneros, in 1982. They are people in the know. Yet, San Antonio cannot support a Spanish-language newspaper. But no one can accuse San Antonians of not trying.

Virtually every year someone announces plans for a Spanish-language newspaper, citing: "Look at all these Hispanics! What an untapped market!"

As if on cue, such plans dry up as quickly as a playa lake in mid-summer on the arid Texas plain.

This was not the case in the earlier part of the century when the local newspaper *La Prensa* addressed the city's Hispanics in their native tongue. What has happened to change things?

San Antonio inherited many Hispanics fleeing political unrest in Mexico at the turn of the century. They had enough formal education to read and write in Spanish. Today, their children are among the city's 17.7% Hispanics who are English-only speakers and 54.3% who are bilingual. Most likely they are not among the 28% who speak Spanish only and who largely can't read or write in their native tongue.

What is being naively said about newspaper potential in San Antonio is being said by media entrepreneurs about new ventures planned for other large Hispanic centers of the nation. They see dollar signs in tapping the estimated 20 million Hispanics with an aggregate family income of $70 billion, and the promise of even larger profits as the Hispanic population supplants blacks as America's largest minority group within 20 years. But implicit in the San Antonio experience is the fact that there is not necessarily strength in numbers; that to succeed, those seeking to tap into Spanish-language media will have to get a better fix on the nuances that drive the major subgroups within the Hispanic

(Continued on Page M-10)

Craig Endicott, a free lance business writer and editor in Evanston, Ill., is active in Hispanic issues in Chicago. Last summer, he visited Central America with American churchmen to assess the political and economic concerns of the region.

Reaching a growing market where it lives

By Renee Blakkan

Outdoor advertising is "the only thing that makes sense aside from tv" in advertising to Hispanics, says Alvaro Montenegro, director/Spanish advertising, Foote, Cone & Belding, Los Angeles. This is because "newspaper and magazine readership is low [among Hispanics] and you need to get brand awareness with visuals." About 40% of FCB's Los Angeles accounts are in Spanish, Mr. Montenegro says.

> **"A spiral of enthusiasm" can develop when Hispanics see products advertised to them with care.**

There is wide agreement among advertising agencies that outdoor advertising is an effective way to reach Hispanics, although they stress that a number of pitfalls must be avoided.

"It makes a lot of sense to advertise to Hispanics with outdoor boards because you can place the boards where they live and have little wasted circulation," says Jeffrey Johnson, manager/marketing service, Gannett Outdoor Group, Phoenix.

Gannett is the largest outdoor advertising company in the world and the second largest in the U. S. (after Foster & Kleiser, which is a division of Metromedia).

The junior boards in particular, many of which are eight-sheets (5 ft. by 11 ft.) and smaller, can be "more centrally located in commercial and industrial areas and next to neighborhoods and can have almost a point-of-purchase capability," says Robert Smith, Gateway Outdoor Advertising's Chicago general manager.

Thomas Whelan, Gateway's Pittsburgh-based president, adds: "We can have a panel on or next to a building where a product is sold. A person going to make a purchase is exposed to it, and it has real strength that way. It's the last suggestion before they go into the store."

All the outdoor board companies surveyed for this article said their Hispanic showings are growing rapidly, and some said they're even turning down business. Roughly a third of the 25,000 boards measured nationwide by the Out-of-Home Measuring Bureau (OMB), New Canaan, Conn., are dedicated to Hispanic advertising, says OMB head Julian Sloan. The OMB measures mainly eight-sheets for both amount of passing traffic and effectiveness of showing. The Traffic Audit Bureau, New York, which measures the larger boards (usually on highways and called 30-sheets, measuring 12 ft. by 25 ft.), couldn't estimate the number of its Hispanic boards.

Gateway's Mr. Whelan says more than half his Los Angeles inventory is Hispanic, and in Chicago, 25% of his boards are in Spanish.

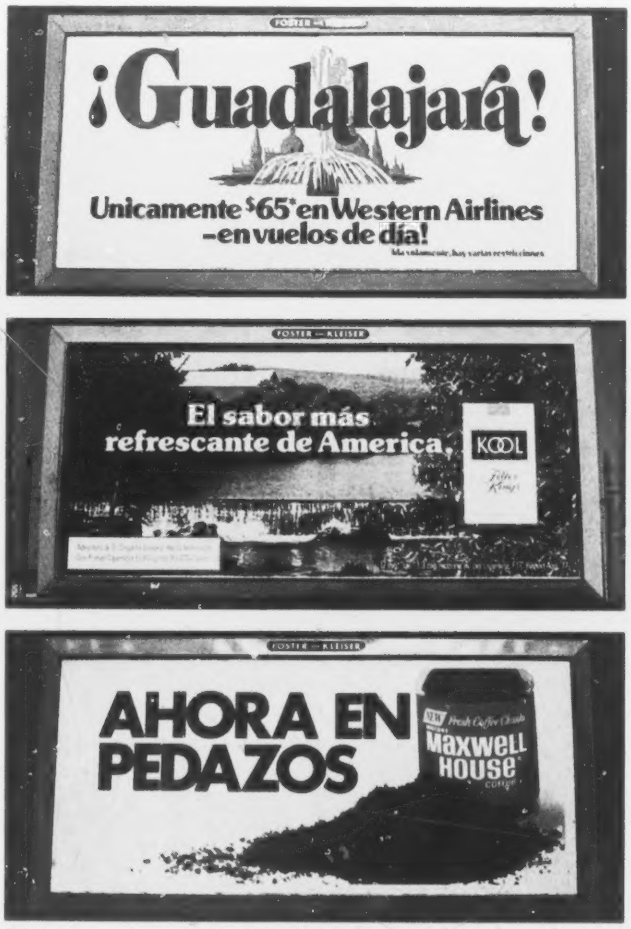
Another indicator of Gateway's growth in Hispanic boards is that since 1980 this area has increased 100% in Chicago alone, says Mr. Smith.

Hispanic advertising "is one of the fastest-growing segments of our operation," Mr. Smith adds. "Eight-sheets had emphasized black advertising in the last few years, but now there is a growth in the Spanish-speaking area."

At New York-based Villepique Co., another eight-sheet company, sales manager Stan Langer says his advertising to Hispanics has increased about 60% to 75% in the last four or five years.

At Foster & Kleiser in Houston, Gary Kelley, manager/eight-sheet division, says, "Our Spanish business is fantastic. We sell out in early January for the year." He says most Hispanics in Houston live in "two well defined areas," Northeast and Near North, and advertisers can reach 75% of Spanish-speaking people in the city with showings in these two areas. "I turn down more business every year," he says, "because no more boards can be built due to local ordinances."

A brief look at demographics shows why advertising to Hispanics is growing so rapidly. Hispanics in the U.S. have increased rapidly in the past decade, and experts predict that by the year 2020 they will surpass blacks as the largest minority in the country—46.6 million Hispanics and 44.4 million blacks—according to research by Gannett titled, "Gannett Outdoor Delivers the Hispanic Force."



There's a common perception that outdoor boards targeted to Hispanics center mainly on beer, liquor and cigarets. However, a wide range of other products also is advertised through this medium.

With about 75% of U.S. Hispanics concentrated principally in five states—California, Texas, New York, Florida and Illinois—a relatively few showings can reach large numbers of the market, says OMB's Mr. Sloan.

Moreover, U.S. Census figures show 88% of Hispanics concentrated in metro areas, compared with 81% of blacks and 75% of the total population. Boards in urban Spanish areas will thus not only be seen by those counted in the census, but also by the "missing million" undocumented aliens believed to be in the country and uncounted in the census.

Today, says Gannett's research, Hispanics' total income is about $55 billion, but by the end of this decade it should increase to $200 billion. A 1981 Yankelovich, Skelly & White study showed about 30% of Hispanics earning $20,000 or more. They're younger than the total population (54% are under age 35), and their households are larger (about 3.7 persons compared with 2.8 for all U.S. households). Younger, larger families of course buy more.

And their brand loyalty has been documented as higher than that of Anglos. As the Yankelovich study noted: "The U.S. Hispanic population is more likely than Anglos to value name or advertised brands [and] be brand loyal, yet at the same time [they] seem receptive to new products."

Outdoor boards used to reach Hispanics are most often eight-sheets or smaller. Zoning ordinances generally prohibit the larger boards within cities and in the neighborhoods where Hispanics live. The 30-sheets thus are generally found on the high-

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Renee Blakkan is a Chicago-based free lance writer who contributes frequently to Magazine and who speaks Spanish fluently.

Media

(Continued from Page M-9)

population.

The Hispanic market defies the kind of generalization one can get away with in defining Anglo society after years of media-molding. The U.S. Census identifies Hispanics as young, having large families, living in urban clusters, and being increasingly mobile as they fan out from Hispanic enclaves of California where 4.5 million Hispanics live, Texas (3 million) and New York City (some 2 million). They are largely Mexican, Cuban and Puerto Rican, although Central Americans, particularly Salvadorans, are flooding into California.

The census does not say that among subgroups Hispanic may mean white, black, Indian or any combination; it may mean Spanish as a second language; it may mean Catholic, although not necessarily the devout churchgoer found among European ethnics, and it may mean increasingly Protestant. Nor does it show that there may be as many as 10 million undocumented aliens, and not all from Mexico and Central America.

Idiomatic language separates them as do varying education and socio-economic backgrounds. Those motivated to immigrate permanently for economic reasons are moved differently than those fleeing political persecution who ultimately seek to return to their homeland. When they came to the U.S. and at what age also has a bearing on their Americanization and hence their market potential to the Spanish-language press.

Given these characteristics, Spanish-language media growth will primarily be affected by where Hispanics draw the line between assimilation and cultural ethnicity, and to a lesser

Hispanic market advertising expenditures by media in 1983

Media	Expenditures
National tv (SIN, Spanish International Network)	$40.5 million
National radio	30.5 million
Local tv (SIN)	40.5 million
Local radio	50.0 million
Independent tv	11.7 million
Print	23.0 million
Outdoor	6.0 million
Promotion	20.0 million
Transit	2.2 million
Total Hispanic market advertising expenditures	$224.4 million*

Source: *Hispanic Business* magazine, Santa Barbara, Cal. Reprinted by permission.

*Total expenditures include production, talent and administrative costs.

ways, where the traffic isn't heavily Spanish.

City ordinances are more relaxed when it comes to the smaller boards, and these are what one sees next to the supermarkets, smaller stores, banks, factories and in empty lots.

"Eight-sheets make a lot of sense" for Hispanics because "they're in the inner city," says Gannett's Mr. Johnson. The smaller boards are suitable for "stop-and-go traffic."

Mr. Langer of Villepique says less than 15% of Hispanics own cars. "They're constantly on the street, so there's no wasted circulation. The advertising is almost 100% effective, and it's there 24 hours a day."

FCB's Mr. Montenegro says the smaller boards "are a better way to penetrate. People walk and have more time to read, and if they go to a supermarket or bank, at a strategic moment it's there to remind them."

These boards have been in some cities for many decades and "really took off" in the 1950s, says Mr. Whelan. But the junior boards' black and Hispanic "image" has come about because so many whites moved to the suburbs and so many blacks and Hispanics moved into the cities. The junior boards were in the cities first, and the goal of most junior board companies, Mr. Whelan says, is to build more of them in the suburbs as well.

Another image problem is the common perception that advertising to Hispanics on outdoor boards consists mainly of beer, liquor and cigarets. But a wide range of products including toothpaste, soft drinks, oranges, autos, banks, radio stations and the lottery, as well as public service announcements, can be seen. And Tere Zubizarreta, head of Zubi Advertising, Miami, says that liquor and cigarets also may be the main products advertised with outdoor in English, too. With cigarets having been prohibited from tv and the Distilled Spirits Council having imposed a ban on tv for itself, outdoor boards are one of the few remaining options.

FOSTER — KLEISER
Tome la cerveza Schlitz.
FOSTER — KLEISER
UN BUEN COMIENZO
McDonald's
Nuestros niños
Nuestro futuro
Los Hermanos
de Houston 961-5683
FOSTER — KLEISER

Outdoor boards used to reach Hispanics are most often eight-sheets (5 ft.-by-11 ft.) or smaller. Zoning ordinances generally prohibit the larger boards within cities and in the neighborhoods where many Hispanics live.

Of course, eights aren't the only size board to use for Hispanics. Ms. Zubizarreta says she uses 30-sheets for the extensive seasonal liquor ads she places to Hispanics in Miami. The eights don't have enough impact for the short duration (usually August to January) of these campaigns, she says.

Does an advertiser need to use different idioms to reach the different groups of Hispanics—Cubans, Mexicans, Puerto Ricans and South Americans? No. They all speak Spanish and can be reached with the same ad, although there are a few words that translate differently in different parts of the country. Gannett's study mentions how, in a campaign for brown sugar, the word "brown" had to be translated four different ways: One for New York, one for Miami, one for California and one for other parts of the country. But such cases are rare.

Also, while "taste in food and music may vary [among the different Hispanic groups] preferences in cars, appliances or almost anything durable are much less subject to ethnic skews," Gannett's research notes.

The advertiser does have to be careful to use the Spanish language correctly, however. "The more Hispanics feel the advertising is specifically for them," rather than just translated, the better, says Dale Dauten, founder and partner, Research Resources, Atlanta.

This advertising research company has found that "a spiral of enthusiasm" can develop when Hispanics see products advertised to them with care. When this happens, "an incredible brand loyalty is built up," Mr. Dauten says. Nevertheless, this raises an "interesting conflict" because most agencies like to see a "synergy" between the Spanish and English advertising, he says. Yet often ads won't translate literally and another message must be written.

Common mistakes on Hispanic outdoor boards include literal translations, says Ms. Zubizarreta. A literal translation usually requires a paragraph in Spanish for what was said in English in two words, she notes. Also, the copy must be clean and simple in Spanish as well as in English.

Other mistakes she's seen include using a French "grave" accent mark (the Spanish mark is acute), and putting an English-style question mark at the beginning of a Spanish sentence (the Spanish opening question mark should be upside down).

When the copy is good, purchases "can literally explode beyond belief," says Richard Dillon, president of Mendoza, Dillon & Asociados, Newport Beach, Cal., whose $15 million in annual billings are exclusively from Spanish accounts. Mr. Dillon says one big mistake caused by tight budgets is "relying on outdoor boards only to carry the message. This is a difficult burden to place on outdoor."

While liquor and cigaret companies have little option, "other companies have a choice, and it would be our opinion to take an electronic medium first for the basic campaign [tv is the medium most used by Hispanics, the Yankelovich study says] and to use outdoor boards as a reminder."

Mr. Dauten says he "just shakes [his] head" when he sees outdoor boards—a "classic reminder medium"—being used as the *only* medium in Spanish. The advertisers are "doing it on the cheap," he says. Using only outdoor boards doesn't "remind" Hispanics of anything, he says, because there wasn't any main campaign in another Hispanic medium.

Showing a big picture of the package on an outdoor board with no copy may be "useful," Mr. Dauten adds, but it "doesn't convey caring." FCB's Mr. Montenegro says: "I would never do only outdoor" for a campaign.

To those advertisers who believe Hispanics will get the message anyway in the English media, Mr. Dillon says yes and no. While many Hispanics use English media, they are getting "awareness" of the product, but not "motivation," he says. To build motivation, you've got to advertise in Spanish, preferably using broadcast with outdoor boards as reminders.

One company that built awareness among Hispanics and won a first prize from the Eight-Sheet Outdoor Assn. was Ensslin & Hall, Tampa. Lykes Meats of Florida had the greatest share of hot dog sales in the state, says Ensslin's chief operating officer and executive vp, Patrick Hill. But sales among Hispanics were "depressed." Ensslin and Lykes realized they had overlooked the constant influx of new Spanish-speaking people into Florida, while continually advertising in English. This was easy to do because Hispanics "commingle so closely with the population at large," Mr. Hill says.

There in Florida, rubbing shoulders with the English-speaking population, was "a very good and untapped market . . . hungry for more information, especially if you have products that are in their consumption category," he says.

The prize-winning illustration of the Lykes hot dog with "Florida's favorite" and "Made fresh in Florida," printed in Spanish have built awareness, says Mr. Hill. His company is researching whether follow-through purchases are resulting.

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extent by immigration quotas and policing of border areas by beefed-up patrols.

Meanwhile, the getting's good for advertisers given media development at this point.

Total Hispanic market ad expenditures in 1983 were $224.4 million, up 35% from $166 million in 1982, according to *Hispanic Business* magazine, a national publication in English based in Santa Barbara, Cal.

About 22% of total ad expenditures came from 25 top advertisers ranging from $6.1 million by Philip Morris to $500,000 for H.J. Heinz Corp.

The Spanish-language expenditures of the top 25, however, are less than 1% of the aggregate general market expenditures of those companies.

Most of the advertising has been harvested by broadcast, notes *Hispanic Business*.

National tv or Spanish International Network (SIN) took in $40.5 million; local tv (SIN) added another $40.5 million; independent tv $11.7 million; national radio $30.5 million, and local radio $50 million. This represented $173.2 million or 77% of the total media expenditures.

Spanish-language broadcast may be the best way to reach the Hispanic audience, as marketers claim.

Spanish-language tv stations, overwhelmingly dominated by SIN, are located in the major Hispanic markets and total 23 stations.

The Hispanics moving away from those powerful cultural signals are being tracked by Spanish-language subscription tv and cable.

The largest of the specialized programing services on tv is Spanish-language cable, according to the National Cable Tv Assn. Yet, despite the surge in programing, cable as a Spanish-language medium remains more potential than reality as it does in many Anglo markets. This is because cable systems exist largely in suburban areas where Hispanics are beginning to move (in the top five Hispanic markets, 35% are in suburbs, 50.8% in the central cities) and cable has yet to tap East Los Angeles, Chicago and the New York boroughs of high Hispanic density.

Budget constraints have meant tv programing also is of poor quality compared to English-language network programs and is heavily imported from Spanish-speaking countries, facts that figure into the sales spiel of Pat Michell, Midwest sales representative for Caballero Spanish Media Inc. of New York: "When it comes to television, Hispanics would rather watch 'Hill Street Blues' than a Spanish station."

Ms. Michell may be right, but there are few nonproprietary

(Continued on Page M-40)

Top 10 Hispanic media markets in 1983
($ millions)

		By medium			Market
Rank	**Market**	**Tv**	**Radio**	**Print**	**total**
1	Los Angeles	$16.0	$16.0	$6.5	$38.5
2	New York	15.0	13.0	8.0	36.0
3	Miami	9.0	13.0	8.5	30.5
4	San Antonio	5.0	6.0	—	11.0
5	Chicago	4.0	6.0	—	10.0
6	San Francisco/ San Jose	4.5	4.5	—	9.0
7	El Paso	.8	4.0	—	4.8
8	San Diego	3.5	1.0	—	4.5
9	Phoenix	2.1	1.0	—	3.1
10	Fresno	2.0	1.0	—	3.0
Total		$61.9	$65.5	$23.0	$150.4

Source: *Hispanic Business* magazine, Santa Barbara, Cal.

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Cable

(Continued from Page M-39)

(like soap operas but with a known ending date instead of endlessly evolving); live sports; theater and variety shows.

The GalaVision cable service, now with more than 100,000 subscribers, carries no commercials and feature materials such as movies are presented uncut. According to Andrew Goldman, the "economy of scale" (both audience size and ad revenue in the Hispanic market are too limited) dictates that GalaVision obtain its programs from sources in Latin countries where production costs are lower than in the U.S. "The volume of Spanish-language movie tv production for the U.S. cable market," he says, "will never be large enough to justify original production in this country. So we buy from Mexico and South America, for example."

GalaVision's parent organization, SIN transmits 24 hours of programing daily, including news, current affairs programs and special events. SIN is owned 75% by Televisa, S.A., a Mexican communications conglomerate, and 25% by its founder and president, Rene Anselmo.

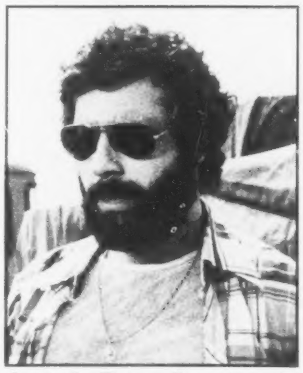
"I am convinced the lack of a national medium . . . is the principal ingredient that keeps Hispanics from gaining recognition," Mr. Anselmo says. "And this is what I envision SIN as doing—becoming the voice that strengthens Latin pride in its cultural heritage.

Emphasis on significant programing, as Ms. Conill suggests, is the mark of the good Spanish-language cable franchises. "Mia Vision emphasizes local coverage in Hialeah," says Malcolm White of Colony Communications. "We have nightly news shows with Jose Yedra as anchor, [we] cover the local night club scene and boxing, and move the cameras out into the community, getting a lot of material locally."

A notable result of this coverage in 1982 was a National Cable Television Assn. ACE—Award for Cable Excellence—presented to Mia Vision for "outstanding commitment to serving a minority audience."

Although most of the Spanish-American Network programing in Houston comes from South American sources, Mr. Gomez de las Barcenas is developing some local shows, too.

And while Southwest Cable in Espanola, N.M., is not doing any local programing yet, it now is devoting one channel to the local community college and one to the public school. It would like to see SIN work with the college to produce local access programs.



Antonio Fagundes stars in "Carga Pesada," a GalaVision series about two Brazilian truckers.

Valley Cable Tv, in California's San Fernando Valley, is another ACE winner, this one a 1983 award for "Innovative Programing," recognizing its program, *Rasgado en Dos* ("Torn in Two") about Spanish poetry. And earlier this year the Los Angeles City Council presented an accolade to Valley for its special, "Un-Tattoo You," which started as a simple documentary on how to remove tattoos, then dealt with the lessening of this militant attitude in young Hispanics and how to get out of street gangs.

Spanish cable operators take various approaches to advertising, but except for SIN, these could be described as "early developmental."

SIN, with an average audience of 1 million, expects revenues of $45 million in 1984. The network is up 34% in sale of commercial time from 1983 (GalaVision cable programing carries no commercial advertising).

Of that total, $30 million is from national tv sales to television, low-power tv and cable. The balance of $15 million is placed in the 12 markets that accept national advertising, including the cable station in Harlingen, Tex., and also includes revenues from border markets with audiences outside the U.S. —Juarez, Nuevo Laredo, Tijuana and Mexicali.

Houston's Spanish-American network carries such major advertisers as Procter & Gamble, General Foods, Johnson & Johnson and the major brewers, while Southwest Cable is not now carrying any commercials but soon will be, including some on the channel with Television and will gradually increase this over the next six months.

Like other components of its business, advertising is very much a local matter for Dynamic Cablevision's Mia Vision. "Advertising is very good," says Malcolm White. "It includes local businesses such as dry cleaners and restaurants. Early in the development of the channel the station management made contacts with affluent Cubans in the area and has good relations with them." Valley Cable in California is slowly picking up some advertising steam, feeling its growth rate is good as it goes from $10,000 a month in revenue for 1983 to projected monthly sales of $11,000 to $14,000 this year and $20,000 by 1985.

Is this the kind of ad revenue to expect from what Char Beals, NCTA programing and marketing vp, describes as "the largest of the specialized programing services on tv"? Perhaps a gradual increase is how it will happen.

"Spanish-language cable can be successful," says Ms. Conill. "It won't happen tomorrow—but it is going to happen." She pauses, and then adds with excitement, "Of course I think the most likely to succeed would be a Spanish-language version of MTV—Music Tv—but you couldn't make it by coming on and playing Latin rhythms of just any type. You would have to use the right balance of the *salsa* from South America, the *mariachi* from Mexico, the *ranchero* from our own Southwest. It could be beautiful and very successful."

She pauses and adds, "I'd better copyright that!" AA

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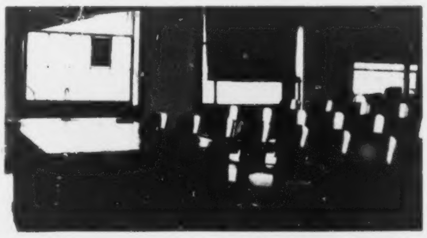

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Media

(Continued from Page M-11)

marketing studies on the market that show the impact of English-language tv on primarily Spanish-speaking audiences and vice versa.

Clinical psychologist Andrew Erlich, whose expertise is in Hispanic market behavior, says English-language tv has as powerful an impact on monolingual Hispanic children as on society at large.

Pressure to watch the English channels comes partly from playmates; some is self-interest (the toys advertised), and a good deal is parental pressure on the child to be the "bridge" for the parent to the new culture.

The commitment of advertisers to reach the Hispanic market via tv also is less than enthusiastic, believes the national sales representative of a major Hispanic tv station.

Requesting anonymity, he estimates that advertising from 50% of the major advertisers on his station is tokenism.

Mr. Erlich traces this to a form of marketer's neurosis caused by the marketer's uneasiness about the impact of Latinos on society, the fear of the unknown, and xenophobia.

Print, the least developed of Spanish-language media, is only a discernible factor in New York, Los Angeles and Miami, a reflection of sheer numbers and the educational attainment of Hispanics before immigrating.

In Chicago, where the number of Hispanics approaches that of Miami, Spanish-language newspapers have had an uneven history.

The *Chicago Sun-Times* discovered the hard way that Hispanics do not necessarily read Spanish. It aimed a weekend section called "Los Vecinos" at the city's half-million plus Hispanics (Mexican and Puerto Rican) in 1981. It lasted two years.

The venture proved costly as the *Sun-Times* tried to reach the population, which is dispersed throughout the city, a fragmentation that killed local advertising by Hispanic merchants.

One reason the newspaper lacked support in the Hispanic neighborhoods was traced to its failure to receive the necessary blessing of the Hispanic social and political hierarchy before launching the product, says a local adman.

The ultimate blow was the discovery that Hispanics in Chicago can be reached by English-language tv, Spanish tv and radio and even English-language print—facts that were discovered in a poll taken to determine where Hispanics got the information that influenced their vote in the Chicago mayoral election in 1983.

The *Los Angeles Times* has been assessing a Spanish-language product in L.A., but is finding the same kind of dispersion and English-language capability factors among the city's Hispanics as found in Chicago.

In the aggregate, 20% of Hispanics in the top five Hispanic markets (Los Angeles, New York, Miami, San Antonio and Chicago) are monolingual in English, 30% are bilingual and 50% are Spanish-speaking only, according to Sosa & Associates, a San Antonio ad agency that tracks the Hispanic markets in the nation's 33 major Hispanic population centers.

That is a fairly strong endorsement for using a combination of English and Spanish-language media to reach them. Indeed, that is what is often recommended by Sosa & Associates.

The answer to reaching the Hispanic market rests in the kind of careful scrutiny Sosa recently took in preparing an ad for Canadian Club. Targeted at bilinguals, its headline was in Spanish as was a poem, lyrical and intimate. A recipe for Canadian Club and 7UP was in English, at the request of Hispanic focus groups, "because we're used to reading recipes in English." Hardly revolutionary. But effective. AA

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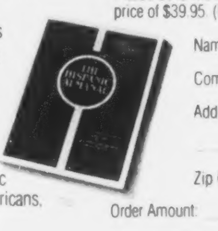

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ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*March*

Art & antiques

	Current month		Year-to-date	
	1984	1983	1984	1983
American Artist	70.0	49.6	183.8	153.0
Antiques	136.3	136.0	456.0	424.3
Antique Monthly	31.1	27.9	96.0	88.0
Art in America (11X)	128.0	115.0	371.4	281.3
Plate World (6X)	72.0	76.0	134.0	160.0
Southwest Art	80.8	77.3	236.6	254.6
Total Group	**455.2**	**481.8**	**1,477.8**	**1,361.2**
% change		**−5.5%**		**+8.6%**

Auto/cycle/rec. vehicles

	Current month		Year-to-date	
	1984	1983	1984	1983
AutoWeek	103.0	115.0	304.5	348.9
Car & Driver	89.6	74.6	212.1	193.0
Car Collector & Car Classics	20.8	20.5	61.9	60.6
Car Craft	60.3	73.3	145.6	192.4
Cycle	75.1	86.2	143.3	196.5
Cycle Guide	54.9	63.0	113.3	134.6
Cycle World	78.0	78.7	151.0	167.0
Dune Buggies & Hot VWs	72.6	60.1	230.0	174.1
Family Motor Coaching	166.3	131.7	449.9	278.4
4 Wheel & Offroad	66.0	55.6	162.7	157.2
Four Wheeler	66.3	39.8	179.6	104.4
Hot Rod	51.3	55.1	119.6	142.9
Motorcyclist	51.5	64.0	98.0	128.4
Motor Trend	56.6	55.7	144.2	150.8
Motorhome	95.3	73.8	248.6	190.4
Pickup, Van & 4 WD	32.3	33.4	70.4	83.9
Road & Track	106.9	98.1	252.2	238.5
3 Wheeling	29.4	21.5	75.3	68.8
Trailer Life	136.3	105.0	352.4	285.7
Total Group	**1,412.5**	**1,305.1**	**3,514.6**	**3,296.5**
% change		**+8.2%**		**+6.6%**

Boating & yachting

	Current month		Year-to-date	
	1984	1983	1984	1983
Boating	184.2	130.3	475.7	366.4
Chesapeake Bay	26.0	27.1	82.4	77.2
Cruising World	148.4	139.7	410.0	381.2
Lakeland Boating	—	—	—	—
Motor Boating & Sailing	170.1	139.5	557.6	479.0
Sail	168.6	130.2	438.1	352.2
Sea & Pacific Skipper	62.8	89.3	175.5	223.7
Small Boat Journal (6X)	—	—	42.6	41.6
Trailer Boats	52.0	29.3	112.6	75.9
Western Boatman (6X)	20.3	19.1	59.6	39.1
Yachting	197.2	167.5	567.8	488.7
Total Group	**1,029.6**	**872.3**	**2,921.9**	**2,525.0**
% change		**+18.0%**		**+15.7%**

Canadian

	Current month		Year-to-date	
	1984	1983	1984	1983
L'Actualite	68.0	50.8	150.1	117.8
Chatelaine				
English Edition A	107.9	94.7	261.2	240.1
French Edition	90.2	87.8	220.6	212.1
City Woman (5X)	54.8	48.1	54.8	48.1
Equinox	50.5	46.5	80.3	87.0
Financial Post Magazine A	38.4	35.9	103.7	89.5
Flare A	57.6	61.8	112.8	107.4
Homemaker's Magazine	89.1	78.9	175.9	175.4
Madam Au Foyer	84.5	63.8	156.0	138.0
Macleans (52X) A	122.8	83.2	306.8	237.2
Quest Magazine (8X) A	26.4	48.5	26.4	48.5
Reader's Digest				
Canadian English A	114.5	93.7	237.8	208.9
Canadian French A	99.0	79.5	206.6	184.9
Toronto Life	97.7	93.1	209.6	194.4
Vancouver	82.0	96.5	182.2	211.0
Total Group	**1,183.4**	**1,062.8**	**2,484.8**	**2,300.3**
% change		**+11.3%**		**+8.0%**

Civic/fraternal

	Current month		Year-to-date	
	1984	1983	1984	1983
American Legion	29.7	31.1	94.8	109.1
Elks Magazine (10X)	20.0	24.5	83.0	92.2
Kiwanis Magazine	11.7	13.0	38.3	50.0
Lion (10X)	7.5	6.7	25.1	18.5
Moose Magazine	28.0	25.0	73.0	75.0
Rotarian	11.4	9.8	47.4	40.8
V.F.W. (10X)	31.5	31.8	95.4	107.8
Total Group	**139.8**	**141.9**	**457.0**	**493.4**
% change		**−1.5%**		**−7.4%**

Comics

	Current month		Year-to-date	
	1984	1983	1984	1983
Archie Comic Group (6X)	—	—	10.0	10.0
DC Comics	8.0	8.0	26.0	26.0
Marvel Comics Group	10.0	10.0	30.0	30.0
Total Group	**18.0**	**18.0**	**66.0**	**66.0**
% change		**+00.0%**		**+00.0%**

General

	Current month		Year-to-date	
	1984	1983	1984	1983
American Forests	8.0	11.3	23.8	35.5
American Health (6X)	56.8	33.0	110.8	64.6
American West (6X)	29.2	22.3	54.8	51.7
The Atlantic A	52.0	44.4	111.7	111.7
Audubon Magazine (6X)	30.4	40.2	54.0	71.1
Bon Appetit A	75.1	84.2	210.0	220.8
Changing Times	53.8	51.9	142.1	110.5
Cuisine Magazine	50.7	32.9	143.1	89.0
Ebony	86.4	96.2	222.5	242.1
Fifty Plus	36.5	28.3	115.0	81.0
Food & Wine	35.3	35.1	103.7	97.0
Games	23.2	27.0	68.2	89.3
Geo	39.8	34.1	110.5	105.8
Gourmet	82.3	76.1	194.4	178.0
Home Entertainment (6X)	—	—	38.0	34.7
Harper's Magazine A	28.6	14.3	74.4	48.2
Life	40.0	39.0	152.2	157.9
Modern Maturity (6X)	—	—	45.2	40.6
Money	124.2	126.5	319.3	296.0
Moneysworth (4X)	9.8	17.2	27.0	34.6
Mother Earth News (6X)	51.0	68.9	113.8	140.6
Mother Jones	—	—	—	—
National Geographic	27.1	39.9	57.8	75.3
Natural History	47.1	40.1	139.3	110.3
Prevention	65.0	71.0	213.2	221.6
Psychology Today	27.0	31.0	69.9	76.8
Reader's Digest A	83.3	63.4	227.8	197.4
Saturday Evening Post (9X)	37.4	50.3	76.7	90.3
Signature	74.0	78.1	170.2	171.3
Smithsonian	100.9	98.9	257.9	226.7
Success	34.3	37.8	106.2	112.9
Town & Country	156.8	159.6	353.5	336.5
Travel/Holiday	73.5	59.2	160.6	144.3
Travel & Leisure	129.2	114.6	296.9	240.7
Vanity Fair	24.7	168.4	72.0	168.4
Video	56.8	63.3	196.8	194.5
Video Review	49.5	58.0	168.1	187.3
Writers Digest	34.8	24.3	83.6	74.0
Yankee	79.0	85.0	261.0	269.6
Total Group	**2,013.5**	**2,125.8**	**5,185.4**	**5,198.6**
% change		**−5.3%**		**−0.3%**

Home

	Current month		Year-to-date	
	1984	1983	1984	1983
Americana (6X)	—	—	—	—
Architectural Digest A	140.6	138.7	313.1	308.2
Better Homes & Gardens	111.3	110.7	276.7	261.3
Colonial Homes (6X)	71.8	73.3	129.8	122.8
Country Journal	45.5	45.1	143.7	145.2
Country Living	59.1	49.2	167.1	134.4
Dallas/Ft. Worth				
Home & Garden	68.6	63.1	173.9	171.1
Early American Life (6X)	—	—	29.4	24.4
Family Food Garden (6X)	—	—	121.0	119.6
Family Handyman (10X) A	83.2	69.2	208.5	198.8
Flower & Garden (6X)	—	—	60.3	53.2
Home	60.2	46.1	137.3	95.8
Horticulture	26.1	31.9	83.1	104.3
House Beautiful	93.5	92.6	223.0	225.9
House & Garden	81.7	51.8	200.1	195.5
Houston Home/Garden	95.8	96.8	251.8	261.2
Metropolitan Home	53.9	55.3	158.4	155.0
New Shelter (9X)	50.8	35.7	152.5	142.4
1001 Home Ideas	43.7	29.0	103.3	90.4
Organic Gardening	77.0	84.5	260.4	284.4
Phoenix Home/Garden	61.0	46.2	175.8	128.3
San Diego Home/Garden	53.5	62.5	172.2	180.8
Southern Accents (4X)	81.8	—	130.8	81.3
Southern Living	141.7	141.3	337.0	321.8
Sunset Magazine A	145.3	161.0	345.1	353.2
Texas Homes	72.0	72.9	224.3	202.0
Workbench (6X)	69.7	66.5	131.1	134.5
Total Group	**1,787.8**	**1,623.4**	**4,709.7**	**4,333.6**
% change		**+10.1%**		**+8.6%**

In-flight & other passenger

	Current month		Year-to-date	
	1984	1983	1984	1983
Aboard Group (7) (4X)	—	—	17.1	26.4
Alaskafest	43.8	43.0	122.9	110.7
American Way	95.2	92.9	297.0	235.3
East/West Network				
Amtrak Express	30.5	50.5	88.8	113.7
Continental	61.7	62.5	166.7	166.7
Eastern Review	121.3	113.5	353.7	280.5
Ozark	36.7	51.0	124.9	111.3
PSA Magazine	91.2	85.0	256.4	216.6
Pan Am Clipper	68.0	41.7	163.7	118.7
Republic Scene	56.2	57.8	164.9	134.8
United	123.2	95.0	317.3	230.3
USAir	64.2	63.3	175.7	153.8
Western's World	55.8	63.0	173.7	156.2
Halsey Publications				
Air Cal	48.3	28.0	134.9	79.9
Delta Sky	81.2	79.7	228.3	178.6
Frontier	31.6	36.8	100.7	108.6
Northwest Orient	24.7	39.0	88.7	104.6
Skylite	18.0	12.3	57.0	31.5
TWA Ambassador	55.4	53.2	170.1	108.6
Hawaii	21.0	16.3	65.4	49.4
Pace (6X)	88.3	33.1	166.1	68.9
Southwest Airlines	89.9	106.3	252.2	281.3
Spirit of Aloha	20.5	16.0	62.3	46.6
Total Group	**1,326.7**	**1,239.9**	**3,748.5**	**2,997.2**
% change		**+7.0%**		**+25.0%**

Men's

	Current month		Year-to-date	
	1984	1983	1984	1983
Esquire	122.8	128.0	220.8	228.0
Firehouse Magazine	50.0	45.0	117.5	112.9
Gentlemen's Quarterly A	188.0	151.2	366.8	277.4
Penthouse A	40.1	54.6	133.6	154.7
Playboy A	58.8	66.1	191.4	212.5
Total Group	**459.7**	**444.9**	**1,030.1**	**985.5**
% change		**+3.3%**		**+4.5%**

Metropolitan

	Current month		Year-to-date	
	1984	1983	1984	1983
Aloha (6X)	26.5	25.5	51.7	46.7
Atlanta	59.8	64.0	148.4	137.0
Baltimore	56.8	50.6	157.0	154.5
Boston	127.3	121.8	356.7	347.0
California	65.0	55.1	145.4	125.7
California Living	62.3	52.5	136.5	139.8
Charlotte (10X)	18.3	18.0	41.3	58.1
Chicago	121.2	120.2	337.6	293.7
Chicago's North Shore	80.7	74.5	230.6	218.6
Cincinnati	41.2	50.1	128.9	146.2
Cleveland	61.8	70.0	197.7	178.8
Coast (38X) D	300.4	275.0	448.0	399.7
Columbus Monthly	64.4	56.9	163.1	148.8
Commonwealth	—	—	—	—
Connecticut	68.7	65.7	215.3	201.9
Country Magazine	40.0	25.8	93.0	65.3
County Life	44.0	—	129.0	40.0
D/Magazine, Dallas/Ft. Worth	108.1	104.8	293.9	274.5
Denver	32.7	31.7	77.4	80.7
Exclusively Yours,				
Wisconsin (15X)	47.5	54.0	155.9	162.9
Grand Rapids	75.3	51.7	145.3	127.4
Gulfshore Life (10X)	103.4	78.5	305.4	231.3
Honolulu	53.3	59.6	161.3	179.9
Houston City	74.1	59.2	202.5	166.7
Indianapolis	51.4	38.8	147.4	130.4
Kansas City	26.4	25.3	98.1	79.0
Los Angeles	183.0	172.0	500.0	474.0
Louisiana Life (6X)	66.1	69.9	129.3	137.9
Madison	48.0	40.0	140.0	120.0
Metropolitan Detroit	96.7	—	96.7	—
Miami/South Florida	71.2	77.3	251.2	251.4
Milwaukee	41.7	10.6	98.9	21.2
Minneapolis/St. Paul	86.8	75.5	228.0	203.7
Monthly Detroit	35.5	52.1	97.8	147.5
Nashville	32.0	50.0	110.0	158.0
New Jersey Monthly	50.6	47.8	145.7	134.0
New Mexico	24.2	22.6	99.2	57.7
Ohio	61.6	33.1	137.9	97.8
Oregon	—	—	—	—
Orlando	71.3	81.0	222.3	217.0
Palm Beach Life	108.8	101.3	336.4	302.7
Palm Springs Life	135.2	136.1	453.4	438.6
Philadelphia	107.7	119.0	323.4	329.1
Phoenix	90.0	70.7	264.3	232.0
Pittsburgh	56.5	54.2	161.4	147.7
St. Louis	64.5	48.5	160.5	140.5
San Diego	144.7	138.7	368.5	368.4
San Francisco	66.4	61.0	172.6	151.0
San Francisco Focus	52.8	43.0	129.5	112.5
Shenandoah/Va				
Town&Country (6X)	48.0	35.0	97.0	63.6
Tampa Bay Monthly	37.0	—	156.3	—
Texas Monthly	114.3	120.4	291.4	272.2
Twin Cities	69.9	46.2	163.2	118.8
Washington Dossier	44.0	39.5	130.7	131.3
The Washingtonian	144.0	142.0	390.0	383.0
Total Group	**3,944.8**	**3,516.8**	**10,325.7**	**9,197.4**
% change		**+12.2%**		**+12.3%**

Movie/romance/radio/tv

	Current month		Year-to-date	
	1984	1983	1984	1983
Macfadden's Women's Group				
Modern Romances	26.3	28.7	75.3	84.3
Secrets	26.3	28.7	75.3	84.3
True Confessions	26.3	28.7	75.3	84.3
True Experience	26.3	28.7	75.3	84.3
True Love	26.3	28.7	75.3	84.3
True Romance	26.3	28.7	75.3	84.3
Sterling Women's Group				
Daytime TV	27.5	31.3	81.5	92.4
Modern Screen	—	—	20.5	34.8
Movie Mirror (6X)	—	31.3	41.0	31.3
Soap Opera Stars	—	25.0	40.0	73.5
TV Movie Screen (6X)	—	31.3	—	66.1
TV Picture Life (6X)	—	—	41.0	29.3
Teen Bag (6X)	7.7	—	14.2	2.4
Total Group	**193.0**	**291.1**	**690.0**	**835.6**
% change		**−33.7%**		**−17.4%**

Music/entertainment

	Current month		Year-to-date	
	1984	1983	1984	1983
American Film (10X)	32.7	39.3	73.0	80.5
Audio	52.6	41.9	174.5	127.3
Circus Magazine	33.5	20.3	99.9	74.3
Dance Magazine	63.4	65.1	193.7	182.2
Musician	62.5	49.8	185.2	178.2
Playbill	53.7	50.5	146.1	144.8
Record	20.0	4.1	57.2	15.5
Stereo Review	41.7	55.2	124.2	140.6
Total Group	**360.1**	**326.2**	**860.1**	**943.4**
% change		**+10.4%**		**−8.8%**

Newspaper, Sun. magazines

	Current month		Year-to-date	
	1984	1983	1984	1983
Family Weekly A	58.1	87.8	188.7	263.6
Parade	53.1	76.9	176.2	232.6
Total Group	**111.2**	**164.7**	**364.9**	**496.2**
% change		**−32.5%**		**−26.5%**

Outdoor & sport

	Current month		Year-to-date	
	1984	1983	1984	1983
Alaska	48.6	41.7	120.8	106.5
The American Handgunner (6X)	39.2	40.9	79.0	77.9
American Hunter	19.1	16.7	49.9	47.1
American Rifleman	25.3	21.5	76.3	69.9
Backpacker (6X)	43.0	49.7	74.2	85.9
Bass Master (8X) A	91.8	69.8	188.9	170.7
Bicycling (9X)	116.4	104.8	209.3	192.7
Field & Stream	111.2	128.6	247.9	280.3
Fins & Feathers A	73.4	86.5	166.6	150.1
Fishing World (6X)	85.0	88.1	116.3	120.3
Florida Sportsman	129.4	114.4	301.8	254.0
Flying	44.4	39.5	113.9	100.2
Fur-Fish-Game	20.2	18.6	70.9	64.2
Golf Digest	132.2	140.8	280.1	280.4
Golf Magazine	75.0	64.3	344.4	297.2
Guns	24.1	25.2	79.8	80.9
Guns & Ammo	41.8	46.2	113.2	127.2
Muscle & Fitness	99.0	104.0	320.0	312.0
Outdoor Life	118.7	85.6	258.7	225.0

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. Four issues in March. E. Includes inserts totaling 10 pages. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 68)

ad linage

(Continued from Page 67)

	Current month		Year-to-date	
	1984	1983	1984	1983
Outside Magazine	51.3	52.0	83.6	52.0
Petersen's Hunting	34.1	29.3	89.1	90.4
The Runner	39.4	33.7	112.6	107.9
Runner's World (13X)	43.3	41.9	121.1	122.1
Salt Water Sportsman	104.3	76.7	250.0	202.0
Shooting Times	40.8	31.1	116.1	97.3
Ski (8X) A	56.9	76.5	217.0	209.7
Skiing (7X)	54.2	62.4	215.3	209.5
Skin Diver	78.2	67.6	238.1	215.9
Southern Outdoors (8X)	58.5	59.8	94.9	100.6
Sport	41.3	30.3	126.5	91.2
Sports Afield	105.0	110.7	256.5	257.2
Tennis	76.9	73.8	182.3	186.3
Western Outdoors (10X)	56.7	41.2	104.1	95.3
World Tennis	38.0	65.1	87.6	124.5
Total Group	**2,216.7**	**2,139.0**	**5,506.8**	**5,204.4**
% change	**+3.6%**		**+5.8%**	

Photography

	Current month		Year-to-date	
	1984	1983	1984	1983
American Photographer	40.8	54.3	112.4	145.7
Petersen's Photographic	28.4	32.8	89.0	96.9
Popular Photography	94.2	118.0	278.9	344.5
Total Group	**163.4**	**205.1**	**480.3**	**587.1**
% change	**-20.3%**		**-18.2%**	

Religious

	Current month		Year-to-date	
	1984	1983	1984	1983
BBI Jewish Monthly (10X)	24.5	29.1	64.8	69.4
Christian Herald	34.5	44.8	101.2	109.3
Christian Life	32.6	28.9	83.8	77.8
Christianity Today	76.5	81.2	191.5	223.3
Inside (4X)	90.3	70.0	90.3	70.0
Moody Monthly	61.7	68.6	158.9	171.5
Today's Christian Woman (6X)	41.7	32.7	65.8	32.7
Total Group	**361.8**	**355.3**	**756.3**	**754.0**
% change	**+1.8%**		**+0.3%**	

Science/electronic/mechanic

	Current month		Year-to-date	
	1984	1983	1984	1983
Compute	91.6	131.4	296.4	369.4
Computers & Electronics	40.0	65.8	141.4	205.7
Creative Computing	132.4	176.2	423.6	544.9
Discover	44.3	40.1	122.2	127.0
Electronic Games	—	—	—	—
Family Computing	53.6	—	184.7	—
Mechanix Illustrated	84.5	73.9	198.1	198.5
Omni	57.3	66.4	163.1	166.0
Personal Computing	166.0	200.7	525.4	570.3
Popular Mechanics	101.1	105.5	271.0	266.4
Popular Science	94.9	79.5	247.8	226.4
Science Digest	22.9	38.6	73.4	98.8
Science 84 (10X)	50.5	48.9	89.8	87.2
Scientific American	64.5	51.2	179.1	136.0
Spectrum	108.7	72.7	277.0	231.1
Total Group	**1,020.7**	**1,150.9**	**3,193.0**	**3,227.7**
% change	**-11.3%**		**-1.0%**	

Women/fashion/service

	Current month		Year-to-date	
	1984	1983	1984	1983
Bride's Magazine (6X) A	220.5	229.1	737.5	724.1
Cosmopolitan A	201.3	198.7	536.1	503.2
Essence	78.0	86.8	223.2	218.5
Family Circle A	163.9	175.9	407.2	426.1
Glamour	199.4	182.4	429.5	427.1
Good Housekeeping A	137.1	169.1	405.6	449.2
Handmade (6X)	26.4	—	52.8	30.4
Harper's Bazaar	206.8	172.1	414.3	338.8
Health	40.2	31.0	111.3	83.5
Ladies' Home Journal	109.6	106.7	299.4	262.1
Ladycom	33.0	26.2	113.5	100.7
Lady's Circle	5.7	11.6	22.8	28.6
Mademoiselle	135.6	149.3	340.9	319.9
McCall's	88.9	94.6	249.6	244.2
Modern Bride (6X)	210.9	199.8	624.7	597.9
Ms	54.6	40.0	129.9	112.8
New Woman	57.0	47.9	139.2	129.5
Parents Magazine A	71.6	78.6	197.5	206.4
Playgirl	33.2	39.1	107.8	121.5
Redbook	92.4	90.9	249.5	231.2
Self	102.1	81.2	240.2	193.3
Seventeen	182.2	107.9	322.7	247.5
Shape	51.0	49.0	154.0	122.0
Soap Opera Digest	29.5	28.7	83.9	64.2
'Teen Magazine	50.0	51.2	115.7	116.8
True Story A	56.7	57.5	156.7	168.4
Vogue	362.3	301.5	745.5	647.6
W Magazine	153.0	124.2	377.4	321.1
Weight Watchers	30.2	33.0	91.0	88.9
Woman's Day A	109.9	111.9	277.6	287.7
The Workbasket (10X)	38.1	52.7	124.6	127.2
Working Mother	70.4	77.9	192.3	188.4
Working Woman	102.4	100.4	249.0	247.4
Total Group	**3,503.9**	**3,306.6**	**8,922.9**	**8,168.2**
% change	**+6.0%**		**+9.2%**	

Youth

	Current month		Year-to-date	
	1984	1983	1984	1983
Boys' Life	16.3	22.1	50.5	68.2
Campus Life	65.3	78.3	156.4	151.7
Total Group	**81.6**	**100.4**	**206.9**	**219.9**
% change	**-18.7%**		**-5.9%**	

February

Business

	Current month		Year-to-date	
	1984	1983	1984	1983
Atlanta Bus. Chronicle (52X)	46.4	22.0	77.0	62.5
Austin Business Journal (26X)	32.8	—	65.3	—
Barron's (52X)	179.2	182.9	379.3	370.8
Boston Business Journal	71.4	47.4	157.8	101.9
Business Week (52X) A	334.7	331.1	587.3	568.8
California Business	61.0	35.0	128.9	89.0
Capital District Bus. Review	38.1	29.7	84.0	66.2
Corporate Report/Kansas City	47.7	38.8	133.1	81.8
Corporate Report/Minnesota	67.0	71.9	146.5	147.8
Crain's Chicago Bus. (52X) E	130.3	115.0	244.7	198.5
Crain's Cleveland Bus	59.5	38.4	114.1	93.7
Dallas/Ft. Worth Bus. (52X)	35.0	33.5	68.3	71.0
Dun's Business Month	61.0	68.0	183.0	174.0
The Executive	50.2	39.8	100.4	79.6
Financial World (24X)	22.0	40.1	52.8	67.7
Florida Trend	70.8	61.7	162.5	130.8
Forbes (26X)	224.5	187.8	486.1	393.7
Fortune (26X) A	189.2	165.0	387.7	292.8
Frequent Flyer	53.8	48.5	89.5	84.4
Hawaii Business	43.0	44.2	79.8	88.8
High Technology D	32.2	17.9	50.6	48.8
Houston Bus. Journal (52X)	—	—	—	—
Inc. Magazine A	93.2	103.3	194.5	168.0
Income Opportunities (10X)	66.5	66.6	66.5	66.6
Industry Week (26X) A	103.5	87.3	181.8	165.1
Indianapolis Business Journal	105.5	83.9	210.6	178.7
Nation's Business A	18.2	27.4	37.1	47.4
New England Bus. (20X) B	59.1	52.0	100.7	90.2
New Jersey Success	—	—	—	—
New Orleans Citibusiness	107.8	103.4	223.4	215.6
Pacific Business News (52X)	98.6	89.0	185.2	182.7
Philadelphia Bus. Journal	89.8	38.9	168.8	99.3
Pittsburgh Bus. Times (52X)	43.6	36.2	95.6	89.2
Savvy	—	—	—	—
St. Louis Business Journal	123.3	88.1	253.4	187.2
Texas Business	51.3	46.1	109.7	79.6
Venture	—	—	—	—
Total Group	**2,810.2**	**2,524.8**	**5,606.0**	**4,782.2**
% change	**+11.3%**		**+17.2%**	

Newspaper Sunday magazines*

	Current month		Year-to-date	
	1984	1983	1984	1983
Arizona Republic	55.2	69.0	116.1	136.8
Boston Globe	179.9	126.9	340.4	269.9
Chicago Tribune	47.5	65.9	105.6	135.5
Cincinnati Enquirer	—	—	—	—
Cleveland Plain Dealer	45.5	55.6	79.1	108.2
Columbus Dispatch	42.1	39.6	70.8	71.4
Dallas Times Herald	64.7	66.3	126.3	127.0
Denver Post	—	—	—	—
Detroit News	84.5	87.6	149.5	159.9
L.A. Times Home Magazine	88.3	64.3	175.1	116.0
Louisville Courier Journal	58.6	76.1	120.3	137.8
Miami Herald	52.0	53.7	94.7	108.7
New York News	91.8	48.8	115.7	90.5
New York Times Magazine	247.6	338.7	452.0	537.3
Philadelphia Inquirer	51.6	53.8	105.9	106.1
Toledo Blade Magazine	29.0	54.4	64.6	91.8
Washington Post	89.9	90.6	161.6	159.8
Total Group	**1,228.2**	**1,291.3**	**2,277.7**	**2,356.7**
% change	**-4.9%**		**-3.4%**	

Weeklies/bi-weeklies

	Current month		Year-to-date	
	1984	1983	1984	1983
The Advocate (25X)	94.8	84.7	214.1	231.6
Army Times Military Group				
Air Force Times (52X)	135.7	138.6	260.7	274.8
Army Times (52X)	129.3	134.5	250.7	266.8
Navy Times (52X)	152.4	156.5	290.0	313.0
The Times Magazine	15.2	9.3	22.0	15.1
The Blood-Horse (52X)	541.9	484.8	1,213.5	1,126.3
Capper's Weekly (26X)	34.9	28.1	73.8	54.0
Commonweal (22X)	8.2	7.3	16.1	16.5
Golf World (43X)	60.3	57.0	127.0	128.2
Grit (52X) A	26.4	28.7	63.3	65.8
National Journal	23.7	29.0	49.0	46.0
National Review	29.5	36.4	48.5	57.3
New Republic (48X)	29.0	27.2	53.3	52.2
New York Magazine (50X)	170.1	206.0	315.1	342.9
New Yorker (52X)	262.5	249.8	467.0	475.4
Newsweek (52X) A	174.8	249.6	380.3	393.2
People (52X)	206.7	236.2	391.3	400.3
Rolling Stone (25X)	86.2	68.6	126.7	107.5
Sporting News (52X)	52.5	56.7	99.3	103.3
Sports Illustrated (52X) A	249.9	217.9	404.6	379.8
Time (52X) A	194.6	193.3	371.7	386.5
Travelhost (52X) C	—	—	—	—
TV Guide (52X) A	359.4	365.3	686.9	711.9
Us Magazine (26X)	28.0	33.2	76.5	90.5
U.S. News & World Report (52X) A	109.6	137.4	206.5	246.3
Total Group	**3,175.6**	**3,236.1**	**6,207.9**	**6,239.2**
% change	**-1.9%**		**-0.5%**	

Foreign

	Current month		Year-to-date	
	1984	1983	1984	1983
Good Housekeeping Foreign Editions:				
Australia	26.0	24.4	64.7	63.6
Japan	46.7	43.9	122.8	89.8
Great Britain	73.8	68.1	119.5	115.8
Buenhogar:				
Central America	—	—	—	1.0
Chile	—	—	—	—
Colombia	12.0	22.7	23.7	39.8
Dominican Republic	1.0	5.0	8.0	17.0
Ecuador	4.0	6.3	6.0	9.3
Mexico	19.5	45.8	36.8	74.8
Peru	6.0	5.5	15.5	17.3
Puerto Rico	11.0	9.0	18.0	18.3
U.S.	12.5	4.5	22.0	12.3
Venezuela	10.5	18.0	22.5	35.0
Geomundo:				
Central America	4.5	—	5.8	2.0
Chile	3.5	1.0	4.8	4.0
Colombia	9.0	5.0	10.0	11.0
Ecuador	3.0	1.0	4.0	4.0
Mexico	4.5	2.0	4.8	8.0
Peru	3.5	—	4.8	3.0
Puerto Rico	1.5	1.0	3.8	3.0
U.S.	3.5	1.0	4.5	1.0
Venezuela	3.5	12.2	13.8	18.2
Hombre De Mundo:				
Central America	3.0	4.0	8.0	8.0
Chile	4.0	4.0	8.0	8.0
Colombia	5.0	9.5	9.0	17.5
Ecuador	3.0	5.0	7.0	10.0
Mexico	5.0	8.0	9.0	14.5
Peru	3.0	2.0	7.0	5.0
Puerto Rico	3.0	5.5	6.0	8.5
U.S.	2.0	1.0	3.0	1.0
Venezuela	11.0	23.3	20.0	33.3
Ideas Para Su Hogar:				
Colombia	12.0	11.5	15.0	24.5
Ecuador	6.0	—	8.0	1.0
Mexico	5.0	18.2	6.3	32.8
Peru	3.0	2.0	7.5	5.0
Puerto Rico	0.5	—	0.5	—
U.S.	8.5	—	11.5	—
Venezuela	5.5	10.5	14.0	18.0
Mecanica Popular:				
Argentina	4.8	6.8	10.7	13.5
Central America	12.8	14.3	22.5	25.7
Chile	4.5	6.6	8.0	11.8
Colombia	11.5	15.0	20.7	33.2
Mexico	9.2	9.7	16.5	18.8
Peru	14.7	18.7	24.3	33.3
U.S.	3.0	2.0	5.7	3.0
Puerto Rico	13.5	15.5	24.2	26.8
Venezuela	14.3	22.2	25.0	42.8
The Ring en Espanol:				
U.S.	2.0	3.0	3.3	4.0
Venezuela	1.0	2.0	1.0	3.0
Vanidades Continental:				
Central America	5.3	6.0	6.7	8.2
Chile	—	5.7	—	6.3
Colombia	30.8	34.3	51.8	55.5
Dominican Republic	7.7	19.2	8.7	25.3
Ecuador	15.7	9.7	19.3	12.5
Mexico	43.3	70.3	68.0	119.3
Peru	6.7	20.0	16.3	30.5
Puerto Rico	26.2	34.0	37.7	53.7
U.S.	36.3	43.2	66.8	70.7
Venezuela	26.3	52.8	43.0	73.3
Business Week Int'l	90.2	112.5	156.6	203.5
Cosmopolitan Foreign Editions:				
Australia	32.3	45.4	79.4	90.0
Brazil	24.0	29.0	54.0	62.0
France	106.7	30.7	175.0	67.8
Germany	62.4	34.7	92.4	53.0
Great Britain	64.0	70.0	134.3	109.0
Greece	28.0	27.0	66.0	77.0
Holland	26.0	12.0	35.0	18.0
Italy	28.0	42.1	43.7	60.0
Japan	26.7	26.6	54.3	59.3
Cosmopolitan en Espanol:				
Central America	—	2.3	—	3.2
Colombia	3.2	12.3	3.2	18.2
Ecuador	—	1.7	—	2.3
Mexico	22.2	35.2	37.0	60.3
Peru	—	5.7	—	10.3
Puerto Rico	16.2	15.5	22.3	27.5
U.S. (Spanish language)	21.8	14.3	33.5	27.0
Venezuela	8.5	15.2	15.0	22.0
International Communications:				
African Business	20.2	38.0	33.5	54.5
New African	17.9	25.3	37.7	45.8
The Middle East	18.6	28.0	37.0	41.5
International Management:				
Africa	12.0	16.5	18.8	27.3
Europe	26.8	31.3	44.8	52.0
Latin America	11.3	10.3	14.3	15.0
Middle East	14.7	13.5	30.2	22.7
Pacific	11.7	15.5	17.3	26.0
Johnston International:				
Alam Attijarat	49.7	55.2	90.3	96.2
Ejecutivo	6.3	8.3	6.3	8.3
Modern Africa	13.6	18.5	3.6	[illegible]
Modern Asia	20.0	34.1	20.0	[illegible]
Newsweek International A:				
Atlantic	60.3	68.5	[illegible]	112.5
Latin America	15.3	23.2	39.3	43.6
Pacific	47.2	50.3	99.2	89.6
Progreso (9X)	6.5	11.0	6.5	11.0
Reader's Digest:				
Arabic	—	7.0	8.0	16.5
Asian	87.5	142.5	243.0	343.5
Australian	72.8	54.0	131.8	80.5
Belgian-Flemish	47.5	53.5	72.5	84.5
Belgian-French	41.0	43.5	61.5	66.0
British	45.2	59.2	89.8	116.6
Chinese B	110.0	98.5	204.5	178.3
Danish	30.3	32.3	54.6	76.6
Dutch	25.5	17.5	52.5	48.5
Finnish	36.0	63.0	73.0	100.5
French	35.7	54.5	69.0	84.8
German	65.3	75.5	122.5	118.2
Greek	7.5	—	7.5	—
Iberian	13.0	25.5	18.0	38.5
Indian-English	70.0	77.0	137.0	135.5
Indian-Hindi	3.0	1.5	7.0	3.0
Italian	37.0	39.0	56.5	66.0
Japanese	40.0	41.4	63.9	84.50
Korean	20.5	16.8	45.0	36.1
Latin American:				
Argentina	17.0	12.0	32.5	17.0
Brazil	2.0	10.0	4.0	20.0
Central American	10.0	8.0	15.0	13.0
Chile	15.0	15.5	27.5	24.0
Colombia	23.0	28.0	47.0	50.5
Ecuador	10.0	11.0	16.0	19.5
Mexico	35.0	37.6	55.4	70.9
Peru	10.0	9.5	17.0	17.0
Puerto Rico	5.0	6.5	8.0	12.0
U.P.B.	8.0	14.0	10.0	22.5
U.S. Spanish	4.5	23.0	14.0	32.5
Venezuela	10.0	16.0	13.0	23.5
New Zealand	80.0	85.0	120.5	125.5
Norwegian	38.8	31.5	53.6	44.5
Portugal	24.0	20.0	39.0	45.0
South African	96.3	92.0	142.3	119.0
Swedish	13.0	15.5	40.0	31.5
Swiss-French	15.3	24.6	37.3	35.7
Swiss-German	22.6	31.0	50.2	47.0
Time International:				
Time-Asia	59.6	64.9	112.2	118.0
Time-Atlantic	75.6	76.2	114.4	131.3
Time-Canada	159.0	126.8	264.7	209.2
Time-Latin America	30.7	29.2	51.3	60.3
Time-South Pacific	84.6	103.1	139.4	155.4
Visao (52X)	109.5	86.2	225.5	231.9
Vision/Latin America (26X) A	17.3	24.7	28.1	43.1
Total Group	**3,304.5**	**3,677.8**	**5,946.2**	**6,866.4**
% change	**-10.1%**		**-13.4%**	

Hardee's

(Continued from Page 1)

cuit breakfast menu has been strong enough to force McDonald's to trade its English muffins for biscuits there and to consider adding them elsewhere. Estimated to account for as much as 25% of Hardee's per-store sales, breakfast should get at least a proportionate share of the new campaign's attention.

Served on a natural-grain bun and topped with lettuce, tomato and bacon, the new Turkey Club is positioned to appeal to customers (especially women) interested in lighter, nonbeef meals.

No plans for salad bar

Hardee's so far has resisted jumping on fast-food's salad-bar bandwagon, but the turkey item is intended to help broaden Hardee's customer base as it takes on McDonald's, Burger King and Wendy's more aggressively.

Broadcast and print advertising for the rollout, themed "Tackle a turkey," also is a part of the transition. Missing from the spots is the chain's longtime tag line, "Best eatin' all around," in anticipation of the network campaign's new, expectedly tougher "umbrella" theme.

A subsidiary of privately held Imasco Ltd., Montreal, Hardee's already has the size to merit membership in the Big 3 burger-chain club. It has converted to the Hardee's banner most of the 700-store Burger Chef chain it acquired in 1982 from General Foods, quickly moving it into new markets.

After cooling somewhat last year, new-store construction again is on the rise.

Industry sources estimate Hardee's 1983 systemwide (company and franchised stores) sales at about $1.5 billion. That keeps it within striking distance of No. 3 Wendy's (with nearly $2 billion in sales) and No. 2 Burger King (about $3 billion), while leaving it at least a respectable distance behind the unapproachable market leader, $8.7 billion McDonald's.

Where Hardee's traditionally has lagged behind the other major burger chains is in advertising spending, relying instead more heavily on promotions than have the others. But changes in that past strategy already are evident.

According to the Television Bureau of Advertising, Hardee's spent $17.6 million on tv advertising last year, compared with the $186 million spent by McDonald's, Burger King's $82.5 million and Wendy's $49.7 million. Yet Hardee's 63% increase in spending over 1982 greatly outdistanced the ad spending growth posted by any of the Big 3.

Heavy regional concentration

Hardee's heavily regional store concentration, which has kept it away from network tv until now, is generally seen as the chain's primary weakness in its efforts to take on its larger rivals.

Although strongly represented in the Southeast and part of the upper Midwest—Hardee's has no stores west of Salt Lake City—it is weak in the Northeast and has yet to enter such metropolitan areas as Chicago.

Benton & Bowles has been able to sell some of the future network feed in the West in order to minimize the cost-inefficiency of the buy, according to Hardee's senior vp-marketing Ron Wertheim.

The network advertising won't be funded by requiring an earmarked allocation of per-store sales, as do McDonald's, Wendy's and Burger King (commonly 1% and up).

However, regional co-ops do provide proportionate shares of a national production fund that produces advertising for systemwide use. But Hardee's is conceded to be one of the industry's masters at promotional marketing. A glass premium featuring the Smurfs and a Christmas season offering of stuffed Shirt Tales cartoon characters both did well, the company says.

Industry sources say Hardee's per-store sales were up an average 15% last November and December partly on the strength of the Shirt Tale promotion, despite an unusually high upcharge for the toys of $1.59 (and higher where demand allowed) with a sandwich and beverage purchase. Conventional wisdom at most fast-food chains holds that premiums priced above $1 don't move.

Future promotions uncertain

Although it already has run a children's meal promotion tied to the Biskitts cartoon characters this year, Mr. Wertheim said the extent of Hardee's future commitment to promotional marketing still is being debated.

One promotion Hardee's hasn't joined is the 39¢ hamburger offer still in effect in some McDonald's and Burger King stores (AA, Jan. 16).

Mr. Wertheim said sales haven't been hurt by the rivals' price-cutting, and he said Hardee's would rather coupon selectively than slash prices.

"My feeling is that kind of pricing cheapens a product everyone [in the industry] is trying to talk about and serve in a quality way," he said.#

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the advertising market place

TOBY CLARK
ASSOCIATES, INC.
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Executive Recruitment
in Advertising
Public Relations &
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ADVERTISING SALES REPS AVAILABLE

Two senior advertising executives, one retired from a major food company and the other from a major advertising agency have formed a sales rep firm to represent only one or two good trade publications to cover the mid-west. Not interested in a stable of publications.

Box 8784, ADVERTISING AGE
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ADVERTISING ASSISTANT

Direct marketing company with 56 years of continuous growth needs an individual in new role. Advertising Assistant will supply talent to create advertising in the marketing of business forms and related products, to the medical and dental industry. Qualifications include ability to write clear, concise ad copy, some knowledge of art and print production, excellent organizational skills, and ability to prepare sales reports and conduct market research. Great location in a midwestern university community of 10,000 plus people. Send resume to: Personnel Department, COLWELL SYSTEMS, INC., 201 Kenyon Rd., Champaign, Il. 61820

Media Director

NEW JERSEY

Large in-house advertising agency has a key position for a dynamic, aggressive Media Director with heavy spot and network radio/tv experience.

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261 Madison Ave., NY, NY 10016

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Walter Drake & Sons, Inc., a national mail order company, has an opening for an experienced merchandise buyer. Qualified candidates will have a minimum of two years buying experience with a national mail order firm, and a demonstrated record of successful buying. Must be sales results oriented, analytical and organized, with strong verbal and written communication skills. Attractive salary and benefits package. Please send resume and salary history in confidence to:

Personnel Supervisor
WALTER DRAKE & SONS, INC.
4[illegible] Edison Avenue, Dept. 410
Colorado Springs, CO 80940
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Leanin' Tree, catalog marketers of greeting cards for over 34 years, has an immediate opening for an advertising designer with strong background and current experience in the conception and execution of consumer oriented catalogs and related advertising. We are looking for a dynamic individual with the confidence and judgment that comes from 5 or more years of experience. Non-smoker.

We offer a salary and benefits package commensurate with the high level of experience we are seeking. Enjoy the Colorado lifestyle in beautiful Boulder where you will find a combination of recreational and personal growth opportunities. Interested individuals are encouraged to forward a resume, along with salary history, in complete confidence to:

Personnel Director
LEANIN' TREE PUBLISHING COMPANY
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Boulder, Colorado 80301

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Unique ground-floor opportunities—in East, Midwest, Southeast, Southwest, Rocky Mountain, Northern California regions—with new annual Super Bowl publication licensed by the National Football League. Top quality full-color hardcover book. Sell national advertising space; sell book as premium, corporate gift, fund raiser for non-profits; develop retail distribution. Career opportunity with dynamic new publishing company already creating additional new products. If your professional achievements and ambitions deserve greater responsibilities and rewards, send resume, references and earnings record today to James C. Bohn, President, Bohn & Bland Publishers, Inc. 1419 Burlingame Ave., Burlingame, CA 94010.

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Must have a minimum of five years experience. Working knowledge of production and post production. An understanding of music elements and printing/production elements is necessary.

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Our profitable, fast-growing Direct Mail division seeks experienced professional to plan, initiate and analyze major direct marketing programs. Must be expert in profit analysis (proforma and post-promotion) of catalogs, catalog products, new ventures. Responsibilities include budgeting, list response analysis, order and sales forecasting. Experience in list acquisition, merge/pure coordination desirable, but not required. Compensation commiserate with experience and proven effectiveness, complete benefit package. Send resume and salary history in confidence to:

Personnel Department
UARCO Incorporated
West County Line Rd.
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UARCO

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Agy. Mktg Mgr + Mkt Res/pkg gds.	$35-40M
Acct. Super, Retail, 4-A agency	$40-50M
CHICAGO ONLY, CORPORATE	
Mgr Creative Svcs/COPY oriented	$35-37M
Asst. Mgr/yellow pages art	$28-31M
Asst. Mgr/Co-op advertising	$28-31M
CREATIVE DIRECTORS/COPY/ART	
Art Dir., 4-A, Mid-South	$20-22M
Medical/Pharmaceutical Copy	$35-45M
Copywriter/all media/$60MM 4-A	$28-45M
PUBLIC RELATIONS	
Acct. Super/top 10 agency subs.	$40-50M
MEDIA SUPER/DIRECTOR/4-A hdqtrs.	$36-50M

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Chicago, IL. 60601
(312) 346-9400

WANTED: AD AGENCY

Must have
real estate and public
sector
experience.
Proposals Due: 4/27/84
Department of General
Services
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Municipal Building,
17th Floor
New York, New York 10007
212-669-7146

NORTH CAROLINA ADVERTISING CONTRACT

The North Carolina Department of Commerce is statutorily required to review and evaluate periodically the contractual relationship between itself and the advertising agency that handles its travel and tourism and industrial development media promotional efforts. The current contract will expire on June 30 of this year. The firm of McKinney, Silver and Rockett of Raleigh, North Carolina is presently under contract with the Department of Commerce. The relationship with this firm has been quite satisfactory to the Department and the firm will be eligible for consideration in the selection of an advertising firm for the contract period beginning July 1, 1984. Firms interested in being considered for this contract should contact Charles Heatherly, Director, Division of Travel and Tourism, 430 North Salisbury Street, Raleigh, North Carolina 27611, in writing by April 11, 1984 for details and requirements associated with the contract.

PROJECT COORDINATOR, MARKETING

A San Francisco based paper company seeks talented individual to coordinate advertising, sales promotion and product publicity activities on a project basis in support of company marketing plans. The position will also assist Manager Marketing Services in other marketing activities including new product devlopment and market research.

The ideal candidate will be a highly motivated, results oriented college graduate and want career opportunity as well as present responsibility. An MBA degree and two years marketing experience is preferred. Send a letter of interest, resume and complete salary history to:

Box 8787, ADVERTISING AGE
740 Rush St. Chicago, Ill. 60611

ART DIRECTOR

Due to our continuing growth, the Dallas Times Herald has an immediate opening for a highly experienced Art Director.

The position requires a working knowledge of all phases of graphic art and print production processes as well as the ability to plan, organize, direct and control the advertising art department.

Successful candidates will have a minimum of 5 years experience in managing an art department. A proven and demonstrable record of superior managerial skills and organizational talents in supervising an entire department will be considered more important than creative ability. Prior responsibilities must include schedule control, budget planning and cost accountability.

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Promotion Manager
Dallas Times Herald
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Dallas, TX 75202
EOE—M/F

3127/84
C 2710-1

Color portfolio of MPA's Kelly award nominees — Page M-49

Advertising Age®

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$1.25 a copy; $52 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *March 26, 1984*

Times were a lot happier for the Pizza Time Theatre family when they were the darling of Wall Street. The chain had everything going for it; now virtually everything goes against it.

Why the fun's all gone for the pizza-video king

By SCOTT HUME

Like an unskilled videogame player reacting too slowly to the changing action on the screen, Pizza Time Theatre is facing the end of the game.

But while some observers are calling the company's rapid rise and fall a classic case of marketing misjudgment, the product Pizza Time pioneered may survive.

The idea of using technological innovations to combine entertainment and dining in one package still has its advocates. However, those who continue to refine the concept agree that Pizza Time's decline has taught them important lessons about defining and reaching their market.

Last week's announcement that the Sunnyvale, Cal.-based Pizza Time would report fourth-quarter losses from continuing operations of at least $16 million was only the latest bad news from the franchiser of restaurant/entertainment centers.

The fourth-quarter report follows losses of $6 million through the first nine months of fiscal 1983, and the company said it will take an additional $35 million writeoff from the earlier announced closing of 19 Chuck E. Cheese's Pizza Time Theatre stores.

Without help from creditors, including a break on rental obligations, company president Randall Pike said the company would be forced to file for protection under bankruptcy statutes.

A spokesman adds that Pizza Time has no firm plan to reverse its fiscal slide. Company executives, the spokesman said, haven't had time to figure one out "since right now we're up to our necks in alligators."

As one analyst predicts, "Chapter 11 will be the last chapter for them."

The unraveling of Pizza Time's fortunes comes less than three

(Continued on Page 78)

NEWSPAPER

AA
DC20014CONGL1 FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Miller stands behind prior substantiation

By RICHARD L. GORDON

WASHINGTON—The big flap over the Federal Trade Commission's ad substantiation policy wound down last week with a proposed policy statement that scotches the prospect of major changes in the forseeable future.

While FTC chairman James Miller talks of additional long-range studies, he told an invited audience of ad industry leaders March 23 he is settling now for changes in three major areas, which do not go beyond clarifying and simplifying the core requirement that advertisers must have a reasonable basis for claims before making them.

His challenge to ad substantiation, reflecting his fears that it chills the freedom of advertisers to make claims, has created tension between his regime and ad industry leaders. The key points he now recommends reflect fine-tuning primarily in areas where the industry itself agreed that changes were needed.

First, they attempt to give advertisers more guidance on the quantity of substantiation they must possess to have a "reasonable basis" for their claims.

Where ads explicitly or implicity claim a particular level of support (such as when an ad says "a laboratory test proves"), the Miller policy would have the FTC declare that the advertiser's substantiation must meet the standard.

Where it's unclear what kind of support consumers would expect for a claim, judgments still would have to be made by the FTC on a case-by-case basis.

Second, they call for the FTC to declare that it sometimes will consider evidence developed *after* a claim is made, even though the ad substantiation policy states that an advertiser must possess a "reasonable basis" for its objective claims at the time they are made.

Mr. Miller said the FTC's existing method of treating "post-claim" evidence has benefited large advertisers and agencies with sophisticated Washington lawyers "who knew how things really worked." His answer is to have the FTC publicly list four circumstances where post-claim evidence might be acceptable in an investigation.

But there will be no relief through "post-claim" evidence for

(Continued on Page 77)

Part of belt-tightening move

Merrill Lynch slashes ads

By ROBERT RAISSMAN

Merrill Lynch & Co. will slash its estimated $25 million 1984 advertising budget by at least 16% and is said to be considering the layoff of 1,000 employes, both actions considered part of a companywide move to cut costs.

The advertising cut may be only the beginning, according to James W. Walsh Jr., vp-advertising, Merrill Lynch. He said the final determination on what percentage of the budget will be cut will depend on how expenditures can be trimmed without hurting the company's over-all marketing strategy.

"We are not only going to reduce the entire advertising budget, but we are going to try to assemble funds to introduce a whole new strategy," Mr. Walsh said.

He said the strategy could take the form of a new campaign for the brokerage company beginning in mid-September. Young & Rubicam is the agency, and Mr. Walsh said the agency "was safe."

Mr. Walsh said Merrill Lynch will maintain a "sizable but not huge" campaign to maintain its visibility. Contract spaces in such places as *Barron's* and the *Wall Street Journal* will not be dropped.

The company's corporate print campaign has been dropped.

"That campaign, which is quite new, may never see the light of day again," Mr. Walsh said. He added that Merrill Lynch had some "significant" tv commitments.

Speculation ran high last week that Merrill Lynch was planning to lay off about 1,000 employes, mostly clerical and administrative employes. A Merrill Lynch spokesman said the company was looking at its entire

(Continued on Page 76)

last minute news

$10 million Commodore account to Drossman

NEW YORK—Anametrics Services, marketing agency for Commodore International, has awarded the computer marketer's estimated $10 million print account to Drossman Lehmann Marino Reveley, New York. Steven Greenberg, president of Anametrics, said Drossman was selected because it is highly creative, has strong track records and "is flexible, which is essential in the computer industry." Tv creative earlier was given to Dick Rich Inc., with placement going to Clifford Botway Inc. (AA, Jan. 30). Ally & Gargano lost the account last summer.

Johnson & Johnson airs spot for toothpaste

NEW BRUNSWICK, N.J.—Johnson & Johnson has aired a commercial on a cable station in San Diego for Prevent fluoride toothpaste, said to prevent "hard crusty buildup [on teeth] by 50% once your dentist has cleaned your teeth." It was not known at press time if the product is being sold at retail or if the spot was a concept test. The agency also is not known.

Magic Pan names D'Arcy for $2 million account

SAN FRANCISCO—Magic Pan International named D'Arcy MacManus Masius here to succeed Benton & Bowles, Los Angeles, on its $2 million account.

(Continued on Page 8)

Kodak set to unfurl videotape

By GAY JERVEY

Eastman Kodak next week launches what is said to be a $15 million-to-$20 million campaign for its new line of blank tapes for videocassette recorders.

Kodak will begin marketing blank tapes in both the Beta and VHS formats (AA, Dec. 26).

The effort, which comes in time to steal some thunder from Polaroid's imminent videotape introduction, is expected to usher in a new wave of big spending in the $485 million videotape market, in the throes of its first price-cutting

(Continued on Page 76)

Fleet-size ad dispute

Avis asks court to brake Hertz

By ROBERT RAISSMAN

The battle between Avis and Hertz once again has moved from the highway to the courtroom with the "Trying harder" bunch claiming that new Hertz ads contain false statements.

In a lawsuit filed last week in federal court in Uniondale, N.Y., Avis charges that the claim in a new national Hertz print and radio campaign—that Hertz has "more new cars than Avis has cars"—is false and will cause Avis irreparable harm.

The print ads ran in *American Way*, American Airlines' in-flight magazine, and the March 12 *Wall Street Journal*. Radio spots making the same claim also have aired, according to the court papers. Scali, McCabe, Sloves is agency for Hertz.

"The case is without foundation," a Hertz spokesman said. "Hertz' claim is correct and we intend to prove it in court."

The print ads are headlined, "Hertz has more new cars than Avis has cars." A small subhead reads: "We're rolling out over 135,000 1984 cars." In the *Journal* ad, a footnote says Hertz' claim is "based on car registration and major airport statistics."

Avis is asking the court to stop Hertz from continuing the campaign. Avis also is seeking an order that would force Hertz to initiate "corrective advertisements" and award Avis damages for Hertz' "wrongful acts."

Avis also is seeking all profits that Hertz will receive or has received from using the ad.

Industry sources said Avis initiated the suit to discover how Hertz executives gained informa-

(Continued on Page 74)

The stage is set for Jane Fonda Workouts apparel—See Page 66.

Loss report cools off Ally stock

By MARK LIFF

New York—Ally & Gargano, in recent years one of the hottest ad agencies here, last week projected quarterly losses of about $200,000, a disclosure that caused the agency's stock price to plummet to its lowest level since it went public last December.

The loss for the quarter, which ends March 31, would be the agency's first since it began trading. A&G reported net income of $312,000 in the same period last year. In the fourth quarter of 1983, A&G reported income of $873,000, a 14.4% drop from 1982.

The agency attributed the latest loss to "an unanticipated curtailment of advertising expenditures for the last half of the fiscal year by three clients and the next by another client."

A&G refused to identify the clients, and none contacted by Advertising Age would comment.

Just a week ago, A&G said only two clients had curtailed advertising expenditures and another had transferred expenditures to the next fiscal year.

Amil Gargano, A&G's president-chief executive officer, said in a statement that the agency "expected to return to a substantial level of profitability during the fourth quarter of fiscal 1984." But he added, "net income for the full fiscal year. . .will be less than net income for fiscal 1983." The fiscal year ends June 30.

Wall Street analysts say it's impossible to tell just how low the price will tumble—or what it will mean to the company's future on the over-the-counter market.

"It [A&G] was never recommended by us," said Alan Gottesman, vp at L.F. Rothschild & Co. "We thought it was too risky. Why would you prefer Ally & Gargano to BBDO, which has a track record and substantial business experience?"

Mr. Gottesman said he didn't believe the company's current status was a result of its going public. "The company essentially is the same now as it was a year ago," he said. He was unable to explain the agency's plunging stock price—now 25% lower than when it opened.

On Thursday, the price of a share dropped half a point on trading of 500 shares. The bid was at 7½ and the asking price was 8.

Analysts said privately that they did not believe the company would revert to being privately held, as four

(Continued on Page 74)

Travis seen heading GOP effort

New York—Madison Avenue is buzzing with reports that the Ronald Reagan/George Bush 1984 re-election account will go to an ad hoc advertising group reportedly to be directed by James D. Travis, president-chief operating officer of Della Femina, Travisano & Partners.

Mr. Travis was known to be in Washington Friday reportedly to discuss funding and staffing of the powerhouse of creative talent for the re-election effort. He could not be reached for comment.

Despite reports Mr. Travis would direct an "all-star team" consisting of admen from across the nation, Reagan campaign officials claim no decision has been made and none is expected until this week.

Meanwhile, Rumrill-Hoyt, an agency that was reported to be in the running for the $25 million-to-$30 million account voluntarily dropped out of the competition last week.

"We didn't feel we could do justice to the President's campaign and provide the kind of service we like to provide to existing clients," said Gary Landis, president-chief executive officer. Rumrill had suggested a combination of a full-service agency and outside people to handle the account.

The Della Femina agency had been in line for the account, but subsequently withdrew. Jerry Della Femina, chairman, said at the time that he was unable to satisfactorily arrange agency compensation and allocation of his time.

The move by Mr. Della Femina to back out of the competition immediately prompted a scramble among ad agencies to secure the account.

John Buckley, assistant press secretary with the Reagan/Bush campaign, would not confirm the reports circulating through the industry that Mr. Travis would head the advertising effort.

"There is no decision yet, and there won't be any decision on any agency or people involved from agenices until sometime next week," he said in a telephone interview conducted last Friday from Washington.

Donald Sullivan, president of Ketchum

(Continued on Page 74)

highlights

Monday, March 26, 1984

Dailey & Associates will finalize its merger with SSC&B's Los Angeles office in June, a move likely to make the agency an even stronger force in the western U.S. *See Page 10.*

Following the resignation of Robert Mulholland as president-chief operating officer at NBC, Robert Walsh, a member of a new three-man team under chairman Grant Tinker, is seen eventually emerging as president. *See Page 14.*

After four years of preparation, the Chicago Evening Post Corp. remains a shell of an organization with many plans but apparently little money to back its launch of the *Chicago Post*. *See Page 30.*

Three commercials breaking today for Jane Fonda's new workout and sportswear line won't feature the actress, who has muscled her way into the workout world. *See Page 66.*

"Cagney & Lacey" and "Kate & Allie" opened big for CBS, but all three tv nets have been plagued with disappointing tryout series to fill some long-standing prime time problem spots. *See Page 77.*

CORPORATE CLOSEUP

Walt Disney Productions can't do something just to make money; it also has to continue to provide entertainment with some constructive ingredients—a precarious and dizzying balancing act. *See Page 4.*

INTERNATIONAL

Franco Maria Ricci, the Italian publisher, seems a bit eccentric even for Italy, but the Italian publishing world does not take him lightly. The U.S. is about to get its first taste of what makes him one of Italy's most successful publishers. *See Page 40.*

Kuwait-based Middle East Advertising Network Services has opened an office in Geneva in an attempt to snare more European business, especially in West Germany. *See Page 40.*

El Salvador's March 25 elections gave Salvadoran voters a taste of U.S.-style political marketing. *See Page 42.*

Thai tv viewers might get a bigger dose of commercials, thanks to the lifting of the country's ban on tv broadcasting between 6.30 p.m. and 8 p.m. to permit local stations to compete with communist programing spilling into Thailand from Laos. *See Page 44.*

VIDEOTECH

Thomas Kuhn, president of RCA Video Productions, a new division of RCA Records, believes that what's "absolutely crucial" to the division's success is the continued growth of videocassette recorder sales, and also a continued interest in music video. *See Page 48.*

MAGAZINE

Traditional companies are increasingly—and cautiously—targeting the gay market, a highly upscale and often trendsetting market segment. *See Page M-4.*

Special-Interest Magazines: Narrow in scope, great in number and bound by market-specific advertising, these periodicals reflect society's move to segment itself, and therein lies their mission. *See Page M-9.*

A letter from our correspondent in Bangkok describes a boom—and great improvement—in Thai advertising. *See Page M-56.*

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Isacsson exits CBS for Y&R

By GAY JERVEY

New York—Paul Isacsson has resigned as senior vp, Cable/CBG Enterprises, CBS/Broadcast Group, to become exec vp-director of network programing and purchasing at Young & Rubicam.

He succeeds Richard Low, who has left the agency by mutual agreement to start his own production and consulting company.

Both resignations are effective April 2.

Mr. Isacsson returns to Y&R, where he worked for several years during the 1960s. He had held his latest position at CBS since December, 1982, when he was promoted from vp-sales, CBS-TV Network, a title he held for the uncommonly long tenure of five years.

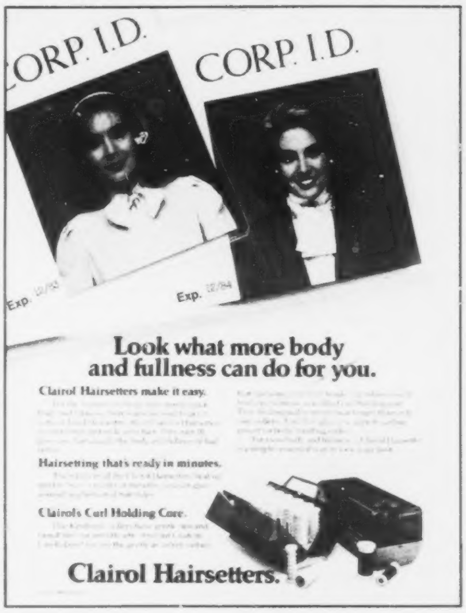
While head of network tv sales, Mr. Isacsson earned a reputation as being one of the most knowledgeable tv sales strategists and as a fierce and extremely skillful negotiator.

It was under Mr. Isacsson that CBS-TV unleashed its controversial policy to cease providing advertisers with guarantees for demographic audience deliveries in prime time. The decision to rescind the guarantees, considered by most

(Continued on Page 77)

After a fashion

Clairol Hairsetters is going after teens and working women in a new campaign from Foote, Cone & Belding that uses the before and after pictures, usually associated with fashion editorials, to underscore the themes of two ads: "More body and fullness look great in anyone's book" and "Look what more body and fullness can do for you."



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Clairol Hairsetters make it easy.

Hairsetting that's ready in minutes.

Clairol's Curl Holding Core.

Clairol Hairsetters.

Pillsbury's Milk Break hits cereal bar market

By JANET NEIMAN

Pillsbury will make its first, and probably not last, entry in the cereal-meal-bar category next month, when it begins marketing nationally Milk Break Milk Bars, a four-item line of chocolate-covered wafers with cream filling.

The product will be positioned in the healthy snack foods section of grocery stores along with granola bars and dried fruit rolls. But the new product will compete most directly with Quaker Oats Co.'s Granola Dipps chocolate-covered chewy granola bars, introduced this year (AA, Dec. 19).

Pillsbury is calling that supermarket aisle the "good-for-you" section, and it is placing Milk Break in that category because each bar contains "half a glass of milk."

The bars are flavored in chocolate, peanut butter, natural milk and chocolate mint.

The product will be packaged in cartons of six individually foil-wrapped bars. Each bar has three wafers separated by two layers of cream centers and chocolate coating. Milk Break was not test-marketed.

Pillsbury is backing the entry with what it calls its biggest introductory support ever. Advertising and promotion, handled by Ketchum Advertising, San Francisco, will reach $16 million.

Pillsbury's belated entry into the $350 million retail cereal-meal-bar category, which has grown 110% since 1980, is likely to be followed by other products. Rick Zaksas, marketing manager-new products in Pillsbury's consumer foods group, noted that Pillsbury considers Milk Break a major introduction, "an indication of our intent to establish a foothold in this category."

He would not comment on a potential granola product, but said it "would not be uncommon to look at second, third and fourth-generation" cereal-meal-bar lines.

Milk Break appears to fuel growth in the category segment

(Continued on Page 77)

P&G going into test with new liquid Tide

By TERESA H. BARKER

Trading off its longtime No. 1 brand in laundry detergent powders, Procter & Gamble has introduced a new liquid Tide in test market, and is expected to use heavy advertising and coupon promotions to woo consumers in the liquid-detergent market long dominated by Lever Bros.' Wisk.

In a liquid-product category estimated at about $700 million, Wisk claims about a 33% unit share, followed by P&G's Era Plus with 4.5% and Colgate-Palmolive's Dynamo with about 2.5%, industry sources say.

Wisk, which has enjoyed steady market share growth since its "Ring around the collar" campaign began in the early 1960s, recently surpassed P&G's Cheer granular detergent as the No. 2 detergent category-wide, with a market share of about 8% of the estimated $2.8 billion market.

Tide, the No. 1 seller, retains about a 22% market share in the over-all detergent category, but that claim is reported to reflect a decline of 3% since 1981.

New liquid Tide, an orange plastic container with the familiar Tide bull's-eye design, is being introduced in test markets in Florida, Iowa, Illinois and Indiana. The liquid is competitively priced, P&G said.

The liquid Tide package design features a built-in handle and a measuring-cup cap that is designed to drain unused detergent back into the bottle, P&G said.

Unlike P&G's concentrated Era Plus and its ¼-cup measure per load, liquid Tide is not a concentrate and uses a ½-cup per load.

P&G declined to discuss planned advertising except to say the account is handled by Compton Advertising, New York. The agency also has the powdered Tide, which accounted for more than $25 million in advertising in 1983. Retailers said they have been promised extensive tv advertising and coupon offers from April through August.

Industry observers say the new Tide product represents P&G's boldest move in a string of global efforts to establish a strong liquid-detergent product. P&G introduced Vizir liquid detergent overseas in 1981. It introduced Bonus liquid detergent in Japan.

In addition to Era Plus, P&G also sells Solo liquid detergent with fabric softener.

P&G said the new Tide is formulated differently from the granular Tide, but shares a "similar performance profile."#

world news roundup

TOKYO—Newsweek is negotiating with TBS Britannica, a Suntory Ltd. subsidiary, to publish a Japanese-language edition of the magazine by the end of the year to complement the English-language edition already available in Japan. *Newsweek* has a Japanese circulation of 48,000.

ROME—Federico Fellini, Italy's foremost movie director, has agreed to direct a commercial for Campari bitter soda. Mr. Fellini reportedly has been given creative carte blanche for the spot, his first ever.

MEXICO CITY—Brandy Presidente, Mexico's best-selling liquor, has awarded its $5.4 million account to Publicidad Augusto Elias (AA, Feb. 27). Previous agency was Camacho Publicidad.

LONDON—Boase Massimi Pollitt has been awarded the $4.5 million Robinson's Chesterfield disposable diaper account previously held by Dorland Advertising.

MELBOURNE—Consortium Advertising, Australia's 29th-largest agency last year, has gone into voluntary liquidation following account

(Continued on Page 40)

It's everywhere, it's everywhere

By SCOTT HUME

adWatch

How much attention has Wendy's "Where's the beef?" campaign received?

Forget the stories about the commercial last week in both *Newsweek* and *Time*. Forget that almost every political cartoonist has worked a drawing around the line. Forget that syndicated columnist Bob Greene wrote about Dancer Fitzgerald Sample copywriter Cliff Freeman. Forget the national discovery of director Joe Sedelmaier.

All that pales in comparison with a major newspaper such as the *Chicago Tribune* having its food section profile the food stylist who actually baked the big, fluffy buns used in the commercial.

When a commercial receives that kind of attention, it hardly seems necessary to say that Wendy's "Where's the beef?" is the best-remembered advertisement in the nation.

According to the February adWatch, ADVERTISING AGE's monthly survey of consumer advertising awareness, no other advertisement came close to Wendy's blockbuster. In fact, last month's awareness level for "Where's the beef?" was the highest registered since the survey was inaugurated in April, 1982.

Clara Peller and friends came to mind first for 90 of the 1,254 adults surveyed. That may not sound impressive, but dozens of ads are named in an average month. The Miller and Lite beer spots, which were the most frequently recalled advertising in January, were named by 33 respondents.

Last month's runner-up to Wendy's was Pepsi, which, like Wendy's, also had the distinction of being included in news programs after the injury to Michael Jackson during filming of the commercial. Pepsi was named by 40 respondents, and it probably would have been No. 1 in any other month.

All that attention also has brought "Where's the beef?" its share of criticism. John Kawula, vp at the

(Continued on Page 72)

Census study shows major agency growth

WASHINGTON—The first ad agency results from the U.S. Census Bureau's five-year census of service industries show a period of unparalleled growth, with receipts up 83.8% in 1982 over 1977.

While the receipts are not adjusted to reflect inflation, other information released from the census provides strong evidence that agencies have been building on a momentum that surfaced in the preceding census.

That census, covering 1977, had recorded a 73% increase in receipts, compared with increases of about 30% during each of the three preceding censuses.

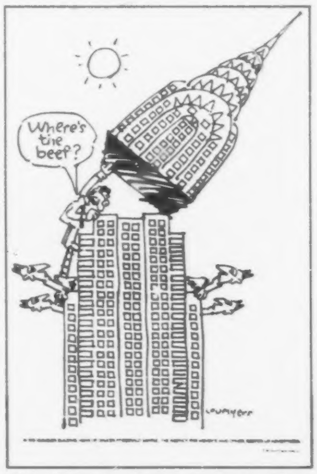
Receipts are distinguished from billings and are defined as commissions on media, materials and services; pr and service fees, and other receipts.

Other impressive gains were recorded in employment, up 27.6%; annual payroll, up 78.5%, and the number of ad agencies, up 23.6%. Employment had been up 10.7% in the preceding census; payroll, 52.6%, and the number of agencies, 12.5%. The payroll and employment data represented dramatic changes from the 1972 census, which showed a fractional percentage point decline in employment, with payrolls up only 22.8%.

The results also indicated rising productivity. Payroll per employe was up only 39.9%, while receipts per employe showed a 44% gain.

Actual dollar receipts for 1982 were $5,822,664,000, compared with $3,168,560,000 in 1977. Agency annual payrolls totaled $2,618,668,000, up from

(Continued on Page 76)


Where's the beef?

Wendy's agency, Dancer Fitzgerald Sample, claimed a stake in the "beef" fallout with an ad in the *New York Times* (above). Meanwhile, a Milwaukee fast-food chain, Suburpia, said the Wendy's commercial uncannily resembled its own (photos at right).

'Beef' goes abroad, but heats up at home

DUBLIN, O.—Walter Mondale's embrace of "Where's the beef?" as a campaign jibe at Gary Hart may hasten Wendy's use of the commercial overseas, just as another chain lays claim to the line's authorship.

Extensive news coverage of the U.S. presidential race has introduced the line to foreign markets, although it has produced some confusion in at least one country.

William Welter, Wendy's exec vp-marketing, said the chain's Australian franchisee called the parent company here after hearing Mr. Mondale leading supporters in a "Where's the beef?" chant.

"He thought it had something to do with a controversy over Australian beef shortages," said Mr. Welter.

The line has caught on in Aus-

(Continued on Page 72)

Dorland, DFS create European net

By DENNIS CHASE

Dancer Fitzgerland Sample and Dorland Advertising set up a new agency network last week that will expand the Saatchi & Saatchi empire.

Dorland is owned 100% by Saatchi & Saatchi, which wants a second agency network to go with Saatchi & Saatchi Compton Worldwide and handle conflicting accounts (AA, Aug. 1).

The new agreement creates Dorland/DFS International, a pan-European consortium based in London.

Dorland appears to have gained control over Dancer's European operation, although details about equity positions in the new group will not be announced for about six months.

The new group will be run by Dorland board member Neil Kennedy, who becomes managing director, and will take over all the current clients of Dancer's struggling London agency, Michael Bungey & Partners/DFS Holdings.

That agency saw its gross income fall 21% last year, to $6 2 million.

By contrast, the combined billings of Dorland and Dorland/DFS are expected to reach more than $180 million, boosting Dorland from ninth to fourth in U.K. agency rankings.

Dorland/DFS also will take over all 14 of Dorland's owned, partially owned and affiliated agencies in Europe. It will change their names eventually to Dorland/DFS

DFS' international network last year had total billings in Europe of $211.6 million, while Dorland has no agencies outside Britain.

"Dorland is gaining access to an established network with offices in place," admitted William Vickery, chairman of DFS International and now a member of the Dorland/DFS board. "If they bring business to those offices, it benefits both agencies."

Dorland has many clients, including Sheraton Hotels, Jaguar and British Airways group tours, that want to expand into new European markets.

DFS International clients also are expanding in Europe, including Wendy's International and General Mills' toys.

But expansion plans for Dorland/DFS go beyond Europe and encompass even the U.S.

"For our British clients in particular there will be a lot more activity in Europe than elsewhere in the world," said Jack Rubins, Dorland chairman-chief executive officer. "But eventually we hope to introduce them to the worldwide facility, including the U.S."

Both Mr. Vickery and Mr. Rubins deny any Saatchi & Saatchi involvement in the new agency. Mr. Rubins says his portion of the funding for the new venture came from sources outside the Saatchi agency, which "doesn't come into it, except that we kept them informed."

Previous talks between the two agencies fell through last year when DFS resisted Dorland's attempt to take over the U.S. agency, according to one source. Other sources said DFS' $200 million asking price was too high for Dorland (AA, July 25).#

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*Source: 1983 Scarborough National Newspaper Audience Study.

U.S. Agency Income issue due March 28

The 40th annual U.S. Agency Income issue will be published by Advertising Age as a special midweek issue March 28. It will contain individual profiles of 812 agencies, including 1983 gross income, billings and accounts won and lost.

The special issue also contains an extended profile of Ad Age's selection of Agency of the Year for 1983.#

Wolfe, Liff join 'AA'

CHICAGO—John Wolfe and Mark Liff have joined ADVERTISING AGE as assistant international editor and senior editor, respectively.

Mr. Wolfe, who reports to Dennis Chase, international editor, holds day-to-day operating responsibility for the international news department of AA, including editing, rewriting and production of the international section and editing of all other international coverage.

Working with the international correspondent network and with domestic news bureaus, he is responsible for generating story ideas, approving story proposals from reporters and making assignments.

He succeeds Carolyn Hulse, who earlier left the publication.

Mr. Wolfe formerly was with the Associated Press news bureau here, where he had been a general-assignment reporter, writer and editor since August, 1981.

Previously, he had been with the *Kansas City Times* serving as a metropolitan desk reporter (1979-80) in Kansas City and legislative and political reporter in Jefferson City, the Missouri capital (1980-81).

■ Mr. Liff will be based in the New York bureau. His duties include story-project direction and planning, editing and rewriting.

He'll work directly with John O'Connor, New York bureau chief, and Craig Reiss, New York news editor, in this newly created position.

Mr. Liff comes to AA after 10 years with the *New York Daily News*, where he has worked in a large number of reporting and editing areas. Most recently, he has been a reporter, writer, rewrite man and editor on the national/foreign news desk.

His previous *Daily News* experience includes stints as a general-assignment reporter, overnight editor, education writer, labor writer and transit writer.

Mr. Liff also will do spot news and news feature reporting and writing for AA. He has been contributing free-lance articles to the Magazine section of ADVERTISING AGE for more than a year.#

corrections & clarifications

- The totals given in the fast-food chain tv spending chart (AA, March 19, P. 1) were for the complete fast-food/restaurant category, not just for the top 15 chains listed.
- Robert McConaughey's title at *Dental Economics* is associate publisher (AA, March 12, P. 20).
- The agency for Hewlett-Packard's co-op sweepstakes campaign is Benard/Resnick & Co., San Francisco (AA, March 12, P. 8).
- The phone number for Pets Are Wonderful's ad competition is (312) 836-7145 (AA, March 12, P. 59).#

adWatch

(Continued from Page 3)

Point-of-Purchase Advertising Institute, says the "commercial has committed the gravest sin in advertising. It doesn't sell Wendy's fast-food. It sells the ad agency, the author, director and, most of all, Clara Peller."

But Wendy's remains sanguine despite the second-guessing and envy that have accompanied the campaign's success, in large part because "Where's the beef?" has kept the cash registers ringing and the lines long.

"We wouldn't have moved our marketing calendar around and returned to the network with it if it didn't work," said William Welter, Wendy's exec vp-marketing.

Although unwilling to divulge exact sales figures, Mr. Welter said Wendy's next month "will be proud to announce first-quarter results that I think will speak for themselves."

Market researcher Restaurant Industry Trends estimates that February sales for Wendy's (unadjusted for menu price increases) were up 19% from the previous February, after being up 15% in January. Mr. Welter said those figures are "in the ball park."

In addition to the sales gains and the millions of dollars worth of free publicity, Wendy's believes it has accrued some equally important long-term benefits from the campaign.

According to the chain's tracking survey, public perception of Wendy's Single as being larger than Burger King's Whopper or McDonald's Big Mac has increased 47% in the two months since the campaign began. Encouraging such movement had been the original impetus for the "Where's the beef?" campaign.

Mr. Welter said much of Wendy's increase in favorable consumer perception has come at the expense of Burger King's Whopper, while McDonald's Big Mac has held steady and continues to be perceived as largest by the most consumers.

Similar shifts occurred for the three chains' advertising awareness. Last month's adWatch figures for the fast-food category suggest that some consumers may not identify "Where's the beef?" with Wendy's.

Wendy's 14.5% share of first mentions in the category represented an increase of 6.8 points since January. Burger King's awareness fell 5.2 points to 16.3% of mentions. McDonald's was off slightly, dipping from 41.8% in January to 39.3% last month, but its advertising still dominates recall in the category.

AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a nationally projectable sample of adults to name the advertising that first comes to mind in a variety of product and service categories from all they have seen, heard or read in the past 30 days.

Last month, 1,254 consumers were questioned by phone. Under adWatch methodology, an increase or decrease of 2.8 percentage points between monthly samplings is considered statistically significant and attributable to more than sampling variations.

Among movers in other categories:

- Michael Jackson was again forced to play second fiddle to Clara Peller as Pepsi's 5.6 percentage point increase in the **soft drinks** group was the second-largest improvement. With 28% of first mentions, Pepsi replaced Coke in the No. 1 spot for the first time since November, 1982.

Riding Pepsi's—and Michael Jackson's—coattails was Diet Pepsi, which apparently overtook Diet Coke last month to claim the No. 4 spot with 3.6% of first mentions. Seven-Up held the No. 3 position with a 7.9% share.

- Avon, preparing to launch a more aggressive advertising campaign this spring (AA, March 12), already has received an awareness boost. A 2.9 point increase to 6.5% of first mentions last month helped the direct marketer recapture the No. 1 spot in the **cosmetics & fragrances** category.

January's leader, Maybelline, also received an improved rating last month with a 5.6% share, but slipped to No. 2, ahead of Cover Girl (3.2%).#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

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Avon promoting fashion, discount

By PAT SLOAN

After a three-year hiatus, Avon Products' Avon division is back with a multi-million-dollar spring promotion offering lipstick and nail enamel at a discount (AA, March 5, *et seq.*).

While past commercials such as the $4 million "Color never looked so good" promotion in 1979 showed Avon representatives selling, the new commercials are pure fashion.

Described by ad director Tabor Butler as "graphic techniques interspersed with a beauty payoff," the commercial features three women models and a specially created song.

Tv is backed by radio and a *People* gatefold. The $3 million-plus campaign will account for 20% of Avon's U.S. ad spending in 1984. Worldwide, Avon will spend $25 million.

According to Avon executives, the division is projecting unit sales of 12.5 million each for lipsticks and nail enamels during the four-week promotion, when the products will sell for 50¢ instead of the usual $3.50. N W Ayer is the agency.

With sales soft from 1980 through 1982, the Avon division virtually dropped its advertising, said Ms. Butler.

In the first nine months of 1983, however, Avon spent more than $13 million on measured media advertising, according to Leading National Advertisers.#

Beef goes abroad

(Continued from Page 3)

tralia even though Clara Peller hasn't been seen there—yet. While Wendy's presence in Australia and England is limited to fewer than 12 stores in each country, both are major expansion targets.

McDonald's and Burger King are better represented abroad and are advertising aggressively.

Mr. Welter agrees that "Where's the beef?" could help raise Wendy's awareness in England and Australia, as it has here.

Although he said he'd "love to put it on the air in London tomorrow," Mr. Welter said Wendy's international marketing executives are studying how well the spots might travel.

Back home, new questions about the origins of the line were raised by Suburpia, a 19-store sandwich-shop chain based in Milwaukee. Joe Pecor, marketing director for Suburpia, said a 1979 commercial Joe Sedelmaier directed for the chain and its agency, Van Leeuwen & Partners, bears so many resemblances to Mr. Sedelmaier's Wendy's spot that Suburpia can't use its own commercial without looking like an imitator.

Mr. Pecor said Suburpia officials have contacted Wendy's and its agency, Dancer Fitzgerald Sample, requesting compensation for its inability to run the spot. He said if no out-of-court agreement could be reached, the company would be "forced to file a copyright-infringement suit."

In the Suburpia spot, which has not run since 1979, a man orders a cheeseburger from a clown-face menu board. When a very small burger is delivered, the man says, "That's it? Where's the meat?"

Receiving no satisfactory response to his question, the man angrily yells into the clown, "Hey, you. I know you're in there. Where's my meat?"

That, Mr. Pecor said, is similar to Clara Peller's line, "I don't think there's anybody back there."

Mr. Pecor also pointed to the use of a small burger on a large bun in both commercials.

Mr. Pecor said the Suburpia spot was aired Nov. 26 as part of NBC's "TV's Greatest Commercials, Part Four" and Suburpia had planned to revive it this year.

"Unfortunately, there are a lot of people trying to share the limelight," Wendy's Mr. Welter said of the Suburpia claims. He said DFS copywriter Cliff Freeman hadn't seen the Suburpia spot before he wrote Wendy's last summer and wasn't influenced by it.

Mr. Sedelmaier was more upset by the brouhaha.

"I would never do something I had done before and try to foist it off on a new client," he said.

But it is hardly surprising, he added, that his personal style is evident in both spots he directed.

Mr. Sedelmaier showed Advertising Age original scripts for both spots and said he had changed the line, "But I can't even find the meat" (written by James Weller, now with Della Femina, Travisano & Partners in Los Angeles), to "Where's the meat?" for Suburpia before filming. The Wendy's line as scripted was "But where's all the beef?"

Mr. Welter said the matter is in the hands of lawyers and Wendy's is not about to pull the country's hottest commercial.#

This story was written by reporter Scott Hume.

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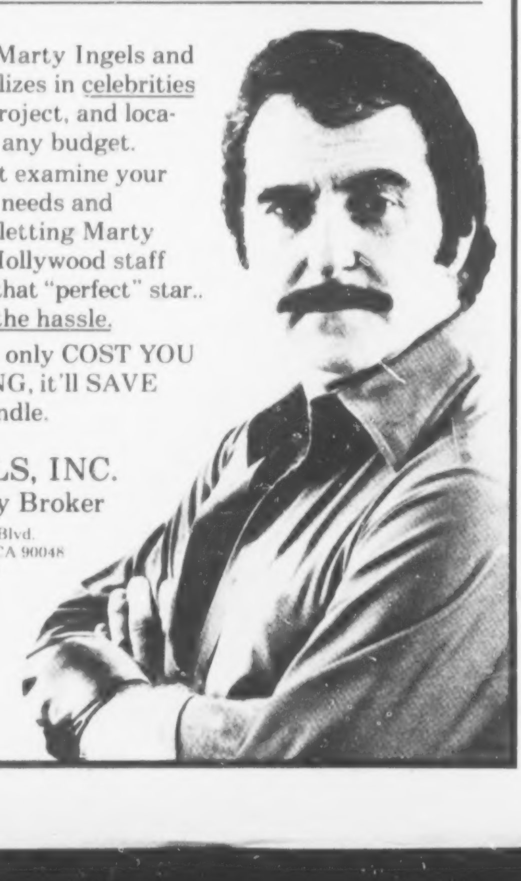

Schaefer to carry low-alcohol banner

By RALPH GRAY

DETROIT—Stroh Brewery Co. will mix an old ad theme with its just-named Schaefer LA (for low-alcohol) beer. "The one beer to have when you're having more than one" is the revived Schaefer line.

Schaefer was picked to carry the Stroh low-alcohol banner because the brewer is aiming at buyers of lower-price beer. Schaefer, once an eastern beer, was taken national as a lower-price brew after Stroh acquired it in 1980.

The old theme line was brought back because "it is a well-known phrase in the beer business in association with Schaefer, and the concept [of having more than one] is closely related to the reasons consumers will be drinking Schaefer LA," said John Bissell, group vp-marketing.

The new brand will be introduced in late spring, probably May, but Stroh wouldn't disclose further details. MCA Advertising, New York, will handle.

Stroh decided on a brand extension rather than a new name because "we have the equity of that brand name out there and its price level is established," Mr. Bissell said in an interview.

Schaefer LA will be met by low-alcohol beers from Anheuser-Busch, which will test-market a product it is calling LA from Anheuser-Busch (AA, Jan. 23). G. Heileman Brewing Co. is close to an entry, sources say, while Hudepohl Brewing Co., Cincinnati, markets Pace in Ohio and C. Schmidt & Sons, Philadelphia, is selling Break Special Lager in Texas and Massachusetts.

"We have no way of knowing what size the market is, but other brewers are out there, so for competitive reasons we want to be represented," Mr. Bissell said.

"Demographics are a mystery area, but we believe LA will draw interest from those drinking regular-alcohol beer and those not drinking much beer," he said.

Low-alcohol beers probably won't hit the 17% market penetration of light (lower-calorie) beers. But in western Australia, a heavy beer consumption area, weaker beer has taken 25% of the business, Mr. Bissell noted.

American beer is weaker than Australian beer and runs about 3.8% alcohol with light beer slightly less. Low-alcohol beer comes in at less than 2%.

One problem all marketers of low-alcohol beer face is that brewers can't mention there is less alcohol. "Many states prevent you from giving the amount of alcohol, and current interpretations of federal rules is that labeling cannot mention the alcoholic content," Mr. Bissell said.

But there are no restrictions on publicity, Mr. Bissell said. "LA is a segment where there is already a lot of inherent consumer interest, so we don't believe we need a big consumer-education program. Some of the interest groups like Mothers Against Drunk Driving have heightened consumer awareness on alcohol abuse," he said.

Stroh's entry isn't intended to placate such groups, but rather to respond to consumer desires, Mr. Bissell said.#

Kodak to enter videotape

(Continued from Page 1)

wars.

"This is going to be the year to watch," said Eugene Glazer of Dean Witter Reynolds. "All the big players will try to reverse this price-cutting trend by spending a lot of money to create distinct brand identities."

Kodak plans to capitalize on its long-established image as America's premier picture-taker. "We're known for quality products," said Richard McCoy, Kodak's director of marketing communications-consumer, professional and finishing markets. "We'll build on that heritage, as well as the considerable brand recognition of the Kodak name."

Kodak's tv buys have not been finalized, but the campaign—McCann-Erickson's first U.S. assignment for Kodak—will break April 2. Kodak declined to confirm the budget figures.

In addition to network prime time and sports, the company will use major-market spot tv and cable sports. The print schedule will include between 15 and 20 magazines, ranging from mass-circulation publications to *The New Yorker* to video buff books.

Mr. McCoy said the campaign has two distinct, immediate objectives: First, to let consumers know that Kodak is now in the tape business and, second, to convince them Kodak is the tape to buy.

The Rochester, N.Y.-based company will use the theme: "When the moment means more. Tape it. And keep it. On Kodak videotape."

The ads feature vignettes of great moments from the past as well as significant contemporary events in sports, entertainment and news, the company said.

Initially, Kodak will market products manufactured only by TDK Corp. of America. Analysts, however, speculate that if all goes well, Kodak will produce its own videotapes. It has the technology to do so; the process for coating magnetic tape is similar to that for coating photosensitive film and paper.

In addition to its marketing expertise and spending ability, Kodak brings considerable distribution clout to its latest endeavor. The tapes will be sold through Kodak's photo outlets—including Sears, Roebuck & Co. and K mart Corp.—as well as electronics shops.

Kodak is entering a growth market that is not dominated by any one company. According to Dean Witter's Mr. Glazer, sales of blank videocassettes more than doubled last year from 23 million units to 57 million units.

He expects 1983 unit volume to increase by some 30% to 40%. And if all goes well, he estimates Kodak could garner between 10% and 20% of the market in its first year.#

Merrill Lynch

(Continued from Page 1)

"cost situation." He did not deny that a large layoff would take place. If Merrill Lynch reduced its work force, others in the industry possibly might follow suit.

Meanwhile, as the company was reporting cost-cutting moves, it announced a joint venture with IBM Corp. to deliver financial information to IBM desktop computer units.

The service, which would enable brokers and financial services to gain access to stock quotes and other data over the IBM PC, is to go into test in 1985.#

1982 census of service industries

Advertising agencies (U.S. and top 10 states)

Number of agencies with payrolls

	1982	1977
U.S.	9,559	8,089
New York	1,327	1,222
California	1,106	919
Texas	675	464
Illinois	606	563
Florida	512	392
Pennsylvania	408	362
Ohio	407	367
New Jersey	374	295
Massachusetts	291	233
Michigan	288	233

Receipts (commissions, fees, etc.)

	1982 (000)	% change '82 vs '77
U.S.	$5,822,664	+ 83.8
New York	2,036,728	+ 66.8
California	640,512	+121.7
Illinois	593,296	+ 66.2
Texas	297,750	+167.5
Michigan	282,424	+ 68.8
Pennsylvania	177,520	+ 50.8
Ohio	162,118	+ 74.7
Florida	143,111	+147.4
Massachusetts	137,995	+136.0
New Jersey	134,804	+161.3

Employment

	1982	% change '82 vs '77
U.S.	105,319	+27.6
New York	31,942	+18.4
California	11,017	+41.7
Illinois	9,604	+12.0
Texas	5,504	+72.8
Michigan	4,424	+22.7
Pennsylvania	3,974	+ 5.2
Ohio	3,587	+17.3
Florida	3,037	+45.9
Massachusetts	2,661	+59.8
Missouri	2,438	+28.7

Productivity (Receipts per employe)

	1982	1977
U.S.	$55,286	$38,400
Michigan	63,839	46,378
New York	63,763	45,249
Illinois	61,776	41,616
Georgia	60,204	38,866
California	58,139	37,153
New Jersey	57,980	33,012
Texas	54,097	34,940
D.C.	52,787	N.A.
Massachusetts	51,858	35,121
Connecticut	51,126	36,843

Source: ADVERTISING AGE table from Census of Service Industries.

Census sees agency growth

(Continued from Page 3)

$1,467,071,000 in the earlier census, with 105,319 employed, compared with 82,515 in 1977.

The information was collected early in 1983.

The Census Bureau's national and state information shows 9,559 ad agencies with payrolls, compared with 8,089 recorded five years earlier.

New York and California led with 1,327 and 1,106, respectively, compared with 1,222 and 919 in 1977. Texas, with 675 (464 in 1977), took third place away from Illinois, which had 606 in 1982 and 563 in 1977.

The advance report for 1982 shows the states of New York, California and Illinois with 56.2% of agency industry receipts.

Three big cities in these states—New York, Chicago and Los Angeles—had recorded 53.1% of the entire ad agency industry receipts in 1977.

Among the four states leading ad agency business, New York's results were generally lackluster, although its receipts of $2,036,728,000 still tripled second-place California.

New York's 66.8% gain in receipts barely topped the national average of 83.8%, while California was up 121.7%.

New York's 1,327 agencies was an increase of only 8.5%, compared with a 23.6% national increase; its annual agency payrolls were up only 61.6%, compared with 78.5% nationally, and employment was up 18.4%, compared with the 27.6% national gain.

Nearby New Jersey had a 161.3% increase in receipts, placing it 10th in the nation.

The state is also eighth in number of agencies, with 374, a 26.8% increase.

It registered a 48.8% increase in number of jobs and a 150.8% increase in payrolls.

California, second in number of agencies; Texas, third, and Florida, fifth, were among the standout performers.

California agency receipts of $640,512,000 represented a 121.7% increase, jobs were up 41.7%, payrolls up 111.2% and number of agencies up 20.3%.

Texas, with receipts up 167.5%, was still in fourth place, trailing Illinois, but the 45.4% increase in number of agencies in that state eased Illinois out of third place in that category.

Texas also marked up a 72.8% increase in jobs and 169.6% increase in payrolls.

Florida agencies reported $143,111,000 in receipts, up 147.4%; a 45.9% increase in jobs; a 121.7% increase in payrolls, and a 30.6% increase in number of agencies.

Receipts per employe and payroll per employe are measures of productivity.

For the U.S., receipts per employe were $55,286, up 44%, while payroll per employe was $24,864, an increase of only 39.9%.

Michigan and New York, first and second in receipts per employe, had gains of 37.6% and 40.9%, respectively, in productivity.

Better than national average receipts per employe were recorded in Illinois, 48.4%; Georgia, 54.9%; California, 56.5%; New Jersey, 75.6%, and Texas, 54.8%.

The payroll per employe rankings showed New York first, followed by Illinois, District of Columbia, Michigan, California, Alaska, Minnesota, Georgia, North Carolina and New Jersey.

New York, on the top with payroll per employe at $28,952, held its annual increase to 36.5%, compared with the national average increase of 39.9%.#

LBS, Turner avoid court battle

By MAURINE CHRISTOPHER

NEW YORK—Lexington Broadcast Services' out-of-court settlement with Robert Turner, its former president, reportedly ensures that Mr. Turner will stop raiding LBS for personnel and projects and prevents him from using confidential information for his new company.

Both sides pledged not to divulge specifics of the agreement. Steve Felsher, vp-corporate counsel at Grey Advertising, parent company of LBS, said LBS and Grey chose to settle when they thought they had sufficient guarantees to stop Mr. Turner.

Mr. Turner resigned from LBS last month to form Orbis Communications. Since then, he has hired two LBS executives, John Ranck, exec vp, and Ethan Podell, a vp.

The court papers show that Grey and LBS were concerned about protecting material relating to Procter & Gamble schedules. The agreement states: "Defendants represent and warrant that they do not possess copies of plaintiff's proposal to Procter & Gamble for the 1984/85 fiscal year, the design document for plaintiff's computer program or any other confidential document of the plaintiff."

Orbis has been assigned to sell national barter spots in some Metromedia Producers Corp. syndicated shows. That arrangement, as well as others, is not affected by the settlement.

While the lawsuit is over, the after-effect may linger. In a 46-page brief, Mr. Turner charged that Grey and LBS distorted their net profits for 1982 and underestimated amounts payable to licensors of shows. It said five producers—Bandana Enterprises, Televentures, Rif Markowitz, Russ Kagan and Pierre Cossette TV—had asked LBS for audits on their shows.

Grey's Mr. Felsher termed the charges of tampering with the profits "baseless and not worthy of comment."

Some observers had theorized that the specter of having their finances spread out in a court record prompted LBS to withdraw from the legal battle.

Not so, said Mr. Felsher, who claimed that Mr. Turner's brief was filed after the settlement. Sources on the other side disagreed; they said Mr. Turner's reply went into the record the day before the settlement.#

Advertising Age®

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$52 a year; this copy $3 — The International Newspaper of Marketing — March 28, 1984

U.S. ADVERTISING AGENCY PROFILES

1984 EDITION

Also Agency of the Year

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NEWSPAPER

Advertising Age

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Agency income tops $6.5 billion in 1983

Worldwide billings total $44.2 billion, up 12.8% over 1982

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By John J. O'Connor

Aided by the nation's economic recovery, the U.S. advertising agency industry in 1983 posted record gross income of $6.51 billion on worldwide billings of $44.2 billion.

According to the 40th compilation of agency data by Advertising Age, last year's gross income was 10.7% above the $5.88 billion reported by 822 agencies in the survey a year ago. The 812 agencies taking part in the 1983 survey saw billings rise 12.8% over the previous year's record of $39.2 billion.

The industry's growth over the past five years in terms of gross income is as follows: 1979, $4.10 billion (up 18.5%); 1980, $4.67 billion (up 13.9%); 1981, $5.24 billion (up 12.2%); 1982, $5.88 billion (up 12.2%), and 1981, $6.51 billion (up 10.7%).

The industry's international gross income in 1983 was $1,703,400,000 on billings of $11,466,300,000. In 1982, international operations contributed $1,596,100,000 to agency coffers on billings of $10,667,000,000.

It should be noted that 1983 gross income and billings do not include the results of NCK Organization, a large international agency that merged this year with Foote, Cone & Belding. With that merger, NCK relinquished financial control of Altschiller Reitzfeld Solin/NCK, a domestic agency that had enabled it to be represented in AA's U.S. income survey. In 1982, NCK Organization reported gross income of $69.8 million on billings of $433,500,000. (NCK's 1983 results will appear in AA's survey of foreign agencies.) The 1983 gross income of Altschiller Reitzfeld Solin is $5.4 million.

A total of 54 agencies in the current survey each had gross income of more than $15 million in 1983. The combined gross income and billings of those 54 shops was $4,978,900,000 on billings of $33,550,800,000. There were 87 agencies in the $5 million to $15 million category, whose combined gross income was $587,400,000 on billings of $4,081,200,000. The total gross income for 1983 of agencies with gross income under $5 million was $940,500,000 on billings of $6,611,800,000.

Young & Rubicam once again emerged as the gross income rankings leader as its family of agencies chalked up gross income of $414 million on

(Continued on Page 3)

John J. O'Connor is bureau chief of the New York bureau of Advertising Age.

Top 10 agencies in world income
(Gross income in millions)

Rank	Agency	1983	1982
1	Young & Rubicam	414.0	376.6
2	Ted Bates Worldwide	388.0	356.1
3	J. Walter Thompson Co.	378.4	347.1
4	Ogilvy & Mather	345.8	315.1
5	McCann-Erickson Worldwide	298.8	276.1
6	BBDO International	289.0	238.3
7	Saatchi & Saatchi Compton	253.3	186.5
8	Leo Burnett Co.	216.5	221.2
9	Foote Cone & Belding	208.4	180.4
10	Doyle Dane Bernbach	199.0	185.0

Top 10 agencies in world billings
(Billings in millions)

Rank	Agency	1983	1982
1	Young & Rubicam	2,761.4	2,511.7
2	Ted Bates Worldwide	2,586.1	2,374.0
3	J. Walter Thompson Co.	2,524.1	2,315.2
4	Ogilvy & Mather	2,360.4	2,151.0
5	McCann-Erickson	1,993.1	1,841.4
6	BBDO International	1,949.0	1,605.5
7	Saatchi & Saatchi Compton	1,710.6	1,302.6
8	Leo Burnett Co.	1,485.3	1,487.4
9	Foote Cone & Belding	1,405.6	1,211.4
10	SSC&B:Lintas Worldwide	1,321.5	1,305.5

Top 10 agencies in U.S. income
(Gross income in millions)

Rank	Agency	1983	1982
1	Young & Rubicam	274.4	246.7
2	Ted Bates Worldwide	244.4	233.4
3	Oglivy & Mather	204.1	176.9
4	BBDO International	199.0	155.0
5	J. Walter Thompson Co.	189.9	167.2
6	Foote Cone & Belding	158.9	129.2
7	Doyle Dane Bernbach	146.0	138.0
8	Leo Burnett Co.	135.0	136.0
9	Grey Advertising	125.1	109.0
10	McCann-Erickson Worldwide	95.4	82.5

Top 10 agencies in non-U.S. income
(Gross income in millions)

Rank	Agency	1983	1982
1	McCann-Erickson	203.4	193.6
2	J. Walter Thompson Co.	188.5	179.9
3	Ted Bates Worldwide	143.5	122.7
4	Saatchi & Saatchi Compton	142.4	117.8
5	Ogilvy & Mather	141.7	138.2
6	Young & Rubicam	139.6	129.9
7	SSC&B:Lintas Worldwide	129.3	132.9
8	BBDO International	90.0	83.3
9	D'Arcy MacManus Masius	89.6	88.3
10	Leo Burnett Co.	81.5	85.1

Agency of the Year: Fallon McElligott Rice

By Nancy Millman

When Fallon McElligott Rice first opened its doors above Peter's Grill in downtown Minneapolis two and one-half years ago, it was without clients, and everyone pitched in to trim expenses. Pat Fallon, president, recalls that among his duties was to clean the restrooms.

Today, "the Fallon brothers"—as they are referred to by one client—are billing $26.5 million and turning out advertising that is winning coveted industry awards and capturing national attention. And Pat Fallon no longer has his clean-up duties.

Less than three years old, this Minneapolis agency has been winning both awards and clients.

In leaving secure, top-dollar jobs at Bozell & Jacobs and Martin/Williams, two major Minneapolis agencies, the founding partners of FMR had something else in mind besides security.

"We wanted to be the preeminent creative agency in America," Mr. Fallon says of the move. "Our aspirations have been so large, it's almost embarrasing."

Under the creative direction of vp Tom McElligott, the agency has won, in its short history, six Clio awards, many Andy awards from the New York Advertising Club Show, gold and silver medals from the New York Art Directors Show and The One Show, 17 citings in the 1983 edition of *Communication Arts*, and scores of top prizes in local competitions.

Recently Mr. McElligott was informed the agency has 46 finalists in the New York Art Directors Club show for this year. "Nobody had anything near that except Doyle Dane Bernbach," he said upon hearing the news.

Modeling their agency after such hot creative shops as Ally & Gargano and Scali, McCabe, Sloves, Messrs. Fallon and McElligott say they want to break the industry norm of compromise, and maintain idealistic standards of arresting, witty advertising that sells the product.

The editors of Advertising Age believe they have succeeded in this pursuit, and on the basis of the agency's creative output have selected Fallon McElligott Rice as Agency of the Year for 1983.

Five quietly intense and aggressive people lead this 38-person agency: Mr. Fallon, who formerly was vp-director of marketing services at Martin/Williams; Mr. McElligott, who worked for ten years at Bozell & Jacobs, ending his tenure as senior vp-creative director; Nancy Rice, vp-executive art director, who also came from B&J where she was vp-senior art director; Fred Senn, vp-account executive, who was at B&J client Wilson Learning Corp., as director of marketing services, and prior to that vp-account manager at Martin/Williams, and Irving Fish, chief financial officer, who had been director of finance and administration at Martin/Williams.

Together they have created an atmosphere in which every staff member seems to share the same mission. The creative product—be it zany tv spots or the compelling print advertising that forms the backbone of the agency's work—counts more than anything else.

The group has its origins in a free lance business called Lunch Hour Ltd., which Messrs. McElligott and Fallon started in the mid-1970s. "We competed by day," Mr. Fallon says, "and worked together at night." The two had several retail clients and also did powerful advertising for the Episcopal Diosese of Minnesota. The advertising created by this partnership attracted much local attention for its sense of humor, and for its often daring approaches.

Mr. McElligott says his tenure at Bozell & Jacobs was "not a happy marriage."

The shy and often self-effacing son of an Episcopal clergyman admits, "I've never been much of a fan of advertising, you know. I there to influence things there from the bottom up, but advertising is not a very democratic business."

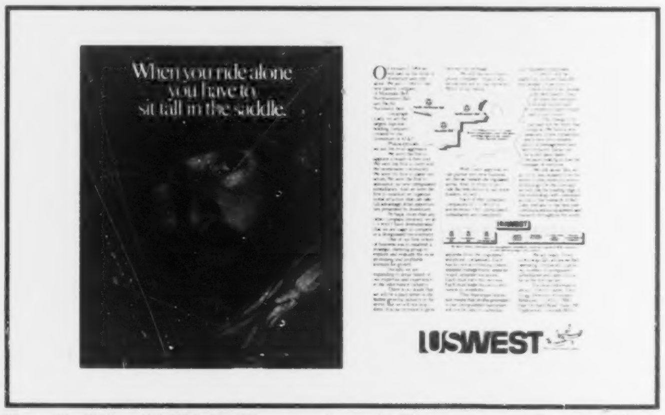
Colleagues say Mr. McElligott always marched to a different drummer. He describes himself as "a driven idealist. What drives me and makes me compulsive is a single-minded pursuit of excellence."

Although he says he had "nice offers" from agencies in larger cities, Mr. McElligott was committed to living in the Minneapolis area.

The only alternative was to expand Lunch Hour Ltd. into a fulltime enter-

(Continued on Page 2)

Nancy Millman is Chicago bureau chief of Advertising Age.


When you ride alone you have to sit tall in the saddle.
USWEST

Versatile Fallon McElligott Rice uses dramatic Western scenes for client U S West, one of the new regional telephone and communications companies, and takes a lighter approach in tv spots for Minnesota Federal Savings & Loan (left above) and for Jobs for Minnesotans (left below).

Agency of the Year: FMR

(Continued from Page 1)

prise, with a group of partners—the first of which was Ms. Rice, a soft-spoken, dedicated professional. The search for the right partners took many months, because it was essential all have the same mind-set.

In July, 1980, Mr. Fallon and Mr. McElligott shook hands on a plan to work a year in planning their venture, while continuing their mainstream agency careers. They wanted to be ready for business—with everything from computers to stationery—on the day they opened.

Among the credos in the Fallon McElligott Rice creative philosophy: "We believe there is no such thing as a 'me-too' product, only 'me-too' advertising."

They recruited the other partners with the unusual twist of signing up Mr. Fish as the controller before they had any money to control.

The company was totally self-financed—each of the partners chipped in their savings until they had $200,000—the sum they figured would be enough for them to survive without any business.

"We never borrowed a dime," Mr. Fallon says. To this day, the agency has no long-term debt.

A local tv station, NBC affiliate WTCN, was the first client Mr. Fallon landed. He planted himself in the reception area until the general manager agreed to see him—the 17th agency interviewed. (FMR resigned the account last July for financial reasons—the client was "very penurious," Mr. Fallon says.)

The fledgling agency set tough standards for clients they would accept. Put simply by Mr. Fallon: "People who were used to covering their ass couldn't hire us."

In other words, and this is clearly spelled out to prospective clients in initial meetings—FMR is only interested in handling clients where the advertising decision-making process is clear and non-political. That means no committees, and no voting, according to Mr. Fallon.

"We're more interested in being good than in growth," the energetic 38-year-old executive says. He points to several potentially large pieces of business, including Minnetonka Inc. and B. Dalton bookstores, that he has turned down because of these conditions.

Applying its own marketing principles, the new agency ran an ad for itself in local newspapers. A strong headline: "A new advertising agency for companies that would rather outsmart the competition than outspend them," is coupled with a photograph of the principals, and a long copy block that concludes with the agency's philosophy:

"At Fallon McElligott Rice we believe in advertising the way Ray Rubicam, Leo Burnett, David Ogilvy and Bill Bernbach once practiced it.

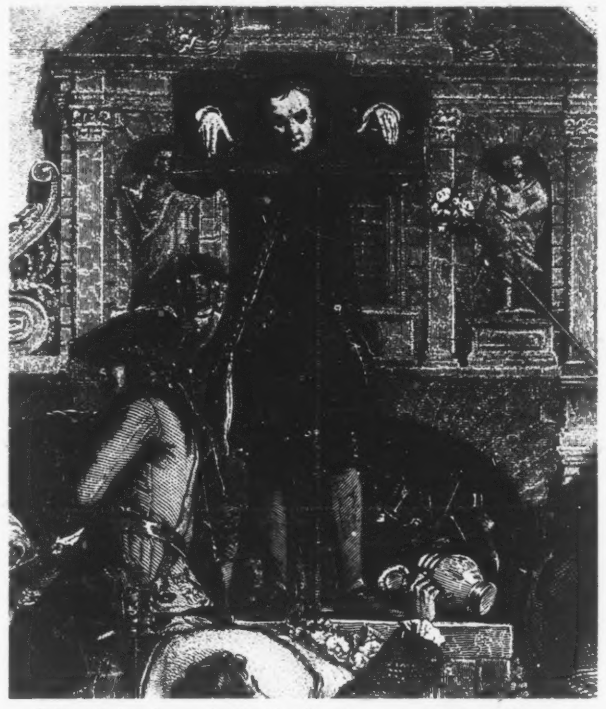
"We believe that imagination is one of the last remaining legal means you have to gain an unfair advantage over your competition.

"We believe you shouldn't have to repeat yourself ten times to be heard once.

"We believe there is no such thing as a 'me-too' product, only 'me-too advertising.' "

This ad drew the first major client (now about $1.2 million in billings) to take a chance on FMR—ITT Life Insurance Corp. The company's president, Mr. Fallon says, was looking to break the rules of insurance advertising.

What Exactly Does "Penalty For Early Withdrawal" Mean?



The language of banking can be very intimidating.

That's because, rather than speak in plain English, bankers tend to talk in bankerese. "Penalty for early withdrawal," for example.

Simply stated, it means that we can't pay you as much interest as we promised if you don't leave your money with us as long as you promised.

This kind of explanation is rare in the financial world. Which is unfortunate, because today, with new banking laws and a changing economy, you need a banker who offers more than industry cliches and buzzwords.

You need someone who'll explain things clearly. Like the people at Minnesota Federal.

We have a program called Plain Talk that puts our employees through special training to make sure they talk the way real people talk.

And Minnesota Federal's Plain Talk also means that our forms are written in the same plain English we speak.

So whether you're talking to a Minnesota Federal employee or filling out a Minnesota Federal loan application, you won't have to bring along a translator to feel comfortable.

Stop in at your nearby Minnesota Federal office soon.

You'll find that Plain Talk is just one example of the things we're doing to make Minnesota Federal your choice when it comes to banking.

Because while other banks may seem preoccupied with what they'll do if you withdraw your money, Minnesota Federal is obsessed with giving you every reason not to.

Minnesota Federal
The Plain Talk Bankers

A print ad series for Minnesota Federal Savings & Loan, like the tv spots, brings a lighthearted approach to matters financial.

"I need an agency that will get me kicked out of the club," Robert MacDonald told the hopeful agency.

The agency's first assignment was to unsell the concept of whole life insurance.

"Your whole life is a mistake," the bold headline read in the resulting ad. It was teamed with an illustration of a middle-aged man peering dejectedly from a corner.

The current magazine campaign for ITT is work of which Mr. McElligott is very proud. The selling proposition is that if customers take good care of their health, through diet and exercise, they will be rewarded with lower life insurance premiums.

Dramatic black and white ads with arresting visual images—a beautifully fit young woman, a powerfully muscular man—join with bold headlines to communicate the message. "ITT Life believes a beautiful body should be worth more than a few whistles at the beach," one prize-winning couponed ad says.

In the first six months, about 12,000 coupons were returned and the client's business has increased 204%, Mr. Fallon says.

Few clients are more conservative than bankers. Minnesota Federal Savings & Loan had had three bad years, and the bank executives realized that several of the city's lending institutions were lumped together in terms of their image to consumers.

To make it stand out from the crowd, FMR parodies the money-lending business in hilarious fashion.

One in the series of spots opens on a cold, stone-faced banker. "For years," the announcer says, banks and savings & loans have been singing the same old song." The banker shakes his head and mouths the words to the song. "I can't give you anything but love, baby. That's the only thing I've plenty of, baby."

"They tell you how much they love you, but they never seem able to loan you money," the voiceover continues. "At Minnesota Federal we love you, too, but we also have money to loan . . . at very competitive rates.

"Minnesota Federal . . . money to loan without the song and dance."

Another spot features a potential customer swimming in a fishtank behind an uncaring banker.

And an upcoming commercial goes even further into the absurd, using the Ray Charles song "Hit the road, Jack."

In the spot, bank personnel leave their stations to shoo out an unwelcome prospective borrower, all singing and dancing to the song. Minnesota Federal, copy will relate, will give a warmer reception.

Gordon Mozeltine, president of the s & l, said his company moved from in-house advertising to FMR because "we wanted more bang for our buck." He says mortgage, checking, and consumer lending business are all "up considerably" as a result of the advertising.

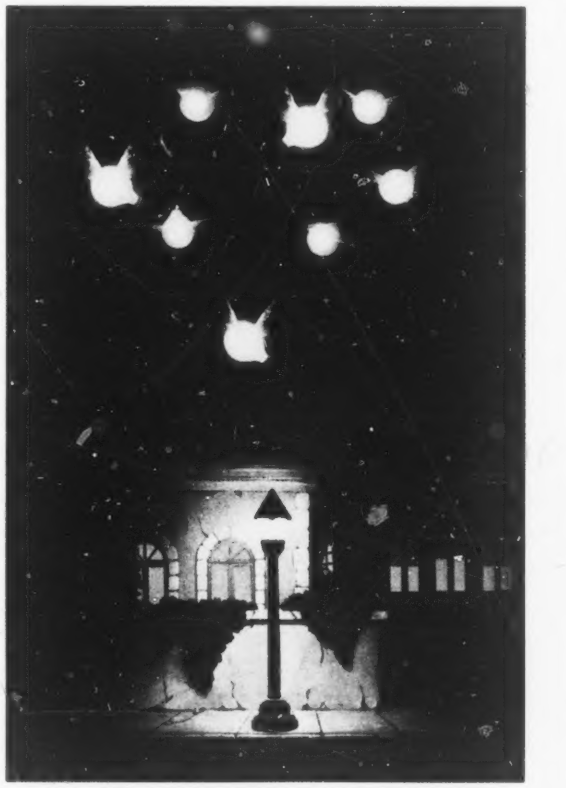
Perhaps the most off-the-wall campaign yet to leave Mr. McElligott's office—for in addition to writing a great deal himself, he approves every piece of art and copy—is for Gold'n Plump chickens.

Using black & white newsreel film style, the commercials put crash helmets on chickens and deliver them by parachute and by tank into battle, simulating wartime newsreels.

"People say to us, 'how do your clients let you do that?' We force them to do it. If they let us, we'd be like any other agency," Mr. Fallon says.

"I want our advertising to be powerful, memorable, strategically strong, and to have wit and charm," Mr.

(Continued on Page 4)



GREAT IDEAS DON'T ONLY COME BETWEEN 8 AND 5.

CONTROL DATA
TWENTY-SIX YEARS OF BRIGHT IDEAS

The light bulb is recurring element in FMR's color ad series for Control Data.

A NEW ADVERTISING AGENCY FOR COMPANIES THAT WOULD RATHER OUTSMART THE COMPETITION THAN OUTSPEND THEM.

"I know that only about half of my advertising works. The trouble is, I don't know which half."
John Wanamaker

If you're spending money on advertising, you've probably wondered: Is anybody out there listening?

The answer to that question may come as a shock.

Consider the following facts.

American business will spend over $54 billion on advertising this year.

According to one estimate cited in *The Journal of Advertising Research,* that money will buy over 200

THE CLUTTER TRAP.

In an effort to counteract the dwindling effectiveness of their messages, more and more companies increase their media frequency.

This leads to clutter.

Advertisers like Wisk and Sanka, once content to run their shrill, tedious commercials several times a week, now may run them several times an hour, trying to bore their way into the consumer's consciousness.

Ironically, while the number of messages (and media costs) have doubled in the past several years,

RAISING AWARENESS, NOT BUDGETS.

It's clear that if you want your message to be one of the precious few that are remembered – the less than 2% – you've got your work cut out for you.

Outspending the competition is increasingly expensive and, as we've seen, may even work against you.

Instead of trying to *outspend* the competition, why not try to *out-think* them? With messages so interesting that even the most indifferent consumer will stop and look.

According to researcher Daniel Starch, one advertisement can outperform

As The Harvard Business Review once observed,

"... creativity is like peace. Everybody wants it, everyone seems to have some ideas about it, but nobody seems able to produce it."

Once every several years, however, an advertising agency with the ability to produce truly exciting, original and compelling advertising appears.

Fallon McElligott Rice is such an agency.

Although we've just opened our doors, the campaigns we've created at past agencies are famous. They've won market share for our clients, and a lion's share of awards for us.

They've been studied in journalism schools, and copied by competitors.

In every case, these campaigns *seemed* like they had more money behind them than they did.

The ideas were big; the budgets small.

WHAT WE BELIEVE.

At Fallon McElligott Rice we believe in advertising the way Ray Rubicam, Leo Burnett, David Ogilvy and Bill Bernbach once practiced it.

We believe that imagination is one of the last remaining legal means you have to gain an unfair advantage over your competition.

uldn't have to
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no such thing as a
"me-too" advertising.
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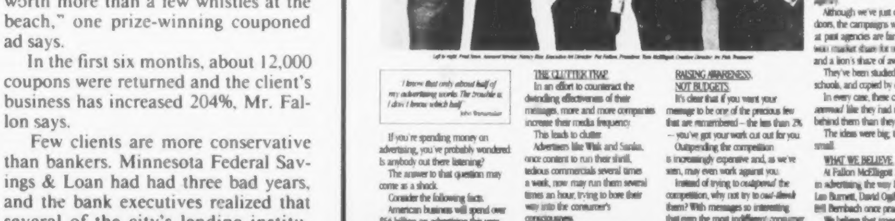
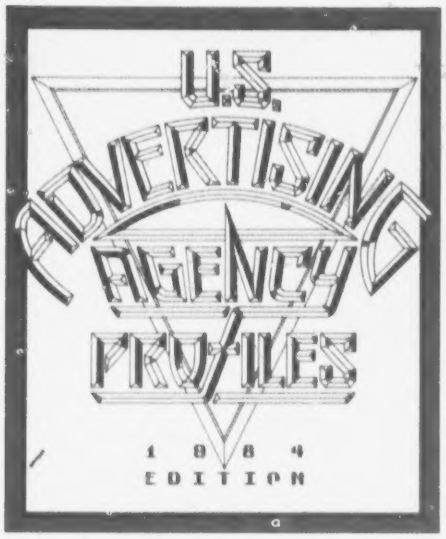
FALLON McELLIGOTT RICE
99 South 9th Minneapolis, Minnesota 55402 Telephone 612-332-2445

The principals of Fallon McElligott Rice set forth their advertising philosophy in this introductory ad when it opened for business two and one-half years ago.



The problems that can befall the unschooled do-it-yourselfer, including malfunctions that blow out the street lights and send towers of water spewing from the water pipes, are portrayed in this spot for Knox Lumber.



40th report on U.S. agencies

A comprehensive view of the U.S. advertising agency business begins on this page, as Advertising Age presents its 40th annual issue of profiles of the agencies, their gross income and billings in 1983 and 1982, accounts won and lost last year, media mix, top personnel, number of employes and phone numbers. The agency profiles are arranged alphabetically by four income groups. In addition, agencies in the two lower income groups are divided into four regions—East, South, Midwest and West. The first group, beginning on this page, is comprised of agencies that recorded gross income of more than $15 million in 1983.

Admarketing Inc.

Gross Income*	1983	1982
U.S.	$23,000,000	$18,750,000
Total	$23,000,000	$18,750,000

* AA estimate

Admarketing Inc., Los Angeles, is estimated to have had gross income of $23,000,000 on billings of $146,300,000. Its gross income in 1982 is estimated at $18,750,000 on billings of $126,200,000.

The agency's 1983 volume consisted of $145,000,000 in media and $1,300,000 in materials and services. Its 1982 U.S. volume consisted of $125,000,000 in media and $1,200,000 in materials and services.

In 1983, the agenc[illegible]ned Continental yogurt and M[illegible]a Mix non-dairy products, La Victoria Foods, Leo's Quality Foods, Regal Vitamin, Ronco Teleproducts, Breuner's Rents Furniture, Kentucky Fried Chicken (Southern California and San Antonio, Tex.) Southern California Oldsmobile Dealers., New Horizon Pictures and KJOI-FM, Los Angeles.

It lost Hartman Catalogue, New World Pictures, Airco Technical Schools (East Coast only) and KMGG-FM, Los Angeles.

Billings breakdown: Newspapers 5%, magazines 3%, supplements 5%, radio 5%, network tv 1%, spot tv 68%, cable tv 1%, business press 1%, transit advertising 2%, point of sale 5%, direct mail 1%, other 3%.

The agency has 275 employes in three offices; a year ago it had 250.

Top execs: Jack Roth, president-ceo; Robert Recht, chairman; Martin Cagan, exec vp.

Phone: (213) 203-8400.

Ally & Gargano

Gross Income	1983	1982
U.S.	$22,229,800	$16,583,000
Total	$22,229,800	$16,583,000

Ally & Gargano, New York, which is now a publicly held agency, reported gross income of $22,229,800 in 1983 on billings of $174,067,000. In 1982, it reported gross income of $16,583,000 on billings of $125,970,000.

The agency's 1983 volume consisted of $149,274,000 in media, $16,117,300 in materials and services and $8,675,700 in capitalized fees. Its 1982 U.S. volume consisted of $108,800,000 in media, $11,289,000 in materials and services and $5,881,000 in capitalized fees.

In 1983, the agency gained Comp-U-Card International, Franklin Computer Corp., Kloss Video, NFL Properties, SFN Cos., Union Carbide and WYNY.

It lost Commodore Business Machines.

Billings breakdown: Newspapers 8%, magazines 15%, radio 3%, network tv 36%, spot tv 36%, business papers 2%.

The agency has 244 employes in one office. A year ago it had 209.

Top execs: Carl Ally, chairman; Amil Gargano, president-chief operating officer; Edward Gallagher, Harold Weston, Michael Tesch, exec vps.

Phone: (212) 688-5300.

N W Ayer Inc.

Gross Income	1983	1982
U.S.	$83,200,000	$73,100,000
International	14,200,000	10,800,000
Total	$97,400,000	$83,900,000

N W Ayer Inc., New York, reported gross income of $97,400,000 in 1983 on billings of $650,000,000. In 1982, it reported gross income of $83,900,000 on billings of $587,000,000.

The agency's 1983 U.S. volume of $558,000,000 consisted of $423,000,000 in media, $67,000,000 in materials and services and $68,000,000 in capitalized fees. Its 1982 U.S. volume of $515,000,000 consisted of $403,100,000 in media, $63,700,000 in materials and services and $48,200,000 in capitalized fees.

The agency's overseas volume was $92,000,000 in 1983 and $72,000,000 in 1982.

In 1983, the agency gained Seven Up Co.'s Like cola, Sun Co., American Lamb Council, Emerson Electric's Dremel power tools, Leaf Inc.'s Jolly Rancher and Switzer-Clark divisions, Oxford Properties, Zena jeans, Walt Disney Telecommunications and Non-Theatrical Co. (home video), Toshiba America's Information Systems division, Gillette's Body Flowers body spray deodorant and Morton-Thiokol's Texize division, billing $8,000,000 to $10,000,000.

It resigned Cannon Mills and Howard Johnson's, the latter billing $8,000,000, and lost Goodyear Aerospace, Goodyear Tire & Rubber, Host International, Coast Federal, *Business Week*, Northern Ireland Development Organization and Official Airlines Guides.

Overseas, the agency gained over 60 accounts, including Charms Sweets (Motta Group) and Bahamas Ministry of Tourism, both Italy; Air France, Trident Life and Volvo, United Kingdom; Capstain, Chesterfield and Marvels cigarets in Hong Kong; New Zealand Fishing Industry Board and New Zealand Kiwi Fruit Authority; Williams & Humbert Dry Sack and Pando brands, Belgium; Bredenberg fashion chain, Sweden; Smirnoff and Velcro Espanola, Spain; Beiersdorf, Germany, and Evelyn Woods Reading Dynamics (Australia). Its overseas losses included BMW, Italy; Cooks New Zealand Wine Co.; Peaudouce, Belgium; Lederhausen, N K Kristensson, Sweden; *Manager* magazine, Germany, and Lifesavers Ltd., Australia.

Billings breakdown: Newspapers 9%, magazines 20%, radio 9%, network tv 43%, spot tv 12%, outdoor 1%, business papers 5%, Yellow Pages 1%.

The agency has 1,230 employes in four U.S. offices; a year ago it had 1,252 in four U.S. offices.

Top execs: Louis T. Hagopian, chairman-ceo; Jerry J. Siano, vice-chairman, chief creative officer; David H. Means, Domenick F. Rossi Jr., Patrick J. Cunningham, George H. Eversman, Jerry N. Jordan, Thomas Maxey, V. Hugh Wells and Theodore M. Regan Jr., exec vps; Bartine A. Stoner Jr., chairman, western region; Robert P. Zabel, president, Midwest division.

Phone: (212) 708-5000.

BBDO International

Gross Income	1983	1982
U.S.	$199,000,0000	$155,000,000
International	90,000,000	86,250,000
Total*	$289,000,000	$238,250,000

*AA estimate

BBDO International, New York, is estimated by Advertising Age to have had gross income of $289,000,000 in 1983 on billings of $1,949,000,000. In 1982, its gross income was estimated at $238,250,000 on billings of $1,605,500,000.

The agency's 1983 U.S. volume of $1,349,000,000 consisted of $926,000,000 in media, $217,900,000 in materials and services and $205,100,000 in capitalized fees. Its 1982 U.S. volume of $1,050,000,000 consisted of $701,700,000 in media, $165,900,000 in materials and services and $182,900,000 in capitalized fees

The agency's 1983 overseas volume was estimated at $600,000,000 in 1983 and $555,000,000 in 1982.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries:

- BBDO Direct, BDA/BBDO
- Blair Advertising
- GM DuBois Corp.
- Caravetta Allen Kimbrough/BBDO
- Frank J. Corbett Inc.
- Franklin Spier Inc.
- Lavey/Wolff/Swift
- MARCOA Direct
- Quinn & Johnson/BBDO
- RC Communications
- TELERx Marketing
- Tracy-Locke/BBDO
- Waring & LaRosa.

In 1983, the agency gained Apple Computer's international division, billing $1,500,000; Home Box Office, Hasbro Industries, Jacqulin Cochran Inc., KNBC-TV News; General Foods Ken-L Ration Tender Chunks, Menley & James Labs, New Vector Communications, and Xerox Educational Publications.

It lost American Cyanamid, R.J. Reynolds Tobacco's Camel cigarets, billing over $100,000,000 globally, to McCann-Erickson, Sealand Service, and Thom McAn Shoe Co. It did not report its overseas account gains or losses.

Billings breakdown: Newspapers 13%, magazines 16%, supplements 1%, radio 8%, network tv 29%, spot tv 22%, cable tv 1%, outdoor 1%, business papers 5%, direct mail 1%, other 3%.

The agency has 4,018 employes in 116 offices, including 2,896 in 35 U.S. offices. A year ago it had 3,583 employes in 114 offices, including 2,416 in 32 U.S. offices.

Top execs: Bruce Crawford, president-ceo, BBDO International; Allen Rosenshine, exec vp, BBDO International, and chairman-ceo, BBDO; Norm Campbell, exec vp, BBDO International, and chairman-ceo, Tracy-Locke/BBDO; Steve Kahler, exec vp, finance and administration, BBDO International, Willi Schalk, exec vp, BBDO International, and president, international group; William Wilson, exec vp-international group; Ray McGovern, secretary-general counsel; Jim Cannon, senior vp-controller, and Tom Watson, senior vp, BBDO International.

Phone: (212) 355-5800.

Backer & Spielvogel

Gross Income	1983	1982
U.S.	$45,000,000*	$37,245,000
Total*	$45,000,000	$37,245,000

*AA estimate

Backer & Spielvogel, New York, is estimated to have had gross income of $45,000,000 in 1983 on estimated billings of $300,000,000. In 1982, its gross income was estimated at $37,245,000 on estimated billings of $249,500,000.

The agency's 1983 volume included an estimated $275,000,000 in média and $15,000,000 in capitalized fees. Its 1982 volume is estimated to have included $240,000,000 in media and $9,500,000 in capitalized fees.

In 1983, the agency gained Campbell Soup Co.'s JuiceWorks, Miller Brewing's new Calgary imported beer, NCR Corp. (personal computers, corporate advertising), United States Data Processing Group, Paddington Corp. (Ma

Income tops $6.5 billion

(Continued from Page 1)

1983 billings of $2.76 billion Y&R's total in 1983 was $376.6 million on billings of $2.51 billion.

The agency rankings from first through sixth place remained unchanged last year from the previous year. In decending order, the five agencies below Y&R are Ted Bates Worldwide, gross income of $388 million on billings of $2.59 billion; J. Walter Thompson Co., $378.4 million on billings of $2.52 billion; Ogilvy & Mather, $345.8 million on billings of $2.36 billion; McCann-Erickson Worldwide, $4298.8 million on billings of $1.99 billion, and BBDO International, $289 million on billings of $1.95 billion. The only change in the top 10 rankings from 1982 was the move by Saatchi & Saatchi Compton from No. 8 into the No. 7 spot with gross income of $253.3 million on billings of $1.71 billion. Leo Burnett Co., in turn, dropped to No. 8 with gross income of $216.5 million on billings of $1.49 billion.

One of the largest jumps up the rankings ladder was made by Creamer Inc., through its merger with Humphrey Browning MacDougall. The newly named HBM/Creamer's 1983 gross income of $43.5 million on billings of $290 million pushed it up to No. 28. In last year's report, HBM had ranked No. 59, while Creamer was No. 32. Other big gainers were Bloom Cos., moving from No. 48 to No. 43 in the charts with gross income of $22.8 million; Ally & Gargano, now publicly held, from No. 49 to No. 45 on gross income of $22.2 million; Hill, Holliday, Connors, Cosmopulos, from No. 58 to No. 52 on gross income of $17.3 million; Tatham-Laird & Kudner, from No. 43 to No. 37 on gross income of $27 million, and Rumrill-Hoyt, from No. 76 to No. 54 on gross income of $16.2 million.

It should be noted that Rumrill-Hoyt's showing was aided by its merger with another Compton subsidiary last year, the former New York/Compton.

As for regional rankings battles, Dallas-based Bloom Cos., comprised of Bloom Advertising and several specialized operating units, barely edged out Tracey-Locke/BBDO, Dallas, for No. 43. Bloom had gross income of $22.81 million while Tracy-Locke had gross income $22.79 million.

In Chicago, eighth-ranked Leo Burnett Co.'s 2% drop in gross income to $216.5 million has narrowed the gap between it and Foote, Cone & Belding, No. 9 with $208.4 million. With NCK Organization's gross income shown in its figures next year, FCB will most likely pass Burnett to become Chicago's largest shop.

HBM/Creamer was one of two Boston agencies that jumped into the top category of rankings (income above $15 million). The other is Hill, Holliday, Conners, Cosmopulos, reporting gross income of $17,300,000 on billings of $115,000,000.

Internationally, the top 10 U.S. agencies had 1983 gross income of $1.23 billion, compared with gross income of $1.15 billion in 1982. International billings of the top 10 were $8.3 billion, compared with $7.71 billion in 1982. The top 10's world gross income was $2.99 billion on billings of $20.1 billion. In 1982, the top 10 had gross income of $2.68 billion on billings of $18.04 billion. Among the top 10 in 1983, the international contribution accounted for 41.2% of the world gross income and 41.3% of world billings total. Among the larger agencies, TBWA showed the largest percentage of gross income from overseas—78%. Another agency with strong international ties, SSC&B Lintas, ranked second with 71%. McCann-Erickson was third (68.1%), Saatchi & Saatchi/Compton fourth (56.2%) and J. Walter Thompson Co. fifth (49.8%).

This is the eighth year that AA has ranked agencies by gross income rather than billings. The change was made

(Continued on Page 6)

Agency of the Year: FMR

(Continued from Page 2)

McElligott says. "You can be powerful and memorable and offend a lot of people. I surely want our stuff to work. But I prefer to do it with charm, and a sense of integrity. I'd rather overestimate the public's intelligence than underestimate it."

In the few years during which the agency's payroll has grown from $34,000 to this year's projected $1.3 million, finding people who are equally committed to the agency's objectives has been the trick.

Agency staffers, all of whom are under 40 years old, communicate zeal for their work, and an almost religious admiration for the agency's leaders—primarily Fallon and McElligott. Says one art director: "Wherever I've worked before it was always a power struggle. It was not a question of what advertising was better, but whose will would prevail."

Here, they say, Mr. McElligott "will not compromise—he rejects and rejects work" until it meets his "incredibly high level of taste."

In recruiting to build the creative department, which numbers four art directors and five copywriters, "I look for myself," Mr. McElligott says simply. "There is a creative idealism that we all share.

"I look for people with a sense of mission. They have to share the joy. If they don't they'll hate it here," Mr. McElligott says.

U S West, the Western region communications company created after the AT&T breakup, is the agency's biggest client, billing in the $5 million range.

FMR was charged with creating an image for a company that never existed before, and making that image attractive to a target audience of securities analysts. The agency chose to personalize the company, using striking photographs of cowboys, and continuing the pioneering metaphor with photographs of Big Sky country under a headline "It is impossible to think small in a place this big."

According to Jack MacAllister, chief executive officer of U S West, it is not only the agency's creative work that is outstanding. "They really became a part of our organization," Mr. MacAllister says. "Fred Senn and his team personally spent time in our presentations to securities analysts, and then they followed up with the analysts to find out how they felt about our presentations.

"We went from no recognition as a company to the highest level of recognition among our target audience" he says.

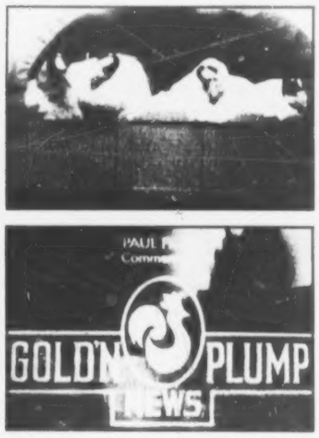
Although its batting average for account pitches is .653 or 17/26, Mr. Fallon says "the best pitch we've ever given we lost." That was for Midway Airlines, and ironically, the winner was one of the New York shops FMR emulates—Ally & Gargano.

But the agency has not yet given up on this one. The door was reopened by a call from the new advertising director, who said that "people are still talking about your presentation."

Mr. Fallon is acutely aware of two things that may hold his company back from landing bigger and bigger pieces of business: It has no clout for network tv buys, and it has no international marketing capabilities.

Still, Mr. McElligott can envision the day when billings could reach the $75 million-to-$100 million range. He admits, however, that it may be "difficult to keep the focus" at that size. "And I won't be here if it goes away."

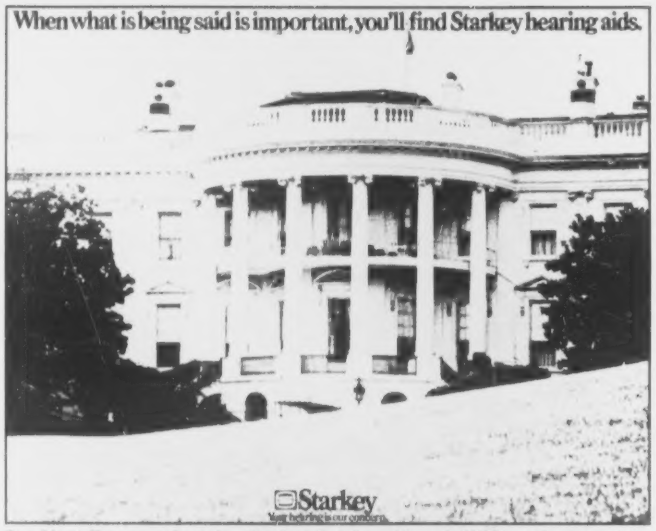
He calls upon a quote from Chiat/Day chief Jay Chiat to describe his point of view: "I want to see how big we can get before we get bad."#



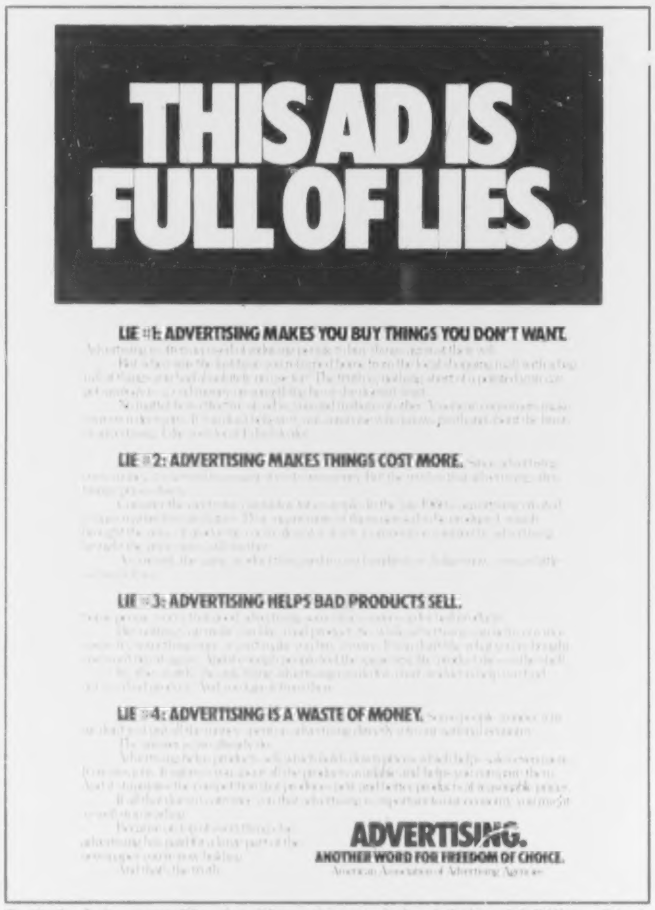
Fallon uses newsreel format in b&w tv spots to promote Gold'n Plump chickens, which "liberate" the public from "ordinary chicken."

NO MORE
TAX
INCREASES.

For client Jobs for Minnesotans, FMR took candy from a baby, saying that's the way state legislators look on tax increases. The baby cried on cue.


When what is being said is important, you'll find Starkey hearing aids.
Starkey
Your hearing is our concern.

President Reagan selected a Starkey hearing aid, and FMR made note of its client's prestigeous sale with this spread ad in the newsweekly genre.


THIS AD IS FULL OF LIES.

LIE #1: ADVERTISING MAKES YOU BUY THINGS YOU DON'T WANT.

LIE #2: ADVERTISING MAKES THINGS COST MORE.

LIE #3: ADVERTISING HELPS BAD PRODUCTS SELL.

LIE #4: ADVERTISING IS A WASTE OF MONEY.

ADVERTISING.
ANOTHER WORD FOR FREEDOM OF CHOICE.
American Association of Advertising Agencies

Typical of the compelling headlings characteristic of Fallon McElligott Rice's work is this ad, part of the new campaign on behalf of advertising sponsored by the American Assn. of Advertising Agencies. Tom McElligott, a member of the association's committee on the image of advertising, convinced members that an ad campaign was needed, and returned to a subsequent meeting with a full-blown campaign. It was approved unanimously by the Four A's board, which presented the campaign to its members at the association's annual meeting earlier this month. Another ad in the public service campaign, with illustrations of Billy beer, an Edsel and French's Doggie Donuts, carries the headline: "No amount of advertising can make you buy a product you don't want."

Criteria for Agency of the Year

Advertising Age's annual selection of Agency of the Year is based on evaluations, by a committee of the publication's editors, of the creative product of the nominated agencies.

The creative product, rather than business success or number of accounts gained, is given primary attention in order that agencies of all sizes and types can be considered for the annual award.

The creative product can include copy, creative strategies, merchandising, media planning, research and related factors.

An agency's business success and growth throughout the year is considered only to the extent that it is reflective of creative excellence.

Nominations for Agency of the Year are submitted to the editors by editorial staff members in all Ad Age bureaus and offices.

While primary emphasis is put on nominations from members of the AA staff, careful consideration also is given to the candidacies advanced by agencies themselves.

Staff nominations result from the monitoring of the advertising and agency business throughout the previous year in the course of covering the news.

This year's issue includes brief portfolios of ads by other nominated agencies that were considered in the final round of judging.

Although these finalists, as well as many others considered during the judging, created outstanding advertising, Fallon McElligott Rice won the final nod for the freshness of creative approach exhibited in its broadcast and print advertising.

The three other agencies considered in the final judging are listed below in alphabetical order with the page on which their portfolios appear:

Burrell Advertising. . .Page 26
Needham, Harper & Steers. . .Page 42
Young & Rubicam. . .Page 54

Past years' winners

Previous winners of the Advertising Age Agency of the Year award:

1973—Cunningham & Walsh
1974—Scali, McCabe, Sloves
1975—Leo Burnett Co.
1976—DKG Advertising
1977—Needham, Harper & Steers
1978—N W Ayer and Young & Rubicam
1979—Henderson Advertising
1980—Chiat/Day
1981—Ally & Gargano
1982—Ogilvy & Mather

Creativity abroad: Saatchi & Saatchi

Among the reels that garnered a lot of applause during Advertising Age's review of Agency of the Year candidates was one from London-based Saatchi & Saatchi.

The competition currently is restricted to U.S. agencies, but AA's international editors nominated the Saatchis because of the agency's humorous, often hilarious, creative approach.

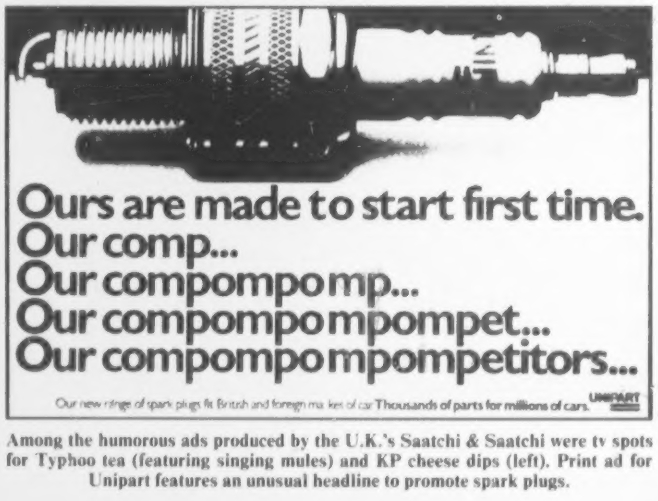
(Saatchi & Saatchi's U.S. presence is via Saatchi & Saatchi Compton Worldwide, New York, but the reel sent for review was from Saatchi's U.K. operation.)

Most of the Saatchi spots—with the exception of the British Airways series—were new to the selection team. This, perhaps, made the humorous and irreverent commercials all the more invigorating.

The popularity of the Saatchi work has led to discussion by Ad Age editors about selecting an international agency of the year in the future, calling upon the expertise of AA's correspondents abroad.

Reader comments on this proposal are invited.#

New KP Cheese Dips


Ours are made to start first time.
Our comp...
Our compompomp...
Our compompompompet...
Our compompompompetitors...

Our new range of spark plugs fit British and foreign makes of car Thousands of parts for millions of cars.
UNIPART

Among the humorous ads produced by the U.K.'s Saatchi & Saatchi were tv spots for Typhoo tea (featuring singing mules) and KP cheese dips (left). Print ad for Unipart features an unusual headline to promote spark plugs.

Profiles of 3 major U.S. agency groups

The accompanying table shows how leading U.S. agencies and agency groups compare in terms of income and billings.

Agency groups include holding companies that do not qualify for listing as agencies, but whose subsidiaries are principally in the advertising agency business. It should be noted that agencies which own other agencies can report combined income and billings data for the ADVERTISING AGE profiles, but holding companies that are not themselves agencies are not ranked in the listings.

As the table shows, two of the groups are larger than any agency.

Profiles of three major U.S. agency groups follow:

Interpublic Group

Interpublic Group of Cos., New York, the holding company for McCann-Erickson and other major agencies, had total gross income of $620,382,000 in 1983 on revenues of $4,137,948,000.

Interpublic's gross income in 1982 was $541,707,000 on billings of $3,612,186,000. (If the company's 1982 figures were restated using current exchange rates, its gross income for that year would be $516,878,000 on billings of $3,447,576,000).

Among its agencies, McCann-Erickson Worldwide (which includes March Direct Marketing) reported gross income of $298,816,000 on billings of $1,993,101,000 last year. Marschalk Campbell-Ewald Worldwide (comprised of Marschalk Co., Campbell-Ewald and Clinton E. Frank Inc.) reported 1983 gross income of $132,959,000 on billings of $886,837,000.

SSC&B:Lintas Worldwide had gross income of $175,561,000 in 1983 on billings of $1,177,945,000. Dailey & Associates had 1983 gross income of $22,515,000 on billings of $143,505,000.

Philip H. Geier Jr. is chairman and chief executive officer of Interpublic. Other top execs include: J. Donald McNamara, president; Peter H. Dailey, vice-chairman; Eugene P. Beard and Donald M. Casey, exec vps.

How agency groups, top agencies compare

(Income figures in millions)

Rank	1983 gross income	1983 billings
1. Interpublic Group of Cos.*	$620.4	$4.14 billion
2. JWT Group*	479.2	3.20 billion
3. Young & Rubicam	414.0	2.76 billion
4. Ted Bates Worldwide	388.0	2.59 billion
5. J. Walter Thompson Co.†	378.4	2.52 billion
6. Ogilvy & Mather	345.8	2.36 billion
7. McCann-Erickson††	298.8	1.99 billion
8. BBDO International	289.0	1.95 billion
9. Saatchi & Saatchi Compton	253.3	1.71 billion
10. Leo Burnett Co.	216.5	1.48 billion
19. Mickelberry Corp.*	95.4	0.64 billion

**Agency group*
†Subsidiary of JWT Group *††Subsidiary of Interpublic*

JWT Group

JWT Group, New York, a holding company whose principal subsidiary is J. Walter Thompson Co., reported gross income of $479,200,000 on billings of $3,196,300,000 for 1983. In 1982 JWT Group had gross income of $433,500,000 on revenues of $2,891,400,000.

JWT Group's principal subsidiary, J. Walter Thompson Co., reported gross income of $378,400,000 last year. Included in the agency's figure are income from Brouillard Communications, which specializes in corporate communications, Thompson Recruitment, and J. Walter Thompson USA, the principal agency organization in the U.S.

Subsidiaries of J. Walter Thompson USA include Hispanic Advertising, Deltakos USA (ethical drug advertising), Soskin/Thompson Associates (direct marketing and sales promotion) and The Entertainment Group.

Other parts of JWT Group include Lord, Geller, Federico, Einsten; Hill & Knowlton, a leading pr agency; E-A International; Survival Anglia, and the research company Simmons Market Research Bureau.

Don Johnston is chairman, chief executive officer and chairman of the executive committee of JWT Group; he is also chairman and chief executive officer of J. Walter Thompson Co. Hugh P. Connell is exec vp-secretary of JWT Group.

Mickelberry Corp.

Mickelberry Corp., New York, formerly a diversified company that marketed meat and other products, now is primarily a holding company for advertising agencies. In 1983 the combined gross income from its agencies was $95,360,000 on combined billings of $643,400,000.

Cunningham & Walsh is the largest of the Mickelberry agencies. Last year it reported worldwide income of $52,700,000; its U.S. billings totaled $366,000,000.

Nadler & Larimer's gross income in 1893 was $12,360,000, with U.S. billings of $82,400,000.

The other Mickelberry shop, Laurence, Charles & Free, had 1983 gross income of $29,300,000 and U.S. billings of $195,000,000.

James Marlas is president and chief executive officer of Mickelberry Corp.#

Income

(Continued from Page 3)

because most agencies recognize gross income as a more meaningful measurement. ADVERTISING AGE this year rejected income reports of 50 agencies for lack of information or supplying obviously erroneous data. In addition, the U.S. Postal Service returned over 100 questionnaires stamped "Moved, left no address" or "Return to sender."#

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Gross income over $15,000,000

libu rum liqueur), and Red Lobster Inns, a seafood restaurant chain with estimated 1984 billings of $40,000,000.

It lost Seven-Up's Like cola and Noxell Corp.'s Lestoil cleaner.

Estimated billings breakdown: Newspapers 5%, magazines 15%, supplements 2%, radio 5%, network tv 45%, spot tv 25%, cable tv 1%, outdoor 2%.

The agency has 514 employes in one office; a year ago it had 429.

Top execs: Carl Spielvogel, chairman; William M. Backer, president; G. Robert Holmen, exec vp-chief operating officer; Robert H. Lenz, exec vp-creative director; Stephen M. Leff, exec vp-media services director, and Robert Meury, exec vp-copy chief.

Phone: (212) 556-5200.

Ted Bates Worldwide

Gross Income	1983	1982
U.S.	$244,393,000	$233,374,000
International	143,506,000	122,728,000
Total	$387,899,000	$356,102,000

Ted Bates Worldwide, New York, reported gross income of $387,899,000 in 1983 on billings of $2,586,064,000. In 1982, it reported gross income of $356,102,000 on billings of $2,374,011,000.

The agency's 1983 U.S. volume of $1,628,950,000 consisted of $1,293,119,000 in media, $150,586,000 in materials and services and $185,245,000 in capitalized fees. Its 1982 U.S. volume of $1,555,827,000 consisted of $1,236,459,000 in media, $143,187,000 in materials and services and $176,181,000 in capitalized fees.

The agency's 1983 overseas volume of $957,114,000 consisted of $589,191,000 in media, $60,437,000 in materials and services and $307,486,000 in capitalized fees. Its 1982 foreign volume of $818,184,000 consisted of $503,229,000 in media, $60,201,000 in materials and services and $254,754,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries:

- William Esty Co.
- AC&R Advertising
- Campbell-Mithun
- Diener/Hauser/Bates
- McDonald & Little
- Sawdon & Bess
- Stern Walters/Earle Ludgin

In 1983, the agency gained Pizza Time, billing $2 million. It lost Home Box Office, Coors, billing $20 million, Electrolux, Cadbury Schweppes and Brown-Forman.

It did not report overseas account gains or losses. Billings breakdown: Newspapers 11.7%, magazines 12.7%, supplements 2%, radio 6.1%, network tv 34.6%, spot tv 26.4%, cable tv 1%, outdoor 4%, business papers 1.2%, transit advertising 0.1%, point of sale 0.1%, other 0.1%. The agency has 5,124 employes in 91 offices, including 2,706 in 16 U.S. offices. A year ago it had 5,041 in 87 offices, including 2,702 in 16 U.S. offices.

Top execs: Robert E. Jacoby, chairman, president-ceo, Ted Bates Worldwide, and chairman, Ted Bates Advertising/New York; John R. Hoyne, exec vp, president-international group; William D. Dunlap, chairman-ceo, Campbell-Mithun; Duane W. Ragsdale, exec vp-corporate development; Stephen Rose, exec vp, president-U.S. Affiliates Group, and chairman-AC&R Advertising; Donald M. Zuckert, exec vp, president-Ted Bates Advertising/New York; William H. Maynard Jr., vice-chairman, director-worldwide creative services; A. Michael Frothingham and Robert J. Preis, senior vps; Stanhope E. Blunt, chairman, executive committee, Campbell-Mithun; Keith H. Cousins, chairman, Australia-New Zealand-Southeast Asia Group; Michael English, chairman, United Kingdom Group, and Armand de Malherbe, president, Europe Group.

Phone: (212) 869-3131.

Benton & Bowles

Gross Income	1983	1982
U.S.	$ 98,129,800	$ 81,541,459
International	46,139,284	42,043,291
Total	$144,269,084	$123,584,750

Benton & Bowles, New York, reported gross income of $144,269,084 in 1983 on billings of $1,004,382,552. In 1982, it reported gross income of $123,584,750 on billings of $873,577,611.

The agency's 1983 U.S. volume of $649,931,200 consisted of $503,784,900 in media and $146,146,300 in capitalized fees. Its 1982 U.S. volume of $556,398,851 consisted of $396,987,337 in media and $159,411,514.

The agency's overseas volume was $354,451,352 in 1983 and $317,178,760 in 1982.

Included in the agency's figures are the billings and gross income of U.S. subsidiaries:

- B&B Direct
- Manning, Selvage & Lee
- Medicus Intercon International
- Ted Colangelo Associates
- Telecom Entertainment

In 1983, the agency gained Arizona Bank, Brown-Forman Distillers' Bolla, Bushmills, Noilly Prat and Veuve Clicquot brands, Campbell Taggart's white breads, Centel Inc., Corning Glass Works/Corning Designs, Encon, Jag Sportswear, Kidco Inc., MCI Communications, Procter & Gamble's Dash detergent, Stone Container Corp., Vallen Corp., Upjohn Co., U.S. Home Corp., WFYR-FM (Chicago), World Book Inc., Arthur Young Co., and Charles P. Young Inc. The agency lost J.Aron (U.S. Gold), Beatrice Foods, Peter Eckrich & Sons, The Stiffel Co., Home Savings of America, McCulloch Corp., Ogden Food Products, Sunnyland Refining and Crum & Forster.

Overseas, the agency gained nearly 100 accounts, including Yoplait and Minit 1 Photo Shops-Belgium; Lego, Aer Lingus-Denmark; Fromagerie Des Chaumes and Roja Garnier-France; Glaxo and Cartier-Germany; Procter & Gamble, Fiat and Philips-Italy; Roussel and Mitsubishi-Japan; Aeromexico, Tequila Xalisco and Suntory Ltd.-Mexico; Lee jeans and Stella Artois-Netherlands, and Maxell and Bardinet-Spain.

It lost about 30 accounts, including Massey Ferguson-Argentina; St. Albray cheese-Belgium; Magic Pan-Canada; Toms chocolate-Denmark; Orlane-France; Electrolux-Germany; Pioneer-Italy; Luxor-Mexico; Eli Lilly-Netherlands; and Solis-Spain.

Billings breakdown: Newspapers 6%, magazines 11%, radio 3%, network television 47%, and spot television 33%.

The agency has 2,973 employes in 56 offices, including 1,524 employes in 17 U.S. offices.

A year ago the agency had 2,763 employes in 54 offices, including 1,394 employes in 16 U.S. offices.

Top execs: John Bowen, chairman-ceo; Roy Bostock, president; Charles Blakemore, exec vp; Theodore Burnett, John Ferries, Joseph Hannan, Robert Lyman Michael Moore, George Simko, senior vps; Lawrence Lesser, chairman, Medicus Intercon; Robert Schwartz, chairman, Manning, Selvage & Lee.

Phone: (212) 758-6200.

The Bloom Cos.

Gross Income	1983	1982
U.S.	$22,810,000	$18,000,000
Total	$22,810,000	$18,000,000

The Bloom Cos., Dallas, reported gross income of $22,810,000 in 1983 on billings of $153,000,000. In 1982, it reported gross income of $18,000,000 on billings of $120,100,000. The agency did not break out those figures.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries:

- The Bloom Agency
- Automated Productions
- Bloom Advertising Too
- Bloom Business Agency
- The Collateral Group
- Impact Promotions of the Southwest
- Public Relations Advisors

In 1983, the agency gained Airwick Corp.'s Stick Ups air fresheners and new household products, Fidelity Group of Boston's Southwest division, Glenmore Distilleries' Kentucky Tavern, Yellowstone, Mr. Boston, Mandarine Napoleon, Desmond & Duff alcoholic beverages and Torre dei Conti sparkling wine, Del Taco Corp. (fast-food chain), and Block Drug Co.'s Poli-Grip and Dentu-Grip denture products, billing over $4,000,000.

It lost Wendy's International (regional), billing $2,000,000; El Chico Corp. (Mexican restaurants) and Campbell Taggart white bread.

Billings breakdown (estimated): Newspapers 30%, magazines 10%, radio 20%, network tv 10%, spot tv 25%, outdoor 5%. The agency has 400 employes in three offices; a year ago it had 350 employes in three offices.

Top execs: Robert H. Bloom, chairman-ceo; Armand H. Mathieu, vice-chairman, director of special creative projects; Marion J. Flores, senior vp-chief financial officer; C. Anthony Wainwright, chairman-ceo, Bloom Agency; Dennis McClain, president, and Paul MacMahon, exec vp-general manager.

Phone: (214) 638-8100.

Bozell & Jacobs

Gross Income	1983	1982
U.S.	$73,500,000	$69,250,000
International	900,000	1,000,000
Total	$74,400,000	$70,250,000

Bozell & Jacobs, New York, reported gross income of $74,400,000 in 1983 on billings of $557,000,000. In 1982, it reported gross income of $70,250,000 on billings of $514,000,000.

The agency's 1983 U.S. volume of $551,000,000 consisted of $391,500,000 in media, $73,500,000 in materials and services and $86,000,000 in capitalized fees. Its 1982 U.S. volume of $508,000,000 consisted of $344,000,000 in media, $86,000,000 in materials and services and $78,000,000 in capitalized fees. The agency's overseas volume was $6,000,000 in 1984, the same as in 1983.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiary: Custom Production Service.

In 1983, the agency gained the Assn. of Chicago McDonald's, Astra, B. Dalton Booksellers, Bank of Leumi Trust Co., Bell Atlantic, *Business Week*, Contel Central Region, Dan River, Firstel, Henkel Corp., Hyster Co., Intermedics, Lifesaver, Martha White Co., McDonald's Assn. (Atlanta area), Minnetonka Inc., *Minneapolis Star Tribune*, *New York Times*, Novatel, Organon, Satellite TV, Sealy Inc., Southwestern Bell Mobile, St. Regis Corp., Surgikos, Symantec, Unitec and WOR-TV.

It lost Ak-sar-ben, American Micro Systems, American Savings, Ampex Corp., Anova Electronics, Centel Corp., Chicopee, Cromenco, Days Inn of America, Elaine Powers, Family Center Inc., International Multi-Foods, Leaf Confectionery, Litton Microwave Cooking, Luthers Bar-B-Que, Marathon Mfg., Paramount Pictures, Valley National Bank, Victor Equipment and Victoria Stations.

Overseas, the agency listed seven account gains, including Alberto-Culver and *Business Week* in Englandand Ricoh cameras in Canada. It lost Rosebys in England and Westinghouse in Canada.

Billings breakdown: Newspapers 17%, magazines 25%, radio 15%, network tv 12%, spot tv 26%, outdoor 1%, other 4%.

The agency has 1,350 employes in 14 offices, including 1,286 in 10 U.S. offices. A year ago it had 1,360 employes in 17 offices, including 1,333 in 12 U.S. offices.

Top execs: J. Liener Temerlin, chairman; Charles D. Peebler Jr., president-ceo; Alan Jacobs, chairman, executive committee; Joseph Caggiano, vice-chairman and chief financial officer; Lee King, vice-chairman; David Bell, president, Midwest division; James Canfield, president, B&J Public Relations; Chet Frazier, president, Ag division; Richard Hamblin, president, Pacific division; Robert Dempsey, president, Healthmark; Peter Finn, president, Southwest division; Al Buschhorn, president, Custom Production Service; Robert J. Leverte, president, Ruvane-Leverte, and John Ruvane, ceo, Ruvane-Leverte.

Phone: (212) 705-6800.

Leo Burnett Co.

Gross Income	1983	1982
U.S.	$134,998,000	$136,017,000
International	81,536,000	85,142,000
Total	$216,534,000	$221,159,000

Leo Burnett Co., Chicago, reported gross income of $216,534,000 in 1983 on billings of $1,485,302,000. In 1982, it reported gross income of $221,159,000 on billings of $1,487,434,000.

Profile staff

This issue of U.S. Advertising Agency Profiles was produced under the direction of **John J. O'Connor**, New York bureau chief, and **Marie T. Spadoni**, editorial assistant in Chicago. Art supervision was by **Geoffrey Shives**, art director of ADVERTISING AGE Magazine. Agency income profiles were edited and written by deputy executive editor **Maurine Christopher**; New York news editor **Craig Reiss**; senior reporters **James P. Forkan** and **Pat Sloan**; reporters **Stuart J. Elliott, Nancy Giges, Robert Raissman**, and **Susan Spillman**; editorial assistant **Lisa Phillips**, and free lance writers **Megan J. Savage** and **Thom George**. Free lancers **Craig Endicott** and **Ellen Herring** assisted with editing and data compilation. General supervision was by **Lawrence E. Doherty**, director of editorial development.

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Gross income over $15,000,000

The agency's 1983 U.S. volume of $914,091,000 consisted of $779,069,000 in media, $114,175,000 in materials and services and $20,847,000 in capitalized fees. Its 1982 U.S. volume of $919,796,000 consisted of $794,174,000 in media, $110,360,000 in materials and services and $15,262,000 in capitalized fees.

The agency's overseas volume was $57[illegible] in 1983 and $567,638,000 in 1982.

In 1983, the agency gained the American Dental Assn., Seven-Up Co., Sydney Development Corp., Beatrice Foods Co., Peter Eckrich & Sons and Samsonite Luggage USA.

It did not report its overseas account gains and losses.

Billings breakdown: Newspapers 4%, magazines 17%, supplements 2%, radio 3%, network tv 47%, spot tv 20%, outdoor 7%.

The agency has 3,461 employes in 46 offices, including 1,528 in five U.S. offices. A year ago it had 3,498 employes in 43 offices, including 1,623 in five U.S. offices.

Top execs: John J. Kinsella, chairman-ceo; Norm Muse, vice-chairman; Hall Adams, chairman-ceo, U.S.; Thomas D. Heath, vice-chairman, U.S.; Richard Stanwood, president, U.S.; Wayne A. Wiggins, chairman-ceo, international; Joseph Novas Jr., vice-chairman, international; Robert Barocci, president, international.

Phone: (312) 565-5959.

Campbell-Mithun

Gross Income	1983	1982
U.S.	$42,795,000	$37,740,000
Total	$42,795,000	$37,740,000

Campbell-Mithun, Minneapolis, a unit of Ted Bates Worldwide, reported gross income of $42,795,000 in 1983 on billings of $285,300,000. In 1982, it reported gross income of $37,740,000 on billings of $251,600,000.

The agency's 1983 volume is estimated to have included $215,000,000 in media, $40,000,000 in materials and services and $30,300,000 in capitalized fees. Its 1982 volume is estimated to have included $190,000,000 in media, $30,000,000 in materials and services and $31,600,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries: Cash Plus and Promotion Works.

In 1983, the agency gained Cobra Communications, Jockey For Her, Kimberly-Clark, Lamaur, Masonite Corp., NBI, Schwinn bicycles and Trane Co.'s C.A.C division. It lost Chicagoland Oldsmobile Dealers Assn., Crown-Zellerbach, Cryovac, Fred S. James Co., Ray-O-Vac, Rich Products, St. Charles Kitchens and Thermo-Serv.

Billings breakdown: Newspapers 10%, magazines 12%, supplements 2%, radio 9%, network tv 20%, spot tv 40%, outdoor 1%, business papers 3%, direct mail 3%.

The agency has 660 employes in three offices; a year ago it had 627 employes in three offices.

Top execs: William D. Dunlap, chairman-ceo; Raymond L. Sachs, vice-chairman, general manager, and William E. Stein, president-chief operating officer.

Phone: (612) 339-7383.

Compton Advertising

Gross Income	1983	1982
U.S.	$50,844,000	$39,430,000
Total	$50,844,000	$39,430,000

Compton Advertising, New York, a unit of Saatchi & Saatchi Compton Worldwide, reported gross income of $50,844,000 in 1983 on billings of $360,251,000. In 1982, it reported gross income of $39,430,000 on billings of $304,300,000.

The agency's 1983 volume consisted of $267,933,000 in media, $11,234,000 in materials and services and $81,084,000 in capitalized fees. Its 1982 volume consisted of $235,530,000 in media, $4,523,000 in materials and services and $64,247,000 in capitalized fees.

In 1983, the agency gained Union Underwear, Satellite Business Systems, Christian Broadcasting Network, Cunard (NAC Norwegian Cruise Lines, and Pactel Mobile Access (AMPS).

It lost Sheraton International and Buitoni Foods.

Billings breakdown: Newspapers 6.5%, magazines 19%, supplements 2.3%, radio 2.3%, spot and network tv 71.5%, outdoor 0.2%, point of sale 3%.

The agency has 683 employes in three offices; a year ago it had 662 in three offices.

Top execs: Robert O. Jordan, chairman; Edward Wax, president-ceo; Richard Rasor, Kurt Willinger, Philip Voss, Gerald Germain, exec vps.

Phone: (212) 754-1100.

Cunningham & Walsh

Gross Income	1983	1982
U.S.	$52,704,000	$47,790,000
Total	$52,704,000	$47,790,000

Cunningham & Walsh, New York, a unit of Mickelberry Co., reported gross income of $52,704,000 in 1983 on billings of $366,000,000. In 1982, it reported gross income of $47,790,000 on billings of $331,285,000.

The agency's 1983 volume consisted of $310,970,000 in media, $36,780,000 in materials and services and $18,250,000 in capitalized fees. Its 1982 volume consisted of $286,485,000 in media, $29,950,000 in materials and services and $14,850,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of a subsidiary, Reiser Williams deYong/C&W.

In 1983, the agency gained Actrix Computer Corp., American Home Foods (Luck's soups and Ranch Style foods), Brown & Williamson (Lucky Strike International), C.B. Fleet Co. (Fleet Relief, Fleet enema, Detecatest, Norforms), Granny Goose Foods, Jovan Inc.'s Beecham Cosmetics (Hermark, Lancaster, Vitabath, Diane Von Furstenberg divisions), L'Aimee Labs (Moisture Machine), McKesson Corp. (Florenza liqueur), NCR Corp. computers, Newell Co., St. Regis Co., Schieffelin Co. (Tesseron wines), Sterling Drug (Winthrop Labs' Soapure), UTA French Airlines, Wyly-Dallas, and Xidex Magnetics Corp.

It lost Anixter Bros., Building Industry Assn. of Northern California, CBS videogames, Chuck E. Cheese's Pizza Time Theatres, Elkay Mfg., General Finance Corp., Harcourt Brace Jovanovich, Metromedia Ice Capades, Miss King's Kitchens, Naturade Products, Purity Baking Co. and Regent Air Corp. Billings breakdown: Newspapers 12%, magazines 36%, supplements 1%, radio 1%, network tv 35%, spot tv 8%, outdoor 7%. The agency has 711 employes in seven offices; a year ago it had 680 employes in five offices.

Top execs: Carl W. Nichols, chairman; Anthony C. Chevins, president; Horace E. Malfa, Warren E. Albright, Frank P. McDonald and Arthur R. Meranus, exec vps.

Phone: (212) 683-4900.

Dailey International Group

Gross Income	1983	1982
U.S.*	$17,000,000	$19,273,150
International*	4,515,000	3,520,000
Total**	$21,515,000	$22,793,150

*AA estimates

**Reported by Interpublic but not broken out.

Dailey International Group, Los Angeles, had estimated gross income of $21,515,000 in 1983 on billings of $143,505,000. In 1982, it had estimated gross income of $22,793,150 on billings of $152,587,671.

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Agencies with gross income of more than $15 million

Figures shown in this table (000,000 omitted from dollar totals) and in the tables on Page 1 represent the best information available to ADVERTISING AGE and are constructed either from answers to questionnaires (sometimes revised on the basis of other information) or on the best data available. In some cases, income and billings figures are also included in the parent company totals. All material on this page and throughout the issue are Copyright 1984 by Crain Communications Inc. Quotation or reproduction in whole or in part without written permission is expressly prohibited. Daggers (‡) indicate that income and billings of the agency are included in the consolidated returns of its parent shown elsewhere on the chart.

World Income Rank			World Gross Income		U.S. Gross Income		World Billings		U.S. Billings		U.S. Capitalized Fees		Total Employes	
1983	1982	Agency	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
1	1	**Young & Rubicam**	414.0	376.6	274.4	246.7	2,761.4	2,511.7	1,827.9	1,645.4	202.9	195.4	7,745	7,025
2	2	**Ted Bates Worldwide**	388.0	356.1	244.4	233.4	2,586.1	2,374.0	1,629.0	1,555.8	185.3	176.2	5,124	5,041
3	3	**J. Walter Thompson Co.**	378.4	347.1	189.9	167.2	2,524.1	2,315.2	1,266.8	1,115.4	—	—	7,636	7,443
4	4	**Ogilvy & Mather**	345.8	315.1	204.1	176.9	2,360.4	2,151.0	1,361.4	1,179.7	—	—	8,030	7,010
5	5	**McCann-Erickson Worldwide**	298.8	276.1	95.4	82.5	1,993.1	1,841.4	636.4	550.3	—	—	5,962	5,850
6	6	**BBDO International**	289.0	238.3	199.0	155.0	1,949.0	1,605.5	1,349.0	1,050.0	205.1	182.9	4,018	3,583
7	8	**Saatchi & Saatchi Compton**	253.3	186.5	110.9	68.7	1,710.6	1,302.6	771.8	510.9	177.2	129.5	1,441	1,140
8	7	**Leo Burnett Co.**	216.5	221.2	135.0	136.0	1,485.3	1,487.4	914.1	919.8	20.9	15.3	3,461	3,489
9	9	**Foote,Cone & Belding**	208.4	180.4	158.9	129.2	1,405.6	1,211.4	1,075.5	869.5	—	—	4,468	3,888
10	10	**Doyle Dane Bernbach**	199.0	185.0	146.0	138.0	1,321.0	1,239.0	970.0	936.0	142.0	135.0	3,365	2,986
11	11	**SSC&B: Lintas Worldwide***	197.1	197.8	67.8	64.8	1,321.5	1,305.5	338.7	303.7	—	—	3,705	3,713
12	13	**Grey Advertising**	183.5	148.1	125.1	109.0	1,224.0	987.7	839.5	763.4	76.1	52.7	3,908	3,789
13	12	**D'Arcy MacManus Masius**	181.1	167.3	91.6	79.1	1,210.5	1,113.5	610.3	527.2	—	—	3,626	3,504
14	14	**Benton & Bowles**	144.3	123.6	98.1	81.5	1,004.4	873.6	649.9	556.4	146.2	159.4	2,973	2,763
15	15	**Marschalk Campbell-Ewald**	133.0	119.0	99.5	81.6	886.8	793.6	663.8	544.5	—	—	1,851	1,964
16	16	**Dancer Fitzgerald Sample**	105.0	96.4	94.1	86.4	726.1	666.1	627.0	576.0	—	—	3,175	2,764
17	19	**‡Marsteller Inc.**	99.6	81.2	73.1	58.6	664.1	541.5	487.4	390.8	—	—	1,883	1,648
18	17	**N W Ayer**	97.4	83.9	83.2	73.1	650.0	587.0	558.0	515.0	68.0	48.2	1,230	1,252
19	20	**Needham Harper & Steers**	94.2	79.0	77.9	62.9	631.9	526.8	519.9	419.2	121.3	115.5	2,126	1,913
20	21	**Wells, Rich, Greene**	92.7	79.0	91.0	77.6	608.5	527.0	595.6	517.5	67.1	76.4	916	720
21	18	**‡William Esty Co.**	84.8	82.5	84.8	82.5	565.0	550.0	565.0	550.0	—	—	636	636
22	22	**Bozell & Jacobs**	74.4	70.3	73.5	69.3	557.0	514.0	551.0	508.0	86.0	78.0	1,350	1,360
23	24	**Kenyon & Eckhardt**	60.5	64.5	45.0	49.5	392.2	434.4	289.2	334.4	59.6	40.4	2,319	2,676
24	25	**Ketchum Communications**	55.2	54.3	46.8	44.0	368.3	362.0	312.1	293.2	70.6	67.8	1,050	1,100
25	26	**Cunningham & Walsh**	52.7	47.8	52.7	47.8	366.0	331.3	366.0	331.3	18.3	14.9	711	680
26	27	**‡Compton Advertising**	50.8	39.4	50.8	39.4	360.3	304.3	360.3	304.3	81.1	64.3	683	662
27	28	**Backer & Spielvogel**	45.0	37.3	45.0	37.3	300.0	249.5	300.0	249.5	15.0	9.5	514	429
28	32	**HBM/Creamer Inc.****	43.5	39.8	43.5	39.8	290.9	265.1	290.0	265.1	22.8	19.5	700	776
29	27	**‡Campbell-Mithun**	42.8	37.7	42.8	37.7	285.3	251.6	285.3	251.6	30.3	31.6	660	627
30	29	**Geers Gross**	37.0	34.5	23.1	22.0	250.0	233.0	165.0	150.0	10.4	16.0	335	290
31	33	**‡Scali, McCabe, Sloves**	35.1	31.1	23.6	20.4	230.8	202.3	157.0	135.2	—	—	583	542
32	31	**TBWA Advertising**	35.0	33.0	7.7	5.4	237.2	220.2	51.0	36.0	—	—	502	520
33	30	**Ross Roy Inc.**	34.1	33.3	34.1	33.3	227.0	222.0	227.0	222.0	80.0	85.0	516	493
34	36	**Della Femina, Travisano & Partners**	30.8	25.8	30.8	25.8	205.0	173.0	205.0	173.0	21.4	18.2	363	346
35	34	**Laurence, Charles & Free**	29.3	26.5	29.3	26.5	195.0	175.0	195.0	175.0	10.0	8.0	197	193
36	35	**Leber Katz Partners**	29.2	25.9	29.2	25.9	251.0	225.1	251.0	225.1	31.4	30.9	300	248
37	43	**Tatham-Laird & Kudner**	27.0	20.1	27.0	20.1	224.0	133.0	224.0	133.0	85.4	39.2	375	312
38	37	**‡Wunderman, Ricotta & Kline**	25.9	23.8	18.6	17.2	173.0	159.0	125.0	115.0	—	—	389	381
39	39	**W.B. Doner & Co.**	24.8	21.6	24.8	21.6	165.0	144.0	165.0	144.0	26.2	25.5	395	385
40	41	**‡Doremus & Co.**	24.1	20.4	24.1	20.4	158.4	135.8	158.4	135.8	51.9	49.2	350	322
41	40	**‡McCaffrey & McCall**	23.9	20.8	23.9	20.8	159.9	140.2	159.9	140.2	—	—	330	310
42	44	**Admarketing Inc.**	23.0	18.8	23.0	18.8	146.3	126.2	146.3	126.2	—	—	275	250
43	48	**The Bloom Cos.**	22.8	18.0	22.8	18.0	153.0	120.1	153.0	120.1	—	—	400	350
44	45	**‡Tracy-Locke/BBDO**	22.8	18.7	22.8	18.7	198.1	157.4	198.1	157.4	45.3	44.4	341	308
45	49	**Ally & Gargano**	22.2	16.6	22.2	16.6	174.1	126.0	174.1	126.0	8.7	5.9	244	209
46	38	**‡Dailey International Group**	21.5	22.8	17.0	19.3	143.5	152.6	—	—	—	—	301	316
47	46	**Jordan, Case & McGrath**	21.0	18.6	21.0	18.6	147.8	123.2	147.8	123.2	28.7	24.0	170	170
48	42	**Nationwide Advertising**	20.0	20.1	18.5	18.7	67.0	68.3	—	63.3	—	—	—	270
49	50	**Keller-Crescent Co.**	19.2	16.8	19.2	16.8	96.1	85.7	96.1	85.7	45.8	47.3	585	585
50	47	**Warwick Advertising**	18.9	18.0	18.9	18.0	126.0	120.0	126.0	120.0	36.0	33.0	270	270
51	51	**‡Sudler & Hennessey**	17.5	16.2	13.5	12.3	117.0	108.0	90.0	82.0	—	—	265	285
52	58	**Hill, Holliday, Connors & Cosmopulos**	17.3	12.2	14.6	10.9	115.0	92.6	101.4	83.8	52.6	48.8	306	205
53	54	**MCA Advertising**	16.5	13.4	16.5	13.4	137.5	102.7	137.5	102.7	2.5	3.5	92	75
54	76	**‡Rumrill-Hoyt**	16.2	11.2	16.2	11.2	108.1	75.0	108.1	75.0	43.2	28.4	241	168

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‡Agency's financial data also included in parent company's totals on this chart. See individual profile.

*Figures include Dailey International Group, affiliated with SSC&B:Lintas following Dailey's acquisition by Interpublic Group of Cos.

**Figures for 1982 are a composite of Humphrey Browning & MacDougall (HBM) and Creamer Inc. which merged in 1983; ranking in 1982 is for Creamer.

Agencies with gross income of $5 million to $15 million

World Income Rank		Agency	Gross Income 1983	Gross Income 1982	Total Billings 1983	Total Billings 1982	Capitalized Fees		Total Employes	
1983	1982						1983	1982	1983	1982
55	57	Rosenfeld, Sirowitz & Lawson	14,835,000	12,400,000	115,000,000	98,500,000	25 986,900	22,948,200	202	190
56	53	Chiat/Day	14,764,249	14,263,549	138,456,688	135,843,325	34,466,029	34,640,051	240	320
57	72	‡Lord, Geller, Federico, Einstein	14,406,308	8,761,989	102,180,455	66,047,542	12,055,345	13,572,209	198	137
58	52	Eisaman, Johns & Laws	14,300,000	15,100,000	95,333,300	106,768,000	2,668,000	2,768,000	170	195
59	64	Kornhauser & Calene	14,273,000	11,100,000	150,072,000	95,484,800	12,873,100	3,000,000	182	159
60	56	‡Medicus Intercon International	14,067,000	11,990,000	123,212,000	106,952,000	38,166,000	33,396,000	250	250
61	63	‡AC&R Advertising	12,924,000	11,108,000	82,627,000	71,207,000	2,821,000	1,808,000	207	180
62	55	‡Diener/Hauser/Bates	12,924,000	12,563,000	131,784,000	101,364,000	—	—	204	200
63	72	Ohlmeyer Advertising	12,750,000	9,000,000	85,000,000	60,000,000	—	—	—	—
64	60	Nadler & Larimer	12,360,000	12,000,000	82,400,000	80,000,000	—	—	150	180
65	61	‡Cole & Weber	12,313,559	11,957,047	85,157,940	81,206,498	22,292,554	18,692,388	185	187
66	62	Waring & LaRosa	12,000,000	11,250,000	80,000,000	75,000,000	6,700,000	6,400,000	135	135
67	70	Davis, Johnson, Mogul & Colombatto	11,830,100	9,004,000	78,916,760	60,030,000	6,926,760	5,140,000	180	160
68	65	Evans Communications	11,625,000	10,575,000	77,500,000	70,500,000	24,000,000	23,333,333	227	213
69	67	Sieber & McIntyre	11,183,850	9,350,000	74,150,000	63,180,700	47,717,180	43,689,740	174	160
70	71	Geer DuBois	10,800,000	9,000,000	72,000,000	60,000,000	—	—	140	125
71	100	Muir Cornelius Moore	10,695,481	6,164,127	71,338,858	41,114,727	71,338,858	41,114,727	180	102
72	69	Henderson Advertising	10,522,000	9,044,000	70,149,000	60,296,000	7,749,000	5,646,000	137	118
73	109	Group 3hree Advertising	10,094,768	5,565,241	33,511,424	20,903,859	22,213,394	13,489,034	37	34
74	226	Epsilon	10,000,000	7,600,000	50,840,000	38,505,000	47,340,000	36,005,000	150	80
75	81	Kallir, Philips, Ross	9,858,000	8,091,000	86,020,000	75,635,000	56,608,000	43,548,000	140	140
76	84	‡BDA/BBDO Inc.	9,388,002	7,726,452	62,586,680	41,509,680	3,802,820	3,695,760	91	87
77	75	Wyse Advertising	9,386,582	8,618,044	68,555,484	64,650,317	20,742,522	21,987,028	198	190
78	79	‡Stone & Adler	9,230,000	7,965,000	61,564,000	54,438,000	50,545,000	40,025,000	155	139
79	68	Al Paul Lefton Co.	9,200,000	9,150,000	61,330,000	61,000,000	—	—	165	186
80	80	Meldrum & Fewsmith	9,150,000	8,100,000	61,000,000	54,000,000	—	—	155	155
81	97	Richard & Edwards	9,150,000	6,375,000	61,000,000	42,500,000	—	—	26	26
82	78	William Douglas McAdams Inc.	9,100,000	8,258,000	61,200,000	55,509,000	12,732,000	8,738,000	165	161
83	87	Hicks & Greist	9,000,000	7,500,000	66,000,000	55,000,000	3,300,000	3,000,000	125	117
84	77	Avrett, Free & Ginsberg	8,975,415	8,310,570	79,281,000	74,849,000	—	6,117,000	68	78
85	91	Ammirati & Puris	8,700,000	6,900,000	58,000,000	46,000,000	—	—	112	84
86	95	McKinney Silver & Rockett	8,627,330	6,588,468	57,518,225	43,924,632	5,382,690	3,018,221	103	86
87	86	Arnold & Co.	8,532,400	7,598,627	62,910,619	50,682,842	14,040,350	12,673,000	171	196
88	100	Beber Silverstein & Partners	8,500,000	7,000,000	44,200,000	35,000,000	4,700,000	3,000,000	70	50
89	85	Levine, Huntley, Schmidt & Beaver	8,467,000	7,615,000	56,840,000	50,767,000	5,229,000	6,244,000	98	91
90	73	Calet, Hirsch & Spector	8,300,000	8,800,000	78,000,000	78,000,000	18,000,000	16,500,000	135	170
91	82	Direct Marketing Agency	8,300,000	7,600,000	40,050,000	37,000,000	37,350,000	34,600,000	54	53
92	83	Ingalls Advertising	8,000,000	7,750,000	65,500,000	56,500,000	21,000,000	20,000,000	175	165
93	88	Advertising to Women	7,500,000	6,690,000	60,000,000	46,000,000	—	—	77	89
94	90	Fahlgren & Ferriss	7,500,000	7,200,000	50,000,200	48,024,000	18,436,200	18,850,000	135	150
95	107	Earle Palmer Brown & Associates	7,358,623	5,607,904	51,107,543	39,268,423	14,668,724	11,255,039	160	125
96	96	‡Creswell Munsell, Fultz & Zirbel	7,340,000	6,565,000	48,960,000	43,800,000	—	—	137	136
97	98	Cramer-Krasselt	7,296,000	6,350,000	50,189,000	45,000,000	—	—	114	109
98	106	‡Fletcher/Mayo/Associates	7,266,000	5,622,000	67,308,000	51,328,000	47,944,000	36,465,000	165	150
99	116	Rolf Werner Rosenthal Inc.	6,948,200	5,328,638	46,321,339	38,030,206	25,865,426	23,856,762	104	88
100	99	Tucker Wayne & Co.	6,923,000	6,190,000	48,254,000	43,222,000	4,526,550	3,511,803	101	95
101	119	Mandabach & Simms	6,875,700	5,385,450	45,838,000	35,903,000	—	—	118	104
102	103	‡Sawdon & Bess	6,750,000	6,000,000	45,000,000	40,000,000	2,800,000	2,680,000	80	72
103	194	GSD&M	6,689,600	2,823,127	47,318,700	24,734,560	14,626,800	8,054,654	148	92
104	112	Venet Advertising	6,684,800	5,478,000	44,565,000	39,304,000	11,720,600	9,798,200	175	150
105	104	Towne, Silverstein, Rotter	6,600,000	6,000,000	44,000,000	40,000,000	—	—	56	55
106	156	Kobs & Brady	6,593,571	3,780,627	44,311,891	25,867,081	37,341,608	21,754,879	101	75
107	102	Barnum Communications	6,587,000	6,121,000	43,340,000	40,292,000	25,406,000	23,525,000	92	80
108	89	Brouillard Communications	6,538,000	7,290,932	43,924,836	48,914,339	5,364,680	8,509,446	100	100
109	93	Griswold Inc.	6,503,353	6,848,307	42,260,960	42,665,283	5,591,868	5,812,651	110	151
110	173	AdCom Inc.	6,481,800	3,311,250	43,212,000	22,075,000	2,182,000	2,284,000	52	49

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World Income Rank 1983	World Income Rank 1982	Agency	Gross Income 1983	Gross Income 1982	Total Billings 1983	Total Billings 1982	Capitalized Fees 1983	Capitalized Fees 1982	Total Employes 1983	Total Employes 1982
111	92	**Richardson, Myers & Donofrio**	6,391,370	6,065,793	42,608,797	40,389,484	4,430,143	3,851,344	117	114
112	118	**‡Lavey/Wolff/Swift**	6,350,000	5,300,000	42,350,000	36,000,000	42,350,000	36,000,000	105	95
113	106	**The Lorsch Group**	6,300,000	5,700,000	42,000,000	36,000,000	—	—	32	—
114	159	**Silverman Mower**	6,201,567	3,601,025	32,083,494	24,306,833	17,940,066	8,293,375	105	—
115	111	**William Cook Advertising**	6,009,428	5,446,244	40,662,856	36,308,294	—	—	111	104
116	130	**Carrafiello-Diehl Associates**	6,015,000	4,650,000	40,100,000	31,000,000	5,500,000	4,500,000	93	93
117	105	**Smith/Greenland**	6,006,270	5,960,000	40,000,000	39,000,000	4,669,000	4,335,000	104	104
118	122	**The Richards Group**	5,996,000	5,150,000	46,045,000	35,851,000	30,188,000	22,411,000	99	90
119	126	**Harold Cabot & Co.**	5,885,250	4,800,000	39,235,000	32,000,000	—	—	101	92
120	108	**Spiro & Associates**	5,847,600	5,587,900	45,458,000	42,100,000	26,575,000	24,185,000	116	110
121	125	**Muller Jordan Weiss**	5,825,500	4,897,964	38,542,700	34,413,221	5,595,400	5,336,000	92	92
122	131	**‡Klemtner Advertising**	5,800,000	4,600,000	41,000,000	34,500,000	24,350,000	19,510,000	85	—
123	152	**KBG&H Unlimited**	5,799,960	3,884,701	41,428,328	31,576,959	—	—	167	130
124	138	**Elkman Advertising**	5,725,875	5,238,390	38,172,500	34,922,600	11,672,500	11,872,600	100	105
125	128	**Colle & McVoy**	5,705,766	4,779,469	38,038,446	31,863,130	5,745,444	3,069,527	125	113
126	125	**Allen and Dorward**	5,680,000	4,980,000	37,300,000	28,900,000	—	—	123	—
127	114	**Valentine-Radford**	5,594,642	5,378,002	40,107,807	37,838,836	12,849,015	12,738,946	102	89
128	120	**Altschiller Reitzfeld Solin**	5,416,000	5,199,600	44,781,000	42,972,000	7,763,000	7,402,000	52	53
129	121	**‡North Castle Partners**	5,410,000	5,153,000	35,708,000	34,008,000	16,428,000	16,008,000	63	60
130	132	**Howard Swink Advertising**	5,382,342	4,507,077	39,470,138	31,216,206	22,795,346	15,944,595	120	100
131	123	**Robert A. Becker Inc.**	5,360,000	4,021,000	44,521,700	33,500,000	28,281,000	12,025,700	90	75
132	146	**Burton-Campbell**	5,337,662	4,072,850	36,614,034	26,933,163	9,540,064	7,598,253	103	88
133	115	**‡Cadwell Davis Partners**	5,297,000	5,366,000	42,472,000	43,500,000	4,146,000	7,632,000	60	58
134	145	**Lawler Ballard**	5,280,000	4,098,000	35,200,000	27,320,000	—	—	125	101
135	127	**Weightman Inc.**	5,280,000	4,800,000	35,200,000	32,000,000	—	—	92	84
136	149	**Long, Haymes & Carr**	5,230,000	4,025,000	34,900,000	26,850,000	6,900,000	5,500,000	98	80
137	113	**McKinney Inc.**	5,175,458	5,562,500	38,123,000	40,955,000	25,563,000	28,437,000	114	122
138	117	**‡Quinn & Johnson/BBDO**	5,092,921	5,300,094	33,952,808	35,333,956	2,326,720	2,394,741	100	85
139	124	**Keyes Martin**	5,090,000	4,985,000	30,114,000	29,296,000	11,179,000	10,436,000	80	90
140	169	**Faller, Klenk & Quinlan**	5,014,560	3,368,438	30,248,310	20,847,385	3,288,310	2,054,360	128	91
141	381	**Mort Barish Associates**	5,000,000	1,210,000	21,340,000	15,900,000	13,340,000	11,400,000	28	20

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‡Agency's financial data also included in parent company's totals on this chart. See individual profile.

*Figures include Dailey International Group, affiliated with SSC&B:Lintas following Dailey's acquisition by Interpublic Group of Cos.

**Figures for 1982 are a composite of Humphrey Browning & MacDougall (HBM) and Creamer Inc. which merged in 1983; ranking in 1982 is for Creamer.

Agencies with gross income of $1 million to $5 million

Agency	1983	1982
Phillips-Ramsey Co.	4,966,300	4,413,500
Carmichael Lynch	4,908,000	4,066,000
Cochrane Chase, Livingston & Co.	4,820,350	4,712,740
Albert Jay Rosenthal & Co.	4,770,000	4,275,000
Mel Richman Inc.	4,750,000	4,500,000
Sacks & Rosen Advertising	4,730,000	4,320,000
Ehrlich-Manes & Associates	4,723,321	4,521,075
Bentley, Barnes & Lynn	4,684,798	4,040,596
Slater Hanft Martin	4,683,000	3,807,000
Hoffman York & Compton	4,664,000	4,525,500
M.E.D. Communications	4,600,000	4,400,000
Lois Pitts Gershon	4,600,000	4,400,000
Marketing Support	4,578,537	2,112,258
Batz Hodgson Neuwoehner	4,552,600	4,229,632
Lauerer Markin Gibbs	4,539,946	4,310,654
Miller Meester Advertising	4,520,000	2,420,000
Shaller, Rubin & Winer	4,410,000	4,200,000
Bader Rutter & Associates	4,381,742	3,785,236
Vicom Associates	4,331,005	2,906,095
Thomas G. Ferguson Associates	4,315,890	3,853,472
Griffin Bacal Inc.	4,215,000	3,120,000
Miller Advertising	4,200,000	3,700,000
Smith Hemmings Gosden	4,177,000	3,479,000
Dorritie & Lyons	4,125,000	3,010,000
Grant/Jacoby	4,121,000	3,278,000
Paragon Advertising & Public Relations	4,113,000	3,712,000
Lord, Sullivan & Yoder	4,041,729	3,999,728
Stern Walters/Earle Ludgin	4,021,072	4,615,782
Dugan Farley Communications Associates	4,007,577	3,367,712
Cato Johnson/Y&R	4,000,000	3,799,000
Edwin Bird Wilson Inc.	3,990,000	3,550,000
Burrell Advertising	3,900,000	3,403,000
Imahara & Keep	3,875,738	1,810,598
Miller-Reid Group	3,871,350	1,931,100
Stern Monroe Advertising	3,870,000	3,300,000
Bernstein Rein Advertising	3,850,000	3,738,421
Martin-Williams Inc.	3,829,709	3,476,900
William J. Bologna International	3,800,000	2,800,000
VanSant Dugdale & Co.	3,797,289	3,945,665
WFC Advertising	3,780,000	—
Don Tennant Co.	3,730,000	2,607,000

Agency	1983	1982
Kenrick Advertising	3,723,000	2,625,000
Levy, King & White Co.	3,700,000	3,200,000
Marcoa Direct Advertising	3,690,000	3,060,000
Doe-Anderson Advertising	3,679,039	3,068,787
Fisher/Feld Inc.	3,660,000	3,445,000
The Pitluk Group	3,650,000	3,500,000
Carr Liggett	3,623,839	3,437,660
Tycer-Fultz-Bellack	3,612,235	2,097,724
Kalish & Rice	3,600,000	3,030,000
Stern Advertising	3,600,000	2,850,000
Schneider Parker Jakuc	3,573,658	3,039,027
Giardini/Russell	3,536,897	2,399,810
The Martin Agency	3,520,000	2,712,000
Frank J. Corbett Inc.	3,500,000	3,000,000
Lang, Fisher & Stashower Advertising	3,495,339	3,328,894
McDonald & Little	3,491,000	6,123,000
Margeotes/Fertitta & Weiss	3,465,161	3,013,184
Hood, Hope & Associates	3,450,622	3,507,088
David Deutsch Associates	3,449,895	2,098,933
Mintz & Hoke	3,406,000	2,954,403
Healy-Schutte & Comstock Advertising	3,394,560	1,727,037
Marc & Co.	3,370,000	3,450,000
The Frank Vos Co.	3,350,168	3,275,130
Luckie & Forney	3,372,671	2,890,435
Ackerman & McQueen	3,316,562	2,636,181
Eric Ericson & Associates	3,306,205	2,415,612
A & M Associates	3,300,000	3,100,000
William R. Biggs/Gilmore Associates	3,300,000	2,456,000
Frankenberry, Laughlin & Constable	3,300,000	2,200,000
Juhl Advertising	3,291,150	2,556,000
Gray & Rogers	3,270,000	3,360,000
Louis & Saul	3,249,585	699,945
Advertising Inc.	3,235,747	3,194,461
Barry Blau & Partners	3,216,600	2,831,400
Maher Inc.	3,209,000	2,880,000
Northlich, Stolley	3,171,000	3,373,000
Stan Merritt Advertising	3,118,568	2,503,556
Simons Michelson Zieve	3,100,000	2,760,000
Leslie Advertising	3,078,048	2,469,022
Mutual Media	3,060,000	2,145,000

Agency	1983	1982
Smith Burke & Azzam	3,045,100	2,267,930
Eisner & Associates	3,016,450	2,128,175
Serino Coynet Nappi	3,008,000	2,473,000
Quinlan Keene Peck & McShay	3,007,239	3,489,099
Newmark, Posner & Mitchell	2,980,000	2,400,000
Hammond Farrell	2,962,796	2,199,766
Stiegler & Wells	2,947,801	1,926,996
Yellow Pages Marketing Services	2,941,000	1,950,000
Liller Neal	2,914,508	3,143,935
Firestone & Associates	2,891,160	2,689,450
A M S Advertising	2,883,382	1,797,737
John Paul Itta Inc.	2,873,000	2,435,000
The DR Group	2,855,000	1,709,000
Hume Smith Mickelberry Advertising	2,850,000	2,700,000
Malone	2,850,000	2,550,000
Howard, Merrell & Partners	2,838,303	2,289,356
Chuck Ruhr Advertising	2,820,000	2,512,000
G.M. Feldman & Co.	2,775,000	3,495,000
Rubane-Leverte	2,750,000	2,000,000
Franklin Spier Inc.	2,748,000	2,772,000
Vantage Advertising & Marketing Associates	2,740,000	2,314,000
Kerker & Associates	2,734,323	3,052,845
Winius-Brandon Texas	2,732,781	2,602,649
Louis Benito Advertising	2,730,000	2,310,000
Trahan, Burden & Charles	2,726,254	2,475,000
Specht, Gilbert & Partners	2,700,000	2,489,000
Lyons Inc.	2,699,000	1,946,000
BBDM Inc.	2,651,682	2,272,527
Daniel Glassman Advertising	2,650,900	1,863,800
Gross Townsend Frank	2,625,000	2,295,000
Martin, Sturtevant, Silverman & Marshall	2,625,000	2,130,150
Noble & Associates	2,614,954	2,178,749
Jordan/Tamraz/Caruso Advertising	2,580,000	2,370,000
Haddon Advertising	2,574,000	1,778,236
Schey Advertising	2,565,000	2,070,000
Fairfax Advertising	2,535,000	1,800,000
Point Communications	2,529,834	2,381,970
Homer & Durham Advertising	2,528,056	2,073,461
Garber, Goodman & Rothchild	2,513,500	1,971,600
Dawson, Johns & Black	2,512,500	1,980,000

Agency	1983	1982
Van Brunt & Co.	2,500,000	2,350,000
Jack Levy & Associates	2,496,336	1,526,651
Jack Wodell Associates	2,488,288	2,263,467
Schaefer Advertising	2,483,000	1,995,000
Jarman, Spitzer & Felix	2,472,210	2,247,464
Harland O'Connor Tine & White	2,466,259	——
Abert, Newhoff & Burr	2,428,395	2,656,284
Jim Johnston Advertising	2,426,100	2,728,246
E.H. Brown Advertising	2,370,328	2,005,388
Robinson, Yesawich & Pepperdine	2,360,475	——
Wilton, Coombs & Colnett	2,352,640	1,875,753
Symon & Hilliard	2,343,750	1,812,500
Broyles, Allebaugh & Davis	2,341,100	2,071,200
Ehrig & Associates	2,340,000	2,135,000
Abelson-Taylor	2,325,130	1,673,361
Clark & Goward Carr & Fitts	2,300,000	——
Dix & Eaton	2,300,000	2,430,000
Zwiren & Wagner	2,280,000	1,095,000
Castor Spanish International	2,250,000	1,800,000
Greenstone & Rabasca Advertising	2,250,000	1,850,000
Ted Thomas Associates	2,250,000	1,950,000
Leonard Monahan Saabye	2,202,000	1,340,000
Kolon, Bittker & Desmond	2,200,000	2,000,000
S.R. Leon Co.	2,200,000	2,300,000
Marquardt & Roche	2,181,925	1,799,960
Reimel Carter Advertising	2,175,000	1,980,000
Stone & Simmons Advertising	2,172,174	2,062,547
Kelly Michener	2,163,544	2,446,511
R.S. Feldman & Co.	2,161,242	1,980,000
Ensslin & Hall Advertising	2,160,870	——
Mike Sloan Inc. Advertising	2,160,000	2,130,000
Levenson, Levenson & Hill	2,156,126	2,228,076
Philip Stogel Co.	2,132,452	2,227,976
The Jayme Organization	2,108,000	1,747,000
Witherspoon & Associates	2,100,473	1,809,447
Busse & Cummins	2,100,000	1,837,000
Group Two Advertising	2,100,000	2,000,000
Mendoza, Dillon & Asociados	2,100,000	1,800,000
Weitzman, Dym & Associates	2,100,000	——
Schenkein/Associates	2,099,035	1,971,146
Stephan & Brady	2,096,912	2,020,145
Battenberg, Fillhardt & Wright	2,088,607	1,410,300
Craig, Lamm, Hensley & Alderman	2,080,280	2,477,354
Warren/Kremer Advertising	2,070,000	1,650,000
Gilbert, Whitney & Johns	2,065,000	1,700,000
Warner, Bicking & Fenwick	2,063,220	1,899,526
Pringle Dixon Pringle	2,051,250	1,620,000
Frank C. Nahser Inc.	2,046,000	1,991,000
Gumpertz/Bentley/Fried	2,029,742	1,810,997
Basso & Associates	1,980,000	1,875,000
Launey, Hackmann & Harris	1,962,137	1,447,500
Stolz Advertising	1,952,242	1,857,584
Fitzgerald Advertising	1,950,396	1,517,131
Ted Chin & Co.	1,950,000	1,810,000
Emery Advertising Corp.	1,950,000	1,800,000
John Malmo Advertising	1,950,000	1,800,000
Penchina, Silkowitz	1,950,000	1,638,000
Chalk, Nissen, Hanft	1,945,000	2,001,000
Bauerlein Inc.	1,918,406	1,587,163
Jameson Advertising	1,902,556	1,618,754
Chester Gore Co.	1,901,122	1,685,000
Gerber Advertising Agency	1,900,000	2,195,000
Montgomery & Associates	1,900,000	1,500,000
Murray/Bradley	1,900,000	1,500,000
Scott Lancaster Mills Atha	1,886,500	1,681,700
Douglas Turner Inc.	1,875,000	1,600,000
Ralph Kent Cooke Inc.	1,860,011	1,800,000
Lally, McFarland & Partello	1,834,221	1,400,000
Baker, Abbs, Cunningham & Klepinger	1,832,802	1,666,544
Kamstra Communications	1,815,000	1,575,000
Alexander Marketing Services	1,813,059	1,768,457
Greengage Associates	1,812,000	1,673,[illegible]
West, Gentry & Morris	1,810,614	1,418,[illegible]
Kraft Smith	1,793,784	2,487,376
New Product Insights	1,753,505	2,157,786

Agency	1983	1982
Maris, West & Baker	1,733,916	1,336,277
J.I. Scott Co.	1,730,000	1,540,000
The Siesel Co.	1,721,250	1,615,721
Shaker Advertising Agency	1,711,188	1,650,885
Wardrop, Murtaugh, Temple & Frank	1,710,000	1,502,000
The Brady Co.	1,701,172	1,361,666
Associated Advertising Agency	1,687,610	1,902,386
Dudreck DePaul Ficco & Morgan	1,671,000	1,272,000
Zechman & Associates Advertising	1,666,000	1,093,000
Red Barron Inc.	1,658,200	1,334,500
Lawrence Butner Advertising	1,653,750	1,203,750
Arthur Falconer Associates Corp.	1,650,000	——
Caravetta Allen Kimbrough/BBDO	1,635,792	1,637,946
Dorland & Sweeney	1,630,601	——
Stone, August & Co.	1,620,000	1,221,000
Baxter Gurian & Mazzei	1,615,500	——
Herman & Rosner Enterprises	1,615,000	1,455,000
Carter Callahan Advertising	1,599,645	1,437,317
Weekley & Penny	1,592,916	1,746,925
Mason & Madison	1,590,000	1,350,000
Mullen Advertising	1,590,000	1,138,000
Bowes/Hanlon Advertising	1,569,402	779,435
Bermudez & Associates	1,560,000	——
John Brown & Partners	1,551,369	1,223,018
Sullivan Higdon & Sink	1,541,083	1,324,672
Fortis Fortis Advertising	1,537,000	1,080,000
Harris & Love	1,536,399	1,241,943
Caraway Kemp Communications	1,523,300	1,500,000
John Emmerling Inc.	1,522,500	1,079,400
Taylor Advertising	1,517,000	1,998,000
Ellis Singer Group	1,515,095	1,034,765
Womack/Claypoole/Griffin Advertising	1,509,578	1,539,954
Penny/Ohlmann/Neiman	1,509,450	——
Duffy Bringgold, Knutson & Oberprillers	1,502,500	633,000
Cosmopulos, Crowley & Daly	1,500,000	600,000
Cunningham, Root & Craig	1,500,000	1,000,000
Levy, Flaxman & Associates	1,500,000	750,000
Borders, Perrin & Norrander	1,496,787	1,396,122
Lenac, Warford, Stone	1,490,670	——
Zylke & Affiliates	1,487,379	1,576,000
Waldbillig & Besteman	1,486,780	1,308,097
Yaffe Berline	1,481,134	1,613,366
Detrow & Underwood	1,456,158	1,268,259
Vinyard & Lee & Partners Advertising	1,453,000	1,212,000
The Lempert Co.	1,450,350	1,204,000
Harry Viola Advertising	1,443,000	1,190,656
Burton Advertising	1,425,000	1,611,000
Dallas C. Dort & Co.	1,417,567	1,280,455
Shaffer/MacGill & Associates	1,415,518	1,254,892
Schein/Blattstein Advertising	1,405,000	1,361,000
Knudsen Moore Schropfer	1,395,000	1,200,000
Smith Kaplan, Allen & Reynolds	1,383,942	1,353,144
Bergelt Advertising	1,382,000	1,277,000
Finnegan & Agee	1,379,000	914,000
Arnold Harwell McClain & Associates	1,351,302	1,288,851
Don Hansen Advertising	1,350,000	830,000
The Jaqua Co.	1,348,766	1,480,985
The Ad Agency	1,341,000	1,218,800
Fern/Hanaway	1,332,500	1,402,500
R.L. Meyer Advertising	1,328,517	1,071,186
Gordon Bailey & Associates	1,320,996	1,073,156
McKee Advertising	1,316,000	1,001,000
William Eisner & Associates	1,300,760	1,331,058
Lou Beres & Associates	1,300,000	——
InComm Inc.	1,300,000	450,000
Posey, Parry & Quest	1,300,000	1,075,000
SZF Inc.	1,300,000	1,200,000
Ken Schmidt Co.	1,300,000	1,325,500
Northrup & Teel	1,297,000	1,652,000
J. MacLachlan & Associates	1,295,000	658,000
Brand Advertising	1,294,476	1,297,238

Agency	1983	1982
The Merchandising Factory	1,294,000	600,300
Fessel, Siegfriedt & Moeller	1,286,425	1,270,625
Winchell Marketing Communications	1,275,000	1,200,000
Short Shepler & Fogleman	Advertising	1,263,935
624,683		
Beaumont, Heller & Sperling	1,260,212	1,467,450
Hall, Haerr, Peterson & Harney	1,260,000	1,200,000
Spencer Bennet Nowak	1,255,000	844,000
The Creative Advertising Co.	1,254,670	921,667
Coakley Heagerty	1,254,069	1,074,074
Rizzo, Simons, Cohn	1,252,093	844,523
Fogarty & Klein	1,252,000	875,000
Berenson & Isham	1,251,471	1,499,016
Ericksen Advertising & Design	1,250,000	980,000
Shiffman/Fergusson/Stone	1,239,900	696,700
Neal Spelce Communications	1,224,475	1,159,662
Bailey Lewis & Associates	1,217,028	1,095,753
The Emerson Marketing Agengy	1,215,000	780,000
M.L. Grant Inc.	1,215,000	1,110,000
Silberman Whitebrow Dolan	1,215,000	1,035,000
Bloom & Gelb	1,204,968	881,719
Hughes Advertising	1,201,375	1,043,834
The Advertising Works	1,200,000	1,050,000
Contemporary Marketing	1,200,000	975,000
HMK Advertising	1,200,000	975,000
Horlick Levin Hodges Advertising	1,200,000	1,305,000
Liberman-Appalucci	1,200,000	1,075,000
Keroff & Rosenberg Advertising	1,195,383	155,000
Buckheim & Rowland	1,189,558	981,694
Humpal, Leftwich & Sinn	1,185,000	950,000
Don Costello & Co.	1,170,000	750,000
Scroggin & Fischer Advertising	1,169,635	1,009,295
DeBruyn Rettig Advertising	1,156,280	1,136,675
Pesin, Sydney & Bernard Advertising	1,153,550	——
Starmark Inc.	1,151,500	732,250
McDougall Associates	1,135,800	1,109,200
Adams, Rickard & Mason	1,135,700	972,943
Murray Salit & Associates	1,035,000	930,000
Sawyer Advertising	1,134,126	1,004,517
Herb Gross & Co./Media Corp.	1,130,464	799,093
Ross Advertising	1,128,622	1,205,929
Pool/Sarraille Advertising	1,125,000	——
Rick Johnson & Co.	1,112,710	928,927
Furman Roth Ad Agency	1,104,000	1,020,000
Harmon Smith	1,102,131	815,000
Paolin & Sweeney	1,100,000	603,428
Scharfberg & Associates	1,090,000	990,000
Cole Henderson Drake	1,082,280	918,878
Ed Yardang & Associates	1,080,430	1,187,000
Bonsib Inc.	1,070,447	989,502
Kerlick, Switzer & Johnson	1,068,600	975,000
Sullivan & Brugnatelli Advertising	1,065,005	1,096,378
Lockhart & Pettus	1,065,000	960,000
Wray/Ward Advertising	1,064,024	1,046,948
St. Vincent, Milone & McConnells	1,062,586	975,299
STG Marketing Communications	1,060,000	1,056,000
J.P. Hogan & Co.	1,056,000	853,800
Winterkorn Lillis	1,055,000	1,250,000
Gulf State Advertising	1,050,376	1,349,374
Bonfield & Associates	1,050,000	——
Gleckler & Spiegel Advertising	1,050,000	540,000
Nartzger & Huhe	1,048,328	773,416
Dickison & Rakaseder	1,045,000	——
Roggers, French & Co.	1,043,975	706,715
Franznick & Cusatis Advertising	1,042,957	724,325
TCI Advertising	1,042,215	685,882
Impact Marketing Communications	1,035,000	650,000
Kolker, Taley, Hermann	1,025,000	937,000
Ballotta, Napurano & Co.	1,020,000	756,000
Lipman Advertising	1,010,967	971,890
Ackerman Advertising Communication	1,010,000	770,000
Adler, Schwartz	1,008,400	987,721
Sutton Communications	1,000,000	200,000

Agencies with gross income of under $1 million

Agency	1983	1982
Glasheen Advertising	998,000	990,001
Adair Associates	996,062	903,515
The Phillips Organization	995,929	915,000
George P. Clarke Advertising	986,011	939,471
Smith & Yehle	975,125	910,425
Reeds Farris Lewis & Maisel	974,001	841,298
Estey-Hoover	969,342	958,186
McAdams & Ong	966,700	763,400
Andrews/Mautner	959,082	888,712
Donald L. Arends Inc.	958,800	912,600
Ferber Janklow Chimbel Bender	955,350	782,550
Starr Advertising	953,025	1,085,250
Gene K. Kolber Advertising	950,000	850,000
R.S.M.& K. Inc.	946,830	851,031
Larwin/Livers Associated	945,000	805,000
O'Sullivan, Dugan & Partners	942,619	774,652
Admix Advertising	940,000	876,000
Fotheringham & Associates	939,191	881,217
Wimmershoff & Associates	936,147	754,962
Loeffler Marley Mountjoy	928,944	846,000
Gregory Inc.	922,577	786,815
Frank Barth Inc.	919,000	——
Rhea & Kaiser Advertising	918,840	750,265

Agency	1983	1982
Smith, Badofsky & Raffel	915,200	1,365,000
Scharer Associates	915,000	855,000
Emerson Lane Fortuna	914,129	507,555
Behrends & Co.	906,735	952,001
The Caldwell/Reingold Group	906,124	——
Umphenour & Martin	905,829	833,505
LaBelle & Shallbetter	905,000	888,500
Dally Advertising	900,000	675,000
Fones & Mann	900,000	750,000
J.H. Lewis Advertising	880,918	949,439
Sharp Hartwig Advertising	879,400	538,100
Marcus Group	870,500	520,600
E.H. Rogers & Co.	864,450	848,250
Pearlman/Rowe Kolmatsky	860,450	783,289
Hazard Advertising Co.	860,000	700,000
Wyble Advertising	859,697	843,600
Wm. L. Baxter Advertising	859,079	724,093
Decker, Guertin & Cheyne	851,423	265,435
Haddad, Lawrence Advertising	850,000	750,000
Allen & Mattingly	845,897	552,149
Brand & Gerber & Shick	834,467	839,567
Richardson, Thomas & Bushman	832,269	795,010
Greene & Claire	830,000	740,000

Agency	1983	1982
Soderberg & Associates	828,444	——
Mohawk Advertising	827,800	549,785
Kostman/Schmid & Associates	825,000	——
Howard Miller Associates	825,000	440,000
Greenwald/Christian Advertising	824,955	599,970
Kaufman & Maraffi Advertising	822,000	800,000
Dekrig Advertising	820,000	780,000
Bulloch & Haggart Advertising	816,866	713,155
Hart/Conway Co.	813,373	786,713
Marketing Directions	813,373	786,713
G. Temple Associates	808,000	674,000
The Gable Agency	806,478	644,184
The Mabyn Kean Agency	805,196	936,433
Sommer Inc.	802,000	436,000
Robinson Associates	801,875	672,643
Alpine Advertising	798,475	——
Kalmar Responsive Ad/Marketing Corp.	798,000	780,000
Orion Group	787,500	667,500
Communigraphics Inc.	785,250	795,000
Kenney Advertising	785,000	560,000
Dulaney Advertising	781,000	554,000
Mace Advertising Agency	780,910	1,436,701

Agencies with gross income of under $1 million

Agency	1983	1982
Rathke Blair Kerns & Frost	777,280	648,713
Gann-Dawson	773,936	745,286
Barney & Patrick Advertising	771,169	——
Christopher Thomas Associates	770,000	650,000
Jason Group	768,000	500,000
Douglas Samuel Advertising	760,000	570,000
MAP Advertising	758,829	481,947
Bryan-Donald Advertising	750,000	500,000
Don Wise & Co.	750,000	——
Manaker & Wright	747,000	880,000
Lessing-Flynn Advertising Co.	745,851	——
Patterson Advertising	739,325	664,961
Crumbley & Associates	735,000	615,000
Jacobson Advertising	733,050	——
Lessner Slossberg Gahl & Partners	733,031	756,000
Haller Schwarz	730,000	698,000
Gordon Group	728,900	172,500
Soghigian and Macuga Advertising	728,300	650,200
Bradley, Dimmock & Hungerford	726,536	546,268
Sheffer & Peters Advertising	726,000	506,000
Image Dynamics	724,375	590,611
Alstin Advertising	720,000	645,000
Hunter Barth Advertising	717,200	657,000
Warr, Foote & Rose	716,799	763,776
Ira Thomas Associates	715,033	803,938
Cantor Advertising	705,000	390,000
Strother & Faltis	705,000	486,059
Connor-Sager Associates	700,000	525,530
Redmond, Amundson & Rice	694,518	687,450
Sidney Clayton Associates	694,505	850,192
Malek Group	690,221	768,269
H.T. Fenton Associates	685,723	629,104
Jack Cantwell Inc.	678,825	753,787
McLaughlin, Delvecchio & Casey	678,254	617,000
Gene Wolfe & Co.	675,702	607,440
Waddington Advertising	675,479	556,735
Rainoldi-Bowles	670,420	673,357
Boelter & Lincoln	663,473	471,036
Mad Ave East	662,661	603,895
Storey Berman & Freer	662,000	601,000
The Hiebing Group	661,502	605,421
The John Volk Co.	661,033	693,725
Fensholt Inc.	660,602	733,324
Burch Myers Cuttie	656,131	715,165
Arau & Goldberg	652,500	——
Peterson-Morris	650,000	600,000
Steve Lutzker Advertising	649,232	508,588
Blair Advertising	649,059	845,523
GKD Advertising	646,791	795,161
Ashby, Dillon & Meade	645,622	——
Schoenfeld/Straus	639,000	485,000
Adelante Advertising	637,500	637,500
Huwen & Davies	635,000	612,000
CRE Inc.	634,507	457,556
Robert McKim & Co.	632,851	390,000
Smelkinson, Cerrati & Co.	631,736	491,668
Ted Barkus Co.	628,928	464,397
Jerre R. Todd & Associates	622,799	796,088
Wendt Advertising	615,046	776,197
Jules Rabin Associates	615,000	——
Stral Advertising	610,000	585,000
Gilbert Sandler & Associates	607,571	582,277
Larson, Bateman & McAllister	605,967	635,131
Clark Direct Marketing	602,000	540,000
Jack Brahms Advertising	600,000	450,000
Wooding & Housley	600,000	430,000
Chase/Ehrenberg & Rosene	594,000	435,000
Foster Peterson & Kostopoulos	593,342	——
L. Quillin & Associates	590,150	398,668
Mercurio Consultants	590,000	——
Patchen Brownfeld	587,000	221,000
Grant & Pollack Advertising	586,000	231,000
Flint Advertising	575,562	633,497
Marcom	565,690	619,458
George, Gibbs, Hammerman & Myers	565,000	575,000
Gregory & Clyburne	562,500	550,275
Michael Holmes & Co.	562,187	400,502
Sheehy & Knopf	560,596	328,601
Stuart Williams Associates	560,000	499,800
MarketAide Inc.	558,005	751,971
Hal Langerman Co.	554,600	470,000
Covey & Koons	548,321	630,756
Cantin Elliot	547,500	532,000
Tepe, Hensler & Westerkamp	540,900	411,900
Darien, Russell, Hill & Dahl	534,939	485,372
Carolin Paxson Advertising	531,608	——
Tri-State Advertising Co.	528,442	587,028
The Communicators Group	528,400	467,800
Conti Advertising	526,000	557,000
DFK Advertising	525,000	525,000
The Jones Agency	523,765	47[illegible],214
Richmond Advertising/Reinhold Associates	521,232	520,193
Koehler Iversen	520,000	439,506
Hirsch Elliot	510,000	478,540
Warren & Epstein	510,000	600,000
Shable, Sawyer & Pitluk	506,807	403,697
R.J. Advertising	504,485	553,854
Len Scholl & Co.	504,094	458,868
Yuguchi & Krogstad	501,635	——
Lardis, McCurdy & Co.	494,000	359,000
Martin Fiderer Associates	493,000	479,000
Mitchell & Co.	492,000	565,050
Miller, Addison, Steele	485,000	555,000
Gardiner Advertising	484,407	446,577
Skirboll & Garber Advertising	481,106	248,831
Thomas R. Sundheim	480,000	540,000
The Carl Guldberg Agency	474,324	369,225
Harold Miller Marketeer	471,610	254,000
Jones Anastasi & Mitchell	467,062	395,640
The Matlin Co.	465,000	420,000
Meldrum & Campbell Advertising	461,020	473,666
Richard Yeager Associates	459,463	354,659
Steen Advertising Corp.	451,000	397,000
The Ray Coen Co.	450,000	335,000
Smith & Associates	450,000	——
MarketReach Inc.	440,121	357,932
MacGibbon & Kobasic	439,300	379,900
Robert K. Butcher & Associates	436,400	437,000
Selwyn & Associates	431,000	321,000
McIlhenny-Humphrey	427,000	413,600
Wilson, Frank & Associates	422,880	381,084
Hicks & Grayson	418,351	378,842
Webb & Associates	417,393	363,764
T.S. Jenkins & Associates	416,287	315,712
Klein/Richardson	411,000	345,000
Blackwood Associates	410,000	——
Patlis Advertising	410,000	——
FitzSimons Advertising	405,000	400,000
Noble Arnold & Associates	399,500	——
Laven, Fuller & Perkins	396,720	269,804
Blanchard & Associates	389,914	362,913
KRS Communications	385,181	298,835
Rahm Advertising	379,029	301,989
Arnold Advertising Corp.	375,000	360,000
Keller Haver Inc.	375,000	——
Lansdale, Carr & Baum	375,000	——
JRL Advertising & Sales Promotions	375,000	390,000
Jay Reich Inc.	375,000	525,000
Kopf & Isaacson Advertising	370,000	280,000
Marketing Group	368,025	315,000
Deppe & Associates	365,025	315,000
Levy Advertising Associates	360,500	347,635
Harris, Drury & Associates Advertising	354,000	154,500
Mallof, Abrouzino & Nash Marketing	354,000	——
Jiloty, Shipley & Associates	351,010	265,712
Sader & Ackerman	351,000	372,000
Keith Bates & Associates	348,632	250,583
Perry Ballard/Advertising	348,185	355,346
Doty, Phillips & Laing	347,222	321,396
Newton Associates	342,750	311,700
Offield & Brower	342,693	340,000
Gabel Advertising	341,620	331,460
Earle Bower Associates	339,200	322,500
Groseclose & Poindexter	388,774	219,716
The Professional Marketing Group	337,000	355,000
Rubin-Van Slyke	330,230	276,250
Barron, Hillman & Mellnick	330,000	300,000
Saxe Mitchell	326,000	291,500
Davis Advertising	325,000	300,000
West & Brady	322,754	399,978
Haselow & Associates	320,000	314,000
Hill Hays Associates	320,000	304,000
Totalistics Advertising	320,000	190,000
Kinzie & Green	317,696	326,648
Donald W. Gardner Advertising	315,000	300,000
Semel/Kaye & Co.	315,000	180,000
Ad/Image Advertising	314,899	——
MSA Advertising	313,200	272,000
Omaha Creative Group	312,525	415,050
J.D. Mathis & Co.	312,000	123,750
Goff Communications	311,592	277,156
Brewster Advertising	310,000	261,000
Shipley Associates	308,000	277,200
Fricke 3 Inc.	307,005	346,205
Elbert Advertising	306,803	399,755
Hinton & Steel	304,121	296,527
William F. Arens & Associates	300,000	300,000
Bolster & Kings	300,000	300,000
Haley & Ruckle Advertising	300,000	——
Marstrat Inc.	300,000	270,000
Yardis Advertising Co.	300,000	200,000
White Good & Co.	298,009	199,273
Asher Agency	296,285	245,860
Kelly Adams Advertising	293,333	196,550
Mills Communication	290,000	292,000
Fasone-Garrett Advertising	289,776	249,522
Goble & Associates	287,038	——
Sydney Schreiber Inc.	285,082	274,663
Powell & Jones	285,000	195,000
The Iverson Norman Associates	278,527	264,879
Wank, Williams & Neylan	277,596	321,718
S.M. Sachs & Associates	275,000	260,000
Morrow Lewis & Kelley	273,512	170,285
Junger-Wellman & Co.	273,000	205,000
Blumenthal/Herman Advertising	272,577	243,503
The Com/Tech Group	270,963	282,624
Hawaiian Tropic Advertising	270,000	195,000
Maurice Paulsen Advertising	265,701	213,568
Allan Frank & Associates	263,114	279,909
Image Advertising	258,000	215,000
Total Communications/Advertising	256,828	——
Pierce & Strain Advertising	255,000	195,000
Eidel Marketing Communications Corp.	250,316	365,750
Bernard & Co.	249,390	223,890
Davis/Muender/Ostir	246,865	——
Burdette Advertising	244,490	300,224
The Eddy-Rucker-Nickels Co.	243,453	182,069
Advertising & Art Council	242,000	212,000
Gonsor & Wilson Communications	237,000	196,000
Nord Advertising Associates	233,135	197,400
Advertising Impact	230,000	194,375
Anderson Direct Response	226,500	194,600
Martin A. Lave Marketing	226,402	168,177
Black & Musen	223,000	220,000
Sullivan Communications	218,526	——
Drummond Advertising	209,700	——
Nucifora & Associates	203,000	124,027
New England Advertising Associates	202,000	170,000
Melgar Nordlinger	200,000	——
J. Ronald Gaffe Inc.	199,667	201,116
Albright & Price	199,120	183,853
Adams & Longino Advertising	198,842	107,550
Bates & Fawcett	195,331	180,159
Benefield, Levinger & Associates	193,579	192,578
Jack Mathis Advertising	191,774	175,226
Admark Advertising Marketing Services	186,319	169,878
Advertising Management	186,281	141,188
Crawford & Associates	180,000	119,250
CTS Associates	179,931	97,260
Jerome H. Schmelzer & Associates	177,999	202,000
The Northeast Advertising Group	177,823	122,932
Mills Advertising	175,000	150,000
Brown Advertising	173,900	158,605
TRIAD (Terry Robie Industrial Advertising)	171,860	125,000
Amsterdam Advertising	167,730	131,684
High Plains Advertising	160,043	189,945
Everett, Brandt & Bernauer	157,000	182,000
Sunrise Corp.	152,250	122,298
Johnston Advertising	152,000	163,000
Peter Forstenzer Inc.	150,000	110,000
Kelso Advertising	148,000	127,043
SB&W Associates	142,736	127,043
Stockinger, Blair & Scott Advertising	137,500	160,000
Corbett Advertising	137,500	160,000
Henry Nachman Associates	135,600	126,500
Dunshee & Co.	135,000	135,000
Moske & Associates Advertising	131,901	88,171
Sorensen/Evans Advertising	130,350	17,060
Faber Sherbey Advertising	126,706	111,353
Marbro Advertising	120,724	118,689
Dini Advertising	120,217	166,797
Ross Cummings & Co.	115,000	308,000
Fillman Advertising	114,378	122,360
Elgee Co.	114,200	77,000
Ink Well Advertising	114,033	122,677
Dodson, Craddock & Born Advertising	111,082	117,285
Didday & Branch	105,000	90,000
Fraser Advertising	103,800	77,000
James O. Jones Advertising	101,500	——
Norman R. Anderson & Associates	98,760	——
Walters & Co.	94,317	102,790
John L. Moorhead Advertising	80,960	44,809
Cross Keys Advertising	80,085	49,571
R.C. Schade & Associates	80,000	93,000
Belfaire Products	75,000	——
Raymond I. Lang Advertising	73,400	——
Walter P. Luedke & Associates	56,250	63,750
Schafer Advertising	56,250	63,750
Impressive Advertising	54,797	54,586
Lundmark Advertising & Design	50,000	38,000
Advertising Associates	48,000	52,500
Artim Advertising	44,136	14,090
Bedell Inc.	42,065	28,232
Scott & Scott Advertising	40,000	40,000
McAndrew Advertising Co.	39,000	36,750
Butwin & Associates Advertising	36,000	——
Robert Snyder Advertising	29,700	26,300
MultiService Corp.	25,000	——
Assistance in Marketing	12,000	——

Gross income over $15,000,000

The agency is a member of the Interpublic Group of Cos., whose other units include McCann-Erickson Worldwide, SSC&B:Lintas Worldwide and Marschalk Campbell-Ewald Worldwide.

Dailey's 1983 U.S. and international volumes were not broken out.

In 1983, the agency gained Gulf & Western's Sega Enterprises and Valley National Bank.

It lost television station KNXT-TV, TraveLodge motel chain, Northern California Honda Dealers and Taco Bell (Bay Area and Sacramento fast-food stores).

The agency has 301 employes; a year ago it had 316. Top execs: Peter H. Dailey, chairman; Phillip Joanou, ceo; Clifford Einstein, president; Eugene Stokes, vice-chairman (San Francisco office).

Phone: (213) 386-7823.

Dancer Fitzgerald Sample

Gross Income	1983	1982
U.S.	$ 94,050,000	$86,400,000
International	10,950,000	9,950,000
Total	$105,000,000	$96,350,000

Dancer Fitzgerald Sample, New York, reported gross income of $105,000,000 in 1983 on billings of $726,095,000. In 1982, it reported gross income of $96,350,000 on billings of $666,045,000.

The agency's 1983 U.S. volume was $627,000,000, compared with $576,000,000 in 1982. The agency's overseas volume was $99,095,000 in 1983 and $90,045,000 in 1982.

Included in the agency's figures are the billings and gross income of U.S. subsidiaries:

- DFS/Wegener Agricultural Group
- DFS Direct, Program Syndication Services
- DFS Program Exchange
- DFS/Corporate Advertising Group

In 1983, the agency gained Royal Crown Cola, billing $20 million, IN-VEST, American Automobile Assn., Lark Luggage, Beneficial Management Corp., Robot Coupe food processors, Helene Curtis (new products), Mexican Government Tourism, Simplicity Pattern Co., Procter & Gamble's Brigade toilet bowl cleaner and Oxydol Canada, Nabisco's new Almost Home cookies, Continental Insurance Group, Dial One International, Ashton-Tate, radio station KIQQ-AM, Better Book Inc., Jantzen swimwear, Ryder Truck-Lines & Pacific Intermountain Express, Grid Systems (computers), Hyperion (computers), Idaho First National Bank, Amadahl and Petro Lewis Corp.

It lost Duracell batteries, billing over $15 million; 3M Co.'s Buf Puf, P&G's White Cloud bathroom tissue; L'erin cosmetics; Almaden Vineyards and TeleVideo Systems.

Overseas, the agency gained over 100 accounts, including Cuba I credit cards-Argentina; Toyota Australian Motors; Elizabeth Arden-Austria; Jacqmotte Cafe-Belgium; Smith Kline's Ben Gay ointment-Brazil; Xerox-Columbia; Seko Partitions-Denmark; Nestle-Finland; Krys Opticals-France; Feber Castell writing instruments-Germany; Indola/EMI-Holland; Assn. Fonographic and Wendy's-Italy; Wendy's-Japan; Cartier International-Puerto Rico; Seiko watches-Spain; Swedish Match-Sweden; Shell marine lubricants-United Kingdom, and Xerox-Venezuela. It lost over 25 accounts abroad, including Parker pens-Austria; British Airways-Finland; ITT Business Systems-Holland; Commercial Union Insurance-New Zealand, and Kodak and Wilkinson Sword-Spain.

Billings breakdown: Newspapers 3%, magazines 15%, radio 4%, network tv 40%, spot tv 33%, cable tv 2%, outdoor 3%.

The agency has 3,175 employes in 53 offices, including 1,332 in five U.S. offices; a year ago it had 2,764 employes in 47 offices, including 1,274 in five U.S. offices.

Top execs: Stuart Upson, chairman-ceo; Peter McSpadden, president-chief operating officer; William Vickery, vice-chairman, chairman, DFS International; Robert Kennedy, vice chairman-chief financial officer, vice chairman, DFS International; Gary Susnjara, president, DFS/NY; O. Burtch Drake, president, DFS/San Francisco; Norman Lauchner, president, DFS/Southern California.

Phone: (212) 661-0800.

D'Arcy MacManus Masius Worldwide

Gross Income	1983	1982
U.S.	$ 91,551,000	$ 79,084,000
International	89,579,000	88,245,000
Total	$181,130,000	$167,329,000

D'Arcy MacManus Masius Worldwide, New York, reported gross income of $181,130,000 in 1983 on billings of $1,210,489,000. In 1982, it reported gross income of $167,329,000 on billings of $1,113,467,000.

The agency's U.S. volume was $610,340,000 in 1983 and $527,226,000 in 1982. These figures were not broken down by the agency. Its overseas volume was $600,149,000 in 1983 and $586,241,000 in 1982.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries: Poppe Tyson, DMM Latinoamericana and Intergroup Marketing & Promotions.

In 1983, the agency gained Beatrice Foods' Buckingham Corp., billing $6,000,000, as well as County Line cheese, Equitable Life Assurance Society, billing $12,000,000, Edison Electric Institute, J.C. Penney Co., BRK Electronics, Chicago Board of Options, Fairfield Communications, Magazine Publishers Assn., Microdata, Lindsay International, and Mars broker division.

It lost Heublein, billing $5,000,000, S.B. Thomas Inc., billing $8,000,000, and Red Lobster Inns, whose '84 budget at Backer & Spielvogel is estimated at $40 million.

Overseas, the agency gained nearly two dozen new clients, including Australian Dairy Corp., Lion Breweries (New Zealand) and British Leyland, Ragold, British Telecom, High Life and Cullinet software (Europe). It lost Colgate-Palmolive, Eurocard and Wilkinson Sword.

Billings breakdown: Newspapers 10%, magazines 14%, radio 13%, network tv 31%, spot tv 30%, other 2%.

The agency has 3,626 employes in 56 offices, including 1,540 in 14 U.S. offices. A year ago it had 3,504 employes in 58 offices, including 1,391 in 16 U.S. offices.

Top execs: H.G. Bay Jr., chairman-ceo; D.A. Lee, vice-chairman.

Phone: (212) 850-7300.

Della Femina, Travisano & Partners

Gross Income	1983	1982
U.S.	$30,750,000	$25,800,000
Total	$30,750,000	$25,800,000

Della Femina, Travisano & Partners, New York, reported gross income of $30,750,000 in 1983 on billings of $205,000,000. In 1982, it reported gross income of $25,800,000 on billings of $173,000,000.

The agency's 1983 volume consisted of $164,000,000 in media, $19,600,000 in materials and services and $21,400,000 in capitalized fees. Its 1982 volume consisted of $138,300,000 in media, $16,500,000 in materials and services and $18,200,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries:

- Sherwood & Schneider
- Della Femina, Travisano & Sherman

In 1983, the agency and/or subsidiaries gained WCBS-TV, USA Cable Network, WBZ-Boston, KDKA-TV-Pittsburgh, WCAU-TV-Philadelphia, WDIV-Detroit, Cointreau America, billing $3 million; and Transamerica Corp., billing $15,000,000.

Della Femina lost American Automobile Assn. and it resigned WABC-TV, New York.

Billings breakdown: Newspapers 13%, magazines 10%, radio 12%, network tv 22%, spot tv 38%, cable tv 1%, outdoor 1%, business papers 1%, farm publications 1%, transit advertising 1%.

The agency has 363 employes in three offices; a year ago it had 346 employes in three offices.

Top execs: Jerry Della Femina, chairman; Ronald Travisano, vice-chairman, and James Travis, president.

Phone (212) 421-7180.

W.B. Doner & Co.

Gross Income	1983	1982
U.S.	$24,750,000	$21,600,000
Total	$24,750,000	$21,600,000

W.B. Doner & Co., Baltimore, Md., and Southfield, Mich., reported gross income of $24,750,000 in 1983 on billings of $165,000,000. In 1982, it reported gross income of $21,600,000 on billings of $144,000,000.

The agency's 1983 volume consisted of $113,500,000 in media, $25,300,000 in materials and services and $26,200,000 in capitalized fees. Its 1982 volume consisted of $97,000,000 in media, $21,500,000 in materials and services and $25,500,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of two other units:

- W.B. Doner (Canada) Ltd.
- Kelling-Murley automotive division formed in November.

In 1983, the agency gained Art Van Furniture showrooms, Blue Bell Inc., Carowinds Amusement Park, Electronic Realty Associates, W.R. Grace Co.'s home center division, G. Heilman Brewing's Lone Star Brewery, Precision Tune, Scherer-Thompson Labs, Seequa Computer Corp., Michigan's Bureau of State Lottery and U.S. Shoe Corp.'s Front Row stores.

It lost Foley's Department Store, Hanover Shoe Corp. and San Giorgio Skinner.

Billings breakdown: Newspapers 8%, magazines 5%, radio 17%, network tv 6%, spot tv 61%, cable tv 1%, outdoor 1%, transit 1%.

The agency has 395 employes in six offices, including 385 in five U.S. offices. A year ago it had 385 employes in six offices, including 370 in five U.S. offices.

Top execs: W.B. Doner, chairman, executive committee; H.D. Fried, chairman; Michael Shapira, James Dale, William Hooper, exec vps.

Phone: Baltimore (301) 338-1600; Southfield, Mich. (313) 354-9700.

Doremus & Co.

Gross Income	1983	1982
U.S.	$24,058,446	$20,355,989
Total	$24,058,446	$20,355,989

Doremus & Co., New York, a subsidiary of BBDO International, reported gross income of $24,058,446 in 1983 on billings of $158,356,625. In 1982, it reported gross income of $20,355,989 on billings of $135,774,447.

The agency's 1983 volume consisted of $106,445,883 in media and materials and services and $51,910,742 in capitalized fees. Its 1982 volume consisted of $86,572,592 in media and materials and services and $49,201,855 in capitalized fees.

In 1983, the agency gained Barclays International, Bateman Eichler, Hill Richard Inc., A.G. Becker Paribas, Bankers Trust, Beauticontrol, Boettcher & Co., Thomas Cook Inc., First Chicago, Glendale Federal S&L and National Life of Vermont, Nomura Securities International, North American Van Lines (household goods division), Pfizer's Phipharmecs division, UnionBank of Switzerland and Vinyl Institute. It resigned Alexander Grant & Co. and lost Ontario Hydro and Reed Stenhouse.

Billings breakdown: Newspapers 49%, magazines 12%, radio 4%, spot tv 4%, outdoor 2%, business papers 25%, transit advertising 2%, direct mail 1%, other 1%.

The agency has 350 employes in eight offices; a year ago it had 322 employes.

Top execs: Franklin E. Schaffer, chairman; G. Barry McMennamin, president; Francis J. Malley, William P. Palmer, Curtis R. Troeger, Wesley E. Truesdell, exec vps; Donald A. Dery, George A. Preston, Alan R. Quinby, Walter F. Guarino and Stephen Roth, senior vps; James McNulty, treasurer-chief financial officer.

Phone: (212) 964-0700.

Doyle Dane Bernbach International

Gross Income	1983	1982
U.S.	$146,000,000	$138,000,000
International	53,000,000	47,000,000
Total	$199,000,000	$185,000,000

Doyle Dane Bernbach International, New York, reported gross income of $199,000,000 in 1983 on billings of $1,321,000,000. In 1982, it reported gross income of $185,000,000 on billings of $1,239,000,000. Its net income was $8,000,000 in 1983 and $8,000,000 in 1982.

The agency's 1983 U.S. volume of $970,000,000 consisted of $697,000,000 in media, $131,000,000 in materials and services and $142,000,000 in capitalized fees. Its 1982 U.S. volume of $936,000,000 consisted of $675,000,000 in media, $126,000,000 in materials and services and $135,000,000 in capitalized fees.

The agency's 1983 overseas volume of $351,000,000 consisted of $188,000,000 in media, $23,000,000 in materials and services and $140,000,000 in capitalized fees. Its 1982 foreign volume of $303,000,000 consisted of $178,000,000 in media, $19,000,000 in materials and services and $106,000,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries:

- Milici/Valenti Advertising
- Cargill Wilson & Acree
- DDB Group Two
- Fletcher/Mayo Associates
- Bernard Hodes Advertising
- Rapp & Collins
- Barickman Advertising
- Kallir, Philips, Ross
- ECOM
- Director's Studio

In 1983, the agency gained Michelin Tire Corp., billing $15,000,000, from Al Paul Lefton Co.; Philip Morris USA's Parliament cigarets, billing $8,000,000, from Leo Burnett Co.; Smiles Inc., Greater New York Blood Program, Investment Co. Institute, Paul Masson Vineyards, Tropicana Resort & Casino, Adventist Health Systems/U.S., Coast S&L, Western Airlines, Instant Car Centers, The Tree People, Jeppesen Sanderson, Michigan National Bank-North Metro, University Cultural Center, Ziebart Rustproofing, Comshare Inc., Leaseametric, Intersil, Memorex Corp., Victoria Station (San Francisco), and the San Diego, Mountain West, Greater Bay Area, Southern California, Sacramento/Stockon, Hartford/New Haven and New York Metro Porsche-Audi Dealers Assns.

It lost Bulova Watch Co., billing $3,000,000; Shasta Beverages' C&C Cola, billing $1,500,000; Textron Inc.'s Sheaffer Eaton division, billing $2,000,000; American Cyanamid, Lehman Brothers Kuhn Loeb, Continental Insurance Co., Sambo's Restaurants, CBS Entertainment, Automed Insurance Services, Private Industry Council of the City of Los Angeles, *Denver Post*, KMGH-TV, Microsoft Corp., and the Oakland Invaders.

Overseas, the agency gained over 100 accounts, including Ciba-Geigy-Australia, Atari-Austria, Computer Valley-Belgium, Amstel Brewery-Canada, Microsoft and Seagram-France, Dow Chemical-Hong Kong, Beiersdorf-Italy, NOVI-Netherlands, Pond's-Spain, SCAN-Sweden, Siemens-Switzerland and Lufthansa German Airlines and Planters-U.K. It lost over 60 overseas accounts, including Carrier Air Conditioning-Australia, Gervais Danone-France, Nicholas Labs-Belgium, IBM-Canada, Chanel and Black & Decker-France, Gruner & Jahr-Germany, Colour TV Rentals-Hong Kong, Chanel-Italy, Lyons Tetley-Netherlands, Formica-Spain, Investia-Sweden, Schiesser AG-Switzerland and Beecham-U.K..

Billings breakdown: Newspapers 8%, magazines 19%, supplements 1%, radio 2%, network tv 40%, spot tv 18%, cable tv 2%, outdoor 0.8%, business papers 4%, transit advertising 0.2%, point of sale 1%, direct mail 3%, other 1%.

The agency has 3,365 employes in 42 offices, including 2,200 in 17 U.S. offices. A year ago it had 2,986 employes in 36 offices, including 1,975 in 15 U.S. offices. Top execs: Joseph R. Daly, chairman; Neil R. Austrian, president-ceo; Robert Levenson, vice-chairman; Robert G. Pfundstein, exec vp-chief financial officer; Roy Grace, chairman-executive creative director, DDB-U.S., and Barry E. Loughrane, president-ceo, DDB-U.S.

Phone: (212) 826-2000.

William Esty Co.

Gross Income	1983	1982
U.S.	$84,750,000	$82,500,000
Total	$84,750,000	$82,500,000

William Esty Co., New York, the largest autonomous operating subsidiary of Ted Bates & Co., reported gross income of $84,750,000 in 1983 on billings of $565,000,000. In 1982, it reported gross income of $82,500,000 on billings of $550,000,000.

Esty's 1983 volume consisted of $514,000,000 in media and $51,000,000 in materials and services. Its 1982 volume consisted of $502,000,000 in media and $48,000,000 in materials and services.

In 1983, the agency gained Chesebrough-Pond's Prince Matchabelli, Beret, Cachet, Chimere and Wind Song fragrances, billing $5,000,000, Master Card International's Master Teller and Seagram's Chateau & Estates Wine Co. (Miguel Torres wines). It lost Colgate-Palmolive's Irish Spring deodorant soap and Ajax cleaner and Nabisco Brands' Chips Ahoy cookies and Snack Cracker line.

Billings breakdown: Newspapers 14%, magazines 12%, supplements 4%, radio 5%, network tv 38%, spot tv 17%, outdoor 9%, other 1%.

The agency has 636 employes in two offices; the same as a year ago.

Top execs: Robert B. Betts, chairman-ceo; John H. Peace, chairman-executive committee.

Phone: (212) 697-1600.

Foote, Cone & Belding

Gross Income	1983	1982
U.S.	$158,913,000	$129,152,000
International	49,500,000	51,249,000
Total	$208,413,000	$180,401,000

Foote, Cone & Belding, Chicago, reported gross income of $208,413,000 in 1983 on billings of $1,405,644,000. In 1982, it reported gross income of $180,401,000 on billings of $1,211,359,000.

The agency's U.S. volume was $1,075,479,000 in 1983 and $869,531,000 in 1982. The agency did not break out its volume for either year.

The agency's overseas volume was $330,165,000 in 1983 and $341,828,000 in 1982.

Gross income over $15,000,000

Included in the agency's billings are those of the following U.S. subsidiaries:

- Wahlstrom & Co.
- Lewis, Gilman & Kynett
- Albert Frank-Guenther Law
- Deutsch, Shea & Evans
- Carl Byoir Associates (public relations)

Last September, FCB merged with NCK Organization. With that deal having been struck, the principals of Altschiller, Reitzfeld, Solin, New York negotiated the return of full control of their agency from NCK.

In 1983, the agency gained Kimberly-Clark, Stokely-Van Camp, Orion Pictures, American Can, Arrow Electronics, CBN (cable network), Colgate-Palmolive, Data General, Epson America, Italian Swiss Colony wines and VisiCorp.

The agency lost Embassy Pictures, Ramada Hotel Group, Cinzano vermouth and Fotomat.

Overseas, the agency gained over 20 accounts internationally, including Bundesgartenschan Berlin 1985-Germany; California Raisin Advisory Board-United Kingdom; Cementa-Sweden; Cinzano-England, Belgium; Colgate-Italy, Mexico; Control Data-England, France and Germany; Smith, Kline & French-France; Grundig-Italy; Milton Bradley-Australia; Pearle Vision-Mexico.

It lost 11 accounts, including British Airways-Hong Kong; Citroen-Holland; Gilbey's-Canada; W.H. Smith Do-It-All-United Kingdom.

Billings breakdown: Newspapers 16%, magazines 18%, radio 6%, network tv 38%, spot tv 19%, outdoor 3%.

The agency has 4,468 employes in 45 offices, including in 2,681 in nine U.S. offices. A year ago it had 3,888 employes in 37 offices, including 2,216 in nine U.S. offices.

Top execs: John E. O'Toole, chairman; Norman W. Brown, president-ceo; Willard W. Wirth Jr., Allen Wilson Jr., exec vps; Edward Roncarelli, president, multi-national business group; Antonio Beja, president, FCB/Latin America, Pacific and South Africa; William Kiely, chairman, FCB/Europe and Middle East; Emine Messiqua, president, FCB/Europe; Jack M. Young, president, FCB/East; David Ofner, president, FCB/Midwest, Thomas F. Randolph, president, FCB/West.

Phone: (312) 467-9200.

Geers Gross Advertising

Gross Income	1983	1982
U.S.	$23,100,000	$22,000,000
International	13,900,000	12,500,000
Total	$37,000,000	$34,500,000

Geers Gross Advertising, New York, reported gross income of $37,000,000 in 1983 on billings of $250,000,000. In 1982, it reported gross income of $34,500,000 on billings of $233,000,000.

The agency's 1983 U.S. volume of $165,000,000 consisted of $138,000,000 in media, $16,600,000 in materials and services and $10,400,000 in capitalized fees. Its 1982 U.S. volume of $150,000,000 consisted of $119,200,000 in media, $14,800,000 in materials and services and $16,000,000 in capitalized fees.

The agency's 1983 overseas volume of $85,000,000 consisted of $70,400,000 in media, $9,000,000 in materials and services and $5,600,000 in capitalized fees. Its 1982 foreign volume of $83,000,000 consisted of $66,000,000 in media, $7,900,000 in materials and services and $9,100,000 in capitalized fees.

In 1983, the agency gained Lea & Perrins Steak Sauce and Worcestershire Sauce, Marie's Salad Dressings, Hebrew National, Spice Island Spices, Neutrogena. It lost Purolator Courier.

Overseas, the agency gained British Telecom. It lost British Petroleum.

Billings breakdown: Newspapers 30%, magazines 9%, supplements 5%, radio 5%, network tv 16%, spot tv 29%, outdoor 4%, business papers 2%.

The agency has 335 employes in three offices, including 200 in one U.S. office.

A year ago it had 290 employes in three offices, including 193 in its U.S. office.

Top execs: Robert Gross, chairman; Donald Kurtz, Dick Tarlow, deputy chairmen.

Phone: (212) 916-8000.

Grey Advertising

Gross Income	1983	1982
U.S.	$125,000,000	$109,000,000
International	58,492,000	39,100,000
Total*	$183,492,000	$148,100,000

*See explanatory paragraph below concerning Grey Dusseldorf's changed fiscal year.

Grey Advertising, New York, is estimated to have reported gross income of $183,492,000 in 1983 on estimated billings of $1,224,000,000. In 1982, its gross income was estimated at $148,100,000 on estimated billings of $987,700,000.

The agency's 1983 U.S. volume of $839,500,000 consisted of $763,400,000 in media and $76,100,000 in capitalized fees. Its 1982 U.S. volume of $727,000,000 consisted of $674,300,000 in media and $52,700,000 in capitalized fees. Its overseas volume was estimated at $384,500,000 in 1983 and $260,700,000 in 1982. The agency was accorded a one-time credit of $7,100,000 to overseas gross income and $46,750,000 to overseas volume for 1983.

Grey explained that its public figures for 1983 contained only seven months of the operations of Grey Dusseldorf, a subsidiary whose fiscal year start date was changed from March 1 to Oct. 1 during 1983, resulting in published figures reflecting only seven months of the Dusseldorf unit's operations.

Included in its figures are the billings and gross income of U.S. subsidiaries:

- Grey Lyon & King
- Grey Direct
- Grey Medical
- Entertainment & Leisure Division
- Beaumont-Bennett
- Rada Recruitment
- Grey & Davis
- Chislovsky/Furhman Partners Ltd.

In 1983, the agency gained Inter-Continental Hotels, Arby's, Jeno's, Clairol (Clairesse), Upjohn (Nuprin), Shoprite (Wakefern Food Corp.), 3M (Consumer and Professional Tapes, Buf-Puf Personal Care Products), Questor Juvenile Furniture, National Traffic Safety Administration's seat belt program, Timex clocks (additional accounts), Block Drug (Dentu-Creme, Dentu-Gel), Church's, American Medical International, Kern Foods Inc. (jellies and jams), TeleVideo Systems, Coco's coffee house restaurants, Oak Tree Season (Santa Anita Racing), Kroy retail copy centers, Springfield Marine Bank, Wickes Lumber, Ameritone Paint Corp., Regina Co., Computer Depot, Webb Co. paper products division, First Federal S&L of LaCrosse, Wis.

It lost Shearson/American Express, Sentry Insurance, ComputerLand, Scandia Down, Champion Valley Farms, B. Dalton.

Overseas, the agency gained nearly 40 accounts, including Bausch & Lomb-Japan; BF Goodrich, Block Drug-Canada; Bristol-Myers-Belgium and United Kingdom; General Electric, Rank Appliances-Australia; General Mills, Izod-Canada; Hewlett Packard-Switzerland; Procter & Gamble-Sweden; Remington-New Zealand; STP-Spain; Van Heusen-Chile; Warner Bros.-Italy and Sweden.

The agency lost ComputerLand, Nashua Australia and Thorn EMI-Australia; Browning-Belgium; Dictograph, Superhermit-France; Krups, Spanish Tourist Board-Germany; Averna-Netherlands; Stafford Group-New Zealand; Pennzoil-Norway; Remington-South Africa; Averna-Spain.

Billings breakdown: Newspapers 7%, magazines 17%, radio 4%, network tv 50%, spot tv 19%, cable tv 2%, outdoor 1.

The agency has 3,908 employes in 62 offices, including 2,026 employes in seven U.S. offices. A year ago the agency had 3,789 employes in 55 offices, including 1,878 in six U.S. offices.

Top execs: Edward H. Meyer, chairman-president; Robert L. Berenson, Alan B. Fendrick, Barbara Feigin, Richard Karp, Richard Kiernan, Alec Gerster, exec vps; Stephen A. Novick, senior vp.

Phone: (212) 546-2000.

HBM/Creamer

Gross Income	1983	1982
U.S.	$43,500,000	$39,780,000*
Total	$43,500,000	$39,780,000

*Combined 1982 gross income: HBM, $12,007,000; Creamer, $27,773,000.

HBM/Creamer Inc., New York, formed late last year through the merger between Humphrey Browning MacDougall and Creamer Inc., reported gross income of $43,500,000 in 1983 on billings of $290,012,000. In 1982, HBM reported gross income of $12,007,000 on billings of $80,086,000, while Creamer reported 1982 gross income of $27,773,000 on billings of $185,000,000.

The agency's 1983 volume consisted of $230,080,000 in media, $37,165,000 in materials and services and $22,767,000 in capitalized fees. In 1982, Creamer's volume included $149,000,000 in media, $20,000,000 in materials and services and $16,000,000 in capitalized fees. HBM's 1982 capitalized volume included $76,586,000 in media and $3,500,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of U.S. subsidiaries:

- HBM/Stiefel
- HBM/MacDonald.

In 1983, the agency gained Kis, Sheraton International, Computer Science Corp., Endicott Johnson, PPG Industries, Everco Industries, Excello Mfg., Colombo, Cullinet, Gloria Stevens, Star Markets, Hood Sailmakers, Tom's of Maine, Kurzweil Music Systems.

It lost Progresso, Binney & Smith, Modine, Bleyle, Jordan Marsh, National Assn. of Recording Merchandisers and Colibri.

Billings breakdown: Newspapers 9%, magazines 26%, supplements 1%, radio 6%, network tv 21%, spot tv 32%, cable tv 1%, outdoor 1%, business papers 2%, other 1%.

The agency has 700 employes in seven offices; a year ago Creamer had 550 employes in six offices and HBM had 226 in two offices.

Top execs: Donald E. Creamer, chairman-ceo; Harold L. Strauss, vice-chairman; Edward Eskandarian, president-chief operating officer; Peter Evans, Herbert Burger, William Sprague, exec vps.

Phone: (212) 887-8000.

Hill, Holliday, Connors, Cosmopulos

Gross Income	1983	1982
U.S.	$14,599,300	$10,908,200
International	2,650,700	1,318,000
Total	$17,250,000	$12,226,200

Hill, Holliday, Connors, Cosmopulos, Boston, reported gross income of $17,250,000 in 1983 on billings of $115,000,000. In 1982, it reported gross income of $12,226,200 on billings of $92,591,500.

The agency's 1983 U.S. volume of $101,406,100 consisted of $38,691,900 in media, $10,145,600 in materials and services and $52,568,600 in capitalized fees. Its 1982 U.S. volume of $83,801,800 consisted of $26,395,900 in media, $8,604,800 in materials and services and $48,801,100 in capitalized fees.

Its 1983 overseas volume of $13,593,900 consisted of $4,290,600 in media, $1,058,900 in materials and services and $8,244,400 in capitalized fees. Its 1982 foreign volume of $8,789,700 consisted of $4,333,700 in media, $1,420,500 in materials and services and $3,035,500 in capitalized fees.

In 1983, the agency gained Filene's, Lotus Development Corp., Irish Tourist Board, Aer Lingus, Jordan Marsh, Ocean Spray Cranberries, Cluett Peabody's Youthwear division, Nashua Corp.'s computer products division, Boscom, Applicon Jubilee Publications, Harris Corp. and Polaroid. It lost Boston Gas and S.T. Dupont and resigned Filene's. Overseas, it gained LPP Centaur, GO Software, Sinclair, Language Institute, Lotus Development, Commerzbank, McCormack & Dodge, Sheraton, Rhode Island Development Authority, Telesystems and Baronsmead. It lost no overseas accounts.

Billings breakdown: Newspapers 20%, magazines 19%, radio 9%, network tv 11%, spot tv 24%, outdoor 2%, business papers 5%, other 10%.

The agency has 306 employes in seven offices, including 254 in three U.S. offices. A year ago it had 205 employes in five offices, including 185 in one U.S. office.

Top execs: John M. Connors Jr., president; George J. Hill III, chairman; Walter M. Pyle, Jack Sansolo, Dick Pantano, Tony Winch, exec vps.

Phone: (617) 437-1600.

Jordan, Case & McGrath

Gross Income	1983	1982
U.S.	$21,000,000	$18,600,000
Total	$21,000,000	$18,600,000

Jordan, Case & McGrath, New York, reported gross income of $21,000,000 in 1983 on billings of $147,800,000. In 1982, it reported gross income of $18,600,000 on billings of $123,200,000.

The agency's 1983 volume consisted of $115,000,000 in media, $4,100,000 in materials and services and $28,700,000 in capitalized fees. Its 1982 volume consisted of $96,000,000 in media, $3,200,000 in materials and services and $24,000,000 in capitalized fees. In 1983, the agency gained Progresso Foods (soups, sauces, bread crumbs), billing $4 million, from Creamer Inc.; Block Drug's Nytol and Dentrol, billing $2,500,000 combined, from Grey Advertising; Selchow & Righter's Trivial Pursuit, Nestle's Crunch bar and Wispride cheese, Richardson-Vicks (Saxon lotion), and A. H. Robins' Sergeant's flea and tick products.

It lost E.R. Squibb & Sons' Theragran vitamins, billing an estimated $10 million, to Ogilvy & Mather.

Billings breakdown: Newspapers 1%, magazines 17%, supplements 2%, radio 11%, network tv 38%, spot tv 27%, cable tv 2%, outdoor 1%, business papers 1%. The agency has 170 employes in one office, the same as a year ago.

Top execs: James J. Jordan, chairman; Patrick J. McGrath, president, and John L. Taylor, exec vp.

Phone: (212) 906-3600.

Keller-Crescent Co.

Gross Income	1983	1982
U.S.	$19,189,000	$16,841,000
Total	$19,189,000	$16,841,000

Keller-Crescent Co., Evansville, Ind., reported gross income of $19,189,000 in 1983 on billings of $96,124,000. In 1982, it reported gross income of $16,841,000 on billings of $85,669,000.

The agency's 1983 volume consisted of $17,313,000 in media, $33,012,000 in materials and services and $45,799,000 in capitalized fees. Its 1982 U.S. volume consisted of $11,109,000 in media, $27,243,000 in materials and services and $47,317,000 in capitalized fees.

In 1983, the agency gained Black Beauty Resources, Kimco Auto Products, Luber-finer, Master Parts division, Saft Batteries, Illinois Bronze Paint Co., L. Perrigo Co., Arkla Equipment, Wilson-Fiberfil International, Lee Filter division, Caltex Petroleum, El Chico Corp., Highland Park National Bank, Suburban American Co., Tandy Corp./Radio Shack, Kingwood Systems, Wilmes Window Mfg. and Godfather's Pizza (six cities).

It lost American Uniform Co., Blairex Labs, Hill Rom Co., Hollywood Brands, Neapco and Safeguard Engine Parts.

Billings breakdown: Newspapers

Agency Q&A

Q: Will more agencies go public this year?

Answer: I don't believe our going public late last year has caused a rush of phone calls by ad agencies to the investment banking community. However, it would seem reasonable to expect that a few agencies may seriously investigate the possibility in 1984.

Going public is complicated and timing is crucial. There are many factors that determine whether an agency should go public and for the following reasons I feel very few, if any, will make it a reality this year.

Gargano

1. Emerging from the worst recession period since the decade of the Great Depression, many agencies are confronting difficult times. Having a consistent growth and earnings record is essential and that aspect alone could be the main obstacle for many agencies.

2. The new issue market has been sporadic. If the new issue market is depressed, regardless of an agency's past performance, it isn't likely to go public unless the market turns around. And the market, currently, is performing poorly.

3. Agency size and diversity of clients also are key. An agency must be large enough to attract investors or, if its revenues are too small (regardless of impressive growth on a smaller base), it will not generate institutional and retail attention.

4. Can the agency management demonstrate its ability to potential investors that its future is still ahead and not behind it? Another key factor.

In summary, if you eliminate the number of agencies and their subsidiaries that are currently public, eliminate those agencies that are too small, eliminate those agencies that haven't performed well financially, and eliminate the management of agencies that don't wish to answer to a broad constituency of shareholders, it would appear to me that the number of agencies that remain as possibilities to go public has got to be very, very few, and I doubt if any agency will do it this year.

Amil Gargano
President, Ally & Gargano
New York

Gross income over $15,000,000

8%, magazines 19%, radio 7%, all tv 21%, outdoor 3%, business papers 7%, collateral 25%, other 10%.

The agency has 585 employes in two offices, the same as a year ago.

Top execs: Alan Graf, chairman; Thomas Smythe, president; Ray Trapp, president (Southwest); Al Samuelson, exec vp-creative director, and Chuck Bua, exec vp-creative director (Southwest).

Phone: (812) 464-2461.

Kenyon & Eckhardt

Gross Income	1983	1982
U.S.	$45,007,000	$49,540,000
International	15,450,000	15,000,000
Total	$60,457,000	$64,540,000

Kenyon & Eckhardt, New York, acquired last spring by Lorimar, a West Coast entertainment company, reported gross income of $60,457,000 in 1983 on billings of $392,173,796. In 1982, it reported gross income of $64,540,000 on billings of $434,380,108.

The agency's 1983 U.S. volume of $289,173,796 consisted of $204,896,639 in media, $24,702,751 in materials and services and $59,574,406 in capitalized fees. Its 1982 U.S. volume of $334,380,108 consisted of $264,154,793 in media, $29,874,743 in materials and services and $40,350,572 in capitalized fees.

The agency's overseas volume was $103,000,000 in 1983 and $100,000,000 in 1982.

In 1983, the agency gained Holiday Inns, billing $4 million, from Young & Rubicam; Wickes (Snyder Drugs, Howard Bros. Red Owl); Basic 4, and Kawasaki.

It lost Hannaford Bros., Stratton Mountain Corp., Prime Computer, Michigan Panthers, McDonald's (Denver & Houston), Mattel, Colgate-Palmolive and Clairol.

Overseas, the agency gained over three dozen accounts, including General Biscuit-France, Hamilton Beach appliances-U.K., Oberkassel 1-Germany, Air France-Mexico, Veterano brandy and Whitman candies-Puerto Rico, Royal Orchid Hotel-Thailand, Hong Kong Soya bean products-Hong Kong, Glaxo-Malaysia, Siam Rath newspaper-Thailand, Ricoh copiers-Singapore and regional and Gulf Air-Sri Lanka. Its overseas losses included Hawley & Hazel-Hong Kong, Rank Xerox-Singapore, Celyon Tobacco Co. and Ceylon Biscuit Co. and Dusit Than Hotel-Thailand.

Billings breakdown: Newspapers 7%, magazines 24%, radio 7%, network tv 35%, spot tv 23%, cable tv 2%, outdoor 1%, other 1%. The agency has 2,319 employes in 68 offices, including 659 in 21 U.S. offices. A year ago it had 2,676 employes in 77 offices, including 826 in 21 U.S. offices.

Top execs: Leo-Arthur Kelmenson, chairman-ceo; John Balson, president-chief operating officer; Stephen O. Frankfurt, vice-chairman; William Lang, Peter Dimsey, Larry Flink, Murray Smith and Bob Fiore, exec vps.

Phone: (212) 880-2000.

Ketchum Communications

Gross Income	1983	1982
U.S.	$46,799,000	$43,960,000
International	8,428,000	10,322,000
Total	$55,227,000	$54,282,000

Ketchum Communications, Pittsburgh, reported gross income of $55,227,000 in 1983 on billings of $368,300,000. In 1982, it reported gross income of $54,282,000 on billings of $362,000,000.

The agency's 1983 U.S. volume of $312,100,000 consisted of $213,800,000 in media, $27,700,000 in materials and services and $70,600,000 in capitalized fees. Its 1982 U.S. volume of $293,200,000 consisted of $199,500,000 in media, $25,900,000 in materials and services and $67,800,000 in capitalized fees.

The agency's overseas volume was $56,200,000 in 1983 and $68,800,000 in 1982.

The agency did not break out those figures.

In 1983, the agency gained Mauna Loa Macadamia Nut Corp., Avia athletic footwear, Pizza Hut (Northeast region), Software Guild, Ciba-Geigy, Del Pero Mondon Meat Co., Stuart Anderson's Black Angus Cattle Co., PacTel Communications, Bell Atlantic, *Nation's Business*, Heinz' Superman hot cocoa mix, Catalog Showroom Stores (Houston) and Hanes (new products).

It lost General Consumer Electronics, Clorox, Orchard Supply Hardware, Lindsay olives, Roffler Industries, WCAU-TV, Alcoa (recycling and chemicals), Supercuts hair centers, and Gray DrugFair.

Billings breakdown: Newspapers 10.6%, magazines 17.3%, radio 10.5%, network television 16%, spot television 32.9%, outdoor 0.6%, business papers 12.1%.

The agency has 1,050 employes in 14 offices, including 800 in nine U.S. offices.

A year ago the agency had 1,100 in 15 offices, including 850 in 10 U.S. offices.

Top execs: William H. Genge, chairman; Gerald J. Voros, president; Edward L. Graf, exec vp; Donald G. Sullivan, president, Ketchum Advertising/USA; Joseph M. Coogle Jr., president, Ketchum International; Maryalice Fullmer, president, Ketchum Direct; Paul Alvarez, chairman, Ketchum PR; Herbert D. Gordon, president, Ketchum Yellow Pages.

Phone: (412) 456-3500.

PORTFOLIO: Agency of the Year candidate

Burrell Advertising

Burrell Advertising, Chicago, is a consistent winner of awards for its advertising, which is primarily directed to black consumers.

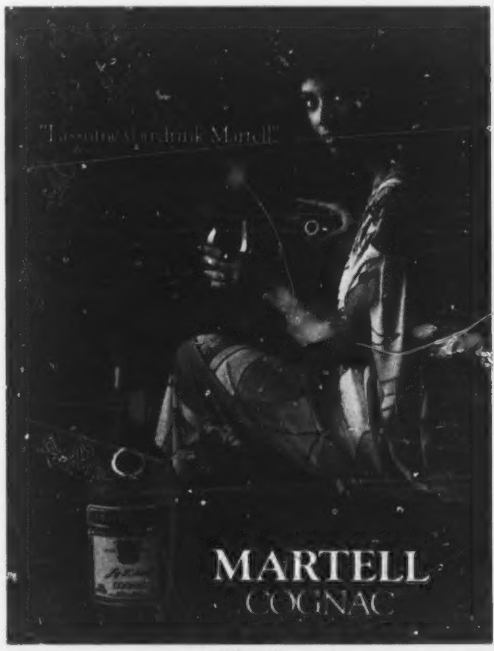
The $26 million agency handles black consumer marketing for blue chip clients such as Coca-Cola Co., McDonald's Corp. and Jos. Garneau Co., a division of Brown-Forman Distillers Corp.

During the last year, Burrell also became an agency of record for Procter & Gamble and Ford Motor Co. for minority-oriented advertising. In addition, Burrell is the primary agency for Johnson Products Co., Chicago, which markets health and beauty aids for black men and women.

Its creative reputation is built on such quality tv advertising as the Coca-Cola spot. The commercial—featuring the Grambling College marching band—is energetic, sparklingly executed, and targeted to its audience.

The agency also excels at the heartwarming approach, as evidenced by its work for Ford Motor Co. Pride of ownership is portrayed in a spot where a successful young man drives his grandmother to church. Their dialogue draws the viewer a realistic picture when the grandmother says, "Drop me off right here so Mabel can see."

Burrell's flair with print advertising is demonstrated by its sophisticated campaign for Martell cognac. "I assume you drink Martell," the only copy, is against a background of stunningly photographed models.



Martell

Ford

Coca-Cola

Laurence, Charles & Free

Gross Income	1983	1982
U.S.	$29,250,000	$26,250,000
Total	$29,250,000	$26,250,000

Laurence, Charles & Free, a subsidiary of Mickelberry Corp., New York, reported gross income of $29,250,000 in 1983 on billings of $195,000,000. In 1982, it reported gross income of $26,250,000 on billings of $175,000,000.

The agency's 1983 U.S. volume of $195,000,000 consisted of $175,000,000 in media, $10,000,000 in materials and services and $10,000,000 in capitalized fees. Its 1982 U.S. volume of $175,000,000 consisted of $158,000,000 in media, $9,000,000 in materials and services and $8,000,000 in capitalized fees.

In 1983, the agency gained Westwood Pharmaceuticals (Keri lotion, Fostex), Discount Brokerage Corp. and Heublein (Valbon wines).

Billings breakdown: Newspapers 21%, magazines 23%, supplements 1%, radio 2%, network tv 25%, spot tv 12%, cable tv 2%, outdoor 7%, business papers 1%, transit advertising 5%, point of sale 1%. The agency has 197 employes in one office; a year ago it had 193.

Top execs: Charles Goldschmidt, chairman; F. William Free, chairman-executive committee; Laurence Dunst, president; Martin J. Smith, Thomas K. Myers, vice-chairmen; Brett Shevack, president, LCF&S division; Paul Hodges, Samuel Alfstad, Russell Shaffer, exec vps.

Phone: (212) 661-0200.

Leber Katz Partners

Gross Income	1983	1982
U.S.	$29,191,000	$25,912,000
Total	$29,191,000	$25,912,000

Leber Katz Partners, New York, reported gross income of $29,191,000 in 1983 on billings of $251,043,000. In 1982, it reported gross income of $25,912,000 on billings of $225,047,750.

The agency's 1983 volume consisted of $206,322,000 in media, $13,325,000 in materials and services and $31,396,000 in capitalized fees. Its 1982 volume consisted of $184,839,000 in media, $9,360,000 in materials and services and $30,848,750 in capitalized fees.

In 1983, the agency gained Campbell Soup Co.'s Prego and Campbell instant soups, Corporate Printing Co., E&S Originals (Zip 'n Go), T.H. Mandy Inc., Ray-O-Vac, Richardson-Vicks' Pantene haircare products and U.S. Transportation Department (antidrunk driving campaign).

It lost Hanes Printables and Stern's garden products.

Billings breakdown: Newspapers 17%, magazines 29%, radio 11%, network/spot tv 22%, outdoor 5%, business papers 3%, direct marketing 8%, sales promotion 5%.

The agency has 300 employes in one office; a year ago it had 248 employes.

Top execs: Stanley H. Katz, chairman; John Walsh, president; Murray A. Valenstein, vice-chairman; Jon Adams, Laurel Cutler, Jerry Davidow and Sam Eisnitz, exec vps; Kenneth L. Damsky, senior vp.

Phone: (212) 826-3900.

MCA Advertising

Gross Income	1983	1982
U.S.	$16,500,000	$13,420,000
Total	$16,500,000	$13,420,000

MCA Advertising, New York, a wholly owned subsidiary of Marketing Corp. of America, Westport, Conn., reported gross income of $16,500,000 in 1983 on billings of $137,500,000. In 1982, it reported gross income of $13,420,000 on billings of $102,700,000.

The agency's 1983 volume consisted of $134,925,000 in media and $2,575,000 in capitalized fees. Its 1982 volume consisted of $99,255,000 in media and $3,445,000 in capitalized fees.

In 1983, the agency gained Menley & James Labs' Sine-Off and new products. It lost no accounts last year.

Billings breakdown: Newspapers 4%, magazines 13%, supplements 2%, radio 2%, network tv 22%, spot tv 30%, cable tv 2%, outdoor 21%, transit advertising 3%, point of sale 1%.

The agency has 92 employes in two offices; a year ago it had 75 in two offices.

Top execs: Morgan Hunter, president; William Bishop, Warren Dechter, George Hoefer, exec vps.

Phone: (212) 661-5491.

Marschalk Campbell-Ewald

Gross Income	1983	1982
U.S.	$ 99,523,000	$ 81,633,000
International	33,436,000	37,354,000
Total	$132,959,000	$118,987,000

Marschalk Campbell-Ewald Worldwide, New York, including Clinton E. Frank Inc., Chicago, reported gross income of $132,959,000 in 1983 on billings of $886,837,000. In 1982, it reported gross income of $118,987,000 on billings of $793,642,000.

The 1982 figures were compiled using the then current foreign exchange rates. If the 1982 figures were restated using current exchange rates, Marschalk Campbell-Ewald's 1982 gross income would have been $113,021,000 on billings of $753,850,000.

Marschalk Campbell-Ewald is a member of the Interpublic Group of Cos., whose other units include McCann-Erickson Worldwide, SSC&B:Lintas Worldwide and Dailey International Group.

Marschalk Campbell-Ewald's U.S. volume was $663,818,000 in 1983 and $544,492,000 in 1982. Its overseas volume was $223,019,000 in 1983 and $249,150,000 in 1982 (or $209,358,000 if restated using current exchange rates).

Overseas, the agency's account gains included: McEwans retail catalogs-Australia; Societe Generale de Banque, Unilever and Philips for new assignments-Belgium; Borden, Temana, Philips, Johnson & Johnson, Ralston Purina and Visagis-Brazil; Gilbey and Ragold-Canada; Meule d'Or, Queroy/Ideal Standard and Sopexa-France; Underberg, Nestle/Allgauer, Henkel Bausparkasse Schwabish Hall, Hewlett Packard-Germany; S. Margherita and Cementir-Italy; Heublein, Diners Club, Bristol-Myers-Mexico; Sherry Institute of Spain, Cointreau, Henkel-Netherlands; General Motors, G.M. Dealers Assn., Spur National Steakhouse Chain-South Africa; L'Oreal, Dragon Data-United Kingdom.

Overseas, it lost: Red Lobster Foods, EOY Pty. Ltd.-Australia; Anhyp, Electrolux Martin-Belgium; Morumbia Shopping Centre-Brazil; International Wool Secretariat-Germany; Habitema-Italy; Lance and High Life-Mexico; Citizen's Watches-United Kingdom.

Campbell-Ewald

The Warren, Mich.-based agency had 1983 total gross income of $96,932,000, with $63,496,000 from the U.S. and $33,436,000 from abroad. The agency's volume was $646,537,000, including $423,518,000 in the U.S. and $223,019,000 from abroad.

Its 1982 total gross income was $88,108,000, including $50,754,000 in the U.S. and $37,354,000 from abroad. Total billings were $587,679,000, including $338,529,000 in the U.S. and $249,160,000 from abroad. (Using current exchange rates, 1982 figures would be $31,388,000 in gross income on volume of $209,358,000.)

Campbell-Ewald last year gained Howard Johnson's. The agency lost no accounts.

Marschalk Co.

The New York-based agency had 1983 gross income of $32,129,000 on billings of $214,300,000. Its 1982 gross income was $25,979,000 on billings of $173,280,000.

The agency gained Chattem Inc. for new assignments, Heublein, Erewhon food products, Norcliff-Thayer's Revlon vitamins and antacids, Coopercare's Aveeno Medicated Soap, Oral B toothbrush and Zendium toothpaste, Gillette's Toni Home Perm, Del Monte's Chun King.

It lost Richman Bros. men's clothing and Cone Mills.

Clinton E. Frank Inc.

The Chicago-based agency had 1983 gross income of $3,898,000 on billings of $26,000,000. Its 1982 gross income was $4,900,000 on billings of $32,683,000.

The agency gained Popeye's Famous Fried Chicken, Rust-Oleum and NEC-Tokyo computers.

It lost Stokely-Van Camp, International Minerals & Chemical, Wendy's and Nalco Chemical Co.

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Marschalk Campbell-Ewald did not supply a billings breakdown. The agency has 1,851 employes; a year ago it had 1,964. Of that total C-E has 706 in the U.S. and 615 overseas; Marschalk, 459, and Clinton E. Frank Inc., 615.

Marschalk Campbell-Ewald Worldwide top execs: Thomas B. Adams, chairman; Richard D. O'Connor, vice-chairman, ceo; Lester A. Delano, president-chief operating officer; Paul L. John, vice-chairman, ceo/Campbell-Ewald; Michael S. Lesser, chairman-ceo/Marschalk Co.; John H. Nichols, vice-chairman, ceo/Clinton E. Frank Inc; Robert P. Roselle, chief financial officer.

Phone: (212) 489-6200.

Marsteller Inc.

Gross Income	1983	1982
U.S.	$73,066,000	$58,593,000
International	26,494,000	22,589,000
Total	$99,560,000	$81,182,000

Marsteller Inc., New York, a subsidiary of Young & Rubicam, reported gross income of $99,560,000 in 1983 on billings of $664,065,000. In 1982, it reported gross income of $81,182,000 on billings of $541,484,000.

The agency's U.S. volume was $487,350,000 in 1983 and $390,815,000 in 1982. Those figures were not broken down. Its overseas volume was $176,715,000 in 1983 and $150,669,000 in 1982. (If 1983 exchange rates were applied to 1982 figures, Marsteller would have gross income of $79,386,000 on billings of $529,504,000.)

In 1983, the agency's U.S. account gains included Oscar Mayer Foodservice, Crown, Sanna Inc., Taylor Foods (Mr. and Mrs. "T"), Blue Cross and Blue Shield, Combined Network Inc. (Allnet), *Chicago Tribune*, R.T. French Co.'s household products division, Temple Inland (corporate), Alberto-Culver, Dow Corning and Beatrice Foods (corporate, Culligan USA, Stiffel Co., Samsonite Furniture Co., LouverDrape, DelMar Window Coverings, Chicago Speciality Mfg., specialty apparel and agri-products groups, Tropi aseptic packaged fruit drinks, British American Air, American Cable Connection, Milburn Sterling, American Home Alert, Phelps Dodge Zeolites, Telecrafter Corp., Fitch-Wyckoff, MacRobertson Ltd., Roffler Industries, Fred S. James Co., Parke-Davis, Grumman Recruiting, McNeil Pharmaceutical (new product) and Arthur Young Co.

It lost FMC Ag Chemical, Daisy, PGA Golf, IDS, IU International and MAI/Basic Four.

It did not indicate overseas account gains or losses.

The agency did not supply a billings breakdown.

The agency has 1,883 employes including 1,275 in the U.S. A year ago it had 1,648 employes, including 1,104 in the U.S.

Top execs: Richard C. Christain, chairman; Louis A. Magnani, president; J. Thomas Sharp, president corporate communications group; Bert Rosenberg, exec vp; Gerry Linda, Michael H. Popernik, senior vps; Reginald C. Bird, president-Marsteller International.

Phone: (212) 752-6500.

McCaffrey & McCall

Gross Income	1983	1982
U.S.	$23,925,000	$20,750,000
Total	$23,925,000	$20,750,000

McCaffrey & McCall, New York, reported gross income of $23,925,000 in 1983 on billings of $159,900,000, all in media. In 1982, it reported gross income of $20,750,000 on billings of $140,200,000, all in media.

In 1983, the agency gained the American Assn. of Retired Persons.

It reported no account losses, although J.C. Penney Co., following a lengthy review begun last year, moved its $50,000,000 account to N W Ayer Inc. last January.

Billings breakdown: Newspapers 15%, magazines 29%, radio 2%, network tv 40%, spot tv 8%, cable tv 1%, outdoor 2%, direct mail 3%.

The agency has 330 employes; a year ago it had 310.

Top execs: David B. McCall, chairman; R. Bruce Montgomery, Richard J. Passanant, William T. Shaw, John A. Sidebotham Jr., Margaret Wasley and Harris Lefkon, exec vps; Linden A. Davis Jr. and Robert Cherins, senior vps.

Phone: (212) 421-7500.

McCann-Erickson Worldwide

Gross Income	1983	1982
U.S.	$ 95,406,000	$ 82,504,000
International	203,410,000	193,571,000
Total	$298,816,000	$276,075,000

McCann-Erickson Worldwide, New York, reported gross income of $298,816,000 in 1983 on billings of $1,993,101,000. In 1982, it reported gross income of $276,075,000 on billings of $1,841,424,000.

(The 1982 figures were compiled using the then current foreign exchange rates. If the 1982 figures were restated using current exchange rates, McCann's 1982 gross income would be $250,897,000 on billings of $1,673,481,000.)

McCann-Erickson Worldwide is a member of the Interpublic Group of Cos., whose other units include SSC&B:Lintas Worldwide, Marschalk Campbell-Ewald Worldwide and Dailey & Associates.

The agency's volume in the U.S. was $636,358,000 in 1983.

In 1982 the volume was $550,302,000. Those figures were not broken down by the agency.

The agency's overseas volume was $1,356,743,000 in 1983 and $1,291,122,000 (or $1,123,179,000 if restated using current exchange rates).

Included in the agency's figures are the billings and income of a subsidiary, March Direct Marketing.

In 1983, the agency gained Coca-Cola Bottling, Coca-Cola's Diet Coke, AutoWorld (Six Flags theme park) in Detroit, Kelsey-Hayes, Beech Aircraft, Channel 20/21, Chili's Restaurants, Water World, Sperry Sun, McCullough, Century 21 real estate, General Motors trucks/Hispanic, Pollo Loco, McMahan's Furniture, Pearson Enterprises, Hilton Western Regional Co-op, Shearson/American Express financial services, Humana Inc., Hickory Farms, Gillette, Miles Laboratories' Alka-Seltzer, Pabst, Ebauches watches, Johnson & Johnson, R.J. Reynolds, United Technologies, Health Plan of America, Sierra Geophysics software, Wakefield Seafoods, Seattle First National Bank, Northwest Hospital, The Bon Marche.

March Direct Marketing gained Macmillan Book Clubs, AT&T WATS Lines, USCI satellite tv, Sketchley's, Bennigan's.

McCann lost Continental Telecom, Western Airlines, Brown & Williamson, New York Racing Assn., *New York Times*, Canadian Imperial Bank of Commerce, Proctor-Silex. March Direct Marketing lost Van Heusen corporate markets, Thomas J. Lipton Inc. (tea catalog).

Overseas, the agency gained 275 accounts, including Dow Chemical, L'Oreal, R.J. Reynolds, Bayer-Argentina; Hitachi, Goodyear, Hilton Hotel, Golden Casket, Carrier air conditioners, R.J. Reynolds-Australia; Kodak, General Motors, Osterr. Verkehrswerbung-Austria; Converse, Coca-Cola-Belgium; Richardson-Vicks, AHP, Beatrice Foods, Lloyds Bank, Vulcabras, American Home-Brazil; Marks & Spencer, Century 21, Kodak, B.C. Packers Ltd., Bankers Dispatch Courier, Coca-Cola, R.J. Reynolds-Canada; Banco Urquijo, L'Oreal, Nestle-Chile; Esso, Royal Bank of Canada, Aubrey Freres-China; Beatrice Foods, Yardley, St. Rachel, Unilever-Colombia; Cerverceria Tropical, Coca-Cola, Perugina, Smirnoff vodka-Costa Rica; Esso, Coca-Cola, General Motors, Kodak, Del Monte-Denmark; Citibank, Nestle-Dominican Republic; Artepractico, Cerveceria National, American Home Products, Sears, Roebuck & Co.-Ecuador; Miles Labs, Gillette, Banco de Gomento Agropecuario-El Salvador; Kodak, Coca-Cola, R.J. Reynolds-Finland; Kodak, R.J. Reynolds, Del Monte-France; Kodak, General Motors, R.J. Reynolds-Germany; Carnation, Perfetti Brooklyn, S.C. Johnson, L'Oreal-Greece; Johnson & Johnson-Guatemala; Coca-Cola-Honduras; Citibank, Nestle, Xerox, Du Pont-Hong Kong; Nabisco, R.J. Reynolds-Italy; Gillette, Government of Jamaica-Jamaica; Heublin, American Express Green Card, Richardson-Vicks, Carnation, Mitsubishi-Japan; KLM Airline, Kodak, Reuters-Kenya; Miles Labs, Western Airlines-Mexico; Quaker Oats, Spanish Tourist Board-Netherlands; Alex Harvey Industries, Coca-Cola-New Zealand; Johnson & Johnson, Kodak-Norway; Gillette, Red Cross-Panama, United Fruit, New Zealand Government-Peru; Kodak, Texas Instruments, Nabisco-Philippines; Exxon, Unilever, RDP, Nestle, Moroccan Tourism-Portugal; Coca-Cola, R.J. Reynolds, Armour-Dial-Puerto Rico; Xerox, Miles Labs, Singapore News & Publications-Singapore; Tools-R-Us, Le Creuset, Noritake, L'Oreal-South Africa; Coca-Cola, Kodak, R.J.Reynolds-Spain; Del Monte, Kodak-Sweden; Eubache, General Motors-Switzerland; Alka-Seltzer, Central Trading, Sterling Drug-Thailand; Knight's Ltd., Richardson-Vicks-Trinidad; Kodak, Woolworth, Warner-Lambert-United Kingdom.

The agency lost 68 accounts overseas, including: Osterr Verkehrswerbung (railway)-Austria; Philip Morris, Kodak-Brazil; Quaker Oats, L'Oreal, Swift-Canada; Bacardi rum-Costa Rica; Danish Fancy Food Group-Denmark; Armour-Dial-Dominican Republic; Philip Morris, Max Factor-El Salvador; Courvoisier-France; Gillette-Germany; Bose Greece-Greece; Max Factor-Guatemala; Buitoni, Campagnolo-Italy; The Gleaner newspaper-Jamaica; Nestle-Japan; Nestle-Netherlands; N.Z. Railways-New Zealand; James River/Dixie Northern-Puerto Rico; Hotel Sari Pacific-Singapore; Gillette, Carreras Rothman, General Motors-South Africa; Carreras Rothman-Spain; Optiker Bode-Sweden; Sangal pasta-Switzerland; Esso-Thailand; Levi-Strauss, Hilton International-United Kingdom.

The agency did not supply a billings breakdown.

The agency has 5,962 employes, including 1,272 in the U.S. A year ago, the agency had 5,850, including 1,272 in the U.S.

Top execs: Eugene H. Kummel, chairman, worldwide executive committee; Willard C. Mackey Jr., chairman-ceo; Robert L. James, president-chief operating officer; John F. Bergin, vice-chairman, president, McCann-Erickson USA; Barry Day, vice-chairman; Bohdan I. Kurylko and William C. Thompson Jr., exec vps.

Phone: (212) 697-6000.

Nationwide Advertising Service

Gross Income	1983*	1982
U.S.	$18,500,000	$18,679,167
International	1,500,000	1,455,513
Total	$20,000,000	$20,134,680

*AA estimate

Nationwide Advertising Service, Cleveland, an agency specializing in recruitment advertising, is estimated by ADVERTISING AGE to have had gross income of $20,000,000 in 1983 on estimated billings of $67,000,000. In 1982, it reported gross income of $20,134,680 on billings of $68,303,032.

The agency did not break out volume in 1983. In 1982, Nationwide had U.S. volume of $63,329,016 and overseas volume of $4,974,016, all in media.

The agency last year reported that it operates on a cash basis accounting system which causes gross income to be higher for a given year due to collections of accounts receivable from previous years. However, the agency's present management execs failed to respond to this year's AA survey despite repeated requests.

Well-known Cleveland sports executive and Nationwide's former president, Theodore J. Stepien, sold the agency last year to George and Gordon Gund. Mr. Stepien was succeeded by Thomas Richey, former exec vp.

Billings breakdown: Newspapers 95%, magazines 3%; other 2%. In 1982, the agency had 270 employes in 34 offices, including 245 in 28 U.S. offices.

Top exec: Thomas Richey, president.

Phone: (216) 579-0300.

Needham, Harper & Steers

Gross Income	1983	1982
U.S.	$77,940,700	$62,847,000
International	16,265,400	16,125,000
Total	$94,206,400	$78,972,000

Needham, Harper & Steers, New York, reported gross income of $94,206,400 in 1983 on billings of $631,900,000. In 1982, it reported gross income of $78,972,000 on billings of $526,800,000.

The agency's 1983 U.S. volume of $519,900,000 consisted of $343,700,000 in media, $54,900,000 in materials and services and $121,300,000 in capitalized fees. Its 1982 U.S. volume of $419,200,000 consisted of $253,100,000 in media, $50,600,000 in materials and services and $115,500,000 in capitalized fees.

The agency's 1983 overseas volume of $112,000,000 consisted of $109,000,000 in media and $3,000,000 in materials and services. Its 1982 foreign volume of $107,600,000 consisted of $104,600,000 in media and $3,000,000 in materials and services.

Included in the agency's figures are the billings and gross income of U.S. subsidiary, NH&S/Issues & Images.

In 1983, the agency gained Ramada Inns Hotel Group, Binney & Smith's Crayola line, PepsiCo's La Petite Boulangerie, Tri-Honda Dealers Assn., Southeastern California Honda Dealers Assn., Phoenix, Tucson and Las Vegas McDonald's owner-operators group, Jewel Cos.' Sav-On Drugs division, Shasta Beverages' C&C cola, Sears Merchandise Group and soft lines, Eclipse sunscreen products, Honda Civic CRX and Accord LX-4 autos, Israel Ministry of Tourism, Canadian Imperial Bank of Commerce Group, MGM/UA Entertainment, Cellular Telephone Corp., Eastern Shore McDonald's Co-ops, ITT's U.S. Telecom, Case Mix Management, Tel-Staff, Madison National Bank, Solarex, The Aluminum Assn., Franco-American, IRS and Advantage International. It lost Atari, E&J Gallo Winery and National Cancer Institute.

Overseas, the agency gained McDonald's-Spain, Taiwan; Germaine Monteil-France; Tennents lager-U.K.; Kraft-Canada; British American Tobacco-Germany; Rank Xerox-Sweden; Garuda Indonesian Airlines-Holland, Singapore; Binney & Smith Crayola-Canada; Optyl sunglasses-Germany, Italy and Singapore; Capri Sun-Canada; Seiko's Alba quartz watch-Hong Kong, and G.D. Searle-New Zealand.

It did not report overseas account losses.

Billings breakdown: Newspapers 5%, magazines 21%, supplements 1%, radio 11%, network tv 44%, spot tv 16%, outdoor 2%.

The agency has 2,126 employes in 32 offices, including 1,141 in seven U.S. offices. A year ago it had 1,913 employes in 26 offices, including 1,055 in six U.S. offices.

Top execs: Paul C. Harper Jr., chairman-ceo; B. Blair Vedder Jr. vice-chairman; Edward A. Haymes, exec vp-chief financial officer; Norval B. Stephens Jr., exec vp; Louis A. Tripodi, senior vp. NH&S/USA: Keith L. Reinhard, chairman-ceo; Peter A. Nelson, president-chief operating officer; Joel B. Baumwoll, vice chairman-director of strategic planning; Gerrold R. Rubin, president, NH&S/Los Angeles; C.A. Wolfe, president, NH&S/Chicago; Richard A. Anderson, Edward A. Haymes, Robert Cox, Joel M. Hochberg, Joseph P. Landy, Larry D. Postaer, Robert Savard, exec vps.

Phone: (212) 758-7600.

Ogilvy & Mather International

Gross Income	1983	1982
U.S.	$204,114,000	$176,867,000
International.	141,726,000	138,182,000
Total	$345,840,000	$315,049,000

Ogilvy & Mather International, New York, reported gross income of $345,840,000 in 1983 on billings of $2,360,442,000. In 1982, it reported gross income of $315,049,000 on billings of $2,151,016,000.

The agency's 1983 U.S. volume of $1,361,440,000 was not broken out, but it is estimated to have included $1,000,000,000 in media and $361,440,000, in materials and services. Its 1982 U.S. volume of $1,179,703,000 is estimated to have included $970,000,000 in media and $209,703,000 in materials and services. The agency's overseas volume was $999,002,000 in 1983 and $971 313,000 in 1982.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries:

- Ogilvy & Mather Partners
- Ogilvy & Mather Direct Response
- Ogilvy & Mather PR
- Ogilvy & Mather Special Markets
- Sussman & Sugar
- Ogilvy & Mather Hawaii
- Scali, McCabe, Sloves
- Euramerica Translations
- Cole & Weber
- A. Eicoff & Co.
- Dudley-Anderson-Yutzy.

In 1983, the agency gained the American Society of Travel Agents, Kimberly-Clark's New Freedom line, Sears, Roebuck & Co. hard goods, Air Diversified Services, Polaroid Corp., CBS Entertainment, Brown & Williamson's Barclay cigarets, billing $40,000,000; U.S. Committee for Energy Awareness, billing $20,000,000.

It lost Pabst Brewing's Pabst Extra Light beer, billing $8,000,000; Block Drug, billing $4,000,000; Aramco Services and Royal Crown cola, billing $20,000,000, Schwinn bicycles, Datapoint, Hickory Farms, Menley & James' Contac, Sine-Off and A.R.M. remedies.

Overseas, the agency gained: Seagram, British Gas, Beecham, Shell, Quaker Oats Canada, Rothmans of Pall Mall, Remy Martin, Richardson-Vicks, Phillips, Memorex, BAT, Bayer, Long John Silver, NZ Railways, Kitchens of Sara Lee, Parker Pen Worldwide, Mattel electronics and toys. Its overseas losses: Tandy Radio Shack, Australian Government (advertising services), Mars Effem, Union Carbide, R.J. Reynolds, Hathaway, Johnson & Johnson, Merrill Lynch, Shulton, Club Med and Shaeffer pens.

Billings breakdown: Newspapers

Agency Q&A

Q: Will clients ease their stance on conflicting accounts this year?

Answer: I seriously doubt that major clients will ease their stance regarding the issue of product or client conflict. I feel this is extremely unfortunate since when one views other service businesses, such as accounting, law, investment banking or commercial banking you find that rather than being seen as a conflict a reasonable concentration on an industry basis is considered a plus. Additionally, when looked at, it is not as though those service firms are dealing with noncompetitive information in servicing their clients. They clearly are dealing in highly sensitive areas. But they have learned how to deal among themselves with matters that could impinge on client confidentiality.

Austrian

As mergers and acquisitions proliferate, and as the larger agencies continue to grow and as clients themselves continue to expand via acquisitions into nontradtional areas for themselves, the conflict issue will continue to increase rather than decline. Clearly at some point if the major advertisers want to take advantage of the creative and marketing skills that are available at the larger multinational agencies, an entirely new and different thinking and evaluation of the conflict issue must occur.

Conflict really lies in the eyes of the client management. They will have to learn to believe that an agency can deal with these sensitive issues and treat confidential matters professionally. In addition, they will have to become comfortable with the fact that what was a good idea for a competitor may not necessarily be a good idea for them since their image and products may be typically and dramatically different.

Neil R. Austrian
President
Doyle Dane Bernbach International
New York

Gross income over $15,000,000

7%, magazines 15%, supplements 1%, radio 3%, network tv 49%, spot tv 17%, business papers 1%, direct mail 7%.

The agency has 8,030 employes in 168 offices, including 2,250 in 24 U.S. offices. A year ago it had 7,010 employes in 132 offices, including 2,750 in 26 U.S. offices.

Top execs: William E. Phillips, chairman-ceo; James Benson and Michael J. Ball, vice-chairmen; William Weed, director, international accounts; John P. Gill, treasurer. O&M U.S.: Kenneth Roman, president; Henry P. Bernhard, vice-chairman; Graham Phillips, Hal Riney, Michael Turner, Jules Fine, Norman Berry, exec vps; Kenneth Caffery, Jennifer Stewart and John Blaney, senior vps.

Phone: (212) 907-3400.

Ross Roy Inc.

Gross Income	1983	1982
U.S	$34,050,000	$33,300,000
Total.....	$34,050,000	$33,300,000

Ross Roy Inc., Detroit, reported gross income of $34,050,000 in 1983 on billings of $227,000,000. In 1982, it reported gross income of $33,300,000 on billings of $222,000,000.

The agency's 1983 volume consisted of $127,000,000 in media, $20,000,000 in materials and services and $80,000,000 in capitalized fees. Its 1982 volume consisted of $118,000,000 in media, $19,000,000 in materials and services and $85,000,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of a subsidiary, Gray & Kilgore.

In 1983, the agency gained Florist's Transworld Delivery Assn. and Ameritech. Billings breakdown: Newspapers 5%, magazines 14%, radio 17%, network tv 32%, spot tv 22%, outdoor 1%, point of sale 3%, direct mail 4%, other 2%.

The agency has 516 employes in four offices, including 489 in two U.S. offices. A year ago it had 493 employes in four offices, including 471 in two U.S. offices.

Top execs: Glen W. Fortinberry, chairman-president; Richard C. Ward, Bruce S. Wagner, John L. Frakes, exec vps.

Phone: (313) 568-6000.

Rumrill-Hoyt

Gross Income	1983	1982
U.S........	$16,215,000	$11,237,000
Total.....	$16,215,000	$11,237,000

Rumrill-Hoyt, New York, a subsidiary of Compton Advertising, reported gross income of $16,215,000 in 1983 on billings of $108,100,000. In 1982, it reported gross income of $11,237,000 on billings of $75,000,000.

The agency's 1983 volume consisted of $60,121,000 in media, $4,756,000 in materials and services and $43,223,000 in capitalized fees. Its 1982 volume consisted of $42,050,000 in media, $4,538,000 in materials and services and $28,412,000 in capitalized fees.

In 1983, the agency gained Exele Information, Commercial Filter Corp., Goldome, Philips Information Systems, Satellite Business Systems, *Venture*, Taylor Instrument.

It lost Tondena, Bernzomatic, Newell Cos.

Billings breakdown: Newspapers 3.4%, magazines 74.5%, radio 8.0%, network tv 6.1%, spot tv 2.4%, outdoor 4.4%, other 1.2%.

The agency has 241 employes in three offices, all in the U.S. A year ago it had 168 employes in two offices.

Top execs: Gene Novak, chairman-ceo; Joseph Valerio, president/Rochester division; Gary Landis, president/N.Y. division; Paul Goldsmith, exec vp; Richard Thomson, senior vp/director-client services.

Phone: (212) 753-1770.

SSC&B:Lintas Worldwide

Gross Income	1983	1982
U.S........	$ 50,773,000	$ 45,530,000
International.	124,788,000	129,438,000
Total.....	$175,561,000	$174,968,000

SSC&B:Lintas Worldwide, New York and London, reported gross income of $175,561,000 in 1983 on billings of $1,177,945,000.

In 1982, the agency reported gross income of $174,968,000 on billings of $1,152,951,000.

SSC&B:Lintas Worldwide is a member of the Interpublic Group of Cos., whose other units include Marschalk Campbell-Ewald Worldwide, Dailey International Group and McCann-Erickson Worldwide. Figures for Dailey International Group are included in those of SSC&B:Lintas, to whom Dailey reports in the Interpublic network. Daily did not break out U.S. and overseas billings.

SSC&B, its U.S. operating unit, had U.S. volume of $338,656,000 in 1983 and $303,683,000 in 1982. Those figures were not broken down.

The agency's overseas volume was $839,289,000 in 1983 and $849,268,000 in 1982.

In 1983, the agency gained Shield soap, Tareyton cigarets, United Satellite Communication USTS/DBS, Datapoint, Sterling Drug's Panadol, Carnation dog food and Health and Nutrition Centers. It lost Poppin' Fresh Restaurants.

Overseas, SSC&B:Lintas gained over 100 accounts, including Datapoint in several countries, Philips-Argentina; Coca-Cola (Tab)-Australia; Johnson & Johnson (new product, Fenjal bath foam)-Austria; Dr. Scholl-Belgium; Chesebrough-Pond's-Canada; Prolac-Chile; Xerox photocopier-Denmark; B.A.T.-Finland; TFI-France; Scandinavian Tobacco-Germany; Citibank-Greece; Diners Club-Hong Kong; McDowell & Co.-India; Tefal Italia-Italy; Carnation-Malaysia; Sheaffer-Mexico; Bausch & Lomb-Netherlands; Coca-Cola (Sunfelled fruit drink)-New Zealand; S-Elektro-Norway; Allied Motors-Pakistan; Wander (new assignment)-Philippines; Europ Car Rental-Portugal; Bank Niaga-Singapore; Sanlam—South Africa; Ceramicas del Foix-Spain; Scottish & Newcastle-Sweden; Burger Sohne-Switzerland; Siam City Bank-Thailand; Canon-U.K.; Colcom-Zimbabwe.

The agency lost 40 accounts overseas, including Du Pont-Argentina; Unilever (Atkinsons lines)-Brazil; Amstel Brewery-Canada; Glaxo Labs-India; Berlimed-Philippines; Esso-Portugal; Thorn TV-South Africa; Canon Svenks-Sweden.

The agency did not supply a billings breakdown. The agency has 3,705 employes, including 650 in the U.S. A year ago it had 3,713 employes, including 628 in U.S. offices.

Top execs: SSC&B:Lintas—William V. Weithas, chairman-ceo; D. Croisdale-Appleby, director; SSC&B—Mr. Weithas, chairman; Kenneth L. Robbins, vice-chairman, ceo; Malcolm MacDougall, president; Harold V. Rover, vice-chairman.

Phone: (212) 605-8000.

Saatchi & Saatchi Compton Worldwide

Gross Income	1983	1982
U.S........	$110,856,000	$ 68,674,000
International.	142,410,000	117,854,000
Total.....	$253,266,000	$186,528,000

Saatchi & Saatchi Compton Worldwide, New York, reported gross income of $253,266,000 in 1983 on billings of $1,710,569,000. In 1982, it reported gross income of $186,528,000 on billings of $1,302,600,000.

The agency's 1983 U.S. volume of $771,785,000 consisted of $562,206,000 in media, $32,404,000 in materials and services and $177,175,000 in capitalized fees.

Its 1982 U.S. volume of $510,900,000 consisted of $362,488,000 in media, $18,961,000 in materials and services and $129,451,000 in capitalized fees.

The agency's overseas volume was $938,784,000 in 1984 and $791,700,000 in 1982. Included in the agency's figures are the billings and gross income of U.S. subsidiaries:

- Compton Advertising.
- Cadwell, Davis Partners
- Rumrill-Hoyt
- Klemtner Advertising
- Mayo Infurna Design
- Fairfax Advertising
- Hoffman, York & Compton.

(See separate profiles of U.S. subsidiaries for account gains and losses; Billings breakdown; employe/office billings totals and top execs.).

The agency did not list overseas account gains or losses. It reported only its U.S. employe total—1,441 in 12 U.S. offices; a year ago it had 1,140 in 13 U.S. offices.

Top execs: O. Milton Gossett, chairman-ceo; Robert Jordan, Edward Wax, Kurt Willinger, Robert Huntington, James Adler, Charles Saatchi, Maurice Saatchi, Kenneth Gill, Robert Jordan, directors.

Phone: (212) 754-1100.

Scali, McCabe, Sloves

Gross Income	1983	1982
U.S........	$23,550,000	$20,380,400
International	11,547,800	10,710,400
Total*...	$35,097,800	$31,090,800

*Agency estimate for '83; '82 revised.

Scali, McCabe, Sloves, New York, a subsidiary of Ogilvy & Mather International, reported estimated gross income of $35,097,800 in 1983 on billings of $230,828,100. In 1982, it reported gross income of $31,090,800 on billings of $202,315,387.

The agency's 1983 U.S. volume was $157,000,000, all in media.

Its 1982 volume was $135,176,633, all in media.

The agency's overseas volume in 1983 was $73,828,100, all in media; its '82 volume, all in media, was $67,138,754. In 1983, the agency gained Revlon, Western Union Metrofone, New York/New Jersey Volvo Dealers Assn., Cellular Radio, Scandinavian Labs, Logical Boat, Warner Amex' Nickelodeon cable channel and Heublein, billing $5,000,000.

It lost Tarket, Trafalgar, Chesebrough-Pond's, Buckingham Corp., billing $6,000,000; Hebrew National, billing $2,000,000.

Overseas, the agency gained Tefal, BRITVIC, Yellow Pages, Health Education Council, Watney's, Seagram, Beecham U.K., Pharma Schwarz, Nikon, Apple Computer, Beecham-Canada, Sara Lee, Metropolitan Transit Authority, Chateau Melbourne Hotel, J. C. Williamson, State Transport Authority and Royal Melbourne Hospital.

It lost Carnation, Alberto-Culver, Bowater Scott, Dr. Schieffer, DuJardin Merz, Bristol-Myers, Gilby and Victoria State Opera.

Billings breakdown: Newspapers 11%, magazines 20%, supplements 1%, radio 11%, network tv 22%, spot tv 30%, cable tv 1%, outdoor 3%, transit advertising 1%.

The agency has 583 employes in eight offices, including 348 in two U.S. offices.

A year ago the agency had 542 employes in six offices, including 302 in one U.S. office.

Top execs: Marvin Sloves, chairman-ceo; Edward A. McCabe, president; Alan D. Pesky, president-international; Sam Scali, vice-chairman; Robert Schmetterer, Richard Roth, Michael Ephron, exec vps; Gail F. Lieberman, senior vp; Jerry Reitman, president, direct response.

Phone: (212) 421-2050.

Sudler & Hennessey

Gross Income	1983	1982
U.S........	$13,500,000	$12,300,000
International.	4,000,000	3,900,000
Total.....	$17,500,000	$16,200,000

Sudler & Hennessey, New York, a subsidiary of Young & Rubicam that specializes in healthcare advertising, reported gross income of $17,500,000 in 1983 on billings of $117,000,000. In 1982, it reported gross income of $16,200,000 on billings of $108,000,000.

The agency's U.S. volume was $90,000,000 in 1983 and $82,000,000 in 1982.

Those figures were not broken out by the agency.

The agency's overseas volume was $27,000,000 in 1983 and $26,000,000 in 1982.

In 1983, the agency gained Roche Laboratories, Ciba Consumer, E.I. du Pont de Nemours & Co. (pharmaceutical products), Johnson & Johnson (corporate) and Merck Sharp & Dome.

Overseas, the agency gained over 20 accounts, including Novo Labs (Australia), Bayer (United Kingdom), Kodak Medical (France) and Abbott Diagnostics (Germany).

The agency did not report any overseas losses.

Billings breakdown: Magazines 42%, network tv 12%, spot tv 2%, other 44%.

The agency has 265 employes in seven offices, including 190 in two U.S. offices. A year ago it had 285 employes in eight offices, including 173 in two U.S. offices.

Top execs: William Gibson, president-ceo; Robert Gouterman, Donald Howard, Arthur M. Rosen, exec vps.

Phone: (212) 265-8000.

TBWA Advertising

Gross Income	1983	1982
U.S........	$ 7,650,000	$ 5,420,000
International.	27,368,000	27,614,000
Total.......	$35,018,000	$33,034,000

TBWA Advertising, New York, reported gross income of $35,018,000 in 1983 on billings of $237,195,000. In 1982, it reported gross income of $33,034,0000 on billings of $220,185,000.

The agency's 1983 U.S. volume, all in media, was $51,000,000. Its 1982 U.S. volume, all in media, was $36,000,000.

The agency's 1983 overseas volume all in media, was $186,195,000. Its 1982 foreign volume, all in media, was $184,185,000.

In 1983, the agency gained Mohawk Data Sciences, Air 1, Gold Star Electronics, Samsonite International Carollon Importers' Creme de Gran Marnier liqueur. It did not indicat any U.S. losses.

Overseas, the agency gained 18 accounts, including Henkel (France) CBS Coleco (Italy), Philip Morri L&M (Germany), Tritel (Switzerland) and J&B scotch (Holland). It los Kleber (France), Lorenz/Casio (Italy) Mateus Rose wine (Germany), Halford's (U.K.) and Font Vella (Spain).

Billings breakdown: Newspapers 10%, magazines 28%, supplements 2%, radio 10%, network tv 14%, spot tv 30%, cable tv 1%, outdoor 2%, business papers 2%, point of sale 1%.

The agency has 502 employes in 10 offices, including 67 in two U.S. offices. A year ago it had 520 in nine overseas offices, and 45 in one U.S. office.

Top execs: William Tragos, chairman-ceo; Richard Costello, president: Carole Anne Fine, exec vp-creative director; Barrie Hedge, William Oakey, senior vps.

Phone: (212) 725-1150.

Tatham-Laird & Kudner

Gross Income	1983	1982
U.S........	$27,000,000	$20,115,000
Total.....	$27,000,000	$20,115,000

Tatham-Laird & Kudner, Chicago, reported gross income of $27,000,000 in 1983 on billings of $224,000,000. In 1982, it reported gross income of $20,115,000 on billings of $133,000,000.

The agency's 1983 volume consisted of $112,488,000 in media, $26,160,000 in materials and services and $85,352,000 in capitalized fees. Its 1982 volume consisted of $79,600,000 in media, $14,175,000 in materials and services and $39,225,000 in capitalized fees.

In 1983, the agency gained York

Gross income over $15,000,000

Steak House Systems, Activision, Ralston Purina (new products), Miles Labs' One-A-Day vitamins, billing $11,000,000, Procter & Gamble's Ariel detergent, Adolph Coors Co.'s Golden Lager beer, Miles Labs' household products division (Cutter insect repellent and new products), R.J. Reynolds Tobacco's Century cigarets, and Kimberly-Clark's Kotex Lightdays Pantiliners.

It lost International Harvester.

Billings breakdown: Newspapers 11%, magazines 7%, supplements 1%, radio 2%, network tv 40%, spot tv 34%, cable tv 1%, business papers 1%, farm publications 1%, direct mail 2%.

The agency has 375 employes in two offices; a year ago it had 312 employes.

Top execs: Charlotte Beers, managing partner-ceo; William E. Ross, managing partner, chief operating officer.

Phone: (312) 337-4400.

J. Walter Thompson Co.

Gross Income	1983	1982
U.S.	$189,900,000	$167,200,000
International	188,500,000	179,900,000
Total	$378,400,000	$347,100,000

J. Walter Thompson Co., New York, reported gross income of $378,400,000 in 1983 on billings of $2,524,100,000. In 1982, it reported gross income of $347,100,000 on billings of $2,315,200,000.

JWT, the largest subsidiary of JWT Group, a holding company formed in June, 1980, had 1983 U.S. volume of $1,266,800,000, all in media. In 1982, its U.S. volume was $1,115,400,000, all in media.

The agency's overseas volume was $1,257,300,000 in 1983 and $1,199,800,000 in 1982.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries:

- Brouillard Communications
- J. Walter Thompson USA
- Thompson Recruitment Advertising.

In 1983, the agency gained the following accounts: Ameritech, Goodyear, ComputerLand, Ryder System, Sasson, Beatrice Foods and Dole. It lost Sears, Roebuck & Co., Jovan, Kawasaki and Miles Labs.

Overseas, the agency's major account gains included DeBeers, Neibob, GWG and IBM-Canada; Commodore, Pepsi, DeBeers, Plasmon and Benneton-Europe; Du Pont, Hermes Macedo and R.J. Reynolds-Latin America, and Club Med, Kraft, ICL and American Drug-Asia/Pacific region.

Overseas, its major account losses included Kodak, Kraft/A.O.R. and Royal Trust-Canada; Fiymo, Beecham and CBS Electronics-Europe; Ford Dealers Assn.-Latin America, and Union Carbide and Sanyo-Asia/Pacific region.

Billings breakdown: Newspapers 6.9%, magazines 14%, radio 5.5%, network tv (including cable tv) 36.5%, spot tv 24.2%, outdoor 1.3%, direct mail 1.3%, business publications 2.5%, other 7.8%.

The agency has 7,636 employes, including 3,072 in the U.S.; a year ago it had 7,443 employees, including 2,836 in the U.S.

Top execs: Don Johnston, chairman-ceo; Denis Lanigan, vice-chairman, chief operating officer; Burt Manning, vice-chairman, creative resources, and chairman, JWT USA; Wally O'Brien, vice-chairman, director of multinational client services; Jack Cronin, exec vp, JWT Europe; Lee Preschel, exec vp, president J. Walter Thompson Asia/Pacific; George Black, chairman, JWT Germany; Joe Brouillard, president, Brouillard Communications; Jeremy Bullmore, chairman, JWT Ltd. (U.K.); David Campbell-Harris, chairman, JWT Italy; Hugh P. Connell, secretary; Manu de Elexpuru, president, JWT Spain; Herb Eames, exec vp-finance and administration; Ron Kovas, president, JWT Canada; Lee Pavao, president, JWT Brazil; Jack Peters, president, JWT USA; Burt Petersen, president, Thompson Recritment Advertising; Don Robertson, exec vp-chief planning officer.

Phone: (212) 210-7000.

Tracy-Locke/BBDO

Gross Income	1983	1982
U.S.	$22,793,637	$18,663,745
Total	$22,793,637	$18,663,745

Tracy-Locke/BBDO, Dallas, reported gross income of $22,793,637 in 1983 on billings of $198,063,691. In 1982, it reported gross income of $18,663,745 on billings of $157,434,932. The agency's 1983 volume consisted of $130,288,397 in media, $22,529,874 in materials and services and $45,245,420 in capitalized fees. Its 1982 volume consisted of $96,888,140 in media, $16,115,514 in materials and services and $44,431,278 in capitalized fees.

Included in the agency's figures are the billings and gross income of a subsidiary, Promotional Services Group. In 1983, the agency gained Chrysler Corp. (Dodge dealer associations), Labatt's Importers, Frito-Lay (Sabritas brand tortilla chips and dips), Pearle Health Services, Pepsi-Cola Co. (Pepsi Light soft drink) and *Texas Monthly* magazine.

It lost no accounts.

Billings breakdown: Newspapers 11.9%, magazines 5.2%, radio 14.8%, network tv 23.5%, spot tv 43.3%, outdoor 1.3%.

The agency has 341 employes in nine offices; a year ago it had 308 in eight offices.

Top execs: Norman W. Campbell, chairman-ceo; Howard W. Davis, president; Ian Fawn-Meade, exec vp.

Phone: (214) 969-9000.

Warwick Advertising

Gross Income	1983	1982
U.S.	$18,900,000	$18,000,000
Total	$18,900,000	$18,000,000

Warwick Advertising, New York, reported gross income of $18,900,000 in 1983 on billings of $126,000,000. In 1982, it reported gross income of $18,000,000 on billings of $120,000,000.

The agency's 1983 volume consisted of $83,000,000 in media, $7,000,000 in materials and services and $36,000,000 in capitalized fees. Its 1982 volume consisted of $81,000,000 in media, $6,000,000 in materials and services and $33,000,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of subsidiary Chapman/Warwick, San Diego. In 1983, the agency gained TIE Communications and Food From Britain, as well as additional assignments from nine clients.

It lost no accounts.

Billings breakdown: Newspapers 6%, magazines 38%, radio 8%, network tv/spot tv 34%, outdoor 3%, business papers 4%, other 7%.

The agency has 270 employes in two offices, the same as a year ago.

Top execs: John P. Warwick, chairman-ceo; Wilder D. Baker, president-chief operating officer; John V. Chervokas, vice-chairman; James R. Driscoll, John J. Meskil, exec vps; Nadeen Peterson, Jerry Prestomburgo, D. Kyle Felt, group senior vps.

Phone: (212) 751-4700.

Wells, Rich, Greene

Gross Income	1983	1982
U.S.	$90,957,000	$77,592,000
International	1,723,000	1,419,000
Total	$92,680,000	$79,011,000

Wells, Rich, Greene, New York, reported gross income of $92,680,000 in 1983 on billings of $608,490,000. In 1982, it reported gross income of $79,011,000 on billings of $527,003,000.

The agency's 1983 U.S. volume of $595,573,000 consisted of $458,503,000 in media, $70,023,000 in materials and services and $67,047,000 in capitalized fees. Its 1982 U.S. volume of $517,538,000 consisted of $390,775,000 in media, $50,379,000 in materials and services and $76,384,000 in capitalized fees.

The agency's 1983 overseas volume of $12,917,000 consisted of $9,772,000 in media and $1,718,000 in materials and services and $1,427,000 in capitalized fees. Its 1982 foreign volume of $9,465,000 consisted of $6,837,000 in media, $1,207,000 in materials and services and $1,421,000 in capitalized fees.

Included in the agency's figures are the billings and gross income of the following U.S. subsidiaries:

- Gardner Advertising
- Advanswers Media

In 1983, the agency gained The Gap Stores, Supercuts, MGM/UA, Procter & Gamble's Spic & Span, Philip Morris USA's Players cigarets, Southwestern Bell (corporate), Ralston Purina's new Sea Dog and Alley Cat pet foods, American Savings Bank, Purolator, billing $5,000,000, and Atari home computers and software, billing $12,000,000.

It lost Miles Labs' Alka-Seltzer, Sun Co. (corporate) and Century 21, billing over $20,000,000.

Overseas, the agency gained Max Factor, McAlpine Aviation and Halston/Orlane. It did not indicate any overseas account losses.

Billings breakdown: Newspapers 20%, magazines 16%, radio 7%, network tv 26%, spot tv 20%, cable tv 2%, outdoor 9%.

The agency has 916 employes in five offices, including 896 in four U.S. offices. A year ago it had 720 employes in five offices, including 704 in four U.S. offices.

Top execs: Mary Lawrence, chairman; Charles Moss and Charles Jacobs, vice-chairmen; Kenneth Olshan, chairman-ceo, WRG/Worldwide; William Luceno, president, WRG/Worldwide; Gerald A. Kessler, exec vp, WRG.

Phone: (212) 758-4300.

Wunderman, Ricotta & Kline

Gross Income	1983	1982
U.S.	$18,621,000	$17,218,000
International	7,257,000	6,622,000
Total	$25,878,000	$23,840,000

Wunderman, Ricotta & Kline, New York, a direct response subsidiary of Young & Rubicam, reported gross income of $25,878,000 in 1983 on estimated billings of $173,000,000. In 1982, it reported gross income of $23,840,000 on estimated billings of $159,000,000.

The agency's 1983 U.S. volume is estimated at $125,000,000 in 1983 and $115,000,000 in 1982. The agency's overseas volume is estimated at $48,000,000 in 1983 and $44,000,000 in 1982.

In 1983, the agency gained J. Aron & Co. (U.S. gold), Avis Rent A Car System, General Foods (Gevalia) Nynex Mobile Communications and Save the Children Federation. It lost Government Employees Insurance Co. and Shillcraft.

Overseas, the agency's gains included Home Publishing, Craftmatic, Comp-u-Card, British Petroleum, Pan American, and Investia. It lost Money Market Fund (Germany).

Billings breakdown: Newspapers 37%, magazines 26%, supplements 5%, radio 1%, network tv 3%, spot tv 22%, direct mail 4%, other 2%.

The agency has 389 employes in 14 offices, including 257 in three U.S. offices. A year ago it had 381 employes in 15 offices, including 249 in three U.S. offices.

Top execs: Lester Wunderman, chairman; G. Steven Dapper, Gary T. Andrews, Raymond V. Dempsey, Thomas Knowlton, exec vps; Anthony V. Bossone, senior vp.

Phone: (212) 909-0100.

Young & Rubicam

Gross Income	1983	1982
U.S.	$274,378,000	$246,692,000
International	139,618,000	129,873,000
Total	$413,996,000	$376,565,000

Young & Rubicam, New York, reported gross income of $413,996,000 in 1983 on billings of $2,761,353,000. In 1982, it reported gross income of $376,565,000 on billings of $2,511,689,000.

The agency's 1983 U.S. volume was estimated at $1,827,900,000, including some $1,300,000,000 in media, $325,000,000 in materials and services and $202,900,000 in capitalized fees. Its 1982 volume was estimated at $1,645,435,000, including $1,150,000,000 in media, $300,000,000 in materials and services and $195,435,000 in capitalized fees.

The agency's overseas volume was estimated at $933,453,000 in 1983 and $866,254,000 in 1982.

Included in the agency's figures are those of U.S. subsidiaries:

- Hutchins/Y&R
- Sive Associates
- Y&R/Zemp
- Creswell, Munsell, Fultz & Zirbel
- Rives, Smith, Baldwin & Carlberg
- Marsteller Inc. (including Marsteller Advertising and Burson-Marsteller)
- Cato Johnson
- CYB
- Y&R Special Markets
- Chapman Direct Marketing
- Stone & Adler
- Sudler & Hennessey
- Wunderman, Ricotta & Kline
- DYR (a joint venture with Denstu, Japan).

In 1983, the agency gained S.B. Thomas (Thomas' English muffins), American Home Products' Whitehall Laboratories (Maximum Strength Anacin, Anbesol, Bronitin, Sleepeze, Neet and Semicid), U.S. Postal Service, Gillette Co. (Silkience and For Oily Hair Only), Colgate-Palmolive (Fresh Start, Irish Spring, Ajax and Dentagard), Ford Motor Co.'s XR-4, Pabst Brewing Co. (Pabst Extra Light, Olympia, Olympia Gold, Hamms beers). It resigned Holiday Inns and Atari coin operated games. It lost Procter & Gamble (Spic & Span, Dash, Brigade) and Atari computers.

Overseas, the agency gained Colgate-Palmolive (Holland, Belgium, Sweden, Denmark, United Kingdom, Italy, Norway, France, West Germany, Sweden, Austria, Switzerland, Canada, Mexico, Puerto Rico, Hong Kong and Australia), Kodak (Holland, Switzerland, Brussels, West Germany, France, Norway, Austria), Richardson-Vicks/-West Germany, Royal Canadian Mint/West Germany, Grand Metropolitan's Special Beer Co./U.K., General Foods's Kafe Hag/U.K., Suchard and Pernod Ricard/France, and ANZ/Australia.

It resigned Procter & Gamble in Holland, Switzerland, Belgium, West Germany, the U.K., Spain, Italy, France, Sweden, Austria, Canada, Argentina, Mexico, Australia, Hong Kong, Singapore, Tokyo and Kuala Lumpur, and lost Atari in several European countries, plus San Juan, Santiago and Hong Kong.

Billings breakdown: Newspapers 9.1%, magazines 13.9%, supplements 0.6%, radio 4.6%, network tv 36.8%, spot tv 20%, cable tv 1.8%, outdoor 1.1%, business papers 4.9%, farm publications 0.8%, transit advertising 0.4%, direct mail 1.1%, other 4.9%.

The agency has 7,745 employes in 155 offices, including 4,424 in 41 U.S. offices. A year ago it had 7,025 employes in 140 offices, including 4,086 in 40 U.S. offices.

Top execs: Edward N. Ney, chairman-ceo; Alexander Kroll, president-chief operating officer; Peter Georgescu, president, Y&R International; Harold Burson, exec vp, chairman and ceo, Burson-Marsteller; Richard C. Christian, exec vp, president-ceo, Marsteller Inc.; Jay McNamara, president, Y&R USA; Joseph E. De Deo, exec vp, president, Y&R Europe; George C. Deecken, exec vp, chief financial officer and treasurer; Robert A. Jelinek, exec vp, general counsel and secretary; Arthur Klein, exec vp; James Dowling, president, Burson-Marsteller; Roby Harrington, exec vp, Y&R USA; Lester Wunderman, chairman, Wunderman, Ricotta & Kline; John McGarry, exec vp, Y&R USA.

Phone: (212) 210-3000.

Category profiles: Cream liqueurs

The success of Irish cream drinks may be behind the debut of other cream liqueurs, including Grand Marnier, Haagen-Dazs and Gold Rush.

TBWA Advertising

Häagen-Dazs Cream Liqueur
The dream comes true.

McCaffrey & McCall

INTRODUCING
IT'S RUM...
AND THEN SOME.

Laurence, Charles & Free

Agencies: $5 million to $15 million

AC&R Advertising

Gross Income	1983	1982
U.S.	$12,194,000	$10,532,000
International	730,000	576,000
Total	$12,924,000	$11,108,000

AC&R Advertising, New York, N.Y., a Ted Bates & Co. subsidiary, reported gross income of $12,924,000 in 1983 on billings of $82,627,000. In 1982, it reported gross income of $11,108,000 on billings of $71,207,000.

The agency's 1983 U.S. volume of $77,450,000 consisted of $59,382,000 in media, $15,247,000 in materials and services and $2,821,000 in capitalized fees. Its 1982 U.S. volume of $67,321,000 consisted of $54,100,000 in media, $11,413,000 in materials and services and $1,808,000 in capitalized fees.

The agency's 1983 overseas volume of $5,177,000 consisted of $3,721,000 in media, $956,000 in materials and services and $500,000 in capitalized fees. Its 1982 foreign volume of $3,886,000 consisted of $2,796,000 in media, $590,000 in materials and services and $500,000 in capitalized fees.

In 1983, the agency gained Puerto Rico Tourism Co., Duofold, N-Erlanger-Blumgart, Perkin-Elmer, Arista International, Avon Books, Keepsake, Traveline, Brahma beer, the Greek National Tourist Office and Rodier-Paris.

It lost Olympia and Sci-Com computers.

Billings breakdown: Newspapers 6.3%, magazines 32.7%, radio 1.9%, network television 9.4%, spot tv 42.7%, outdoor 0.4% and business papers 6.6%.

The agency has 207 employes. A year ago it had 180. Top execs: Stephen Rose, chairman; Alvin Chereskin, president; Louis Miano, vice-chairman; Kaz Kudo, Harry Koenig, Sheldon Marks, Mort Weinstein, exec vps.

Phone: (212) 685-2500.

AdCom Inc.

Gross Income	1983	1982
U.S.	$6,481,800	$3,311,250
Total	$6,481,800	$3,311,250

AdCom Inc., Chicago, a subsidiary of Quaker Oats, had estimated gross income of $6,481,800 in 1983 on billings of $43,212,000. In 1982, it reported gross income of $3,311,250 on billings of $22,075,000.

The agency's 1983 volume consisted of $36,212,000 in media, $4,818,000 in materials and services and $2,182,000 in capitalized fees. Its 1982 volume consisted of $16,971,000 in media, $2,820,000 in materials and services and $2,284,000 in capitalized fees.

In 1983, the agency gained Quaker Chewy granola bars, handling its national rollout, Choco Crunch and new product concept assignments.

It lost U.S. Games.

Billings breakdown: Newspapers 2%, magazines 8%, radio 1%, network tv 49%, spot tv 39%, cable tv 1%.

The agency has 52 employes. A year ago it had 49. Top exec: Gary R. Bayer, president.

Phone: (312) 222-8900.

Advertising to Women

Gross Income	1983	1982
U.S.	$7,500,000	$6,900,000
Total	$7,500,000	$6,900,000

Advertising to Women, New York, reported gross income of $7,500,000 in 1983 on billings of $60,000,000. In 1982, it reported gross income of $6,900,000 on billings of $46,000,000.

The agency did not break out its volume for either year.

In 1983, the agency gained no accounts.

It resigned Minnetonka Inc.

Billings breakdown: Newspapers 1%, magazines 11%, radio 3%, network tv 70%, spot tv 12%, cable tv 2%, business papers 1%.

The agency has 77 employes in one office; a year ago it had 89 employes. Top execs: E.W. Kelley, chairman; Lois Geraci Ernst, president-ceo; F. Phillip Geraci, Walter Klores, senior vps.

Phone: (212) 688-4675.

Allen & Dorward

Gross Income	1983	1982
U.S.	$5,680,000	$4,980,000
Total	$5,680,000	$4,980,000

Allen & Dorward, San Francisco, reported gross income of $5,680,000 in 1983 on billings of $37,300,000. In 1982, the agency reported gross income of $4,980,000 on billings of $28,900,000.

The agency's 1983 U.S. volume consisted of $32,200,000 in media and $5,100,000 in materials and services. Its 1982 U.S. volume consisted of $25,400,000 in media, and $3,500,000 in materials and services.

In 1983, the agency gained Castle & Cooke new product assignments, Eagle Computer, Seapac, Wine World, Gerlands, Houston Chevrolet Dealers, Mediclinic.

It lost Franklin Fund, Leslie Salt, Zact, radio station KYUU-FM, television station KGO-TV, Restaurant Developers.

Billings breakdown: Newspapers 17%, magazines 13%, radio 30%, spot tv 30%, cable tv 1%, outdoor 3%, farm publications 5%, transit advertising 1%.

The agency has 123 employes in two offices.

Top execs: Donald F. Dorward, president-ceo; Robert Hoffman, Joseph Van Trump, exec vps.

Phone: (415) 956-7470.

Altschiller Reitzfeld Solin

Gross Income	1983	1982
U.S.	$5,416,000	$5,199,600
Total	$5,416,000	$5,199,600

Altschiller Reitzfeld Solin Advertising, New York, reported gross income of $5,416,000 in 1983 on billings of $44,781,000. In 1982, it reported gross income of $5,199,600 on billings of $42,972,000.

The agency officially split off from Norman, Craig & Kummel in early 1984.

It was not included in the NCK group now being purchased by FCB International because of account conflicts with existing Foote, Cone & Belding business.

The agency's 1983 U.S. volume consisted of $34,467,000 in media, $2,551,000 in materials and services and $7,763,000 in capitalized fees.

The agency's 1982 U.S. volume consisted of $33,095,000 in media, $2,475,000 in materials and services and $7,402,000 in capitalized fees.

In 1983, the agency gained Brace-Aid, Commerce Drug Co., Rid and Bonine, Pfizer Pfipharmecs division, and Mon Cheri chocolates, Ferrero USA.

Billings breakdown: Newspapers 5%, magazines 10%, radio 3%, network tv 10%, spot tv 70%, business papers 2%.

The agency has 52 employes. A year ago it had 53. Top execs: David Altschiller, chairman; Robert Reitzfeld, vice-chairman; Darrol Solin, president.

Phone: (212) 586-1400.

Ammirati & Puris

Gross Income	1983	1982
U.S.	$8,700,000	$6,900,000
Total	$8,700,000	$6,900,000

Ammirati & Puris, New York, reported gross income of $8,700,000 in 1983 on billings of $58,000,000. In 1982, it reported gross income of $6,900,000 on billings of $46,000,000.

The agency's 1983 U.S. volume consisted of $51,000,000 in media and $7,000,000 in materials and services. Its 1982 U.S. volume consisted of $41,000,000 in media and $5,000,000 in materials and services.

In 1983, the agency gained Schweppes, Oppenheimer Management Corp., NYNEX, BMW Dealer Groups and Sony Hi-Fi.

It resigned "Business Times."

Billings breakdown: Magazines 40%, radio 5%, network tv 10%, spot tv 33%, cable tv 2%, outdoor 10%.

The agency has 112 employes in four offices. A year ago it had 84 employes in two offices. Top execs: Ralph Ammirati, chairman-creative director; Martin Puris, president-ceo; Ted Hazard, Edward Vick, exec vps; Art Molesphini, senior vp-media director; Vivian Young, senior vp-research director; Philip Palazzo, senior vp-chief financial officer.

Phone: (212) 752-8500.

Arnold & Co.

Gross Income	1983	1982
U.S.	$8,532,400	$7,598,627
Total	$8,532,400	$7,598,627

Arnold & Company, Boston, reported gross income of $8,532,400 in 1983 on billings of $62,910,619. In 1982, it reported gross income of $7,598,627 on billings of $50,682,842.

The agency's 1983 volume consisted of $48,870,269 in media, and $14,040,350 in capitalized fees. Its 1982 volume consisted of $38,009,842 in media, and $12,673,000 in capitalized fees.

In 1983, the agency gained Boston Stock Exchange, Jackson Construction, Omnidentix, Ryan Elliott & Co., Visual Computers, Milton's, Mitsubishi Foods, State Line, Seven-Up Bottling Co.

It lost Tufts HMO, France America, Mutual Bank, Crosby Valve & Gage.

Billings breakdown: Newspapers 8%, magazines 4%, radio 12%, network tv 4%, spot tv 45%, cable tv 2%, outdoor 1%, business papers 10%, direct mail 2%, other 12%.

The agency has 171 employes in five offices; a year ago it had 196 employes in seven offices. Top execs: Arnold Rosoff, chairman; Gerard F. Golden, president; Marie Kachinski, Lee LeBlanc, Lawrence Green, Jeffrey Wheeler, Leonard Karsakov, Jack Cantwell, senior vps; Wilson Siebert, vp.

Phone: (617) 357-1900.

Avrett, Free & Ginsberg

Gross Income	1983	1982
U.S.	$8,975,415	$8,310,570
Total	$8,975,415	$8,310,570

Avrett, Free & Ginsberg, New York, reported gross income of $8,975,415 in 1983 on billings of $79,281,000. In 1982, it reported gross income of $8,310,570 on billings of $74,849,000.

The agency's 1983 volume was not broken out. Its 1982 volume consisted of $60,627,000 in media, $8,105,000 in materials and services and $6,117,000 in capitalized fees.

In 1983, the agency gained Beecham's Brylcreem and Lectric Shave, Casa Lupita Mexican restaurants.

It lost Estee.

Billings breakdown: Newspapers 5%, magazines 11%, supplements 4%, radio 6%, network tv 20%, spot tv 52%, business papers 2%.

The agency has 68 employes in one office; a year ago it had 78 employes. Top execs: John Avrett, chairman-ceo; Marcella Free, co-chairman; Frank Ginsberg, senior exec vp; John LaRock, Ron Thomas, Don Bandman and Sheldon Holzer, exec vps; Jose Abarquez, Sue Costa, senior vps.

Phone: (212) 832-3800.

BDA/BBDO

Gross Income	1983	1982
U.S.	$9,388,002	$7,726,000
Total	$9,388,002	$7,726,000

BDA/BBDO, Atlanta, a subsidiary of BBDO, reported gross income of $9,388,002 in 1983 on billings of $62,586,680. In 1982, it reported gross income of $7,726,452 on billings of $51,509,680.

The agency's 1983 volume consisted of $54,348,940 in media, $4,434,920 in materials and services and $3,802,820 in capitalized fees. Its 1982 volume consisted of $44,354,300 in media, $3,459,620 in materials and services and $3,695,760 in capitalized fees.

In 1983, the agency gained Monarch Plaza, Southern Dodge Advertising Assn. and Southeastern Dodge Advertising Assn.

It lost Ransome Airlines and Guide Services.

Billings breakdown: Newspapers 45.4%, magazines 7.7%, radio 19.5%, spot tv 20.9%, outdoor 6.5%.

The agency has 91 employes in two offices. A year ago it had 87 employes in two offices. Top exec: F. Glenn Verrill, president.

Phone: (404) 231-1700.

Mort Barish Associates

Gross Income	1983	1982
U.S.	$5,000,000	$1,210,000
Total	$5,000,000	$1,210,000

Mort Barish Associates, Princeton, N.J., reported gross income of $5,000,000 in 1983 on billings of $21,340,000. In 1982, it reported gross income of $1,210,000 on billings of $15,900,000.

The agency's 1983 U.S. volume consisted of $2,000,000 in media, $6,000,000 in materials and services and $13,340,000 in capitalized fees. Its 1982 U.S. volume consisted of $3,000,000 in media, $1,500,000 in materials and services and $11,400,000 in capitalized fees.

In 1983, the agency gained DeskTop Software, Crestwood Village, Intelligent Information Systems, IBM work station products, Advanced Computer Systems, Computer Encounter, Handy Store Fixtures, Tri-Delta Technology, A.O. Smith Corp., Prime Cable, Penn Mutual and Harry Strauss & Sons.

Billings breakdown: Newspapers 15%, magazines 30%, supplements 5%, radio 5%, network tv 5%, cable tv 3%, outdoor 5%, business papers 5%, farm publications 5%, point of sale 5%, direct mail 5%, other 12%.

The agency has 28 employes. A year ago it had 20 employes. Top exec: Mort Barish, president.

Phone: (609) 924-7500.

Barnum Communications

Gross Income	1983	1982
U.S.	$6,587,000	$6,121,000
Total	$6,587,000	$6,121,000

Barnum Communications, New York, reported gross income of $6,587,000 in 1983 on billings of $43,340,000. In 1982, it reported gross income of $6,121,000 on billings of $40,292,000.

The agency's 1983 volume consisted of $14,630,000 in media, $3,304,000 in materials and services and $25,406,000 in capitalized fees. Its 1982 volume consisted of $13,800,000

PORTFOLIO: Agency of the Year candidate

Young & Rubicam

Young & Rubicam's advertising for 1983 stood out from the crowd primarily because of its production values, in the estimation of Advertising Age editors.

It appears that no matter what the campaign, the execution was handled impeccably.

Of course, Y&R, with 1983 billings of $1.828 billion in the U.S., works for major clients with giant production budgets. For example, one of the recent Dr Pepper commercials boasts a cast of hundreds, and sets that recreate a world of centuries past.

A 60-second commercial for New York Telephone Co. depicts a couple through 50 years of their relationship—from their courtship in the 1930s up through the present. Costumes, settings and props all work together to convey the message that NYTEL has been providing service for the last 100 years.

In introducing Kodak Trimprint instant film, the agency used a technique called "motion control" to take the Trimprint on a journey through space.

Even in the most straightforward commercial on its reel—opera star Leontyne Price's musical appeal for the United Negro College Fund—it was the starkly simple presentation that made the agency's commercial dramatic.

AT&T

Dr Pepper

SUPPORT THE
NITED NEGRO COLLEGE FUN

United Negro College Fund

in media, $2,967,000 in materials and services and $23,525,000 in capitalized fees.

Included in the agency's figures are the billings and income of the follow- ng U.S. subsidiaries: Barnum/Se- unda Associates, Tyrce & Gardner and The Barnum Group.

In 1982, the agency gained DuPont Medical X-Ray, E.I. du Pont de Ne- ours & Co. (pharmaceutical prod- s), Audec Corp. and Crittenden-Or- ge Blossom Fruit.

t lost Ortho Pharmaceuticals.

Billings breakdown: Newspapers %, magazines 62%, radio 2%, network 11%, spot tv 10%, direct mail 8%.

he agency has 92 employes in eight ces.

A year ago it had 80 employes in ht offices.

op execs: H.J. Barnum Jr., chair- n; Dorothy M. Philips, president; nton Bond, John H. Woodcock, se- r vps; Eugene Secunda, president of rnum/Secunda Associates.

Phone: (212) 221-7363.

Beber, Silverstein & Partners

oss Income	1983	1982
U.S.	$8,500,000	$7,000,000
Total	$8,500,000	$7,000,000

eber, Silverstein & Partners, ami, reported gross income of ,500,000 in 1983 on billings of 44,200,000. In 1982, it reported gross ncome of $7,000,000 on billings of 35,000,000.

Beber, Silverstein & Partners' 1983 lume consisted of $36,000,000 in dia, $3,500,000 in materials and vices and $4,700,000 in capitalized .

ts 1982 volume consisted of 30,000,000 in media, $2,000,000 in aterials and services and $3,000,000 n capitalized fees.

In 1983, the agency gained Bacardi, verage Canners International, Secu- y First, Retirement Corp. of erica, Metropolitan Mortgage, ntinental Cos., Florida Express Air- s.

illings breakdown: Newspapers , magazines 18%, supplements 2%, io 5%, network tv 18%, spot tv 30%, tdoor 2%, business papers 1%, other .

The agency has 70 employes in two fices; a year ago it had 50 employes two offices.

Top execs: Joyce Beber, president; ine Silverstein, exec vp.

hone: (305) 856-9800.

Robert A. Becker Inc.

ross Income	1983	1982
U.S.	$5,360,000	$5,021,000
Total	$5,360,000	$5,021,000

Robert A. Becker Inc., New York, ported gross income of $5,360,000 in 983 on billings of $44,521,700.

In 1982, the agency reported gross come of $5,021,000 on billings of 33,500,000.

The agency's 1983 volume consisted of $14,128,000 in media, $2,112,700 in materials and services and $28,281,000 in capitalized fees.

The agency's 1982 U.S. volume consisted of $15,889,000 in media, $5,585,300 in materials and services and $12,025,700 in capitalized fees.

In 1983, the agency gained Schering-Plough's Schering division, Sandoz Pharmaceuticals, Chibret International, Mead Johnson's BuSpar, Pfizer Inc.'s Tioconazole.

Billings breakdown: Medical and trade 50%, direct mail 20%, other 30%.

The agency has 90 employes in one office; a year ago it had 75 employes in one office.

Top execs: Robert A. Becker, president; Norman Franklin, Joel Lauber, David Charney, Edward Maitland, Raymond Perry, senior vps.

Phone: (212) 922-1000.

Brouillard Communications

Gross Income	1983	1982
U.S.	$6,538,000	$7,290,932
Total	$6,538,000	$7,290,932

Brouillard Communications, New York, a unit of J. Walter Thompson Co., reported gross income of $6,538,000 in 1983 on billings of $43,924,836. In 1982, it reported gross income of $7,290,932 on billings of $48,914,339.

The agency's 1983 volume consisted of $34,041,322 in media, $4,518,834 in materials and services and $5,364,680 in capitalized fees. Its 1982 volume consisted of $34,109,011 in media, $6,295,882 in materials and services and $8,509,446 in capitalized fees.

In 1983, the agency gained American Society of Interior Designers, Texas American Bank, Olympia, Bradford National Corp.

It lost Olivetti, Harris, Marsh & McLellan.

Billings breakdown: Newspapers 22%, magazines 22%, supplements 14%, radio 3%, network tv 31%, spot tv 8%.

The agency has 100 employes in two offices, the same number it had a year ago.

Top execs: Joseph Brouillard, president; James H. Foster, exec vp; Irene A. Hansen, Richard H. Eyman, Robert Scott, Henry W. Rissmeyer, Richard E. Evans, Carl LeVander, Frank Massaro, Betsy Halpern, senior vps.

Phone: (212) 867-8300.

Earle Palmer Brown Cos.

Gross Income	1983	1982
U.S.	$7,358,623	$5,607,904
Total	$7,358,623	$5,607,904

The Earle Palmer Brown Cos., Bethesda, Md., reported gross income of $7,358,623 in 1983 on billings of $51,107,543. In 1982, it reported gross income of $5,607,904 on billings of $39,268,423.

The agency's 1983 volume consisted of $28,346,431 in media, $8,092,388 in materials and services and $14,668,724 in capitalized fees. Its 1982 volume consisted of $21,831,046 in media, $6,182,338 in materials and services and $11,255,039 in capitalized fees.

Included in the agency's figures are those from its U.S. subsidiaries:

- Earle Palmer Brown Advertising
- Brown Direct
- EPB Public Relations
- Brown Design & Promotion

In 1983, the agency gained American Assn. of Retired Persons, Chevy Chase S&L, Ceico Annuity & Insurance, Time-Life, NV Homes, Sageway Stores, *The Baltimore Sun*, The Acacia Group, Legg Mason Stockbrokers, Rennie Mae, Infomatics. It lost Hecht's, DavCo Foods, Scarborough Homes.

Billings breakdown: Newspapers and supplements 31%, radio and tv 40%, magazines 17%, outdoor 1%, direct mail 11%.

The agency has 160 employes; a year ago it had 125 employes. Top execs: Earle Palmer Brown, chairman; Jeremy E. Brown, ceo-president; Mark Goldstein, exec vp-chief operating officer; James Cobb, exec vp; Sally McHugh, Gerry Grosso, Ernest Anderson, Eric Hatch, John McLaughlin, Bob Wilkinson, Charles Lerner, John Tikoian, senior vps.

Phone: (301) 986-0510.

Burton-Campbell

Gross Income	1983	1982
U.S.	$5,337,662	$4,072,850
Total	$5,337,662	$4,072,850

Burton-Campbell, Atlanta, reported gross income of $5,337,662 in 1983 on billings of $36,614,034.

In 1982, it reported gross income of $4,072,850 on billings of $26,933,163.

The agency's 1983 volume consisted of $21,513,865 in media, $5,560,105 in materials and services and $9,540,064 in capitalized fees. Its 1982 volume consisted of $14,629,686 in media, $4,705,224 in materials and services and $7,598,253 in capitalized fees.

In 1983, the agency gained BellSouth Corp., First Union Mortgage Corp., Health Dent Inc., Luther's Bar-B-Que Inc., Northern Electric Co., Technicon Data Systems.

It lost Wendy's Old Fashioned Hamburgers, Kimberly-Clark, Industrial Wiper division and Insurance Systems of America.

Billings breakdown: Newspapers 22%, magazines 40%, radio 7%, all tv 30%, outdoor 1%.

The agency has 103 employes, a year ago it had 88.

Top execs: Ron Scharbo, chairman-president; Gabe Massimi, vice-chairman.

Phone: (404) 881-8585.

Harold Cabot & Co.

Gross Income	1983	1982
U.S.	$5,885,250	$4,800,000
Total*	$5,885,250	$4,800,000

*AA estimate

Harold Cabot & Co., Boston, had estimated gross income of $5,885,250 in 1983 on billings of $39,235,000.

In 1982, it had estimated gross income of $4,800,000 on billings of $32,000,000.

The agency did not supply a volume breakdown.

In 1982, the agency gained NYNEX Business Systems, NYNEX Information Resources, Papa Gino's of America, F.W. Woolworth's Richmond Bros. division, Prime Computer and WEEI Radio.

It lost IDE Associates and Texon.

The agency did not break down its media.

The agency has 101 employes in one office.

A year ago it had 92 employes in one office.

Top exec: James I. Summers, president-ceo.

Phone: (617) 426-7606.

Cadwell Davis Partners

Gross Income	1983	1982
U.S.	$5,297,000	$5,366,000
Total	$5,297,000	$5,366,000

Cadwell Davis Partners, New York, reported gross income of $5,297,000 in 1983 on billings of $42,472,000.

In 1982, it reported gross income of $5,366,000 on billings of $43,500,000.

The agency's 1983 volume consisted of $36,812,000 in media, $1,514,000 in materials and services and $4,146,000 in capitalized fees.

The agency's1982 volume consisted of $33,538,000 in media, $2,330,000 in materials and services and $7,632,000 in capitalized fees.

In 1983, the agency gained additional products from Johnson & Johnson baby products, Conde Nast Publications' LTD magazine package, McNeil Consumer Products, Badische Corp. (BASF), Johnson Matthey jewelry, and additional products from Revlon/Norcliff Thayer.

It lost no accounts.

Billings breakdown: Newspapers 0.5%, magazines 21.1%, radio 0.2%, network and spot tv 78.2%.

The agency has 60 employes. A year ago it had 58.

Top execs: Franchellie Cadwell, ceo; Herman Davis, chairman; Eugene Bartley, president; Robert Michaels, exec vp; Jeffrey Zeiler, David Michaelson, senior vps.

Phone: (212) 350-1500.

Calet, Hirsch & Spector

Gross Income	1983	1982
U.S.	$8,300,000	$8,800,000
Total	$8,300,000	$8,800,000

Calet, Hirsch & Spector, New York, reported gross income of $8,300,000 in 1983 on billings of $78,000,000. In 1982, it reported gross income of $8,800,000 on billings of $78,000,000.

The agency's 1983 volume consisted of $50,000,000 in media, $10,000,000 in materials and services and $18,000,000 in capitalized fees. Its 1982 volume consisted of $52,000,000 in media, $9,500,000 in materials and services and $16,500,000 in capitalized fees.

Included in the agency's figures are the financial results of its U.S. subsidiary Calet, Hirsch & Spector Florida.

In 1983, the agency gained The Southern Co., Bell's Scotch, Arthur Bell & Co., American Standard Plumbing, and Toshiba Tokyo corporate account.

It lost Corning Glass housewares division and Dollar Savings Bank.

Billings breakdown: Newspapers 7%, magazines 24%, radio 7%, network tv 18%, spot tv 32%, cable tv 1%, outdoor 8%, business papers 1%, transit advertising 1%, point of sale 1%.

The agency has 135 employes in two offices. A year ago it had 170 employes in two offices. Top exec: Larry Spector, president.

Phone: (212) 489-7300.

Carrafiello-Diehl & Associates

Gross Income	1983	1982
U.S.	$6,015,000	$4,650,000
Total	$6,015,000	$4,650,000

Carrafiello-Diehl & Associates, Irvington-on-Hudson, N.Y., reported gross income of $6,015,000 in 1983 on billings of $40,100,000. In 1982, it reported gross income of $4,650,000 on billings of $31,000,000.

The agency's 1983 volume consisted of $27,800,000 in media, $6,?00,000 in materials and services and $5,?00,000 in capitalized fees. Its 1982 volume consisted of $20,500,000 in media, $6,000,000 in materials and services and $4,500,000 in capitalized fees.

Not included in the agency's figures are the financial results of two U.S. subsidiaries, CDA Productions and CDA Research Labs.

In 1983, the agency gained Pine-Sol, Combat, new products for Shulton USA division, Fibermed, Purdue Frederick Co., and a new product assignment, Stroh Brewery Co.

It lost Pfizer's Leeming/Pacquin division.

Billings breakdown: Newspapers 2%, magazines 12%, radio 2%, network tv 46%, spot tv 6%, cable tv 2%, business papers 23%, point of sale 3%, direct mail 4%.

The agency has 93 employes. A year ago it had 93 employes. Top execs: A. Louis Carrafiello, president; Anthony B. Bennett, exec vp; Thomas G. Baldacci, Robert C. Brandt, Austin H. Gedney Jr. and William Green, senior vps.

Phone: (914) 591-9191.

Chiat/Day

Gross Income	1983	1982
U.S.	$14,764,249	$14,263,549
Total	$14,764,249	$14,263,549

Chiat/Day, Los Angeles, reported gross income of $14,764,249 and net income of $2,349,524 in 1983 on billings of $138,456,688, excluding billings of its Seattle office sold last year. In 1982, it reported gross income of $14,263,549 and net income of $2,168,059 on billings of $135,843,325.

The agency's 1983 volume consisted of $83,535,833 in media, $20,420,360 in materials and services and $34,466,029 in capitalized fees. Its 1982 volume consisted of $81,505,995 in media, $19,697,279 in materials and services and $34,640,051 in capitalized fees.

In 1983, the agency gained Home Savings, Nike, Businessland, Zact, Collagen, General Electric, Bristol-Myers (Clairol), TDK and Lebenthal.

It lost Allstate, Aames, Carnation, Olympia, Weinerschnitzel and Winston tires.

Billings breakdown: Newspapers 17%, magazines 32%, radio 4%, network tv 20%, spot tv 25%, outdoor 2%.

The agency has 240 employes in three offices.

A year ago it had 320 employes in four offices. Top exec: Jay Chiat, chairman.

Phone: (213) 622-7454.

Cole & Weber

Gross Income	1983	1982
U.S.	$12,313,559	$11,957,047
Total	$12,313,559	$11,957,047

Cole & Weber, Seattle, a subsidiary of Ogilvy & Mather International, had gross income of $12,313,559 in 1983 on billings of $85,157,940.

In 1982, the agency reported gross income of $11,957,047 on billings of $81,206,498.

The agency's 1983 volume consisted of $54,006,538 in media, $8,858,848 in materials and services and $22,292,554 in capitalized fees. Its 1982 volume consisted of $53,359,399 in media, $9,154,711 in materials and services and $18,692,388 in capitalized fees.

In 1983, the agency gained K2 Corp., Godfather Pizza, American Egg Board Assn., Quest International, Portland Clinic, Polytron Corp., Peter Pan Seafoods and Johannus of America.

The agency lost Nalley's Fine Foods, Nintendo hand-held games, Taco Bell of Washington and Adams Foods.

Billings breakdown: Newspapers 19%, magazines 16%, radio 19%, network tv 4%, spot tv 25%, outdoor 2%, business papers 14%, other 1%.

The agency has 185 employes in four offices.

A year ago it had 187 employes in four offices.

Top execs: Harold C. Dixon, chairman; Harold A. Newsom, president; Leonard L. Bartlett, vp; James W. Schulz, senior vp-treasurer; Richard G. Hadley, exec vp.

Phone: (206) 433-6200.

Colle & McVoy

Gross Income	1983	1982
U.S.	$5,705,766	$4,779,469
Total*	$5,705,766	$4,779,469

*AA estimate

Colle & McVoy, Minneapolis, had estimated gross income of $5,705,766 in 1983 on billings of $38,038,446. In 1982, it had estimated gross income of $4,779,469 on billings of $31,863,130.

The agency's 1983 volume consisted of $14,957,534 in media, $17,335,468 in materials and services and $5,745,444 in capitalized fees. Its 1982 volume consisted of $15,654,497 in media, $13,139,106 in materials and services and $3,069,527 in capitalized fees.

In 1982, the agency gained Ariens, Colonial S&L, International Minerals & Chemical, 3M Graphic Preparation Systems, 3M Print & Reprographic Products and Onan Co.

It lost First Federal LaCrosse, Larsen Olson Co. and Guaranty Savings.

Billings breakdown: Newspapers 21%, magazines 23%, radio 17%, network tv 22%, outdoor 2%, farm publications 13%, other 2%.

The agency has 125 employes in five offices.

A year ago it had 113 employes in five offices. Top exec: Ray Foley, president.

Phone: (612) 861-7181.

Gross income of $5,000,000 to $15,000,000

William Cook Advertising

Gross Income	1983	1982
U.S.	$6,099,428	$5,446,244
Total*	$6,099,428	$5,446,244

*AA estimate

William Cook Advertising, Jacksonville, Fla., had estimated gross income of $6,099,428 in 1983 on billings of $40,662,856. In 1982, its gross income was estimated at $5,446,244 on billings of $36,308,294. The agency did not supply a volume breakdown.

Included in the agency's figures are those of its U.S. subsidiary William Cook Advertising, Miami. In 1983, the agency gained Kentucky Fried Chicken (south and southwest Florida co-ops), Deltona Corp. and Rush-Hampton Industries.

It lost Crutchfield Corp. and Maxwell Home Furnishings.

Billings breakdown: Newspapers 8%, magazines 6%, radio 5%, spot tv 76%, cable tv 0.5%, outdoor 2%, business papers 1%, point of sale 0.5%, direct mail 1%.

The agency has 111 employes in two offices. A year ago it had 104 employes in one office. Top execs: William Cook, chairman; Bernard C. Schramm Jr., president.

Phone: (904) 353-3911.

Cramer-Krasselt

Gross Income	1983	1982
U.S.	$7,296,000	$6,350,000
Total	$7,296,000	$6,350,000

Cramer-Krasselt, Milwaukee, reported gross income of $7,296,000 in 1983 on billings of $50,189,000.

In 1982, the agency reported gross income of $6,350,000 on billings of $45,000,000.

The agency did not break out its volume for either year.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries:

- Cramer-Krasselt/Milwaukee
- Cramer-Krasselt/Chicago
- Cramer-Krasselt/Direct
- Cramer-Krasselt/Southwest

In 1983, the agency gained A.B. Dick, Agatha's flannel bedding, Allen-Edmonds Shoe Corp., Arco Metals division of Atlantic Richfield, Arizona Biltmore, Chernin's, Central Illinois Culligan Assn., Damart, Thermawear Inc., Dubuque Star Brewing Co., Citizen's Bank, E-Z Painter Corp., television station KNXV-TV, Kentucky Fried Chicken of Arizona and New Mexico, Monical's Pizza, Salt River Project, Sheraton Hotels/Chicago, Silvestri Corp., Wisconsin Bell Communications Co.

It lost Bell Webb, Spring Air Mattress, Culligan International.

Billings breakdown: Newspapers 8%, magazines 23%, radio 4%, network tv 21%, spot tv 26%, outdoor 1%, business papers 7%, direct mail 10%.

The agency has 114 employes in three offices; a year ago it had 109 employes in three offices.

Top execs: Robert L. Christiansen, chairman-ceo; C. Ross Littig Jr., vice-chairman; Theodore J. Wing, president-chief operating officer; Peter G. Krivkovich, president, Cramer-Krasselt/Chicago; Frank Becker, president, Cramer-Krasselt/Southwest; Paul S. Counsell, exec vp, Cramer-Krasselt; Rolf G. Normann, exec vp, Cramer-Krasselt/Chicago; William D Faude, senior vp; Robert J. Bradley, vp-controller.

Phone: (414) 276-3500.

Creswell, Munsell, Fultz & Zirbel

Gross Income	1983	1982
U.S.	$7,340,000	$6,565,000
Total	$7,340,000	$6,565,000

Creswell, Munsell, Fultz & Zirbel, Cedar Rapids, Ia., a Young & Rubicam company, reported gross income of $7,340,000 in 1983 on billings of $48,960,000. In 1982, it reported gross income of $6,565,000 on billings of $43,800,000.

The agency did not supply a volume breakdown for 1983 or 1982.

In 1983, the agency gained Alnor Instrument Co., Teleconnect Co. (advertising and pr), Hometown Dairy and six pr assignments.

It lost Johnson Gas, Hicklin GM Diesel and RYKO Mfg. and one pr assignment.

Billings breakdown: Newspapers 3%, magazines 1%, radio 11%, spot tv 18%, cable tv 1%, outdoor 1%, business papers 3%, farm publications 25%, other (sales promotion, pr) 37%.

The agency has 137 employes in two offices. A year ago it had 136 employes in two offices. Top execs: E. William Munsell, chairman-exec vp, Y&R USA; Richard D. Meyocks, president-ceo; William J. Fultz, exec vp, Des Moines; Richard F. Mayes, senior vp, pr division; Marvin L. White, senior vp, Cedar Rapids.

Phone: (319) 395-6500.

DBG&H Unlimited

Gross Income	1983	1982
U.S.	$5,799,960	$3,884,701
Total	$5,799,960	$3,884,701

DBG&H Unlimited, Dallas, reported gross income of $5,799,960 in 1983 on billings of $41,428,328. In 1982, it reported gross income of $3,884,701 on billings of $31,576,956.

The agency's 1983 U.S. volume consisted of $41,428,328 in media alone. Its 1982 U.S. volume consisted of $31,576,956 in media.

In 1983, the agency gained The Crescent, Barnes/Connally Investments, Russ Lyon Realty, Watson & Taylor, Artesia Waters, Angel Fire Resort, State of New Mexico Dept. of Tourism, Crockett Hotel, TriSOURCE, Callaway Properties.

It lost Greenbriar/Versailles Homes.

Billings breakdown: Newspapers 50%, magazines 20%, radio 7%, network tv 5%, outdoor 8%, direct mail 10%.

The agency has 167 employes in six offices. Last year it had 130 employes in five offices. Top execs: David C. Dozier, president; Sharon J. Baca, Martha L. Gallier, senior vps.

Phone: (214) 638-7723.

Davis, Johnson, Mogul & Colombatto

Gross Income	1983	1982
U.S.	$11,830,100	$9,004,000
Total	$11,830,100	$9,004,000

Davis, Johnson, Mogul & Colombatto, Los Angeles, reported gross income of $11,830,100 in 1983 on billings of $78,916,760. In 1982, it reported gross income of $9,004,000 on billings of $60,030,000.

The agency's 1983 U.S. volume consisted of $62,830,000 in media, $9,160,000 in materials and services and $6,926,760 in capitalized fees. Its 1982 U.S. volume consisted of $47,170,000 in media, $7,720,000 in materials and services and $5,140,000 in capitalized fees.

Included in the agency's figures are those of its subsidiary DJMC Advertising.

In 1983 it gained Middle Atlantic Toyota Distributors, KGO-TV, Wild West Stores, Middle Atlantic Toyota Dealer Assns., Ole's Home Centers, Greater Los Angeles Visitors and Convention Bureau.

It lost Crown Zellerbach, George Bensen & Co., Raging Bear Productions.

Billings breakdown: Newspapers 15%, magazines 4%, radio 20%, network tv 2%, spot tv 55%, outdoor 4%.

The agency has 180 employes in five offices. A year ago it had 160 employes in four offices. Top execs: Robert Davis, Robert Colombatto, co-presidents; Brad Ball, senior vp; Frank McKibbin, exec vp.

Phone: (213) 383-3332.

Diener/Hauser/Bates

Gross Income	1983	1982
U.S.	$12,924,000	$12,563,000
Total	$12,924,000	$12,563,000

Diener/Hauser/Bates, New York, part of the Ted Bates group, reported gross income of $12,924,000 in 1983 on billings of $131,784,000. In 1982, it reported gross income of $12,563,000 on billings of $101,364,000.

The agency's 1983 U.S. volume consisted of $124,014,000 in media, and $7,770,000 in materials and services. Its 1982 U.S. volume consisted of $92,990,000 in media, and $8,374,000 in materials and services.

In 1983, the agency gained Trans-Lux Corp.'s New York Experience and South Street Venture, the New York Racing Assn., and Ron Delsener Productions.

It lost MGM/UA Entertainment Co., Orion Pictures.

Billings breakdown: Newspapers 40%, magazines 10%, radio 3%, net-

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work tv 15%, spot television 30%, outdoor 2%.

The agency has 204 employes in five offices; a year ago it had 200 employees in four offices.

Top execs: Herbert Hauser, chairman; Henry Weintraub, president-chief operating officer; David Dember, Norman Trell, exec vps; Perry Sperber, senior vp; Gene Cofsky, president-West Coast.

Phone: (212) 840-3300.

Direct Marketing Agency

Gross Income	1983	1982
U.S.	$8,300,000	$7,600,000
Total	$8,300,000	$7,600,000

Direct Marketing Agency, Stamford, Conn., reported gross income of $8,300,000 in 1983 on billings of $40,050,000.

In 1982, the agency reported gross income of $7,600,000 on billings of $37,000,000.

The agency's 1983 volume consisted of $600,000 in media, $2,100,000 in materials and services and $37,350,000 in capitalized fees. Its 1982 volume consisted of $400,000 in media, $2,000,000 in materials and services and $34,600,000 in capitalized fees.

In 1982, the agency gained First Federal S&L, Home Life Insurance and IPC Communications.

It lost no accounts.

Billings breakdown: Newspapers 5%, magazines 5%, radio 5%, direct mail, 85%.

The agency has 54 employes.

A year ago it had 53 employes.

Top execs: Norman J. Suslock, chairman-president; Ira Wolff, exec vp; Robert J. McKeown, senior vp.

Phone: (203) 357-7895.

Eisaman, Johns & Laws

Gross Income	1983	1982
U.S.	$14,300,000	$15,100,000
Total	$14,300,000	$15,100,000

Eisaman, Johns & Laws, Los Angeles, reported gross income of $14,300,000 in 1983 on billings of $95,333,300. In 1982, it reported gross income of $15,100,000 on billings of $106,768,000.

The agency's 1983 volume consisted of $86,365,300 in media, $6,300,000 in materials and services and $2,668,000 in capitalized fees. Its 1982 U.S. volume consisted of $96,550,000 in media, $7,450,000 in materials and services and $2,768,000 in capitalized fees.

In 1983, the agency gained Cadillac Dealers Advertising Assns. in St. Louis, Dallas, Miami, Memphis, Little Rock, Jackson, Shreveport and New Orleans, Comet Rice, Command Performance, Giorgio Parfum, Jafra Cosmetics, Pacific Express, Sanwa Foods, Whataburger, WKQX-FM, Chicago.

It lost Chevrolet Dealers Advertising Assns. in Maine, Long Island, eastern Massachusetts and central Florida, American Stores Co., Oak Tree Racing Assn., Houston division, U.S. Homes Corp.

Billings breakdown: Newspapers 9%, magazines 29%, supplements 3%, radio 16%, network tv 9%, spot tv 28%, cable tv less than 1%, outdoor 4%, business papers 0.5%, transit advertising 0.5%.

The agency has 170 employes in five offices. A year ago it had 195 employes in five offices. Top execs: J.R. Eisaman III, chairman; Robert F. Laws, president; Adrienne Hall, vice-chairman; Jack J. Leener, Don Pingaro, Dean R. Laws, James F. Benson, Dennis R. Coe, exec vps; Richard Westman, president, southwest division-exec vp, Pennzoil accounts.

Phone: (213) 469-1234.

Elkman Advertising

Gross Income	1983	1982
U.S.	$5,725,875	$5,238,390
Total	$5,725,875	$5,238,390

Elkman Advertising, Bala Cynwyd, Pa., had estimated gross income of $5,725,875 in 1983 on billings of $38,172,500. In 1982, it had estimated gross income of $5,238,390 on billings of $34,922,600. The agency's 1983 volume consisted of $23,000,000 in media, $3,500,000 in materials and services and $11,672,500 in capitalized fees. Its 1982 volume consisted of $20,000,000 in media, $3,050,000 in materials and services and $11,872,600 in capitalized fees.

In 1983, the agency gained Goldenberg Candy, Kleinert's Inc., Key Foods Group, Mitnick Development Corp., Copelco, Florida House Inc. It lost Hill International, Tannen Towers.

Billings breakdown: Newspapers 13%, magazines 5%, radio 18%, spot tv 59%, outdoor 1%, business papers 2%, direct mail 1%, other 1%.

The agency has 100 employes in two offices; a year ago it had 105 employes in two offices. Top execs: Stanley Elkman, ceo; Donald Tuckerman, president; Donald Rosenblit, exec vp; David Phillips, senior vp.

Phone (215) 835-2400.

Epsilon

Gross Income	1983	1982
U.S.	$10,000,000	$7,600,000
Total	$10,000,000	$7,600,000

Epsilon, Burlington, Mass., a direct mail agency, reported gross income of $10,000,000 in 1983 on capitalized volume of $50,840,000. In 1982, it reported gross income of $7,600,000 on billings of $38,505,000. Its net income was $1,500,000 in 1983 and $700,000 in 1982.

The agency's 1983 volume consisted of $3,500,000 in materials and services and $47,340,000 in capitalized fees. Its 1982 volume consisted of 2,500,000 in materials and services and $36,005,000 in capitalized fees.

In 1983, the agency gained American Cablevision, Boots Pharmaceuticals, Data General, Fisons Corp., Polaroid, Rowell Laboratories, Squibb & Sons, Tower, Perrin Forster & Crosby.

It lost no accounts.

Billings breakdown: Spot tv 0.5%, point of sale 0.5%, direct mail 99%.

The agency has 150 employes in four offices; a year ago it had 80 employes in three offices. Top exec: Thomas O. Jones, president-ceo.

Phone: (617) 273-0250.

Evans Communications

Gross Income	1983	1982
U.S.	$11,625,000	$10,575,000
Total	$11,625,000	$10,575,000

Evans Communications, formerly David W. Evans Inc., Salt Lake City, reported gross income of $11,625,000 in 1983 on billings of $77,500,000. In 1982, it reported gross income of $10,575,000 on billings of $70,500,000.

The agency's 1983 volume consisted of $40,000,000 in media, $13,500,000 in materials and services and $24,000,000 in capitalized fees. Its 1982 volume consisted of $35,000,000 in media, $12,166,667 in materials and services and $23,333,333 in capitalized fees.

In 1983, the agency gained Arizona Wranglers, Central Colorado Bank, Metro Denver AMC Jeep-Renault Dealers, National Frozen Vegetable Council, Olympic National Bank, Western Washington Fair, Coors Food Products, Dell Trailer Construction Co., North American Blueberry Council, Smith & Nephew, Software Centre International, Stuart Auto Products, O'Malley Building Materials.

It lost Colorado Division of Tourism, Entz White, Utah Transit Authority, United Banks of Colorado.

Billings breakdown: Newspapers 17%, magazines 25%, radio 23%, spot tv 32%, outdoor 3%.

The agency has 227 employes in nine offices; a year ago it had 213 employes in nine offices. Top execs: L. Glen Snarr, ceo; G. Robert Ruff, president.

Phone: (801) 364-7452.

Fahlgren & Ferriss

Gross Income	1983	1982
U.S.	$7,500,000	$7,200,000
Total	$7,500,000	$7,200,000

Fahlgren & Ferriss, Parkersburg, W.Va., reported gross income of $7,500,000 in 1983 on billings of $50,000,200. In 1982, it reported gross income of $7,200,000 on billings of $48,024,000.

The agency's 1983 volume consisted of $27,184,000 in media, $4,380,000 in materials and services and $18,436,200 in capitalized fees. Its 1982 volume consisted of $24,509,000 in media, $4,665,000 in materials and services and $18,850,000 in capitalized fees.

In 1982, the agency gained Midwest Group of Funds, William Powell Co., totes, Arnold Industries, Enterprise Development and Portside.

It lost Lunkenheimer, ASF Sales, Doehler-Jarvis division of NL Industries.

Billings breakdown: Newspapers 5%, magazines 3%, radio 16%, network

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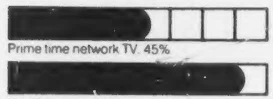

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Houston Chronicle
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Gross income of $5,000,000 to $15,000,000

tv 15%, spot tv 44%, outdoor 2%, business papers 13%, other 2%.

The agency has 135 employes in four offices. A year ago it had 150 employes in five offices.

Top execs: H. Smoot Fahlgren, president; Vincent J. Backley and James W. Swearingen, exec vps; Rodney B. Stegall, Donald H. Rice and Richard M. Imes, senior vps.

Phone: (304) 424-3591.

Faller, Klenk & Quinlan

Gross Income	1983	1982
U.S.	$5,014,560	$3,368,438
Total	$5,014,560	$3,368,438

Faller, Klenk & Quinlan, Buffalo, N.Y., reported gross income of $5,014,560 in 1983 on billings of $30,248,310. In 1982, it reported gross income of $3,368,438 on billings of $20,847,385.

The agency's 1983 volume consisted of $17,086,000 in media, $9,874,000 in materials and services and $3,288,310 in capitalized fees. Its 1982 volume consisted of $12,030,539 in media, $6,762,486 in materials and services and $2,054,360 in capitalized fees.

Included are figures from U.S. subsidiaries Faller, Klenk & Quinlan of Tampa and Charlotte.

In 1983, the agency gained Gallery of Homes, Paramount Pictures, WRTX radio, William Cadden Co., Money Plex, Shelton Square Agency, Macrotel, Computer Task Group, British Honduras Tobacco.

It lost Noco Oil and WGR radio.

Billings breakdown: Newspapers 7%, magazines 14%, radio 10%, network tv 9%, spot tv 20%, cable tv 2%, business papers 15%, point of sale 10%, direct mail 11%, other 2%.

The agency has 128 employes in three offices. A year ago it had 91 employes in three offices. Top exec: Robert O. Faller, president.

Phone: (716) 688-1177.

Fletcher/Mayo/-Associates

Gross Income	1983	1982
U.S.	$7,266,000	$5,622,000
Total	$7,266,000	$5,622,000

Fletcher/Mayo/Associates, St. Joseph, Mo., reported gross income of $7,266,000 in 1983 on billings of $67,308,000. In 1982, it reported gross income of $5,622,000 on billings of $51,328,000. Its net income was $1,157,000 in 1983 and $796,000 in 1982.

The agency's 1983 volume consisted of $14,046,000 in media, $5,318,000 in materials and services and $47,944,000 in capitalized fees. Its 1982 volume consisted of $10,693,000 in media, $4,170,000 in materials and services and $36,465,000 in capitalized fees.

The agency's figures do not include billings and income from its U.S. subsidiary, Agricom.

In 1982, the agency gained Clay Equipment, Evangelical Health Systems, Genetech and F.W. Witt & Co.

It lost Brackett, Century Engineering, Duncan Aviation, Hitachi and LMP Steel.

Billings breakdown: Newspapers 9%, magazines 3%, radio 9%, spot tv 10%, outdoor 2%, business papers 14%, farm publications 32%, point of sale 9%, direct mail 2%, other 10%.

The agency has 165 employes in four offices. A year ago it had 150 employes in four offices.

Top execs: R.W. Fletcher, ceo; G.R. Mayo, president; J.L. Richie, G.E. Clement, H.P. Lammers, C.W. Teague, senior vps; D.D. Ballou, D.M. Eilers, J.M. Fletcher, J.J. Gampper, Q.F. Gilleland, M.O. Kane, A.K. Phelan, J.D. Tinnen, vps.

Phone: (816) 233-8261.

GSD&M

Gross Income	1983	1982
U.S.	$6,689,600	$2,832,127
Total	$6,689,600	$2,832,127

GSD&M (Gurasich, Spence, Darilek & McClure), Austin, Tex., reported gross income of $6,689,600 in 1983 on billings of $47,318,700. In 1982, it reported gross income of $2,832,127 on billings of $24,734,560.

The agency's 1983 volume consisted of $23,297,400 in media, $9,394,500 in materials and services and $14,626,800 in capitalized fees. Its 1982 volume consisted of $13,066,456 in media, $3,613,450 in materials and services and $8,054,654 in capitalized fees.

Billings breakdown: Newspapers 36%, magazines 7%, radio 13%, network tv 5%, spot tv 32%, cable tv 1%, outdoor 6%.

The agency has 148 employes in five offices; a year ago it had 92 employes in four offices.

Top execs: Stephen W. Gurasich, president; Roy M. Spence, Thomas M. McClure, Judith L. Trabulsi, William G. Gurasich, Kimberly R. Gaynor, exec vps; John Carl Larkin, president, Dallas; John F. Davis, vp, Dallas; Robert S. Lansdowne, president, Houston; Robert M. Blair, vp, Houston.

Phone: (512) 327-8810.

Geer, DuBois

Gross Income	1983	1982
U.S.	$10,800,000	$9,000,000
Total	$10,800,000	$9,000,000

Geer, DuBois, New York, reported gross income of $10,800,000 in 1983 on billings of $72,000,000. In 1982, it reported gross income of $9,000,000 on billings of $60,000,000.

The agency did not supply a volume breakdown.

In 1982, the agency gained International Playtex's family products and intimate apparel divisions.

It lost Pocket Books and Premier Wine Merchants.

Billings breakdown: Newspapers 5%, magazines 40%, radio 10%, network tv 10%, spot tv 32%, cable tv 3%.

The agency has 140 employes in one office. A year ago it had 125 employes in one office.

Top execs: Peter Geer, chairman; Richard S. Seclow, president; James R. Adair, John V. Allen, Rea Porterfield Brown, Fred A. Irwin, Alan Johnson, Stephen Olderman, Brian K. Sherwood, Doria Steedman, senior vps; Edward W. Parella, vp.

Phone: (212) 741-1900.

Griswold Inc.

Gross Income	1983	1982
U.S.	$6,503,353	$6,848,307
Total	$6,503,353	$6,848,307

Griswold Inc., Cleveland, O., formerly Griswold-Eshleman, reported gross income of $6,503,353 in 1983 on billings of $42,260,960. In 1982, it reported gross income of $6,848,307 on billings of $42,665,283.

The agency's 1983 volume consisted of $29,349,617 in media, $7,319,475 in materials and services and $5,591,868 in capitalized fees. Its 1982 volume consisted of $29,397,196 in media, $7,455,436 in materials and services and $5,812,651 in capitalized fees.

Figures include those of the agency's New York office.

In 1983, the agency gained General Electric lamp marketing, Chi Corp., New Focus Computer Centers, the Wholesale Club, Coleman Camping (closure products and international divisions), Anchor Hocking, Standard Register, Keller Furniture, Carefree Bath Products.

It lost Citrus Central and Warner & Swasey.

Billings breakdown: Newspapers 9.3%, magazines 20.4%, radio 11.6%, network tv 13.9%, spot tv 15.4%, outdoor 0.6%, business papers 28.8%.

The agency has 110 employes in four offices. A year ago it had 151 employes in seven offices. Top execs: Mary E. Landers, chairman; Patrick J. Morin, president-ceo; Thomas Gilday, vice-chairman; Neal Davis, Edmond C. Froehlich, exec vps; William Brokaw, senior vp.

Phone: (216) 696-3400.

Group 3hree Advertising

Gross Income	1983	1982
U.S.	$10,094,768	$5,565,241
Total	$10,094,768	$5,565,241

Group 3hree Advertising, Pompano Beach, Fla., reported gross income of $10,094,768 in 1983 on billings of $33,511,424. In 1982, it reported gross income of $5,565,241 on billings of $20,903,859.

The agency's 1983 U.S. volume consisted of $10,002,596 in media, $1,295,434 in materials and services and $22,213,394 in capitalized fees. Its 1982 U.S. volume consisted of $6,061,705 in media, $1,353,120 in materials and services and $13,489,034 in capitalized fees.

In 1983, the agency gained Allied Automotive, Bendix Systems, Levitt Homes, Butcher & Singer, Westinghouse/Coral Ridge Properties, Proximity Devices Corp.

It lost Stiles Corp., Kudachi of America.

Billings breakdown: Newspapers 30%, magazines 22%, supplements 2%, radio 15%, spot tv 12%, outdoor 2%, direct mail 11%, other 6%.

The agency has 37 employes in one office; a year ago it had 34 employes. Top execs: O. Leslie Nell, president; Philip Leo Rushlow, chairman; Philip Lee Rushlow, David Robert Rushlow, vps.

Phone: (305) 785-9000.

Henderson Advertising

Gross Income	1983	1982
U.S.	$10,522,000	$9,044,000
Total	$10,522,000	$9,044,000

Henderson Advertising, Greenville, S.C., reported gross income of $10,522,000 in 1983 on billings of $70,149,000. In 1982, it reported gross income of $9,044,000 on billings of $60,296,000.

The agency's 1983 volume consisted of $55,674,000 in media, $6,726,000 in materials and services and $7,749,000 in capitalized fees. Its 1982 volume consisted of $50,121,000 in media, $4,529,000 in materials and services and $5,646,000 in capitalized fees.

Included in the agency's figures are the billings and income of the U.S. subsidiary, Pelham Marketing Services. In 1983, the agency gained Fotomat Corp. and Hanes Printables division, Consolidated Foods. It lost Fendrich Industries' Carolina Mfg. division.

Billings breakdown: Newspapers 3%, magazines 6%, radio 3%, network tv 51%, spot tv 32%, cable tv 1%, outdoor 1%, business papers 1%, point of sale 1%, direct mail 1%.

The agency has 137 employes in two offices. A year ago it had 118 employes in two offices. Top execs: James M. Henderson, chairman; Fred C. Walker, vice-chairman; Ralph W. Callahan, president.

Phone: (803) 271-6000.

Hicks & Greist

Gross Income	1983	1982
U.S.	$9,000,000	$7,500,000
Total	$9,000,000	$7,500,000

Hicks & Greist, New York, reported gross income of $9,000,000 in 1983 on billings of $66,000,000. In 1982, it reported gross income of $7,500,000 on billings of $55,000,000.

The agency's 1983 volume consisted of $60,000,000 in media, $2,700,000 in materials and services and $3,300,000 in capitalized fees. Its 1982 volume consisted of $50,000,000 in media, $2,000,000 in materials and services and $3,000,000 in capitalized fees.

Not included in the agency's figures are the billings and income of U.S. subsidiaries: Irving Smith Kogan, public relations and E.T. Howard, advertising.

In 1983, the agency gained Heath Candy Co., Control Data Business Centers, ITT Telecom and Berkey Marketing Cos.

It lost Greek National Tourist Organization and Regina Co.

Billings breakdown: Newspapers 12%, magazines 21%, supplements 5%, radio 7%, network tv 20%, spot tv 22%, cable tv 3%, outdoor 2%, business papers 3%, transit advertising 1%, point of sale 1%, direct mail 2%, other 1%.

The agency has 125 employes. A year ago it had 117. Top execs: Charles V. Skoog Jr., chairman; D. Edward Ricchiuto, president; Hank Seiden, exec vp; William L. Roper, chairman-exec committee; William Wurtzel, Gerald Cutler, senior vps; Smitty Kogan, president, I.S. Kogan subsidiary; Robert Tenny, president, E.T. Howard subsidiary.

Phone: (212) 370-9600.

Ingalls Associates

Gross Income	1983	1982
U.S.	$8,000,000	$7,750,000
Total	$8,000,000	$7,750,000

Ingalls Associates, Boston, reported gross income of $8,000,000 in 1983 on billings of $65,500,000. In 1982, it reported gross income of $7,750,000 on billings of $56,500,000.

The agency's 1983 U.S. volume consisted of $37,500,000 in media, $7,000,000 in materials and services and $21,000,000 in capitalized fees. Its 1982 U.S. volume consisted of $30,000,000 in media, $6,500,000 in materials and services and $20,000,000 in capitalized fees.

Figures include those of U.S. subsidiaries:

- Stern & Ingalls
- Swoffard & Scharff, New York.

In 1983, the agency gained Adams Drug Co., Ambassador Shoe, Balfour, Datsun Dealers of New England, Hayden Software, Leading Edge, Lowell Shoe, Nippon Electronics, Peter's Plant Food, The Phoenix, Westin Hotels (Boston).

It lost Filene's Department Store, Springfield Institute for Savings, New England Brown Egg Assn., Alperts Furniture, Stowe-Woodward, New England USA, Microcom.

Billings breakdown: Newspapers 14%, magazines 17%, radio 22%, network tv 2%, spot tv 30%, outdoor 1%, business papers 12%, transit advertising 1%, other 1%.

The agency has 175 employes in one offices. Top exec: S. Joseph Hoffman, president.

Phone: (617) 437-7000.

Kallir, Philips, Ross

Gross Income	1983	1982
U.S.	$9,853,000	$8,091,000
Total	$9,858,000	$8,091,000

Kallir, Philips, Ross, New York, reported gross income of $9,858,000 in 1983 on billings of $86,020,000. In 1982, it reported gross income of $8,091,000 on billings of $75,635,000.

The agency's 1983 U.S. volume consisted of $16,912,000 in media, $12,500,000 in materials and services and $56,608,000 in capitalized fees. Its 1982 U.S. volume consisted of $21,271,000 in media, $10,816,000 in materials and services and $43,548,000 in capitalized fees.

Included in the agency's figures are

Agency Q&A

Q: What is the future for middle-size agencies?

Answer: No one in this business seriously doubts the ability of today's giant agencies to become tomorrow's mega-agencies. Likewise, no matter how gargantuan the giants become, there will always be small agencies doing business in predominately local ponds. But what about the agency in the middle? As the giants gobble up accounts (and other agencies) can the mid-sized agency find a middle ground?

McKinney

It's a fair question, considering the peculiarly American notion that bigger and bigger means better and better. Just look at a newspaper: GM and Toyota plan a joint venture, U.S. Steel buys national Steel, Texaco swallows Getty.

But advertising isn't like those businesses. Especially when your goal is to create exceptional advertising. Let's face it, exceptional advertising doesn't come from achieving economies of scale. No robot will ever make you cry, or try, or buy. Great advertising just doesn't roll off assembly lines.

The trouble with giant agencies is that they inevitably become a mirror image of the giant advertisers they serve. In the agency that means the emergence of a creative review board, hard-packed layers of approval, and a mentality necessarily dedicated to "play-it-safe." The best work doesn't survive.

When creativity and craftsmanship are the essential ingredients, it's the individual or a small group of individuals that has always done the best job. It was true in Michelangelo's time. And it will be true five hundred years from now.

In the agency business there is one place where that realization is still alive and well. The mid-sized agency. The best of them have the needed talent, the ever-present will to take risks and a structure that sees to it that the best work gets out the door.

Will they survive? They will as long as they provide an alternative to the kind of advertising offered by the giants.

Charles C. McKinney
Chairman, McKinney Silver & Rockett
Raleigh, N.C.

Gross income of $5,000,000 to $15,000,000

those of subsidiary KPR Infor/Media Corp.

In 1983, the agency gained Janssen-Canada, Miles Laboratories, GTE Telenet, Pfipharmecs, American Diabetes Assn.

Billings breakdown: magazines 58%, direct mail 22%, other 20%.

The agency has 140 employes, the same number as a year ago. Top exec: John Kallir, president.

Phone: (212) 878-3700.

Keyes Martin

Gross Income	1983	1982
U.S.	$5,090,000	$4,985,000
Total	$5,090,000	$4,985,000

Keyes Martin, Springfield, N.J., reported gross income of $5,090,000 in 1983 on billings of $30,114,000. In 1982, it reported gross income of $4,985,000 on billings of $29,296,000.

The agency's 1983 volume consisted of $17,435,000 in media, $1,500,000 in materials and services and $11,179,000 in capitalized fees. Its 1982 volume consisted of $17,350,000 in media, $1,510,000 in materials and services and $10,436,000 in capitalized fees.

The agency results include U.S. subsidiaries:

- Public Affairs Consultants
- Anngus Communications
- Keyes Martin & Gaby

In 1982, the agency gained American Woman Figure Salons, Walter Bauman Jewelers, Benzel Busch Motor Car, Canadian Fur Trappers, Gibraltar Securities, Mutual Benefit Financial Group, Scanticon-Princeton, Seton Hall University and Grand Masters of Tennis.

It lost DMC Corp., New Jersey Devils and United Jersey Bank.

Billings breakdown: Newspapers 19%, magazines 13%, radio 11%, spot tv 12%, cable tv 1%, outdoor 1%, business papers 6%, transit advertising 1%, point of sale 3%, direct mail 3%, other 30%.

The agency has 80 employes in two offices. A year ago it had 90 employes in two offices.

Top execs: Daniel M. Gaby, president; Leonard Brown, exec vp; John Carlino, Jerry Nussbaum, Jack Tucker, senior vps.

Phone: (201) 376-7300.

Klemtner Advertising

Gross Income	1983	1982
U.S.	$5,800,000	$4,600,000
Total	$5,800,000	$4,600,000

Klemtner Advertising, New York, reported gross income of $5,800,000 in 1983 on billings of $41,000,000. In 1982, it reported gross income of $4,600,000 on billings of $34,500,000.

The agency's 1983 volume consisted of $13,500,000 in media, $3,150,000 in materials and services and $24,350,000 in capitalized fees. Its 1982 volume consisted of $12,120,000 in media, $2,870,000 in materials and services and $19,510,000 in capitalized fees. Included in the agency's figures are the billings and income of a subsidiary, Comtact Corp.

In 1983, the agency gained Thompson Medical and additional products from Ayerst Laboratories.

It lost no accounts.

Billings breakdown: Magazines 2%, cable tv 2%, business papers 50%, direct mail 10%, other 36%.

The agency has 85 employes. Top execs: Albert P. Molinaro Jr., chairman; J.A. Broomhead, G.A. Scotti, R.J. Conlan, exec vps.

Phone: (212) 350-0400.

Kobs & Brady Advertising

Gross Income	1983	1982
U.S.	$6,593,571	$3,780,627
Total	$6,593,571	$3,780,627

Kobs & Brady Advertising, Chicago, reported gross income of $6,593,571 in 1983 on billings of $44,311,891. In 1982, it reported gross income of $3,780,627 on billings of $25,867,081.

The agency's 1983 volume consisted of $4,944,855 in media, $2,025,428 in materials and services and $37,341,608 in capitalized fees. Its 1982 volume consisted of $2,445,324 in media, $1,666,878 in materials and services and $21,754,879 in capitalized fees.

Included in the agency's figures are the billings and income of its New York office of the same name.

In 1983, the agency gained American Bar Assn., AT&T Consumer Products, Chase Manhattan Bank, Deluxe Computer Forms, 800 Spirits, Informatics General, Nestle Co. and Prudential Insurance.

It resigned Demco and 3M Direct Response Marketing.

Billings breakdown: Newspapers 4.7%, magazines 26.6%, supplements 1.4%, radio 7.2%, spot tv 13.1%, cable tv 2.1%, business papers 4.9%, direct mail 40%.

The agency has 101 employes in two offices. A year ago it had 75 employes in two offices. Top execs: Jim Kobs, president; Tom Brady, Bill Gregory, senior vps.

Phone: (312) 944-3500.

Kornhauser & Calene

Gross Income	1983	1982
U.S.	$14,273,000	$11,100,000
Total	$14,273,000	$11,100,000

Kornhauser & Calene, New York, reported gross income of $14,273,000 in 1983 on billings of $150,072,000. In 1982, it reported gross income of $11,100,000 on billings of $95,484,800.

The agency's 1983 volume consisted of $137,198,900 in media and $12,873,100 in capitalized fees. Its 1982 volume consisted of $92,484,800 in media and $3,000,000 in capitalized fees.

Included in the agency's figures are the billings and income of the following U.S. subsidiaries: Kornhauser & Calene International, Gerry Freeman/Kornhauser & Calene, Hall Decker McKibbin, Kornhauser & Calene West.

In 1983, the agency gained Oscar de la Renta, Kayser Roth men's apparel, Cone Mills Marketing Co., *American Health*, National Westminster Bank/USA, and *Frequent Flyer OAG* subsidiary, Dun & Bradstreet.

It lost Purepac and Laird Inc.

Billings breakdown: Newspapers 3%, magazines 10%, supplements 2%, radio 14%, network tv 60%, spot tv 7%, business papers 4%.

The agency has 182 employes in four offices. A year ago it had 159 employes in three offices. Top execs: Henry Kornhauser, chairman-ceo; John Calene, president; Richard L. Matthews, exec vp, vice-chairman; Robert L. Wise, exec vp-chief financial officer; Michael Cotter, Mark S. Rothman, Stanley M. Turk, Alan Yarnoff, exec vps.

Phone: (212) 490-1313.

Lavey/Wolff/Swift

Gross Income	1983	1982
U.S.	$6,350,000	$5,300,000
Total	$6,350,000	$5,300,000

Lavey/Wolff/Swift, New York, part of BBDO International, reported gross income of $6,350,000 in 1983 on billings of $42,350,000. In 1982, it reported gross income of $5,300,000 on billings of $36,000,000.

The agency's volume for both years was all in capitalized fees.

The agency's figures include billings and income of its U.S. subsidiary Health Education Technologies.

The agency gained Intec, Bausch & Lomb, Metpath, Braintree Laboratories, and additional assignments from Winthrop, Mentholatum.

It lost no accounts.

Billings breakdown: Magazines 50%, point of sale 5%, direct mail 5%, other 40%.

The agency has 105 employes in four offices, including 90 in three U.S. offices. A year ago it had 95 employes in four offices, including 83 in three U.S. offices.

Top execs: John F. Swift, president-ceo; Kenneth H. Lavey, chairman; Charles A. Rockefeller, exec vp; Robert Levine, Peter Belliveau, Ronald Furedi, Joseph Noel, Jeremy Lee and Miriam Goldstein, senior vps.

Phone: (212) 593-3630.

Lawler Ballard

Gross Income	1983	1982
U.S.	$5,280,000	$4,098,000
Total	$5,280,000	$4,098,000

Lawler Ballard Advertising, Norfolk, Va., reported estimated gross income of $5,280,000 in 1983 on billings of $35,200,000. In 1982, it reported gross income of $4,098,000 on billings of $27,320,000.

The agency did not provide volume figures for 1983 or 1982.

Billings breakdown: Newspapers 26%, magazines 6%, radio 21%, spot tv 33%, outdoor 4%, business papers 10%.

The agency has 125 employes in four offices. A year ago it had 101 employes in four offices. Top execs: B.R. Lawler, president; J.D. Ballard, exec vp.

Phone: (804) 627-0261.

Al Paul Lefton Co.

Gross Income	1983	1982
U.S.	$9,000,000	$8,900,000
International	200,000	250,000
Total	$9,200,000	$9,150,000

Al Paul Lefton Co., New York, reported gross income of $9,200,000 in 1983 on billings of $61,330,000. In 1982, it reported gross income of $9,150,000 on billings of $61,000,000.

The agency's 1983 U.S. volume of $60,000,000 was all in media. Its 1982 U.S. volume of $59,330,000 was all in media.

The agency's 1983 overseas volume was $1,330,000, all in media. Its 1982 foreign volume of $1,670,000 was all in media.

In 1983, the agency gained Swissair's direct marketing division, RCA's blank video tape, Pitney Bowes Credit Corp., Alfin Fragrances, Abbott Systems, Saul, Ewing, Remick & Saul.

It lost Beneficial Management Corp., Michelin Tire Corp.

Billings breakdown: Newspapers 9%, magazines 13%, supplements 1%, radio 14%, network tv 22%, spot tv 18%, cable tv 1%, business papers 12%, farm publications 4%, transit advertising 1%, direct mail 3%, other 2%.

The agency has 165 employes in two offices; a year ago it had 186 employes in two offices. Top execs: Al Paul Lefton Jr., president-ceo; Grayson F. Lathrop, chairman; James W. North, exec vp; Norman Lewis, vp.

Phone: (212) 867-5100.

Levine, Huntley, Schmidt & Beaver

Gross Income	1983	1982
U.S.	$8,467,000	$7,615,000
Total	$8,467,000	$7,615,000

Levine, Huntley, Schmidt & Beaver, New York, reported gross income of $8,467,000 in 1983 on billings of $56,840,000. In 1982, it reported gross income of $7,615,000 on billings of $50,767,000.

The agency's 1983 volume consisted of $44,961,000 in media, $6,650,000 in materials and services and $5,229,000 in capitalized fees. Its 1982 volume consisted of $40,106,000 in media, $4,417,000 in materials and services and $6,244,000 in capitalized fees.

In 1983, the agency gained Acorn Computer Co., Konishiroku Photo Ind. USA, Northeastern International Airways, Southwest Subaru.

It lost Aspen Skiing Co., The Entertainment Channel.

Billings breakdown: Newspapers 5%, magazines 20%, radio 15%, network tv 10%, spot tv 40%, cable tv 2%, outdoor 1%, business papers 5%, transit advertising 2%.

The agency has 98 employes in two offices; a year ago it had 91 employes. Top execs: Harold Levine, chairman-ceo; Robert Schmidt, president-chief

PORTFOLIO: Agency of the Year candidate

Needham, Harper & Steers

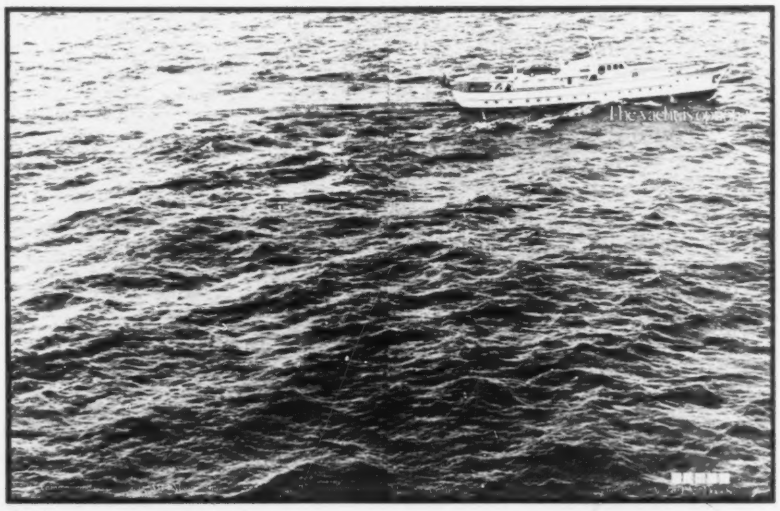
Needham, Harper & Steers, with 1983 billings of $632 million, continues to "break the pattern," in a creative sense, finding unique solutions to consistent advertising problems.

From the Chicago office comes the continuing campaign for Anheuser-Busch's Budweiser Light. Last year brought several new commercials, including a spot about boxers and another featuring figure skaters. Delving deep inside the minds of the athletes, the commercials work as short stories depicting the trials and triumphs of individuals striving toward their goals. The stories are symbolic of the campaign's theme line, "Bring out your best."

For Xerox Corp.'s business machines, Needham's New York office uses infants as a metaphor for "infant copiers." Placing an actor in a hospital nursery, the spot illustrates how copiers continue to grow in sophistication. Using straightforward writing and delivery, and the right sprinkling of wit, the commercial attempts to humanize Xerox and its products. According to the agency, tracking studies show marked perception changes in the attitudes of the target audience.

On the West Coast, NH&S continually has created outstanding advertising for American Honda Motor Co. In addition to dramatic tv commercials, one magazine ad stands out. "The yacht is optional," attracted great attention because of its unusual composition, which minimized the auto for maximum effectiveness.

And in response to Chicago-generated "Big Boys" campaign for General Mills' Wheaties, letters from consumers poured in to the client praising the "hunks" in the campaign. Rugged looking male stars, combined with a socko musical theme and a drop of milk clinging to the lip of a burly baseball player translate into powerful and popular advertising.



Honda

General Mills' Wheaties

Budweiser Light

operating officer; Allan Beaver, exec vp.

Phone: (212) 557-0900.

Long, Haymes & Carr

Gross Income	1983	1982
U.S.	$5,230,000	$4,025,000
Total	$5,230,000	$4,025,000

Long, Haymes & Carr, Winston-Salem, N.C., reported gross income of $5,230,000 in 1983 on billings of $34,900,000. In 1982, it reported gross income of $4,025,000 on billings of $26,850,000.

The agency's 1983 volume consisted of $22,200,000 in media, $5,800,000 in materials and services and $6,900,000 in capitalized fees. Its 1982 volume consisted of $15,650,000 in media, $5,700,000 in materials and services and $5,500,000 in capitalized fees.

The agency reported no accounts gained or lost in 1983.

Billings breakdown: Newspapers 20%, magazines 12%, supplements 1%, radio 3%, network tv 16%, spot tv 14%, outdoor 1%, business papers 7%, sale promotions 19%, direct mail 3%, other 4%. The agency has 98 employes in one office. A year ago it had 80 employes.

Top execs: Curtis E. Long, chairman; Joseph A. Haymes Jr., president; Austin H. Carr, senior exec vp; Donald N. Adams, Loren L. Chamberlain, Robert E. Fly, Dennis A. Schmidt, exec vps; Robert S. Fellows, Erling S. Tronnes, senior vps.

Phone: (919) 765-3630.

Lord, Geller, Federico, Einstein

Gross Income	1983	1982
U.S.	$14,406,308	$8,761,989
Total	$14,406,308	$8,761,989

Lord, Geller, Federico, Einstein, New York, a subsidiary of JWT Group, reported gross income of $14,406,308 in 1983 on billings of $102,180,455. In 1982, it reported gross income of $8,761,989 on billings of $66,047,542.

The agency's 1983 U.S. volume consisted of $79,245,118 in media, $10,879,992 in materials and services and $12,055,345 in capitalized fees. Its 1982 U.S. volume consisted of $45,390,012 in media, $7,085,321 in materials and services and $13,572,209 in capitalized fees.

In 1983, the agency gained IBM World Trade Americas/Far East Corp., Anne Klein II, Hilton International Co.-Europe, Fuji Photo Film U.S.A.'s magnetic products division, New York Stock Exchange, IBM corporate tv, Bamberger's special tv project.

It lost Avon Books, Corning Designs, Great Bear Spring Co., Black, Starr & Frost.

Billings breakdown: Newspapers 9%, magazines 22%, radio 8%, network tv 33%, spot tv 22%, outdoor 3%, business papers 1%, transit advertising 1%, other 1%.

The agency has 198 employes in two offices. A year ago it had 137 employes in one office. Top execs: Richard J. Lord, president; Norman Geller, Gene Federico, Arthur W. Einstein Jr., Edward D. Yaconetti, exec vps.

Phone: (212) 421-6050.

Lorsch Group

Gross income	1983	1982
U.S.	$6,300,000	$5,700,000
Total	$6,300,000	$5,700,000

Lorsch Group, Los Angeles, had estimated gross income of $6,300,000 in 1983 on billings of $42,000,000. In 1982, the agency had estimated gross income of $5,700,000 on billings of $36,000,000.

The agency's 1983 volume consisted of $26,000,000 in media and $16,000,000 in materials and services. Its 1982 volume consisted of $20,000,000 in media and $16,000,000 in materials and services.

In 1983, the agency gained Ajax Rent-A-Car, Microsoft, Regent Air, Caesars Tahoe and Club Universe.

It lost Rodeway Inns.

Billings breakdown: Newspapers 30%, magazines 20%, supplements 10%, radio 10%, spot tv 5%, point of sale 5%, direct mail 10%, other 10%.

It has 32 employes. Top execs: Robert H. Lorsch, president-ceo; Mark Schwartz, exec vp; Keith Taylor, chief financial officer; K.J. Laessig, vp-account services; Dolorie Thurner, vp, Bob Lorsch & Friends subsidiary.

Phone: (213) 856-0808.

Mandabach & Simms

Gross Income	1983	1982
U.S.	$6,875,700	$5,385,450
Total	$6,875,700	$5,385,450

Mandabach & Simms, Chicago, had estimated gross income of $6,875,700 in 1983 on billings of $45,838,000. In 1982, its estimated gross income was $5,385,450 on billings of $35,903,000.

The agency did not break out its volume.

Included in the agency's figures are billings and income of its U.S. subsidiaries:

- Mandabach & Simms/Pacific
- Mandabach & Simms/Currier.

In 1982, the agency gained Del Monte Frozen Foods, Zartic, Komori America, Citicorp, Beatrice Foods, Computer Classroom, Grieve Corp., Woodward & Lothrop, PYA/Monarch, McCormick & Co., Champale, Alta Bates and Laurel Grove Hospital. It lost French Hospital, Chef Francisco, Butterfield Farms, Royal Business Machines, Pacific Roller Die and Warren Rupp Co. Overseas, the agency gained Arieli Computers.

No billings breakdown was provided. The agency has 118 employes in four offices. A year ago it had 104 employes in three offices.

Top execs: Irwin Simms, president-ceo; Paul Mandabach, chairman.

Phone: (312) 236-5333.

William Douglas McAdams Inc.

Gross Income	1983	1982
U.S.	$9,100,000	$8,258,000
Total	$9,100,000	$8,258,000

William Douglas McAdams Inc., New York, reported gross income of $9,100,000 in 1983 on billings of $61,200,000. In 1982, it reported gross income of $8,258,000 on billings of $55,509,000.

Its 1983 volume consisted of $35,871,000 in media, $12,597,000 in materials and services and $12,732,000 in capitalized fees. Its 1982 volume consisted of $38,271,000 in media, $8,500,000 in materials and services and $8,738,000 in capitalized fees. In 1983, the agency gained American Critical Care (division of American Hospital Supply Corp.), Janssen Pharmaceutical Inc., Schering Corp., Shaklee Corp. It lost Cardiac Resuscitator Corp.

Billings breakdown: Magazines 74%, direct mail 17.9%, other 8.1%.

The agency has 165 employes, a year ago it had 161. Top execs: Irwin C. Gerson, president; William M. Wolf, exec vp; Anthony J. D'Onofrio, Joseph Carobene, Eugene Fine, Howard Mandelbaum, Ron Vignone, Victor Trasoff, Tom Haynes, Walter Scott, Claire Anderley, senior vps.

Phone: (212) 759-6300.

McKinney Inc.

Gross Income	1983	1982
U.S.	$5,175,458	$5,562,500
Total	$5,175,458	$5,562,500

McKinney Inc., Philadelphia, reported gross income of $5,175,458 in 1983 on billings of $38,123,000. In 1982, it reported gross income of $5,562,500 on billings of $40,955,000.

The agency's 1983 volume consisted of $8,860,000 in media, $3,700,000 in materials and services and $25,563,000 in capitalized fees. Its 1982 U.S. volume of $40,955,000 consisted of $8,675,000 in media, $3,843,000 in materials and services and $28,437,000 in capitalized fees.

In 1983, the agency gained FMC Corp.'s food and pharmaceutical division, GAI Tronics, Gould systems protection division, OKI Advanced Communications, Euclid Inc., Inconix, International Electronics, Pathway Designs, Krueger Mfg., Magnetrol International, Efcor, Flopetrol Johnston, Soltex Polymer, Gulf Printing and Schlumberger (special projects).

It lost Gould industrial controls division, Sun Ship, Ohio Desk, Antenna Specialists, Electra, Goodman Equipment, NL Industries, Taylor Bonney International.

Billings breakdown: Newspapers 5%, magazines 2%, radio 1%, outdoor 1%, business papers 81%, direct mail 8%, other 2%.

The agency has 114 employes in five offices. A year ago it had 122 employes in six offices.

Top execs: Albert W. Emery Jr., president-ceo; Thomas A. Buck, vp; B. Jean Anwyll, president, McKinney/Midatlantic; Joseph Toomey, vp, McKinney/New England; Robert P. Vogel, president, McKinney/Great Lakes; M. Edward Harris, exec vp, McKinney/Gulf Coast; Frank W. Callahan, president, McKinney/Mid America.

Phone: (215) 751-9611.

McKinney Silver & Rockett

Gross Income	1983	1982
U.S.	$8,627,330	$6,588,468
Total	$8,627,330	$6,588,468

McKinney Silver & Rockett, Raleigh, N.C., reported gross income of $8,627,330 in 1983 on billings of $57,518,225. In 1982, it reported gross income of $6,588,468 on billings of $43,924,632.

The agency's 1983 U.S. volume consisted of $47,279,161 in media, $4,856,374 in materials and services and $5,382,690 in capitalized fees. Its 1982 U.S. volume consisted of $36,630,370 in media, $4,276,041 in materials and services and $3,018,221 in capitalized fees.

In 1983, the agency gained Federal National Mortgage Assn., NCNB National Bank (Florida), Benihana of Tokyo. It lost Barnett Banks of Florida.

Billings breakdown: Newspapers 22%, magazines 8%, radio 20%, spot tv 42%, outdoor 4%, business papers 4%.

The agency has 103 employes in one office. A year ago it had 86 employes in one office. Top execs: Charles McKinney, chairman-president; Robert Doherty, Lloyd Jacobs, Michael Winslow, Charles Ashby, Donald Heineman, John Ketchum, senior vps.

Phone: (919) 828-0691.

Medicus Intercon International

Gross Income	1983	1982
U.S.	$6,071,000	$5,480,000
International	7,996,000	6,510,000
Total	$14,067,000	$11,990,000

Medicus Intercon International, New York, a subsidiary of Benton & Bowles, reported gross income of $14,067,000 in 1983 on billings of $123,212,000. In 1982, it reported gross income of $11,990,000 on billings of $106,952,000.

The agency's 1983 U.S. volume of $52,609,000 consisted of $8,777,000 in media, $5,666,000 in materials and services and $38,166,000 in capitalized fees. Its 1982 U.S. volume of $46,511,000 consisted of $9,494,000 in media, $3,621,000 in materials and services and $33,396,000 in capitalized fees.

The agency's 1983 overseas volume of $70,603,000 consisted of $33,733,000 in media, $7,881,000 in materials and services and $28,989,000 in capitalized fees. Its 1982 foreign volume of $60,441,000 consisted of $29,558,000 in media, $6,931,000 in materials and services and $23,952,000 in capitalized fees.

In 1983, the agency gained Squibb International, H.J. Heinz Co. and Digital Equipment Corp.

Overseas, the agency gained Connaught-Novo, Nabisco Brands-Canada; Roussel, Mitsubishi Kasei-Japan; Eli Lilly, Wassermann, Camillo Corvi, Cilag, Rorer Italiana, Sis-Ter-Italy; Glaxo, MSD Frosst Pharma, Nattermann-Germany; Boots Co., Glaxo-England.

Billings breakdown: Business papers 60%, direct mail 10%, other 30%.

The agency has 250 employes in 12 offices, including 100 in two U.S. offices. A year ago it had 250 employes in 11 offices, including 100 in two U.S. offices. Top execs: Lawrence J. Lesser, chairman-ceo; William G. Castagnoli, president-North America; Hartwig Ellmer, president-international; Anthony L. Stayner, exec vp-international; Gary Elman, Wilheim Rall, senior vps.

Phone: (212) 826-0760.

Meldrum & Fewsmith

Gross Income*	1983	1982
U.S.	$8,325,000	$7,275,000
International	825,000	825,000
Total	$9,150,000	$8,100,000

*AA estimate

Meldrum & Fewsmith, Cleveland, had estimated gross income of $9,150,000 on billings of $61,000,000 in 1983 and estimated gross income of $8,100,000 on billings of $54,000,000 in 1982.

The agency had U.S. volume in 1983 of $55,500,000 and overseas volume of $5,500,000, neither of which were broken out. In 1982, its U.S. volume was $48,500,000 and overseas volume $5,500,000.

The agency gained Ameripol division of BF Goodrich, Seco Electronics and Fluid Products Sales divisions of Dana Corp., Furnas Electric Co., McCullough Cartwright Pharmaceutical Co., Standard Federal S&L, Stanley Steemer International and Wilson Business Machines. It lost Davey Tree Co., Diversey Wyandotte Corp., Ductile Iron Pipe Research Assn., the C&I group of General Electric and Jacobsen, a division of Textron.

Media breakdown: Newspapers 5%, magazines 3%, radio 7%, network tv 19%, spot tv 23%, cable tv 1%, outdoor 1%, business papers 22%, farm publicatins 7%, transit advertising 1%, other 11%. The agency employed 155 in three offices in 1983, the same number as in 1982.

Top execs: Arthur E. Earley, chairman; Terrence G.E. Parmelee, president-ceo; Warren J. Eggly, Jeffrey H. Bryden, Robert Iredell, Bruce S. Childers, Chris N. Perry, Richard H. Herrmann, John C. Bryan (Detroit general manager), Thomas E. Butterfield (Chicago general manager), senior vps.

Phone: (216) 241-2141.

Muir Cornelius Moore

Gross Income	1983	1982
U.S.	$10,695,481	$6,164,127
Total	$10,695,481	$6,164,127

Muir Cornelius Moore, New York, reported gross income of $10,695,481 in 1983 on billings of $71,338,858. In 1982, it reported gross income of $6,164,127 on billings of $41,114,727.

The agency's 1983 U.S. volume consisted of $71,338,858 in capitalized fees. Its 1982 U.S. volume consisted of $41,114,727 in capitalized fees.

In 1983, the agency gained Champion International (special projects), Chemical Bank energy and minerals group, Citicorp Remittance Service, Dynamic Control division of Travenol Laboratories, FGIC Corp., General Electric microwave products department, IBM national distribution division, Lederle Laboratories cafe division, Martin-Marietta Aerospace, New York Stock Exchange (sales promotion), Reston Publishing, Telelink and Whatman Labs.

In 1983, the agency lost Timeplex.

Billings breakdown: Newspapers 5%, business papers 30%, point of sale 10%, direct mail 15%, other 40%.

The agency has 180 employes in four offices. A year ago it had 102 employes in two offices.

Top execs: William P. Muir, chairman; James Cornelius, Richard Moore, vice-chairmen; C. Ray Freeman, president.

Phone: (212) 687-4055.

Muller Jordan Weiss

Gross Income	1983	1982
U.S.	$5,626,700	$4,725,861
International	201,800	172,103
Total	$5,825,500	$4,897,964

Muller Jordan Weiss, New York, reported gross income of $5,825,500 in 1983 on billings of $38,542,700. In 1982, it reported gross income of $4,897,964 on billings of $34,413,221.

The agency's 1983 U.S. volume of $36,940,700 consisted of $25,369,000 in media, $5,595,400 in materials and services and $5,976,300 in capitalized fees. Its 1982 U.S. volume of $32,982,863 consisted of $22,484,398 in media, $5,162,465 in materials and services and $5,336,000 in capitalized fees.

The agency's 1983 overseas volume of $1,602,000 and 1982 volume of $1,430,358 was all in media.

In 1983, the agency gained Broadcast Music, Stimorol chewing gum, Imperial Knife Co., Jagermeister Liqueur, Society for Savings.

It lost Economics Laboratories.

Billings breakdown: Newspapers 3%, magazines 18%, radio 12%, network tv 4%, spot tv 35%, outdoor 3%, business papers 14%, farm publications 11%.

The agency has 92 employes in three offices, including 85 in two U.S. offices, the same as a year ago. Top execs: John T. Jordan, chairman-ceo; Jane Maas, president; Frank B. Muller, Andrew M. Weiss, exec vps.

Phone: (212) 399-2700.

Nadler & Larimer

Gross Income	1983	1982
U.S.	$10,740,000	$10,500,000
International	1,620,000	1,500,000
Total	$12,360,000	$12,000,000

Nadler & Larimer, New York, a subsidiary of Mickelberry Corp. which also owns New York agencies Cunningham & Walsh and Laurence, Charles & Free, had estimated gross income of $12,360,000 in 1983 on billings of $82,400,000. In 1982, it had estimated gross income of $12,000,000 on billings of $80,000,000.

The agency does not break out its volume. Of its 1983 volume, $71,600,000 was domestic and $10,800,000 was overseas billings. In 1982, U.S. volume was $70,000,000 and non-U.S. $10,000,000.

In 1983, the agency gained Berlitz Language Schools, Pilgrim Adjustable Rate Fund. It lost CBS Toys.

Overseas, the agency gained: British Telecom International, Charles Wells Brewery Ltd., Royal Life Insurance.

Billings breakdown: Newspapers 15%, magazines 20%, supplements 5%, radio 20%, network tv 10%, spot tv 25%, outdoor 5%.

The agency has 150 employes in two offices, including 125 in one U.S. office. A year ago it had 180 employes in two offices.Top execs: Arch Nadler, chairman; Robert Larimer, president; Irwin Goldberg, David Altman, Robert David, Charles Einach, Herbert Hugel, Gerald Karp, A.A. Landis, Wil-

Gross income of $5,000,000 to $15,000,000

liam Lyons, Eugene Messinger, Melvin Weiss, exec vps; Bruce Bromley, Hal Kurnit, John Landan, Manas Sternschein, Mark Chudnoff, Jack Keane, senior vps.

Phone: (212) 245-7300.

North Castle Partners

Gross Income	1983	1982
U.S.	$5,410,000	$5,153,000
Total	$5,410,000	$5,153,000

North Castle Partners, Greenwich, Conn., reported gross income of $5,410,000 in 1983 on billings of $35,708,000.

In 1982, the agency reported gross income of $5,153,000 on billings of $34,008,000.

The agency's 1983 U.S. volume consisted of $17,280,000 in media, $2,000,000 in materials and services and $16,428,000 in capitalized fees.

Its 1982 U.S. volume consisted of $16,000,000 in media, $2,000,000 in materials and services and $16,008,000 in capitalized fees.

In 1983, the agency gained Ocean Spray Cranberries' citrus division, The Sugar Assn.

It lost Lea & Perrins.

Billings breakdown: Newspapers 5%, magazines 25%, supplements 2%, radio 1%, network tv 20%, spot tv 40%, outdoor 5%, transit advertising 2%.

The agency has 63 employes in one office.

A year ago it had 60 employes. Top execs: William L. Ballard, president; Barrington Boardman, chairman; David M. Mixter, vice-chairman; Robert Lelle, Leonard Ferraguzzi, Lynn A. Rotando, Charles Taney, exec vps.

Phone: (203) 622-1122.

Ohlmeyer Advertising

Gross Income*	1983	1982
U.S.	$12,750,000	$9,000,000
Total	$12,750,000	$9,000,000

*AA estimate

Ohlmeyer Advertising, New York, had estimated gross income of $12,750,000 in 1983 on billings of $85,000,000. In 1982, it had estimated gross income of $9,000,000 on billings of $60,000,000.

The agency's volume for both years was all in media.

Billings breakdown: Newspapers 1%, magazines 6%, supplements 1%, radio 1%, network tv 88%, spot tv 2%, cable tv 1%.

Top execs: Don Ohlmeyer, chairman; Philip Agisim, vice-chairman; Phillip Howort, president-ceo; Lee Pratt, exec vp; Herbert Gruber, Dean Heitler, senior vps.

Phone: (212) 872-9800.

Quinn & Johnson/-BBDO

Gross Income	1983	1982
U.S.	$5,092,921	$5,300,094
Total	$5,092,921	$5,300,094

Quinn & Johnson/BBDO, Boston, a subsidiary of BBDO International, reported gross income of $5,092,921 in 1983 on billings of $33,952,808.

In 1982, it reported gross income of $5,300,094 on billings of $35,333,956.

The agency's 1983 volume consisted of $26,425,220 in media, $5,200,868 in materials and services and 2,326,720 in capitalized fees.

Its 1982 volume consisted of $30,344,400 in media, $2,594,815 in materials and services and $2,394,741 in capitalized fees.

In 1982, the agency gained the Dodge Dealers Assn. in New England, Philadelphia and outstate Pennsylvania.

It lost Star Market and Diamond Crystal Salt.

Billings breakdown: Newspapers 20%, magazines 25%, radio 7%, network television 29%, spot television 18%, outdoor 0.5%, transit advertising 0.5%.

The agency has 100 employes in two offices.

A year ago it had 85 employes in two offices. Top execs: Richard C. Garrison, president; Edwin P. Carboni, exec vp.

Phone: (617) 262-5800.

Richard & Edwards

Gross Income*	1983	1982
U.S.	$9,150,000	$6,375,000
Total	$9,150,000	$6,375,000

*AA estimate

Richard & Edwards, New York, had estimated gross income in 1983 of $9,150,000 on billings of $61,000,000. In 1982, the agency had estimated gross income of $6,375,000 on billings of $42,500,000.

The agency did not break out its volume for either year.

Accounts gained by the agency last year include Matchbox (USA), Siloroptical and Play-Jour.

The agency lost Bodyguard Security Systems.

Media breakdown: Newspapers 2%, magazines 5%, radio 1%, network television 18%, and spot television 74%.

The agency had 26 employes in 1983, the same as in 1982.

Top execs: Richard Schwarzchild, president; Edward Mandell, exec vp; Shelly Hirsch, Steve Kolker, Leonard Leokum, senior vps.

Phone: (212) 557-1600.

Richards Group

Gross Income	1983	1982
U.S.	$5,996,000	$5,150,000
Total	$5,996,000	$5,150,000

The Richards Group, Dallas, reported gross income of $5,996,000 in 1983 on billings of $46,045,000. In 1982, it reported gross income of $5,150,000 on billings of $35,851,000.

The agency's 1983 volume consisted of $8,455,000 in media, $7,402,000 in materials and services and $30,188,000 in capitalized fees. Its 1982 volume consisted of $6,750,000 in media, $6,690,000 in materials and services and $22,411,000 in capitalized fees.

In 1983, the agency gained Southland Dairies Group, CIGNA Healthplan, Pharmacy Practice Group, Potato Chip/Snack Food Assn. and Airdata.

It lost Simtec, Republic Bank Ridglea and First National Bank & Trust of Tulsa.

Billings breakdown: Newspapers 20%, magazines 15%, radio 23%, spot tv 35%, outdoor 5%, transit advertising 1%, direct mail 1%.

The agency has 99 employes in three offices. A year ago it had 90 employes in three offices. Top execs: Stan Richards, Jim McGhee, Brad Todd, principals.

Phone: (214) 987-2700.

Richardson, Myers & Donofrio

Gross Income	1983	1982
U.S.	$6,391,370	$6,065,793
Total	$6,391,370	$6,065,793

Richardson, Myers & Donofrio, Baltimore, reported gross income of $6,391,370 in 1983 on billings of $42,608,797. In 1982, it reported gross income of $6,065,793 on billings of $40,389,484.

The agency's 1983 volume consisted of $30,191,244 in media, $7,987,410 in materials and services and $4,430,143 in capitalized fees. Its 1982 volume consisted of $28,867,032 in media, $7,671,108 in materials and services and $3,851,344 in capitalized fees.

In 1983, the agency gained Curtis Paper division of James River Corp., Ad Council Inc.'s International Youth Exchange, Columbia First Federal Savings and Loan Assn., Liberty Trust Co. of Maryland, Clearfield Cheese Co., Fidelity & Deposit Co. of Maryland.

Billings breakdown: Newspapers 21%, magazines 27%, broadcast 51%, outdoor 1%.

The agency has 117 employes in three offices; a year ago it had 114 employes in two offices. Top execs: Hal Donofrio, president; Ruth Adams, Bill Bone, Dick Sands, senior vps; Tyson Janney, exec vp.

Phone: (301) 576-9000.

Rosenfeld, Sirowitz & Lawson

Gross Income	1983	1982
U.S.	$14,835,000	$12,400,000
Total	$14,835,000	$12,400,000

Rosenfeld, Sirowitz & Lawson, New York, reported gross income of $14,835,000 in 1983 on billings of $115,000,000. In 1982, it reported gross income of $12,400,000 on billings of $98,500,000.

The agency's 1983 volume consisted of $81,409,400 in media, $7,603,700 in materials and services and $25,986,900 in capitalized fees. Its 1982 volume consisted of $69,003,600 in media, $6,548,200 in materials and services and $22,948,200 in capitalized fees.

In 1983, the agency gained International Spike's Jobe's fertilizer products, Chase U.S. consumer services, Sharp Electronics typewriters, Block Drug Co. (new products), and Colibri pens (new products).

It lost financial services, Oppenheimer Management Corp.

Billings breakdown: Newspapers 4%, magazines 15%, radio 7%, network tv 17%, spot tv 56%, outdoor 1%.

The agency has 202 employes in two offices. A year ago it had 190 employes in two offices. Top exec: Thomas E. Lawson, president.

Phone: (212) 505-0200.

Rolf Werner Rosenthal

Gross Income	1983	1982
U.S.	$6,948,200	$5,328,638
Total	$6,948,200	$5,328,638

Rolf Werner Rosenthal Inc., New York, reported gross income of $6,948,200 in 1983 on billings of $46,321,339. In 1982, it reported gross income of $5,328,638 on billings of $38,030,206.

The agency's 1983 volume consisted of $15,054,325 in media, $5,401,588 in materials and services and $25,865,426 in capitalized fees. Its 1982 volume consisted of $10,666,724 in media, $3,506,720 in materials and services and $23,856,762 in capitalized fees.

Included in the agency's figures are the billings and income from its U.S. subsidiary World Health Communications.

In 1983, the agency gained Chibret International, division of Merck Sharp Dohme International, Connaught Laboratories, Squibb-Connaught, Zeus Diagnostic Product Line, Ligne Roset, Schering Corp., Lederle Laboratories (new products).

It lost Cook-Waite Laboratories, Breon Laboratories and Sandoz Pharmaceuticals.

Billings breakdown: Magazines 72%, direct mail 15%, other 13%.

The agency has 104 employes. A year ago it had 88. Top execs: Rolf W. Rosenthal, president; Charles W. Riegle, exec vp-chief operating officer; Sylvio A. deRouin, Ronald J. Souza, senior vps.

Phone: (212) 684-0909.

Sawdon & Bess

Gross Income	1983	1982
U.S.	$6,750,000	$6,000,000
Total	$6,750,000	$6,000,000

Sawdon & Bess, New York, reported gross income of $6,750,000 in 1983 on billings of $45,000,000. In 1982, it reported gross income of $6,000,000 on billings of $40,000,000.

The agency's 1983 volume consisted of $36,200,000 in media, $6,000,000 in materials and services and $2,800,000 in capitalized fees. Its 1982 volume consisted of $32,320,000 in media, $5,000,000 in materials and services and $2,680,000 in capitalized fees.

In 1983, the agency gained Bokma, Quiet Corner Restaurants, Jeffrey Martin Inc., Lady Foot Locker, Stylco, Shoe Spectrum, Remco Toys, Purolator Automotive Co-op, Enchanted Village Stores.

It lost Pontiac Dealers Assn. of Greater Cleveland.

Billings breakdown: Newspapers 3%, magazines 5%, radio 13%, network tv 4%, spot tv 74%, cable tv 1%.

The agency has 80 employes in two offices; a year ago it had 72 employes in two offices. Top execs: Jerome Bess, chairman, president-ceo; Martin M. Mitchell, exec vp-chief operating officer.

Phone: (212) 751-6660.

Sieber & McIntyre

Gross Income	1983	1982
U.S.	$10,306,850	$8,799,000
International	877,000	571,000
Total	$11,183,850	$9,350,000

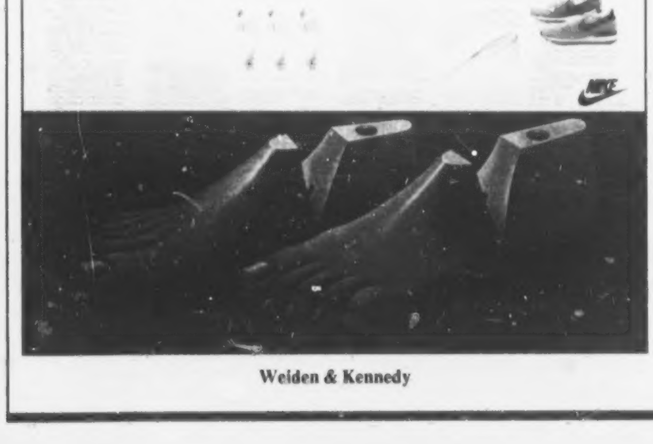
Sieber & McIntyre, Chicago, reported gross income of $11,183,850 in 1983 on billings of $74,150,000. In 1982, it reported gross income of $9,350,000 on billings of $63,180,700.

The agency's 1983 U.S. volume of $68,295,700 consisted of $13,603,320 in media, $6,975,200 in materials and services and $47,717,180 in capitalized fees. Its 1982 U.S. volume of $59,101,365 consisted of $8,916,970 in media, $6,494,655 in materials and services and $43,689,740 in capitalized fees.

The agency's 1983 overseas volume of $5,854,300 consisted of $985,200 in materials and services and $4,869,100

Category profiles: Running shoes

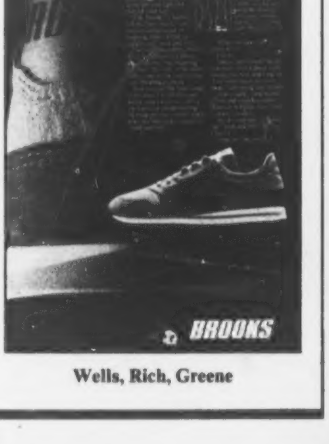
Running as a form of exercise has become a serious hobby for many Americans, and many running shoe ads today reflect the need for scientifically designed footwear, showing how the shoes protect the feet.



Weiden & Kennedy

Runners aren't normal.
new balance

Rizzo, Simmons, Cohn



Wells, Rich, Greene

Gross income of $5,000,000 to $15,000,000

in capitalized fees. Its 1982 foreign volume of $4,079,335 consisted of $710,500 in materials and services and $3,368,835 in capitalized fees.

In 1983, the agency gained MacNeal Memorial Hospital, Boehringer-Ingelheim and E.R. Squibb & Sons USA.

It lost Searle Laboratories.

Overseas, the agency gained Dow Chemical Pacific.

It lost Tokyo Tanabe.

Billings breakdown: Magazines 64.5%, direct mail 14.1%, other 21.4%.

The agency has 174 employes in seven offices, including 160 in two U.S. offices. A year ago it had 166 employes in seven offices, including 155 in two U.S. offices. Top execs: R. Joseph McIntyre, president; Ethelrita Gleeson, Steve Freeman, Patrick McTigue, Fred Fitzsimmons, Dave McCarty, Philip Scibilia, Todd Mahony, Ken March, Ray Taylor, exec vps; Mary Ann McCarthy, John Kashiwabara, Alex Weinerman, Bruno Ruegg, Robert Buckman, senior vps.

Phone: (312) 266-9200.

Silverman Mower

Gross Income	1983	1982
U.S.	$6,201,567	$3,601,025
Total	$6,201,567	$3,601,025

Silverman Mower, Syracuse, N.Y., reported gross income of $6,201,567 in 1983 on billings of $32,083,494. In 1982, it reported gross income of $3,601,025 on billings of $24,306,833.

The agency's 1983 volume consisted of $7,852,833 in media, $6,290,595 in materials and services and $17,940,066 in capitalized fees. Its 1982 volume consisted of $8,284,600 in media, $7,728,876 in materials and services and $8,293,375 in capitalized fees.

In 1983, the agency gained projects, Apple Computer, Bayside Federal, Belleek Ireland, Canandaigua Wines, Chase Manhattan Bank's upstate region, CutCo, Van Doekker's, Steak 'n Shake, Warnaco and Yards & Gardens.

It lost Eagle Affiliates and Grandma Brown's Beans.

Billings breakdown: Newspapers 16%, magazines 4%, radio 13%, spot tv 26%, outdoor 2%, business papers 17%, point of sale 4%, direct mail 14%, other (collateral) 4%.

The agency has 105 employes in two offices. Top execs: Eric A. Mower, president-ceo; Francis T. Nichols, Deborah Subbarao, Joseph Quinn, senior vps.

Phone: (315) 472-4703.

Smith/Greenland

Gross Income	1983	1982
U.S.	$6,006,270	$5,960,000
Total	$6,006,270	$5,960,000

Smith/Greenland, New York, reported gross income of $6,006,270 in 1983 on billings of $40,000,000. In 1982, it reported gross income of $5,960,000 on billings of $39,000,000.

The agency's 1983 U.S. volume consisted of $31,131,000 in media, $4,200,000 in materials and services and $4,669,000 in capitalized fees. Its 1982 U.S. volume consisted of $30,665,000 in media, $4,000,000 in materials and services and $4,335,000 in capitalized fees.

Included in the agency's figures are those of subsidiary Markland Corp.

In 1983, the agency gained Appleton rum.

It lost Frances Denney Inc.

Billings breakdown: Newspapers 15%, magazines 23%, radio 7%, spot tv 44%, direct mail 8%, other 3%.

The agency has 104 employes in one office, the same number it had a year ago. Top execs: Leo Greenland, chairman-ceo; Norman Goluskin, president; Murray Platte, exec vp; Oscar Haffner, Murray Klein, Beryl Seidenberg, Harry Wenthen, senior vps.

Phone: (212) 752-5500.

Spiro & Associates

Gross Income	1983	1982
U.S.	$5,847,600	$5,587,900
Total	$5,847,600	$5,587,900

Spiro & Associates, Philadelphia, reported gross income of $5,847,600 in 1983 on billings of $45,485,000. In 1982, it reported gross income of $5,587,900 on billings of $42,100,000.

The agency's 1983 volume consisted of $14,100,000 in media, $4,810,000 in materials and services and $26,575,000 in capitalized fees. Its 1982 volume consisted of $13,550,000 in media, $4,365,000 in materials and services and $24,185,000 in capitalized fees.

In 1983, the agency gained Eagle's Eye, Baldwin Hardware Mfg., Main Hurdman, The Bourse, Pierce Business Archives, Ocean Club, Super-Green, New America Network, Gourmade, The Sagamore, Dunfey Netherland Plaza, Dunfey Saddleback Inn, Dunfey Park Central, Rabbit Software, Eastern Orthopedic Assn., Woodrow Wilson Rehabilitation Center, Delaware Valley Medical Center, Smith Kline Beckman, Princess Grace Foundation, Wolf, Block, Schorr & Solis-Cohen, National Children's Eye Care Center, Dana Corp., ARA Living Centers, Hay Associates, and the Franklin Mint.

It lost International Airline Passengers Assn.

Billings breakdown: Newspapers 20%, magazines 25%, supplements 1%, radio 16%, spot tv 23%, outdoor 1%, business papers 9%, direct mail 5%.

The agency has 116 employes. A year ago it had 110. Top execs: Walter A. Spiro, chairman-ceo; Norman R. Tissian, president; Nelson M. Fellman Jr., Gerald D. Oakes, exec vps; Cyndy Ciccone, Harry A. Egbert, Martin A. Kramer, Gordon G. Lawrence, H. Robert Lesnick, Edward Shields, Bernice Slosburg, Herbert Smith, Charles Bofinger, senior vps.

Phone: (215) 923-5400.

Stone & Adler

Gross Income	1983	1982
U.S.	$8,430,000	$7,965,000
International	800,000	196,000
Total	$9,230,000	$8,161,000

Stone & Adler, Chicago, reported gross income of $8,430,000 in 1983 on billings of $61,564,000. In 1982, it reported gross income of $7,965,000 on billings of $54,438,000. The agency's 1983 U.S. volume of $55,863,000 consisted of $5,318,000 in materials and services and $50,545,000 in capitalized fees. Its 1982 U.S. volume of $53,128,000 consisted of $3,103,000 in materials and services and $50,025,000 in capitalized fees.

The agency's 1983 overseas volume of $5,701,000 consisted of $819,000 in materials and services and $4,882,000 in capitalized fees. Its 1982 foreign volume of $1,310,000 consisted of $109,000 in materials and services and $1,201,000 in capitalized fees.

In 1982, the agency gained Abbott Laboratories, American Circle, Berkshire Enterprises, Chicago Board of Trade, *Chicago Tribune*, Norwest Caerd Services, Searle Consumer Products, Trans Lux Corp.

It lost Allstate Insurance Co., IBM.

Overseas, the agency gained Camco Inc., TAS Pagette, Rogers Cablesystems (U.S.), Nissen Ltd.

Last year the agency lost no overseas accounts.

Billings breakdown: Newspapers 20%, magazines 27%, supplements 3%, radio 7%, spot tv 8%, direct mail 35%.

The agency has 155 employes in 3 offices. A year ago it had 139 employes in two offices. Top execs: Robert Stone, chairman; Gerald I. Wood, ceo; William R. Booth, senior vp-operations; Russell Richmond, senior vp-director of client services; Fred Schwartz, senior vp-creative group manager; Gary Vest, senior vp-production director; Marshall Barrett, Craig Campbell, Susan Suarez, Barry Kessel, Ed Leiman, vps; David Watson, vp-general manager, Toronto; Jan Allan Steinert, senior vp-general manager, New York; Jim Schmidt, vp-creative director, New York.

Phone: (312) 346-6100.

Howard Swink Advertising

Gross Income	1983	1982
U.S.	$5,382,342	$4,507,077
Total	$5,382,342	$4,507,077

Howard Swink Advertising, Marion, O., reported gross income of $5,382,342 in 1983 on billings of $39,470,138. In 1982, it reported gross income of $4,507,077 on billings of $31,216,206. The agency's 1983 volume consisted of $10,725,482 in media, $5,949,310 in materials and services and $22,795,346 in capitalized fees. Its 1982 volume consisted of $9,711,472 in media, $5,560,139 in materials and services and $15,944,595 in capitalized fees.

In 1983, the agency gained Domino's Pizza, Warner & Swasey, Bendix Machining Center division, Bendix Comausystems, Health One, Kinnear, Sonoco Products Co., Key Homes. It lost Dow Corning.

Billings breakdown: Newspapers 14%, magazines 21%, radio and spot tv 20%, outdoor 3%, business papers 37%, other 5%. The agency has 120 employes in four offices; a year ago it had 100 employes in four offices. Top execs: C.R. Fisher, president-ceo; Blaine E. Gutermuth, chairman; W.W. Kight, president/Columbus; Edmund L. Noonan, senior vp; Robert F Guirlinger, exec vp.

Phone: (614) 387-3310.

Towne, Silverstein, Rotter

Gross Income	1983	1982
U.S.	$6,600,000	$6,000,000
Total	$6,600,000	$6,000,000

Towne, Silverstein, Rotter, New York, reported gross income of $6,600,000 in 1983 on billings of $44,000,000. In 1982, it reported gross income of $6,000,000 on billings of $40,000,000.

The agency did not breakout volume figures for 1983 or 1982.

In 1983, the agency gained Guiding Light Pocket Books, Sandcastle Publications, Sagaz car accessories, Spindex (school supplies and children's dictionaries). It lost no accounts.

Billings breakdown: Newspapers 10%, magazines 10%, radio 10%, network tv 20%, spot tv 40%, outdoor 5%, point of sale 5%. The agency has 56 employes. A year ago it had 55. Top execs: Les Towne, ceo; D.W. Silverstein, president; Steve Rotter, exec director; Michael O'Connell, Binnie Levin, Mike Mulieri, senior vps.

Phone: (212) 557-5570.

Tucker Wayne & Co.

Gross Income	1983	1982
U.S.	$6,923,000	$6,190,000
Total	$6,923,000	$6,190,000

Tucker Wayne & Co., Atlanta, reported gross income of $6,923,000 in 1983 on billings of $48,254,000. In 1982, it reported gross income of $6,190,000 on billings of $43,222,000.

The agency's 1983 volume consisted of $38,579,000 in media, $5,148,450 in materials and services and $4,526,550 in capitalized fees. Its 1982 volume consisted of $35,951,000 in media, $3,759,197 in materials and services and $3,511,803 in capitalized fees.

In 1983, the agency gained Yellow Pages, BellSouth Corp., Stilwell Foods (frozen foods). It lost Seabrook Foods. Billings breakdown: Newspapers 10%, magazines 13%, radio 16%, network tv 2%, spot tv 49%, outdoor 2%, other (trade) 8%.

The agency has 101 employes. A year ago it had 95. Top execs: Matthew Connor, chairman; Knox Massey Jr., president; Sidney L. Smith, Ted Simmons, exec vps; Leslie Parker, William Zuspan, senior vps.

Phone: (404) 522-2383.

Valentine-Radford

Gross Income	1983	1982
U.S.	$5,594,642	$5,378,002
Total	$5,594,642	$5,378,002

Valentine-Radford, Kansas City, Mo., reported gross income of $5,594,642 in 1983 on billings of $40,107,807. In 1982, it reported gross income of $5,378,002 on billings of $37,838,836.

The agency's 1983 volume of $40,107,807 consisted of $21,582,918 in media, $5,675,874 in materials and services and $12,849,015 in capitalized fees. Its 1982 volume of $37,838,836 consisted of $18,022,900 in media, $7,076,990 in materials and services and $12,738,946 in capitalized fees.

In 1982, the agency gained Atchison Leather Products, American Food Service, Bartlett Agri Enterprises, Crown Center Redevelopment, C&C Yachts, Edward D. Jones & Co., Employers Reinsurance Corp., Garst Seed Co., KCTV-TV5.

Billings breakdown: Newspapers 10%, magazines 8%, radio 15%, network tv 1%, spot tv 22%, outdoor 8%, business papers 7%, farm publications 24%, direct mail 5%. The agency has 102 employes in one office; a year ago it had 89 employes. Top execs: G.W. Hawley, chairman, Robert A. Brooks, president; Robert C. Lang, exec vp; Rowena L. Langford, senior vp.

Phone: (816) 842-5021.

Venet Advertising

Gross Income	1983	1982
U.S.	$6,684,000	$5,478,000
Total	$6,684,000	$5,478,000

Venet Advertising, New York, reported gross income of $6,684,800 in 1983 on billings of $44,565,000. In 1982, it reported gross income of $5,478,000 on billings of $39,304,000.

The agency's 1983 volume consisted of $25,001,000 in media, $7,843,400 in materials and services and $11,720,600 in capitalized fees. Its 1982 volume consisted of $22,285,800 in media, $7,220,000 in materials and services and $9,798,200 in capitalized fees.

In 1983, the agency gained Woodbridge Racquet Club, Morgan-Grampian, Moussy, New Jersey Lottery, Tuscan, Paul's Peanuts, Victor's Cookies, Cardinal, Pueblo Xtra (special assignment), Telesphere International, and Finlandia (Atlanta).

It lost no accounts. Billings breakdown: Newspapers 19%, magazines 4%, supplements 6%, radio 17%, network tv 8%, spot tv 43%, cable tv 1%, outdoor 1%, business papers 1%.

The agency has 175 employes in two offices. A year ago it had 150 employes in two offices. Top execs: Zal Venet, chairman-president, New York; George Coscia, president-New Jersey; John Fortune, Dick Byrne, senior vps-New York; Murray Skurnik, exec vp-New York.

Phone: (212) 489-6700.

Weightman Inc.

Gross Income	1983	1982
U.S.	$5,280,000	$4,800,000
Total	$5,280,000	$4,800,000

Weightman Inc., Philadelphia, reported gross income of $5,280,000 in 1983 on billings of $35,200,000. In 1982, it reported gross income of $4,800,000 on billings of $32,000,000.

The agency did not supply a volume breakdown. In 1983, the agency gained Mannington Mills, Wellco Carpets, Shawnee Development, Pine-O-Pine and Academic Technologies.

It lost no accounts.

Billings breakdown: Newspapers 10%, magazines 10%, radio 4%, network tv (including cable) 36%, spot tv 34%, business papers 5%, other 1%.

The agency has 92 employes. A year ago it had 84. Top execs: Charles Coffey, president-ceo; Gordon M. Patrizio, chairman; Dave Jordan, vice-chairman; John Goodchild, exec vp.

Phone: (215) 561-6100.

Waring & LaRosa

Gross Income	1983	1982
U.S.	$11,550,000	$10,950,000
International	450,000	300,000
Total	$12,000,000	$11,250,000

Waring & LaRosa, New York, reported gross income of $12,000,000 in 1983 on billings of $80,000,000. In 1982, it reported gross income of $11,250,000 on billings of $75,000,000. The agency's 1983 U.S. volume of $77,000,000 consisted of $62,100,000 in media, $8,200,000 in materials and services and $6,700,000 in capitalized fees. Its 1982 U.S. volume of $73,000,000 consisted of $58,800,000 in media, $7,800,000 in materials and services and $6,400,000 in capitalized fees.

The agency's overseas volume was $3,000,000 for 1983 and $2,000,000 for 1982. In 1983, the agency gained Erno Laszlo Institute (skin treatment products), Fisher-Price Juvenile Products (children's furniture & accessories), Great Waters of France (Calistoga Water, Oasis Water, Bonne Maman Preserves), S.C. Johnson & Son (special projects), Prince Matchabelli (Aziza Powder Pencil, All Day Performing Cosmetics), Ragu' Foods (Ragu' Chunky Garden Style Spaghetti Sauce and Ragu' Pizza Quick Kit).

It lost AMF Inc. and Julius Wile Sons & Co.

Billing breakdown: Newspapers 4%, magazines 27%, radio 7%, network tv 44%, spot tv 17%, outdoor 1%.

The agency has 135 employes in one office, the same as a year ago.

Top execs: Joe LaRosa, chairman; Saul Waring, president; Mort Grossman, John McCrosky, exec vps; Marty Narva, Larry Weisberg, Irwin Levy, Francesca Blumenthal, Vince Salmieri, Robert Oksner, senior vps.

Phone: (212) 755-0700.

Wyse Advertising

Gross Income	1983	1982
U.S.	$9,386,582	$8,618,044
Total	$9,386,582	$8,618,044

Wyse Advertising, Cleveland, reported gross income of $9,386,582 in 1983 on billings of $68,555,484. In 1982, it reported gross income of $8,618,044 on billings of $64,650,317.

The agency's 1983 volume consisted of $38,232,064 in media, $9,580,898 in materials and services and $20,742,522 in capitalized fees. Its 1982 volume consisted of $34,115,053 in media, $8,548,236 in materials and services and $21,987,028 in capitalized fees. Included in the agency's figures are those of U.S. subsidiaries:

- American Telepages
- Wyse Public Relations.

In 1983, the agency gained Maidenform, First National Supermarkets' Pick-N-Pay and Edwards Food Warehouse divisions, Richman Bros.

It lost Fazio's Supermarkets.

Billings breakdown: Newspapers 11%, magazines 25%, radio 11%, network tv 15%, spot tv 24%, outdoor 2%, other 12%.

The agency has 198 employes in two offices; a year ago it had 190 employes in five offices.Top execs: Marc A. Wyse, chairman; Lois Wyse, president; James B. Rucker, vice-chairman; James E. Kline, president, American Telepages; Robert B. Wyse, president/Wyse Public Relations; Richard A. Voehl, John E. Lippmann, John Shima, James Pockmire, exec vps.

Phone: (216) 696-2424.

Agencies: $1 million to $5 million

Eastern region

Maine
Vt.
N.H.
Mass.
New York
Rhode Island
Conn.
Pennsylvania
New Jersey
Md.
Del.

AMS Advertising, New York, reported gross income of $2,883,382 in 1983 on billings of $15,563,375. In 1982, it reported gross income of $1,797,737 on billings of $11,985,030. Volume in 1983 consisted of $12,502,050 in media, $2,744,500 in materials and services and $316,825 in capitalized fees. In 1982, volume consisted of $9,301,035 in media, $2,450,545 in materials and services and $233,450 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 30%, radio 10%, spot tv 30%, business papers 10%. Employes: 24. Top execs: Stanley Pearlman, president; Donald Aaronson, Donald Turner, exec vps.

Phone: (212) 683-7030.

Ackerman Advertising Communications, Greenvale, N.Y., reported gross income of $1,010,000 in 1983 on billings of $7,257,550. In 1982, it reported gross income of $770,000 on billings of $5,437,300. Volume in 1983 consisted of $4,950,000 in media, $540,000 in materials and services and $1,767,550 in capitalized fees. In 1982, the agency's volume consisted of $3,850,000 in media, $320,000 in materials and services and $1,267,300 in capitalized fees. Accounts gained: Norstar Bank of Long Island, Empress International, Paul's Peanuts, Ocean Packing, Met Food Service, White Rose Foods. Lost: Travelsavers Ltd. Billings breakdown: Newspapers 20%, magazines 5%, supplements 10%, radio 25%, spot tv 20%, cable tv 3%, business papers 5%, point of sale 5%, direct mail 7%. Employes: 23. Top execs: Skip Ackerman, president; Ruth Haltman, senior vp.

Phone: (516) 484-5150.

Ad Agency, New York, reported gross income of $1,341,000 in 1983 on billings of $8,938,331. In 1982, it reported gross income of $1,218,800 on billings of $8,125,755. It did not break down its volume for either year. Billings breakdown: Newspapers 40%, magazines 25%, supplements 10%, spot tv 5%, direct mail 20%. Employes: 4. Top exec: Donald O'Grady, president.

Phone: (212) 581-2000.

Adams, Rickard & Mason, Glastonbury, Conn., reported gross income of $1,135,700 in 1983 on billings of $7,571,700. In 1982, it reported gross income of $972,943 on billings of $6,489,530. Volume in 1983 consisted of $1,810,925 in media, $1,219,588 in materials and services and $4,541,187 in capitalized fees. In 1982, volume consisted of $1,994,800 in media, $1,379,333 in materials and services and $3,115,397 in capitalized fees. Accounts gained: CT Associated Builders & Contractors, American Chemical & Engineering, Day, Berry & Howard, Lydall & Foulds, Pnuemo Precision. Lost: Fairbanks Weighing Division. Billings breakdown: Newspapers 5%, magazines 28%, radio 2%, outdoor 1%, business papers 52%, point of sale 2%, other 10%. Employes: 25. Top execs: Frederick C. Adams, ceo; Albert D. Mason, president; Johnathon Rickard, exec vp.

Phone: (203) 659-1311.

Adler, Schwartz, Englewood Cliffs, N.J., reported gross income of $1,008,400 in 1983 on billings of $6,535,616. In 1982, it reported gross income of $987,721 on billings of $6,491,502. Volume in 1983 consisted of $326,400 in media, $508,700 in materials and services and $5,700,516 in capitalized fees. In 1982, volume consisted of $378,700 in media, $492,340 in materials and services and $5,620,452 in capitalized fees. Accounts gained: Burmah-Castrol motor oils & lubricants (special projects), NYNEX Mobil Communications Co., Henry Bros. Electronics, Essex Specialty Foods, New York Cellular Radio Products (project). Lost: Finnfoods. Billings breakdown: Newspapers 10%, business papers 40%, other 50%. Employes: 18. Top execs: Richard Schwartz, president; Peter Adler, exec vp; Laura Eisenman, vp.

Phone: (201) 461-8450.

Griffin Bacal Inc., New York, reported gross income of $4,215,000 in 1983 on billings of $28,100,000. In 1982, it reported gross income of $3,120,000 on billings of $20,800,000. Volume in 1983 consisted of $25,400,000 in media and $2,700,000 in materials and services. In 1982, volume consisted of $18,500,000 in media and $2,300,000 in materials and services. Accounts gained: Vogart Crafts Corp. Billings breakdown: Magazines 4%, network tv 17%, spot tv 79%. Employes: 38. Top execs: Jules Bacal, Arthur Heller, Paul Kurnit.

Phone: (212) 687-2500.

Ballota, Napurano & Co., Springfield, N.J., reported gross income of $1,020,000 in 1983 on billings of $6,730,000. In 1982, it reported gross income of $756,000 on billings of $4,936,000. Volume in 1983 consisted of $4,130,000 in media, $2,600,000 in materials and services. In 1982, volume consisted of $2,900,000 in media, $2,036,000 in materials and services. Accounts gained: *Chemical Processing* magazine, Lincoln (dealers) St. Louis, Celanese Engineering Resins. Lost: Metromedia Telecommunications. Billings breakdown: Newspapers 5%, magazines 55%, radio 20%, spot tv 10%, direct mail 10%. Employes: 18. Top execs: Robert Ballotta, president; Joseph Napurano, exec vp.

Phone: (201) 379-6016.

Baron & Zaretsky, New York, reported gross income of $1,230,000 in 1983 on billings of $8,200,000. In 1982, it reported gross income of $600,000 on billings of $4,000,000. Volume in 1983 consisted of $8,200,000 in media alone. In 1982, volume consisted of $4,000,000, also in media. Accounts gained: Fortunoff, Faema espresso machines, Gold Toe Socks, *Popular Mechanics*. Billings breakdown: Newspapers 40%, magazines 35%, network tv 5%, spot tv 10%, cable tv 5%, other 5%. Employes: 16. Top execs: Kenneth D. Baron, president; Burton Zaretsky, exec vp.

Phone: (212) 677-1747.

Beaumont, Heller & Sperling, Reading, Pa., reported gross income of $1,260,212 in 1983 on billings of $9,761,015. In 1982, it reported gross income of $1,467,450 on billings of $11,016,742. Volume in 1983 consisted of $1,589,249 in media, $1,244,515 in materials and services and $6,927,251 in capitalized fees. In 1982, volume consisted of $2,218,105 in media, $1,491,979 in materials and services and $7,306,658 in capitalized fees. Accounts gained: New Home Federal Savings, Berks Products, Executone Telecommunications. Lost: Bally Case & Cooler, Garland Commercial Industries. Billings breakdown: Newspapers 1%, outdoor 1%, business papers 15%, direct mail 23%, other 60%. Employes: 45. Top execs: Robert D. Beaumont, president; Donald T. Beaumont Jr., senior exec vp; James Buchanan, senior vp.

Phone: (215) 375-4311.

Berenson & Isham, Boston, reported gross income of $1,251,471 and net income of $43,644 in 1983 on billings of $6,104,739. In 1982, it reported gross income of $1,499,016 and net income of $52,465 on billings of $6,813,712. Volume in 1983 consisted of $3,750,693 in media, $729,495 in materials and services and $1,624,551 in capitalized fees. In 1982, volume consisted of $3,699,000 in media, $889,600 in materials and services and $2,225,112 in capitalized fees. Accounts gained: Celltec International Ltd., Doverbrook Estates, Heathdelle Associates, New England Dental Collaborative, Rollert & Sullivan, St. Germaine, Turning Point Software, Wellesley Leasing. Lost: Alpha Business Centers, Federal Research Corp., First Petroleum Corp., Phoenix Concepts. Billings breakdown: Newspapers 35%, magazines 15%, radio 5%, transit 2.5%, point of sale 2.5%, direct mail 35%, other 5%. Employes: 12. Top execs: Paul S. Berenson, president; Carolynn C. Isham, exec vp.

Phone: (617) 423-1120.

Bergelt Advertising, New York, reported gross income of $1,382,000 in 1983 on billings of $9,200,000. In 1982, it reported gross income of $1,277,000 on billings of $8,510,000. Volume in 1983 consisted of $4,100,000 in media, $2,900,000 in materials and services and $2,200,000 in capitalized fees. In 1982, volume consisted of $3,700,000 in media, $2,780,000 in materials and services and $2,030,000 in capitalized fees. Accounts gained: Chem-Fleur International, PPF International unit of Unilever, Hubbard Farms, Hydro Group. Lost: Murray Electronics. Billings breakdown: Newspapers 15%, magazines 13%, radio 5%, spot tv 1%, business papers 10%, farm publications 25%, point of sale 1%, direct mail 10%, other 20%. Employes: 22. Top execs: Edward C. Bergelt, chairman-ceo; John M. Fraioli, exec vp-partner.

Phone: (212) 490-2666.

Edwin Bird Wilson Inc., New York, reported gross income of $3,990,000 in 1983 on billings of $29,151,892. In 1982, it reported gross income of $3,550,000 on billings of $25,008,542. Volume in 1983 consisted of $18,875,602 in media, $4,460,424 in materials and services and $5,815,866 in capitalized fees. In 1982, volume consisted of $16,442,169 in media, $4,291,086 in materials and services and $4,275,287 in capitalized fees. Accounts gained: First Nationwide Savings, J.J. Kenny Co., Safavieh Carpets of Isfahan. Billings breakdown: Newspapers 30%, magazines 35%, radio 5%, spot tv 15%, outdoor 5%, business papers 10%. Employes: 68. Top execs: Delano W. Ladd Jr., chairman; Richard Farrell, president; Hubert Donlon, vice-chairman; Gene Grayson, exec vp.

Phone: (212) 684-5220.

Barry Blau & Partners, Westport, Conn., reported estimated gross income of $3,216,600 in 1983 on billings of $21,444,160. In 1982, it reported gross income of $2,831,400 on billings of $18,876,378. Volume in 1983 consisted of $803,030 in media, $11,381,416 in materials and services and $9,259,714 in capitalized fees. In 1982, volume consisted of $873,650 in media, $9,489,600 in materials and services and $8,513,128 in capitalized fees. Accounts gained: E.F. Hutton & Co. Billings breakdown: Supplements 10%, radio 2%, network tv 3%, direct mail 80%, other 5%. Employes: 42 in two offfices. Top execs: Peter Blau, president; Dennis Eastham, Ronald Friedman, exec vps; Warren Pelton, Edmund Schooler, Mark Goroff, senior vps.

Phone: (203) 227-0020.

Bloom & Gelb, New York, reported gross income of $1,204,968 in 1983 on billings of $8,037,137. In 1982, it reported gross income of $881,719 on billings of $5,881,065. No volume breakout was provided. Accounts gained: *Compute!* Publications, Consumers Union Foundation, James River Traders, The Conference Board. Lost: Ziff-Davis Computer Magazine Group. Billings breakdown: Newspapers 15%, magazines 25%, radio 5%, spot tv 10%, direct mail 45%. Employes: 18. Top execs: Carl P. Bloom, president; Pete Gelb, exec vp.

Phone: (212) 286-0170.

William J. Bologna International, New York, reported gross income of $3,900,000, including $100,000 overseas, in 1983 on billings of $25,400,000, including overseas billings of $670,000. In 1982, it reported gross income of $2,800,000 on billings of $18,100,000, including overseas billings of $167,000. Volume in 1983 consisted of $1,770,000 in media, and $23,000,000 in capitalized fees. In 1982, volume consisted of $1,900,000 in media, and $16,000,000 in capitalized fees. Accounts gained: Sandoz, Acute Care Publishing, Allergy Laboratories of Ohio, Franklin Communications. Lost: None. Billings breakdown: Magazines 35%, cable tv 5%, direct mail 30%, other 30%. Employes: 47 in two offices. Top execs: Bill Bologna, president; Steven Girgenti, exec vp.

Phone: (212) 460-5980.

Lawrence Butner Advertising, New York, reported gross income of $1,653,750 in 1983 on billings of $11,025,000. In 1982, it reported gross income of $1,203,750 on billings of $8,025,000. Volume in 1983 consisted of $9,833,000 in media, $525,000 in materials and services and $667,000 in capitalized fees. In 1982, volume consisted of $7,083,050 in media, $375,000 in materials and services and $566,950 in capitalized fees. Accounts gained: *Tennis* magazine, *American Heritage*, U.S. Capital Corp. Lost: None. Billings breakdown: Newspapers 4%, magazines 1%, radio 30%, network tv 20%, spot tv 20%, cable tv 20%, transit 1%, business papers 2%, direct mail 2%. Employes: 23. Top execs: Lawrence Butner, president; Eleanor Butner, exec vp.

Phone: (212) 682-3200.

Castor Spanish International, New York, reported gross income of $2,250,000 in 1983 on billings of $15,000,000. In 1982, it reported gross income of $1,800,000 on billings of $12,000,000. Volume in 1983 consisted of $13,000,000 in media and $2,000,000 in materials and services. In 1982, volume consisted of $10,500,000 in media and $1,500,000 in materials and services. Accounts gained: Tampax Inc., Michelob-Michelob Light, Coca Cola/USA (Coke, Sprite, Dite Coke, Tab), United Way of America, Helena Rubinstein. Billings breakdown: Newspapers 6%, magazines 15%, radio 20%, network tv 12%, spot tv 30%, outdoor 10%, business papers 2%, transit 3%, point of sale 2%. Employes: 30 in three offices. Top execs: Castor A. Fernandez, president; Arturo A. Andrade, exec vp.

Phone: (212) 719-3808.

Cato Johnson/Y&R Inc., New York, reported gross income of $4,000,000 in 1983 on billings of $26,680,000. In 1982, it reported gross income of $3,799,000 on billings of $25,340,000. Volume in 1983 consisted of $11,877,000 in media, $5,438,000 in materials and services and $9,365,000 in capitalized fees. In 1982, volume consisted of $9,831,000 in media, $5,971,000 in materials and services and $9,538,000 in capitalized fees. Accounts gained: Baccarat, Royal Worcester Spode, Network Mail (Blair Marketing), Jamaica National Investment Program, *Living Anew* magazine, Satcorp Inc. Lost: Xerox Retail Stores, *Frequent Flyer* magazine. Billings breakdown: Newspapers 32%, magazines 26%, radio 5%, network tv 4%, spot tv 1%, cable tv 1%, other 31%. Employes: 65. Top execs: Ace Dalton, president-ceo; D.J. Warner, R.V. Graham, J. Geoghegan, B. Wager, E. Danahy, senior vps.

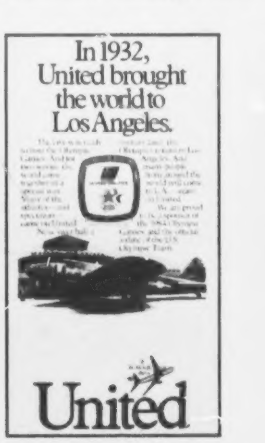
Phone: (212) 210-5595.

Chalk, Nissen, Hanft, New York, reported gross income of $1,945,000 in 1983 on billings of $13,500,000. In 1982, it reported gross income of $2,001,000 on billings of $14,010,000. Volume in 1983 consisted of $9,000,000 in media and $4,500,000 in materials and services. In 1982, volume consisted of $9,340,000 in media and $4,670,000 in materials and services. Accounts gained: *Gentleman's*

Category profiles: Olympics tie-ins

There's hardly a break in the tie-in action as the Olympics Winter Games end and advertisers turn toward the Summer Games in Los Angeles.

D'Arcy MacManus Masius


In 1932, United brought the world to Los Angeles.
United

Leo Burnett Co.

GOLD MEDALISTS

Young & Rubicam/Dentsu

Gross income of $1,000,000 to $5,000,000

Quarterly, *Vogue*, Plum Stores, L&B Contract Furniture, Caressa Shoes, Aqua di Selva and Wall Street men's fragrances, both divisions of the MEM Co. Lost: HBA Furs, Drizzle Coats, Beldoch Popper apparel. Billings breakdown: Newspapers 6%, magazines 25%, supplements 2%, radio 4%, network tv 8%, spot tv 45%, cable tv 6%, business papers 4%. Employes: 18. Top execs: Edwin Hanft, Howard W. Chalk and Joseph Nissen, managing directors; Richard Foley, exec vp.
Phone: (212) 838-5900.

Chester Gore Co., New York, reported gross income of $1,901,122 in 1983 on billings of $13,021,802. In 1982, it reported gross income of $1,685,000 on billings of $11,205,000. Volume in 1983 consisted of $8,676,241 in media, $1,113,399 in materials and services and $3,232,162 in capitalized fees. In 1982, volume consisted of $7,253,094 in media, $1,485,573 in materials and services and $2,466,333 in capitalized fees. Accounts gained: Christian Dior Intimates. Billings breakdown: Newspapers 3%, magazines 69%, network television 26%, business papers 2%. Employes: 24. Top exec: Chester Gore, president.
Phone: (212) 759-6600.

Ted Chin & Co., New York, reported gross income of $1,950,000 in 1983 on billings of $12,770,000. In 1982, it reported gross income of $1,810,000 on billings of $12,220,000. Volume in 1983 consisted of $5,592,000 in media, $875,000 in materials and services and $6,303,000 in capitalized fees. In 1982, volume consisted of $5,407,000 in media, $810,000 in materials and services and $6,003,000 in capitalized fees. Accounts gained: Nabisco Brands (Royal "No Bake" Lemon Meringue Pie Mix), Citizen Watch Co. of America. Lost: None. Billings breakdown: Newspapers 10%, magazines 20%, network television 14%, radio 5%, spot tv 35%, cable television 2%, outdoor 1%, transit 3%, business papers 10%. Employes: 24. Top execs: Ted Chin, president.
Phone: (212) 421-8989.

Clarke Goward Carr & Fitts, Boston, reported gross income of $2,300,000 and net income of $175,000 in 1983 on billings of $15,304,000. The agency did not report figures for 1982. Volume in 1983 consisted of $6,000,000 in media, $1,300,000 in materials and services and $8,004,000 in capitalized fees. Accounts gained: Apollo Computer, The Boston Co., CGX, Control Key Corp., Deckhouse, Eastern Canvas, Harper & Faye, Health Stop, Loomis Sayles & Co., Medi-Tech, Peabody Office Furniture, Price Waterhouse, Quartet Books, Riverside Park, RACAL-Redac (overseas). Lost: Data General, Collonade Hotel. Billings breakdown: Newspapers 15%, magazines 20%, radio 15%, spot tv 25%, outdoor 3%, transit 2%, business papers 20%. Employes: 40. Top execs: Terence M. Clarke, chairman-president; John Goward, Peter Morrissey, James Fitts, vps.
Phone: (617) 536-7611.

Contemporary Marketing, Bala Cynwyd, Pa., reported gross income of $1,200,000 in 1983 on billings of $8,000,000. In 1982, it reported gross income of $975,000 on billings of $8,000,000. The agency did not break down its volume for either year. Accounts gained: Dana Corp.'s Spicer clutch division, A-1 Remanufacturing division, M. Cardone Industries. Lost: None. Billings breakdown: Newspapers 15%, magazines 35%, radio 10%, spot tv 15%, outdoor 1%, business papers 10%, point of sale 4%, other 10%. Employes: 32 in two offices. Top exec: Theodore H. Tromsdorf, president.
Phone: (215) 667-3683.

Cosmopulos, Crowley & Daly, Boston, had estimated gross income of $1,500,000 in 1983 on billings of $10,000,000. In 1982, it had estimated gross income of $600,000 on billings of $4,000,000. Volume for both years was all in media. Accounts gained: Alloy Computer Products, Dataproducts, Data Resources Inc., Eljenn International, JobLine, Joyce Chen Products, Link Telecommunications, Livermore Shoe Co., Value Line and Artists Foundation. Lost: Pixel and Cadmus Computer. Billings breakdown: Newspapers 15%, magazines 20%, supplements 5%, radio 20%, spot tv 10%, outdoor 5%, transit 5%, business papers 10%, point of sale 5%, direct mail 5%. Employes: 29. Top execs: Stavros Cosmopulos, chairman; Robert J. Crowley, exec vp; Harold E. Daly Jr., president.
Phone: (617) 266-5500.

DR Group, New York, had estimated gross income of $2,855,000 in 1983 on billings of $25,554,000. In 1982, it had estimated gross income of $1,709,000 on billings of $20,097,000. Volume in 1983 consisted of $300,000 in media, $6,511,000 in materials and services and $18,743,000 in capitalized fees. In 1982, volume consisted of $269,000 in media, $8,696,000 in materials and services and $11,132,000 in capitalized fees. Accounts gained: Dennison Manufacturing, The Nestle Co. (fund raising) and Wadsworth Professional Software. Lost: Massachusetts Mutual Life Insurance. Billings breakdown: Newspapers 1%, magazines 2%, radio 1%, direct mail 50%, other 46%. Employes: 55 in three offices. Top execs: George J. Zahka, chairman; C. James Schaefer, president; Arthur R. Wilson, exec vp; William S. Stockdale, William C. Allen, Peter F. Rossi, Lawrence K. Carlbon, senior vps.
Phone: (212) 391-8600.

David Deutsch Associates, New York, reported gross income of $3,449,895 in 1983 on billings of $23,000,000. In 1982, it reported gross income of $2,098,933 on billings of $14,000,000. Volume in 1983 consisted of $20,745,300 in media, $828,000 in materials and services and $1,426,700 in capitalized fees. In 1982, volume consisted of $12,620,220 in media, $506,000 in materials and services and $873,780 in capitalized fees. Accounts gained: Ericsson Group, Scholastic Inc., Spontex Inc., Louis Vuitton, Morris Moskowitz. Lost: None. Billings breakdown: Newspapers 5%, magazines 30%, supplements 20%, radio 5%, spot tv 15%, business papers 15%, point of sale 5%, direct mail 5%. Employes: 28. Top execs: David Deutsch, chairman; James J. Aucone, president; Rocco E. Campanelli, vice-chairman; J. Kevin Buckley, senior vp.
Phone: (212) 867-0044.

Dickison & Rakaseder, Westport, Conn., reported gross income of $1,045,000 in 1983 on billings of $6,830,000. No information was provided for 1982. Volume in 1983 consisted of $3,029,000 in media, $559,000 in materials and services and $3,242,000 in capitalized fees. Accounts gained: Connecticut Oldsmobile Marketing Group, Ed Mitchell of Westport Inc., Integrated Financial Software, Pepperidge Farm Thrift Stores, Soundview Plaza and Scott Aquascapes. Billings breakdown: Newspapers 25%, magazines 27%, radio 18%, spot television 11%, outdoor 1%, business papers 18%. Employes: 15. Top execs: Donald L. Dickison, chairman; Ronald S. Rakaseder, president.
Phone: (203) 226-1296.

Dorland & Sweeney, Philadelphia, reported gross income of $1,630,601 in 1983 on billings of $10,796,685. The agency did not report figures for 1982. Volume in 1983 consisted of $283,235 in media, $615,957 in materials and services and $9,897,493 in capitalized fees. Accounts gained: Dow Corning Ophthalmics. Lost: None. Billings breakdown: Newspapers 5%, magazines 20%, direct mail 20%, other 55%. Employes: 35. Top execs: Harry A. Sweeney Jr., president; Dick Jones, Michael Hill, exec vps.
Phone: (215) 625-0111.

Dorritie & Lyons, New York, had an estimated gross income of $4,125,000 in 1983 on billings of $27,500,000. In 1982, it had an estimated gross income of $3,030,000 on billings of $20,200,000. Volume in 1983 consisted of $21,050,000 in media, $2,800,000 in materials and services and $3,650,000 in capitalized fees. In 1982, volume consisted of $16,000,000 in media, $1,800,000 in materials and services and $2,400,000 in capitalized fees. Accounts gained: Smith Kline & French (new product) and Abbott Laboratories. Billings breakdown: Newspapers 1%, magazines 80%, business papers 4%, point of sale 10%, other 5%. Employes: 36. Top execs: John F. Dorritie, president; Albert G. Nickel and Michael J. Lyons, vps.
Phone: (212) 687-9394.

Dugan-Farley Communications Associates, Montvale, N.J., reported gross income of $4,007,577 in 1983 on billings of $26,252,000. In 1982, it reported gross income of $3,367,712 on billings of $22,060,507. Volume in 1983 consisted of $5,009,471 in media, $2,425,639 in materials and services and $18,816,890 in capitalized fees. In 1982, volume consisted of $4,209,640 in media, $2,038,352 in materials and services and $15,812,515 in capitalized fees. The agency did not list accounts gained or lost last year. Billings breakdown: Magazines 65%, direct mail 15%, other 20%. Employes: 30. Top execs: John P. Dugan, president; E. John Farley, exec vp.
Phone: (201) 391-1500.

Ehrlich-Manes & Associates, Bethesda, Md., reported estimated gross income of $4,723,321 in 1983 on billings of $31,488,088. In 1982, it reported gross income of $4,521,075 on billings of $30,140,502. Volume in 1983 consisted of $22,394,946 in media, $2,932,650 in materials and services and $6,160,492 in capitalized fees. In 1982, volume consisted of $20,977,872 in media, $3,073,573 in materials and services and $6,089,057 in capitalized fees. Accounts gained: Beverage Capital Corp., Cardio Diagnostic Center, First Maryland S&L, GTE Spacenet, Lendman Associates, Madison Hotels, Royal Formal & Bridal, Satellite Business Systems, Tesdata Systems, John G. Webster Co. Lost: Booz Allen & Hamilton, Toxigenics Inc., Dairy Food Industries Supply Assn., Mark I. Billings breakdown: Newspapers 19.23%, magazines 8.27%, radio 12.28%, spot tv 15.33%, business papers 15.95%, direct mail 5.98%, other 22.96%. Employes: 65. Top execs: Alvin Q. Ehrlich, chairman; Nella C. Manes, president; Neal Edwards, Charles L. Smith, Sherwin Stein, senior vps.
Phone: (301) 657-1800.

Eisner & Associates, Baltimore, reported gross income of $3,016,450 in 1983 on billings of $20,112,303. In 1982, it reported gross income of $2,128,175 on billings of $13,621,125. Volume in 1983 consisted of $12,987,500 in media, $1,848,000 in materials and services and $5,276,803 in capitalized fees. In 1982, volume consisted of $9,534,000 in media, $1,169,000 in materials and services and $2,918,125 in capitalized fees. Accounts gained: Delmarva Power & Light Co., Horn & Horn Smorgasbords, Capital City, Sutton Landis Shoe Machine Co., Avir Corp., Textrol Corp., Ocean Development Group, John Sims, Cross Keys Antiques, Harbor Exchange, White Coffee Pots Inns. Lost: Town & Country Apartments, Mash's Ham Products. Billings breakdown: Newspapers 24%, magazines 6%, radio 22%, network tv 4%, spot tv 30%, outdoor 3%, business papers 6%, point of sale 3%, direct mail 2%. Employes: 48. Top execs: Henry W. Eisner, chairman; Steven C. Eisner, president; Sidney L. Cohen and Dan Stachurski, senior vps.
Phone: (301) 685-3390.

Ellis Singer Group, Buffalo, N.Y., reported gross income of $1,515,095 in 1983 on billings of $10,101,138. In 1982, it reported gross income of $1,034,765 on billings of $6,898,778. Volume in 1983 consisted of $5,050,569 in media, $2,020,227 in materials and services and $3,030,342 in capitalized fees. In 1982, volume consisted of $3,988,452 in media, $488,539 in materials and services and $2,421,787 in capitalized fees. Accounts gained: AL Tech Specialty Steel, Buffalo Telephone Co., The Erie County Fair, The Buffalo Convention Center, Jewett Refrigeration, McGard Inc., Moog Electronics and Crystal Beach. Billings breakdown: Newspapers 11%, magazines 13%, radio 15%, network, spot and cable tv 20%, outdoor 2%, business papers 15%, point of sale 5%, direct mail 8%, other 11%. Employes: 30. Top execs: Maxwell E. Ellis, chairman; Lawrence H. Singer, president.
Phone: (716) 884-8885.

Emerson Marketing Agency, New York, reported gross income of $1,215,000 in 1983 on billings of $4,125,128 with net income of $267,300. In 1982, it reported gross income of $780,000 on billings of $2,619,915 with net income of $171,600. Volume in 1983 consisted of $425,250 in media, $276,500 in materials and services and $3,423,378 in capitalized fees. In 1982, volume consisted of $234,000 in media, $221,500 in materials and services and $2,164,415 in capitalized fees. Accounts gained: Standard & Poor's Corp., Technical Translations International, Walker Interactive Products. Lost: British American Petroleum, Empire Breeders Inc. Billings breakdown: Newspapers 15%, magazines 10%, supplements 2%, radio 3%, business papers 8%, direct mail 20%, other 42%. Employes: 5. Top exec: Andi Emerson, president.
Phone: (212) 260-5280

Emery Advertising, Hunt Valley, Md., had estimated gross income of $1,950,000 in 1983 on billings of $13,000,000. In 1982, it had estimated gross income of $1,800,000 on billings of $12,000,000. No volume breakout was provided. Accounts gained: Fincor, Maccaferri, Pangborn, Larsen, Brunswick Technetics, C.R.I. Lost: Baltimore Equitable, Fireplus, Manekin. Employes: 34. Top exec: Louis F. Mathai, president.
Phone: (301) 628-6242.

John Emmerling Inc., New York, reported gross income of $1,522,500 in 1983 on billings of $10,150,000. In 1982, it reported gross income of $1,079,400 on billings of $7,100,000. Volume in 1983 consisted of $8,158,600 in media, $734,000 in materials and services and $1,257,400 in capitalized fees. In 1982, volume consisted of $5,707,000 in media, $559,000 in materials and services and $834,000 in capitalized fees. Accounts gained: The Hong Kong & Shanghai Banking Corp., Popular Services Inc., Popular Club Plan. Billings breakdown: Newspapers 4%, magazines 18%, radio 10%, network tv 10%, spot tv 42%, transit 2%, business papers 14%. Employes: 14. Top execs: John Emmerling, chairman; James R. Guthrie, president; Arthur P. Gilmore, exec vp.
Phone: (212) 751-7460.

Ericksen Advertising & Design, New York, reported gross income of $1,250,000 in 1983 on billings of $6,069,500. In 1982, it reported gross income of $980,000 on billings of $5,118,200. Volume in 1983 consisted of $250,000 in media, $150,000 in materials and services and $5,669,500 in capitalized fees. In 1982, volume consisted of $200,000 in media, $50,000 in materials and services and $4,869,100 in capitalized fees. Accounts gained: Artistic Office Supply, Belmay Co.,CBS/Fox Video International, Debette Fashions, King Features Entertainment, Phoenix Films. Lost: None. Billings breakdown: Newspapers 5%, magazines 85%, point of sale 10%. Employes: 12. Top exec: Robert P. Ericksen, president.
Phone: (212) 599-0553.

Fairfax Advertising, New York, reported gross income of $2,535,000 in 1983 on billings of $19,000,000. In 1982, it reported gross income of $1,800,000 on billings of $18,000,000. Volume in 1983 consisted of $14,750,000 in media, $2,750,000 in

Category profiles: Credit cards

The battle for customers, both travelers and stay-at-homes, continues among the three major card companies, Diners Club, American Express and Master Card

You know places to get cash, even in places you don't know.
You've got the Card.

Ogilvy & Mather

Guess who's coming to Diners.

Doyle Dane Bernbach

HIGH PROFILE.

William Esty Co.

Gross income of $1,000,000 to $5,000,000

materials and services and $1,500,000 in capitalized fees. In 1982, volume consisted of $14,750,000 in media, $2,200,000 in materials and services and $1,050,000 in capitalized fees. Accounts gained: Chapelwood Industries, City Island-Boat Yard, College University Directory, Cord Crafts Inc., Direct Marketing Industries, Focus Communications, Georgetown Condominiums, River Terrace Associates, Stone Oaks, Surrey Strathmore. Lost: General Nutrition Corp., Broadway Photo, Buckingham Production, Cadillac-Fairview. Billings breakdown: Newspapers 18%, magazines 40%, supplements 34%, radio 2%, spot tv 2%, outdoor 1%, business papers 1%, farm publications 1%, transit 1%. Employes: 35. Top execs: James W. Fishel, president; Stanley Fishel, chairman.

Phone: (212) 350-1800.

Arthur Falconer Associates, Englewood Cliffs, N.J., had estimated gross income of $1,615,000 in 1983 on billings of $11,000,000. No figures reported for 1982, and no volume breakout was provided for 1983. Billings breakdown: Newspapers 1%, business papers 34%, other 65%. Top execs: Arthur J. Falconer Jr., chairman; Mark B. Falconer, president; D. Gray Weaver, senior vp; Frank Reagan, L. Gilbert Bailey, Carrie Falconer, vp.

Phone: (201) 567-8585.

Thomas G. Ferguson Associates, Parsippany, N.J., reported gross income of $4,315,890 in 1983 on billings of $33,033,442. In 1982, it reported gross income of $3,853,472 on billings of $29,426,902. Volume in 1983 consisted of $1,643,442 in media, $3,376,000 in materials and services and $28,014,000 in capitalized fees. In 1982, volume consisted of $1,400,000 in media, $3,014,402 in materials and services and $25,012,500 in capitalized fees. U.S. subsidiaries: Pro/Com Enterprises; MEDESIGN. Accounts gained: U.S. Surgical Corp., USV Laboratories (Revlon Healthcare D.D.A.V.P.), Warner-Lambert consumer health products division (new product), Bristol-Myers' Xomed Inc. Lost: Bard-Parker. Billings breakdown: Magazines 10%, point of sale 5%, direct mail 10%, other 75%. Employes: 54. Top execs: Thomas G. Ferguson, chairman-president; Thomas D. Atkinson, M. Jean Pankow, senior vps.

Phone: (201) 540-8000.

Fern/Hanaway, Providence, R.I., reported gross income of $1,332,500 in 1983 on billings of $8,887,775. In 1982, it reported gross income of $1,402,500 on billings of $9,355,500. Volume in 1983 consisted of $3,612,565 in media, $4,361,420 in materials and services and $913,790 in capitalized fees. In 1982, volume consisted of $3,802,700 in media, $4,591,400 in materials and services and $961,400 in capitalized fees. Accounts gained: Coppus Engineering. Lost: Edaville RR, G.W. Dahl, The Seasons, Greater Providence & Trust. Billings breakdown: Newspapers 10%, magazines 10%, radio 5%, spot tv 10%, business papers 25%, other 40%. Employes: 38. Top execs: Sanford M. Fern, president; James F. Hanaway Jr., exec vp.

Phone: (401) 421-7202.

Firestone & Associates, New York, reported gross income of $2,891,160 in 1983 on billings of $19,291,350. In 1982, it reported gross income of $2,689,450 on billings of $17,932,470. Volume in 1983 consisted of $11,400,000 in media, $1,855,000 in materials and services and $6,036,350 in capitalized fees. In 1982, volume consisted of $10,600,000 in media, $1,723,000 in materials and services and $5,609,470 in capitalized fees. Billings breakdown: Newspapers 15%, magazines 22%, supplements 2%, radio 7%, network tv 3%, spot tv 42%, business papers 7%, direct mail 2%. Employes: 31. Top exec: Murray Firestone, president.

Phone: (212) 247-4900.

Fisher/Feld, New York, had estimated gross income of $3,660,000 in 1983 on billings of $24,400,000 with non-U.S. income of $900,000. In 1982, it had estimated gross income of $3,445,500 on billings of $22,970,000 with non-U.S. income of $1,000,000. Volume was not broken down. Billings include U.S. subsidiaries Steadman, Sheehan, Meara & Fisher and The Triad Group. Account gained: Lucille Roberts Health Spas. Lost: Spencer Industries, Kuraray Fabrics. Billings breakdown: Newspapers 5%, magazines 15%, radio 15%, spot tv 30%, cable tv 2%, outdoor 2%, network tv 25%, business papers 2%, point of sale 1%, direct mail 3%. Employes: 20 in two offices. Top execs: Joseph K. Fisher, chairman; Daniel J. Feld, president.

Phone: (212) 246-3900.

Franklin Spier, New York, reported gross income of $2,748,000 in 1983 on billings of $18,329,000. In 1982, it reported gross income of $2,772,000 on billings of $18,487,000. Volume in 1983 consisted of $11,130,000 in media, $2,013,000 in materials and services and $5,186,000 in capitalized fees. In 1982, volume consisted of $11,561,000 in media, $2,040,000 in materials and services and $4,886,000 in capitalized fees. Accounts gained: *Sylvia Porter's Personal Finance*, The Garden Book Club, American Booksellers Assn., Writer's Digest Books. Billings breakdown: Newspapers 45%, magazines 20%, radio 12%, network tv 1%, spot tv 3%, cable tv 1%, outdoor 1%, transit 2%, business papers 5%, point of sale 2%, direct mail 3%, other 5%. Employes: 40. Top exec: Lee H. Simmons, president.

Phone: (212) 679-4441.

Franznick & Cusatis Advertising, New York, reported gross income of $1,042,957 in 1983 on billings of $6,292,444. In 1982, it reported gross income of $724,325 on billings of $5,086,339. Volume in 1983 consisted of $2,284,301 in media, $1,462,158 in materials and services and $2,545,985 in capitalized fees. In 1982, volume consisted of $1,904,628 in media, $1,003,256 in materials and services and $2,178,455 in capitalized fees. Accounts gained: R.P. Scherer North America, Chock Full O'Nuts, Solgar Co., *Audio*, Franz Kneissl. Lost: Jack Lenor Larson, Marushka. Billings breakdown: Newspapers 15%, magazines 60%, radio 20%, spot tv 5%. Employes: 14. Top execs: Philip E. Franznick, president, J. Kathleen Cusatis, exec vp.

Phone: (212) 696-4260.

Furman Roth, New York, reported gross income of $1,104,000 in 1983 on billings of $7,378,750. In 1982, it reported gross income of $1,020,000 on billings of $6,805,000. Volume in 1983 consisted of $6,125,000 in media, $420,000 in materials and services and $833,750 in capitalized fees. In 1982, volume consisted of $5,925,000 in media, $360,000 in materials and services and $520,000 in capitalized fees. Accounts gained: Innovation Luggage, Morris County Savings Bank, Bromley tea. Lost: Sloan's Supermarkets. Billings breakdown: Newspapers 10%, magazines 10%, radio 35%, network tv 5%, spot tv 40%. Employes: 24 in two offices. Top execs: Nat Roth, president; Ernie Roth, exec vp.

Phone: (212) 757-7393.

Giardini/Russell, Watertown, Mass., reported gross income of $3,536,897 in 1983 on billings of $25,869,259. In 1982, it reported gross income of $2,399,810 on billings of $16,006,733. Volume in 1983 consisted of $5,597,679 in media, $1,749,890 in materials and services and $18,521,690 in capitalized fees. In 1982, volume consisted of $3,252,749 in media, $1,376,505 in materials and services and $11,377,479 in capitalized fees. Accounts gained: American Optical Safety Products Division, Corporate Software, Faxon Co., Harvard Software, Raichle Molitor USA, Scholastic Inc., Personal Software Divison, Videotel, Wadsworth Electronics Publishing Co. Lost: Computer Task Group, NEC Electronic USA, M/A-Com, Management Decisions Systems, NAP Commercial Electronic Corp. Billings breakdown: Newspapers 5%, magazines 46%, radio 8%, spot tv 10%, outdoor 2%, business papers 28%, direct mail 1%. Employes: 65. Top execs: Robert H. Russell, chairman; Richard L. Warren, president.

Phone: (617) 926-5030.

Gilbert, Whitney & Johns, Whippany, N.J., reported gross income of $2,065,000 in 1983 on billings of $13,750,000. In 1982, it reported gross income of $1,700,000 on billings of $11,333,000. The agency did not break out its volume for either year. Accounts gained: ADT Co., Mepco/Electra, National Starch & Chemical Corp. Lost: Celanese Plastics & Specialties, John Dusenbery Co., George Hantscho Co. & Polychrome Corp. Billings breakdown: Newspapers 12%, magazines 45%, radio 10%, network television 25%, spot television 5%, direct mail 3%. Employes: 37. Top execs: John Daltner, president; John M. Mimnaugh, exec vp-creative director, and Kenneth Van Reekum, exec vp-operations.

Phone: (201) 386-1776.

Daniel Glassman Advertising, Fairfield, N.J., reported gross income of $2,650,900 and net income of $1,866,980 in 1983 on billings of $16,802,073. In 1982, it reported gross income of $1,863,800 and net income of $1,304,660 on billings of $12,487,460. Volume in 1983 consisted of $168,238 in media, and $16,633,835 in capitalized fees. In 1982, volume consisted of $28,740 in media, and $12,458,760 in capitalized fees. Accounts gained: Purepac Generics, Clark-O'Neill Inc., Cliggot Publishing, Cyanamid International. Lost: Edlaw Pharmaceuticals. Billings breakdown: Magazines 7%, direct mail 10%, other 83%. Employes: 54. Top execs: Daniel Glassman, ceo; Sander A. Flaum, exec vp; David H. Hillman, Carl S. Raphael, senior vps; Richard Romanelli, Iris S. Glassman, vps.

Phone: (201) 575-3507.

Gleckler & Spiegel Advertising, New York, reported gross income of $1,050,000 in fiscal 1983 (ended Sept. 30) on billings of $13,677,000. In fiscal 1982, it reported gross income of $540,000 on billings of $6,837,000. Volume in 1983 consisted of $10,500,000 in media, $1,777,000 in materials and services and $1,400,000 in capitalized fees. In 1982, volume consisted of $4,262,000 in media, $1,575,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: Desktop Software Corp., Clairol (additional new products), Parfums De Coeur (additional new products). Lost: None. Billings breakdown: Magazines 15%, network tv 65%, spot tv 15%, cable tv 3%, point of sale 2%. Employes: 12. Top execs: Gayle Gleckler, chairman; Joel R. Spiegel, president.

Phone: (212) 867-3930.

M. L. Grant Inc., New York, had estimated gross income of $1,215,000 in 1983 on billings of $8,100,000. In 1982, it had estimated gross income of $1,110,000 on billings of $7,400,000. The agency did not supply a volume breakdown. Billings breakdown: Newspapers 40%, magazines 15%, radio 10%, spot tv 5%, transit 5%, business papers 20%, direct mail 5%. Employes: 34 in two offices. Top execs: Marvin L. Grant, president; Adam S. Grant, John Caruso, vps.

Phone: (212) 679-9100.

Gray & Rogers, Philadelphia, reported gross income of $3,270,000 in 1983 on billings of $22,600,000. In 1982, it reported gross income of $3,360,000 on billings of $22,400,000. Volume in 1983 consisted of $10,169,000 in media, $4,295,000 in materials and services and $8,136,000 in capitalized fees. In 1982, volume consisted of $10,080,000 in media, $4,256,000 in materials and services and $8,064,000 in capitalized fees. Accounts gained: Borg-Warner Central Environment Systems, Broad Street National Bank, Ewing Cole Cherry Parsky, Fischer & Porter, Greater Philadelphia Cablevision, IU International, Keystone Games, Mutual Assurance, Namolco, Old Course Golf & Country Club in St. Andrews, Scotland, PSC Water Services, Reading Co., SunData Corp. Lost: Chilton Co., Mannington Mills, Wellco Carpet. Billings breakdown: Newspapers 15%, magazines 10%, radio 8%, network tv 5%, spot tv 9%, outdoor 0.5%, business papers 40%, farm publications 5%, direct mail 2%, other 5.5%. Employes: 75 in two offices. Top execs: James W. Finegan, chairman; Robert T. Butler, president.

Phone: (215) 864-6800.

Greengage Associates, New York, reported gross income of $1,812,000 in 1983 on billings of $10,668,000. In 1982, it reported gross income of $1,673,750 on billings of $9,834,500. Volume in 1983 consisted of $8,000,000 in media and $2,668,000 in capitalized fees. In 1982, volume consisted of $7,500,000 in media and $2,334,500 in capitalized fees. Accounts gained: American Broadcasting Co. (special projects). Lost: None. Billings breakdown: Newspapers 28%, magazines 30%, radio 2%, spot tv 29%, cable tv 1%, business papers 5%, point of sale 5%. Employes: 25. Top execs: Richard Ferrelli, president; Reggie Troncone, exec vp.

Phone: (212) 752-8866.

Greenstone & Rabasca Advertising, Melville, N.Y., reported gross income of $2,250,000 in 1983 on billings of $15,000,000. In 1982, it reported gross income of $1,850,000 on billings of $12,300,000. It did not break out its volume in 1983 or 1982. Accounts gained: Avis Rent A Car (trade & collateral), Audiovox car stereos & speakers, Grumman Data Systems. Lost: Orient Overseas Container Lines, Spectra Products. Billings breakdown: Newspapers 25%, magazines 55%, radio 10%, spot tv 5%, cable tv 0.5%, outdoor 0.5%, business papers 4%. Employes: 47. Top execs: Kenneth Rabasca, president; Ronald Greenstone, chairman; Jerry Harmon, Norton B. Leo, exec vps; Howard Kent, senior vp.

Phone: (516) 249-2121.

Herb Gross & Co./Media Corp., Rochester, N.Y., reported projected gross income of $1,130,464 in 1983 on billings of $2,766,973. In 1982, it reported gross income of $799,093 on billings of $1,446,788. Volume in 1983 consisted of $806,838 in media, $35,000 in materials and services and $1,925,135 in capitalized fees. In 1982, volume consisted of $666,861 in media, $18,000 in materials and services and $761,927 in capitalized fees. Accounts gained: Bayles Sleep, Empire Vision, Pinetree Dairy, Rochester Colonial, Shear Ego, State Photo, Monroe Muffler, WBEN Radio, Dental Associates Linprints. Lost: Ruby Gordon. Billings breakdown: Newspapers 5%, radio 30%, spot tv 60%, outdoor 4%, transit 1%. Employes: 7. Top exec: Herb Gross, president.

Phone: (716) 244-3711.

Gross Townsend Frank, New York, had an estimated gross income of $2,625,000 in 1983 on billings of $17,500,000. In 1982, it had an estimated gross income of $2,295,000 on billings of $15,300,000. Accounts gained: Merck Sharp & Dohme, Ames division (unit of Miles Labs), Protocol Computers, Roerig division, Pfizer Inc., SmithKline Clinical Labs. Lost: Albany International, CooperVision IOL. Billings breakdown: Cable tv 5%, business papers 65%, point of sale 5%, direct mail 15%, other 10%. Employes: 40. Top execs: Alan Gross, president; Jane Townsend, David Frank and Ronnie Hoffman, exec vps.

Phone: (212) 475-4040.

Group Two Advertising, Philadelphia, reported gross income of $2,100,000 in 1983 on billings of $13,100,000. In 1982, it reported gross income of $2,000,000 on billings of $12,900,000. The agency did not supply a volume breakdown. Accounts gained: Davielake Estates, Durell Park, Interdevco, Jefferson Bank, Landex Corp., Pilot Air Freight, Port of the Islands, Southwest Management, Villager Townhomes Corp. Lost: Nan Duskin, Altman Realty. Billings breakdown: Newspapers 55%, magazines 10%, radio 15%, spot tv 5%, outdoor 3%, business papers 5%, other 7%. Employes: 50 in two offices. Top execs: Richard Elkman, president-ceo; Ronald Elkman, vp.

Phone: (215) 561-2200.

Hammond Farrell, New York, reported gross income of $2,962,796 in 1983 on billings of $21,928,126. In 1982, it reported gross income of $2,199,766 on billings of $16,262,993. Volume in 1983 consisted of $2,747,469 in media, $1,894,145 in materials and services and $17,286,512 in capitalized fees. In 1982, volume consisted of $2,183,045

Agency Q&A

Q: What new creative techniques will emerge this year?

Answer: I'm assuming you're referring to the broadcast medium rather than print. In print there are no new formula techniques, just outstanding creativity, which seems to set the good apart from the bad.

Olshever

As far as broadcast is concerned, specifically television, I suppose we'll see more computer graphics, continued use of highly stylized visuals, extreme close-ups of food, and lots of music. I wouldn't be surprised if some soft drink company doesn't come up with a concept built around the "break dancing" concept.

That's one of the problems with much of television advertising today. Too much technique—not enough concept. Used to be that it wouldn't enter our minds to try to prognosticate technique.

I know this sounds like a broken record but in the '60s we asked about ideas. The mermaid on the rock eating oatmeal for Quaker Oats, and the Volkswagen commercial—"How does the man who drives the snow plow get to the snow plow?"—were creative solutions based on ideas.

Amazing how those concept-driven commercials still stay with us. Wouldn't it be nice if the creative technique of 1984 would be back to basics?

Leon Olshever
President
Carlson, Liebowitz & Olshever
Los Angeles

Gross income of $1,000,000 to $5,000,000

in media, $1,508,325 in materials and services and $12,571,623 in capitalized fees. Accounts gained: Sumitomo Machinery Corp. of America, Marine Transport Lines. Lost: None. Billings breakdown: Newspapers 5%, radio 5%, spot tv 5%, business papers 75%, other 10%. Employes: 42. Top execs: Hugh J. Farrell, president; James E. Carter, senior vp.

Phone: (212) 696-5710.

Don Hansen Advertising, Westport, Conn., reported gross income of $1,350,000 in 1983 on billings of $9,000,000. In 1982, it reported gross income of $830,000 on billings of $4,800,000. Volume in 1983 consisted of $4,100,000 in media, $3,400,000 in materials and services and $1,500,000 in capitalized fees. In 1982, volume consisted of $1,750,000 in media, $1,103,000 in materials and services and $1,947,000 in capitalized fees. Accounts gained: Abbott Systems, Acme Chain, Acucut, Advanced Office Concepts Corp., AES Savin word processors, American Pump Co., Barden Corp., Barnes Group, Dacon Electronics, Hartford Bearing Co., ITT Grinell Valve Co., Point of View Inc., Prototype & Plastic Mold Co., The Robot People, Taylor Institute, Torrington Co., United Technologies Diesel Systems. Lost. Westico Inc. Billings breakdown not supplied. Employes: 16. Top execs: Donald G. Hansen, president; Paul L. Hopkins, exec vp; Jay M. Moody, vp.

Phone: (203) 227-9567.

Harland, O'Connor, Tine & White, Hartford, Conn., reported gross income of $2,466,259 in 1983 on billings of $16,093,052. The agency did not provide figures for 1982. Volume in 1983 consisted of $3,729,136 in media, $1,062,973 in materials and services and $11,300,943 in capitalized fees. Accounts gained: Royal Business Machines Copier Division, Triumph Adler North America, Chase Telecommunications, Computerease, Raymond Engineering. Lost: Society for Savings, C.H. Dexter Medical Products Division. Billings breakdown: Newspapers 35%, magazines 30%, supplements 3%, radio 17%, spot tv 10%, cable tv 1%, outdoor 1%, business papers 2%, direct mail 1%. Employes: 38. Top execs: William W. White III, chairman; Dave Tine, vice-chairman; Mary O'Connor, president; Susan Harland, exec creative director.

Phone: (203) 246-5451.

Healy-Schutte & Comstock Advertising, Buffalo, N.Y., reported gross income of $3,394,560 in 1983 on billings of $25,150,907. In 1982, it reported gross income of $1,72[illegible],037 on billings of $12,881,657. Volume in 1983 consisted of $6,633,443 in media, $2,790,171 in materials and services and $15,727,293 in capitalized fees. Included in the agency's figures are the financial results of its two subsidiaries, Northrup & Teel, Rochester, N.Y., and the Rath Organization, New York. In 1982, volume consisted of $2,711,103 in media, $1,854,918 in materials and services and $8,315,636 in capitalized fees. Accounts gained: Greene & Kellogg, W.D. Hassett Inc., Innovative Concepts in Entertainment, Computer Systems Center, McDonald's Product Corp. Added through acquisition: Kodak, Dunlop, WYLF-FM, Itnaco Mixing Equipment Co., Kayex-Hamco, J&S Conveyor, Tropel division of GCA, Coherent, Monarch Marketing, Daverman Association, Data Documents, Pitney Bowes, NYS EDC, NYS Electric & Gas, Onandaga Bar, Supreme Equipment, Continental Information Systems, Xerox, Agway, Rochester Products, Robson Seed, Hansen's Lab, NE Bred Alfalfa. Lost: Buffalo Optical. Billings breakdown: Newspapers 13%, magazines 23%, radio 13%, spot tv 25%, cable tv 1%, outdoor 1%, business papers 12%, farm publications 2%, point of sale 5%, direct mail 5%. Employes: 85. Top exec: Alden F. Schutte, president

Phone: (716) 884-2120.

Herman & Rosner Enterprises, New York, reported gross income of $1,615,000 in 1983 on billings of $10,750,000. In 1982, it reported gross income of $1,455,000 on billings of $9,700,000. Volume in 1983 consisted of $10,500,000 in media and $250,000 in materials and services. In 1982, the agency's volume consisted of $9,500,000 in media and $200,000 in materials and services. Accounts gained: Eyelab, Pocket Books, Oppenheimer & Co. Lost: Bandai America, Mettoy. Billings breakdown: Newspapers 15%, magazines 15%, radio 10%, network tv 5%, spot tv 30%, cable tv 5%, outdoor 5%, transit 5%, business papers 5%, point of sale 5%. Employes: 10. Top execs: Harvey Herman, chairman; Charles Rosner, president; Peter H. Reader, senior vp.

Phone: (212) 355-3560.

HMK Advertising, Chestnut Hill, Mass., had estimated gross income of $1,200,000 in 1983 on billings of $8,000,000. In 1982, it had estimated gross income of $975,000 on billings of $6,500,000. Volume in 1983 was all in media. In 1982, volume consisted of $6,500,000 in media. Accounts gained: Vantage Travel and Cable Beach Casino. Billings breakdown: Newspapers 85%, magazines 5%, spot television 2%, point of sale 3%, direct mail 5%. Employes: 22. Top exec: Harvey Karp, president.

Phone: (617) 969-7777.

Homer & Durham Advertising, New York, reported gross income of $2,528,056 in 1983 on billings of $18,250,853. In 1982, it reported gross income of $2,073,461 on billings of $15,727,733. Volume in 1983 consisted of $5,918,639 in media, $1,391,674 in materials and services and $10,940,540 in capitalized fees. In 1982, volume consisted of $6,522,387 in media, $2,484,094 in materials and services and $6,721,252 in capitalized fees. Accounts gained: Carey Transportation, Connecticut Limousine Service, Gray Line Sightseeing Tours, Michael Davis Shipping, Passport International, RIHT Financial Corp., Salen Lindblad Expedition Cruising, CBS Magazines (*World Tennis*). Lost: Globus Gateway Tours. Billings breakdown: Newspapers 13%, magazines 25%, radio 4%, spot tv 7%, business papers 28%, point of sale 14%, direct mail 9%. Employes: 39. Top execs: Tamara K. Homer, president; Guy F. Durham, exec vp.

Phone: (212) 370-9700.

Impact Marketing & Communications, Boston, had estimated gross income of $1,035,000 in 1983 on billings of $6,835,000. In 1982, it had estimated gross income of $650,000 on billings of $4,165,500. Volume in 1983 consisted of $2,000,000 in media, $1,500,000 in materials and services and $3,335,000 in capitalized fees. In 1982, volume consisted of $1,500,000 in media, $1,000,000 in materials and services and $1,665,500 in capitalized fees. Accounts gained: Project Software & Development, Computer Design & Applications, Northeastern University state-of-the-art engineering program. Lost: None. Billings breakdown: Newspapers 20%, magazines 60%, direct mail 20%. Employes: 21. Top execs: Betsyann Duval, president; Robert J. Clawson, exec vp; Dorothy Woglom, vp.

Phone: (617) 262-6250.

InComm Inc., Waterbury, Conn., reported gross income of $1,300,000 in 1983 on billings of $5,269,000. In 1982, it reported gross income of $450,000 on billings of $1,584,000. Volume in 1983 consisted of $200,000 in media, $400,000 in materials and services and $4,669,000 in capitalized fees. In 1982, volume consisted of $50,000 in media, $200,000 in materials and services and $1,334,000 in capitalized fees. Accounts gained: Corbin Cabinet Lock division of Emhart Hardware, Torrington Industrial Commission, Philips Medical Systems' CT & NMR divisions, Emhart Hardware Group Export division, Mark Corp. Lost: None. Billings breakdown: Newspapers 5%, magazines 60%, business papers 5%, direct mail 30%. Employes: 15. Top execs: Alfred S. Pirozzoli, president/creative director.

Phone: (203) 574-1822.

John Paul Itta Inc., New York, reported gross income of 2,873,000 in 1983 on billings of $18,693,000. In 1982, it reported gross income of $2,435,000 on billings of $15,550,000. Volume in 1983 consisted of $12,238,000 in media, $2,613,000 in materials and services and $3,842,000 in capitalized fees. In 1982, volume consisted of $10,642,000 in media, $2,178,000 in materials and services and $2,730,000 in capitalized fees. Accounts gained: Coty Musk for Men, Coty Wild Musk. Lost: Aer Lingus. Billings breakdown: Newspapers 13%, magazines 14%, radio 9%, spot tv 22%, cable tv 3%, outdoor 1%, network tv 32%, transit 1%, business papers 1%, point of sale 2%, direct mail 2%. Employes: 21. Top exec: John Paul Itta, president.

Phone: (212) 541-4460.

Jameson Advertising, New York, reported gross income of $1,902,556 in 1983 on billings of $11,681,535. In 1982, it reported gross income of $1,618,754 on billings of $10,794,393. Volume in 1983 consisted of $4,410,359 in media, $1,334,876 in materials and services and $5,936,300 in capitalized fees. In 1982, volume consisted of $4,235,815 in media, $1,155,878 in materials and services and $5,402,700 in capitalized fees. Accounts gained: *Americana* magazine, *Medcomp* magazine, *Redbook*, *Connoisseur*, *Popular Mechanics*, Sharp Features. Lost: *Prevention*. Billings breakdown: Newspapers 38%, magazines 27%, supplements 4%, radio 9%, business papers 15%, direct mail 7%. Employes: 25. Top execs: Austen E. Ettinger, president; Lloyd E. Miller, exec vp.

Phone: (212) 867-2323.

Jarman, Spitzer & Felix, New York, reported gross income of $2,472,210 in 1983 on billings of $15,100,000. In 1982, it reported gross income of $2,247,464 on billings of $13,766,500. Volume in 1983 consisted of $7,100,000 in media, $4,951,330 in materials and services and $3,048,670 in capitalized fees. In 1982, volume consisted of $5,915,100 in media, $5,050,000 in materials and services and $2,801,400 in capitalized fees. Accounts gained: Tiffen, Copal, Dickinson Immunodiagnostic. Lost: None. Billings breakdown: Newspapers 6%, magazines 3%, radio 3%, business papers 40%, direct mail 20%, other 28%. Employes: 53 in four offices. Top execs: Richard Felix, chairman; John Spitzer, president.

Phone: (212) 661-3322.

Jim Johnston Advertising, New York, reported gross income of $2,426,100 in 1983 on billings of $21,187,767. In 1982, it reported gross income of $2,718,246 on billings of $19,062,537. Volume in 1983 consisted of $16,625,480 in media, $1,204,816 in materials and services and $3,357,471 in capitalized fees. In 1982, volume consisted of $14,825,472 in media, $909,909 in materials and services and $3,327,156 in capitalized fees. Accounts gained: Elderplan Health Maintenance Organization, Metropolitan Jewish Geriatric Center. Lost: None. Billings breakdown: Newspapers 21%, magazines 45%, radio 9%, cable tv 1%, transit 2%, business papers 14%, direct mail 1%, other 7%. Employes: 34. Top execs: J.J. Johnston, chairman-president; Pat Johnston, exec vp, and Howard Gerber, Robert Fox, Peter Gmitro, senior vps.

Phone: (212) 490-2121.

Kalish & Rice, Philadelphia, had estimated gross income of $3,600,000 in 1983 on billings of $24,000,000. In 1982, it had estimated gross income of $3,030,000 on billings of $20,200,000. The agency did not supply a volume breakdown. Accounts gained: American Property Group, Curacao Tourist Board, Philadelphia Stars, Datapro Research Corp., Telebet, Philadelphia Electric Co., Greater Media Cable Television. Lost: None. Billings breakdown: Newspapers 24%, magazines 10%, radio 24%, spot tv 37%, other 5%. Employes: 78. Top execs: Allan S. Kalish, president; Howard M. Rice, Stephen A. Levine, exec vps.

Phone: (215) 299-3800.

Kelly Michener, Valley Forge, Pa., reported gross income of $2,163,544 in 1983 on billings of $18,105,735. In 1982, it reported gross income of $2,446,511 on billings of $17,838,741. Volume in 1983 consisted of $5,382,755 in media, $1,500,965 in materials and services and $11,222,015 in capitalized fees. In 1982, volume consisted of $4,058,204 in media, $2,267,070 in materials and services and $11,513,467 in capitalized fees. Accounts gained: Hanover Shoes, Harrisburg Surgical, Let's Talk Telephones, Monsey Products, Reisman Pretzel, Seltzer Lebanon Bologna, SIS: Sundata, Tolas Corp., UTZ Quality Foods, Vista Scientific. Lost: Matier-Bunt, Woolrich, Ryland Homes. Billings breakdown: Newspapers 21%, magazines 25%, radio 14%, spot tv 16%, outdoor 5%, business papers 15%, direct mail 3%, other 1%. Employes: 45. Top execs: Robert L. Kelly, president; Walter W. Michener, chairman; Kenneth L. Ulsh, Joseph M. Possemato, exec vp.

Phone: (215) 964-0500.

Knudsen Moore Schropfer, Stamford, Conn., reported gross income of $1,395,000 in 1983 on billings of $9,300,000. In 1982, it reported gross income of $1,200,000 on billings of $8,000,000. Volume in 1983 consisted of $8,100,000 in media, $1,000,000 in materials and services and $200,000 in capitalized fees. In 1982, volume con-

sisted of $6,955,000 in media, $870,000 in materials and services and $175,000 in capitalized fees. Account gains and losses were not reported. Billings breakdown: Newspapers 9%, magazines 28%, radio 10%, spot tv 25%, cable tv 2%, outdoor 5%, business papers 12%, point of sale 3%, direct mail 6%. Employes: 29. Top execs: David W. Schropfer, president-ceo; William H. Knudsen, chairman; Lawrence Rabbitt, exec vp; George Morris, Lester Lukkason and Richard Edwards, senior vps.

Phone: (203) 359-9400.

Kolker, Talley, Hermann, New York, reported gross income of $1,025,000 in 1983 on billings of $6,850,000. In 1982, the agency reported gross income of $937,000 on billings of $6,250,000. Volume in both years was all in media. Accounts gained: Sorg Printing, Martin Brothers, Fashion Stores. Lost: Daffy Dan's. Billings breakdown: Newspapers 25%, magazines 20%, radio 25%, spot tv 10%, business papers 10%, direct mail 10%. Top execs: Stanley Kolker, president; Terry Talley, Don Hermann, exec vps.

Phone: (212) 889-7200.

Lally, McFarland & Pantello, New York, reported gross income of $1,834,221 in 1983 on billings of $11,684,020. In 1982, it reported gross income of $1,400,000 on billings of $7,950,677. The agency's 1983 volume consisted of $2,885,042 in media, $1,219,190 in materials and services and $7,579,788 in capitalized fees. Its 1982 U.S. volume consisted of $3,800,000 in media, $500,000 in materials and services and $3,650,677 in capitalized fees. In 1983, the agency gained Theranutrix and Procter & Gamble. It lost no accounts. Billings breakdown: Magazines 40%, point of sale 2%, direct mail 40%, other 18%. The agency has 21 employes. A year ago it had 14 employes. Top execs: Ron Pantello, president; John Lally, Jim McFarland, vps.

Phone: (212) 477-3434.

Launey, Hachmann & Harris, New York, reported gross income of $1,962,137 in 1983 on billings of $13,080,915. In 1982, it reported gross income of $1,447,500 on billings of $9,650,000. Volume in 1983 consisted of $6,120,425 in media, $977,500 in materials and services and $5,982,990 in capitalized fees. In 1982, volume consisted of $5,523,350 in media, $825,000 in materials and services and $3,301,650 in capitalized fees. Accounts gained: Uniroyal Inc., Naugahyde Coated Fabrics, Rafael Men's Inner Fashions, Lacroe Car Care Products, Bundles from Heaven. Billings breakdown: Newspapers 5%, magazines 32%, supplements 12%, radio 7%, spot tv 14%, outdoor 1%, business papers 12%, point of sale 2%, direct mail 15%. Employes: 18. Top exec: Robert E. Launey, president.

Phone: (212) 355-4100.

Lempert Co., Belleville, N.J., reported gross income of $1,450,350 and net income of $31,907 in 1983 on billings of $9,669,950. In 1982, it reported gross income of $1,204,000 and net income of $32,508 on billings of $8,028,440. Volume in 1983 consisted of $4,300,000 in media, $2,135,000 in materials and services and $3,234,950 in capitalized fees. In 1982, volume consisted of $2,500,000 in media, $1,980,000 in materials and services and $3,548,440 in capitalized fees. Accounts gained: FinnFoods Inc., Panda Confectionery, Sandy Mac Ham, Marathon Enterprises, Sunshine Biscuit. Lost: M&M/Mars National Accounts, Musselman's Fruit Products. Billings breakdown: Newspapers 20%, magazines 5%, supplements 20%, radio 5%, spot tv 15%, outdoor 3%, transit 2%, point of sale 25%, direct mail 5%. Employes: 21. Top exec: Philip Lempert, president.

Phone: (201) 759-2927.

Leonard Monahan Saabye, Providence, R.I., reported gross income of $2,202,000 in 1983 on billings of $14,756,000. In 1982, it reported gross income of $1,340,000 on billings of $8,937,000. Volume in 1983 consisted of $3,533,000 in media, $2,315,000 in materials and services and $8,908,000 in capitalized fees. in 1982, the agency's volume consisted of $3,139,000 in media, $1,930,000 in materials and services and $3,868,000 in capitalized fees. Figures include those of U.S. subsidiary LMS/Barrett Public Relations. Accounts gained: Reliance Products, Parks, Gerber Nursing Systems, J-Boats, Tarquins Colibri. Lost: Franklin Sports, Manufacturers Jewelers & Silversmiths of America, Davol, former Providence YMCA. Billings breakdown: Newspapers 18%, magazines 25%, radio 10%, spot tv 23%, cable tv 2%, business papers 20%, point of sale 1%, direct mail 1%. Employes: 51. Top execs: Bruce Leonard, president; Tom Monahan, Bob Saabye, exec vps; Ernie Schenck, Bob Pagano, senior vps; Pattie Garrahy, vp.

Phone: (401) 277-9020.

S.R. Leon Co., Great Neck, N.Y., reported gross income of $2,200,000 in 1983 on billings of $14,295,000. In 1982, it reported gross income of $2,300,000 on billings of $14,600,000. Volume in 1983 consisted of $10,100,000 in media, $195,000 in materials and services and $4,000,000 in capitalized fees. In 1982, volume consisted of $10,300,000 in media, $200,000 in materials and services and $4,100,000 in capitalized fees. Accounts gained: Petrie Corp., FL Mouthgards, Rockbottom Stores (Courtesy Drug), West Cabot Herpasol, Humphrey's Pharmacal. Lost: Aveeno Oatmeal Bath. Billings breakdown: Newspapers 15%, magazines 5%, supplements 5%, radio 10%, network tv 20%, spot tv 40%, direct mail 5%. Employes: 17. Top exec: Thomas Leon, president.

Phone: (516) 487-0500.

Levy, Flaxman & Associates, New York, reported gross income of $1,500,000 in 1983 on billings of $10,000,000. In 1982, the agency reported gross income of $750,000 on billings of $5,000,000. All volume in 1982 and 1983 consisted of media. Accounts gained: International Salt Co., Tokyu Sportswear, Integrated Resources, *Mechanix Illustrated*, *Games*. Billings breakdown: Newspapers 10%, magazines 15%, radio 25%, spot tv 40%, business papers 10%. Employes: 15. Top execs: Richard Levy, president; Richard Flaxman, exec vp; Mark Edelman, William T. Ryker and Leslie Marshall, senior vps.

Phone: (212) 620-3100.

Levy, King & White, formerly WLK Cos., Buffalo, N.Y., reported gross income of $3,700,000 in 1983 on billings of $22,500,000. In 1982, it reported gross income of $3,200,000 on billings of $20,500,000. Volume in 1983 consisted of $12,000,000 in media, $2,000,000 in materials and services and $8,500,000 in capitalized fees. In 1982, volume consisted of $10,600,000 in media, $1,900,000 in materials and services and $8,000,000 in capitalized fees. Accounts gained: Tri-Valley Growers, Pennwalt, Cannon Design, Dunkirk Ice Cream, Hyatt Regency (Buffalo), Instabank (ATM Network), US Brands, Westwood Pharmaceuticals (division of Bristol-Myers). Lost: None. Billings breakdown: Newspapers 40.5%, magazines 4.7%, supplements 0.5%, radio 28.5%, network tv 19.5%, cable tv 0.8%, outdoor 4.5%, business papers 0.5%, farm publications 0.5%. Employes: 83 in five offices. Top execs: David I. Levy, chairman-executive committee; Peter King, chairman; Stratten S. White, president.

Phone: (716) 853-6755.

Lieberman-Appalucci, Allentown, Pa., reported gross income of $1,200,000 and net income of $45,000 in 1983 on billings of $8,076,950. In 1982, it reported gross income of $1,075,000 and net income of $32,000 on billings of $7,558,500. Volume in 1983 consisted of $3,125,000 in media, $1,050,000 in materials and services and $3,901,950 in capitalized fees. In 1982, volume consisted of $2,900,000 in media, $990,000 in materials and services and $3,668,500 in capitalized fees. Accounts gained: Boyesen Engineering, Majestic Apparel, Lehigh Securities, Keller Dorr/Oliver, East National Bank, Universal Telephone Directory Co., Penn Field Precision, Bixler's Jewelry, and Barrett-Haentjen. Lost: Holiday Hair, and Pinnacle Equipment. Billings breakdown: Newspapers 13%, magazines 44%, radio 7%, network television 2%, outdoor 5%, direct mail 29%. Employes: 23. Top execs: George R. Lieberman, chairman; Joseph L. Appalucci, president.

Phone: (215) 791-2011.

Lipman Advertising, New York, reported gross income of $1,010,967 and net income of $54,381 in 1983 on billings of $8,521,187. In 1982, the agency reported gross income of $971,890 and net income of $214,247 on billings of $8,772,772. The agency's volume in 1983 consisted of $4,149,876 in media and $4,371,311 in capitalized fees. In 1982, volume consisted of $3,733,367 in media and $5,039,405 in capitalized fees. Accounts gained: Scandinavian National Tourist Board, Hotel Splendid-Haiti, Danish National Tourist Board, J's Steaks and Subs, and National Pharmacies. Billings breakdown: Newspapers 45%, magazines 5%, radio 20%, spot television 20%, other 10%. Employes: 22. Top execs: Robert S. Lipman, president; Richard Lipman, David Lipman, exec vps.

Phone: (212) 684-1100.

Lockhart & Pettrus, New York, reported gross income of $1,065,000 in 1983 on billings of $7,100,000. In 1982, it reported gross income of $960,000 on billings of $6,000,000. Volume in 1983 consisted of $5,200,000 in media and $1,900,000 in materials and services. In 1982, volume consisted of $4,200,000 in media, $1,800,000 in materials and services. Accounts gained: U.S. Army Active, Regular Army, U.S. Army Reserve, ROTC, Equitable Life Assurance Society of the U.S. (minority recruitment), Carson Products Co. (new products), Friends of the Amistad. Lost: Joloj Industries. Billings breakdown: Newspapers 7%, magazines 29%, radio 20%, spot tv 17%, outdoor 27%. Employes: 14. Top execs: Keith E. Lockhart, president; Theodore D. Pettus, exec vp.

Phone: (212) 922-1670.

Lois Pitts Gershon, New York, reported gross income of $4,600,000 in 1983 on billings of $39,170,000. In 1982, it reported gross income of $4,400,000 on billings of $37,000,000. Volume in 1983 consisted of $27,500,000 in media and $11,670,000 in capitalized fees. In 1982, volume consisted of $26,000,000 in media and $11,000,000 in capitalized fees. Accounts gained: Knoware Inc., *Cuisine*. Lost: Honda Dealers of Tri-State Metro New York Region. LPG/PON, a subsidiary, gained CableTelevision Advertising Bureau, KEZC Radio, Phoenix, and WSJS Radio Winston-Salem, N.C. Billings breakdown: Newspapers 10%, magazines 15%, radio 8%, network tv 10%, spot tv 50%, cable tv 1%, outdoor 1%, transit 1%, business papers 3%, direct mail 1%. Employes: 49. Top execs: George Lois, chairman; Richard Gershon, president; Bill Pitts, exec vp; Dennis Mazzella, Kurt Weihs and Richard Lynne, senior vps; Dale Pon, president of LPG/PON.

Phone: (212) 974-1400.

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Gross income of $1,000,000 to $5,000,000

Lyons Studios, Wilmington, Del., reported gross income of $2,699,000 in 1983 on billings of $18,366,000. In 1982, it reported gross income of $1,946,000 on billings of $13,033,000. Volume in 1983 consisted of $1,270,000 in media, $1,675,000 in materials and services and $15,421,000 in capitalized fees. In 1982, volume consisted of $560,000 in media, $1,221,000 in materials and services and $11,252,000 in capitalized fees. Accounts gained: Process Supply, Jonathan's Apple, Builders & Managers, Gore-Tex, tourism & industrial development accounts for the State of Delaware. Lost: None. Billings breakdown: Newspapers 6%, magazines 73%, supplements 6%, radio 1%, spot tv 2%, cable tv 1%, outdoor 2%, transit 1%, business papers 2%, farm point of sale 2%, direct mail 4%. Employes: 77. Top execs: William N. Spiker, president; P. Coleman duPont, vp; Anthony W. Rairden, director-agency services.

Phone: (302) 654-6146.

Maher Inc., Hartford, Conn., reported gross income of $3,209,000 in 1983 on billings of $21,404,000. In 1982, it reported gross income of $2,880,000 on billings of $19,200,000. The agency did not break down its volume for either year. Accounts gained: Signature (Franchise Operation), Oceanic Society, Prague's Shoes, T&T Report, Yale University Credit Union, Constitution State Credit Union. Lost: Select TV, Warehouse Foods. Billings breakdown: Newspapers 10%, magazines 10%, radio 20%, spot tv 30%, outdoor 5%, business papers 10%, direct mail 5%, other 10%. Employes: 38. Top execs: Edwin R. Maher, ceo; Stanton R. Beaghan, exec vp; Howard Hirsch, Jeffrey Maker and John Pastor, senior vps.

Phone: (203) 549-4630.

Margeotes/Fertitta & Weiss, New York, reported gross income of $3,465,161 in 1983 on billings of $17,909,823. In 1982, it reported gross income of $3,216,320 on billings of $15,573,760. Volume in 1983 consisted of $11,173,412 in media, $3,309,424 in materials and services and $3,426,987 in capitalized fees. In 1982, volume consisted of $9,716,011 in media, $2,877,760 in materials and services and $2,979,989 in capitalized fees. Accounts gained: Remy Martin Amerique, Bankers Trust Private Clients Group, McGraw-Hill/special projects, Orrefors Crystal, Krug Champagne. Lost: None. Billings breakdown: Newspapers 10%, magazines 50%, radio 10%, spot tv 10%, outdoor 10%, transit 4%, point of sale 3%, direct mail 3%. Employes: 36. Top execs: John Margeotes, president.

Phone: (212) 687-8231.

Marquardt & Roche, Stamford, Conn., reported gross income of $2,181,925 in 1983 on billings of $14,551,691. In 1982, it reported gross income of $1,799,960 on billings of $12,003,712. Volume in 1983 consisted of $3,507,666 in media and $11,044,025 in capitalized fees. In 1982, volume consisted of $4,048,157 in media and $7,955,555 in capitalized fees. Accounts gained: IBM Instruments, Southern New England Telephone, Control Data Corp, William Pitt Inc. Lost: Perkin-Elmer Corp. Billings breakdown: Newspapers 20%, magazines 5%, radio 10%, spot tv 5%, cable tv 2%, business papers 45%, direct mail 5%, other 8%. Employes: 40. Top execs: James J. Marquardt, president; Edwin J. Roche, exec vp.

Phone: (203) 327-0890.

Martin, Sturtevant, Silverman & Marshall, New York, reported gross income of $2,625,000 in 1983 on billings of $17,500,000. In 1982, it reported gross income of $2,130,150 on billings of $14,201,950. Volume in 1983 consisted of $14,000,000 in media, $3,000,000 in materials and services and $500,000 in capitalized fees. In 1982, volume consisted of $9,100,000 in media, $1,200,000 in materials and services and $3,901,950 in capitalized fees. Accounts gained: National Tourist Office of Spain, Buick Dealers Suffolk County, John Alden Insurance, Cigna Insurance, Hearst Magazines, Radius DDS Toothbrushes. Lost: None. Billings breakdown: Newspapers 10%, magazines 25%, radio 5%, spot tv 35%, cable tv 5%, outdoor 5%, transit 5%, business papers 5%, direct mail 5%. Employes: 22. Top execs: Jack H. Silverman, chairman; John C. Martin, president; Robert S. Sturtevant, Daniel S. Marshall and Robert E. Hildt exec vps, and David E. Bannister, senior vp.

Phone: (212) 832-3750.

Mason & Madison, Bethany, Conn., had estimated gross income of $1,590,000 in 1983 on billings of $10,600,000. In 1982, it had an estimated gross income of $1,350,000 on billings of $9,000,000. Volume in 1983 consisted of $2,000,000 in media, $5,266,667 in materials and services and $3,333,333 in capitalized fees. In 1982, the agency's volume consisted of $2,000,000 in media, $4,000,000 in materials and services and $3,000,000 in capitalized fees. Accounts gained: Berol USA, Angel Engineering, Health Care Technology Corp., Teletrack (public relations), Computer Systems Research. Lost: Brent Chemicals Co. Billings breakdown: Newspapers 15%, magazines 20%, radio 10%, spot tv 5%, business papers 40%, point of sale 5%, direct mail 5%. Employes: 30 in two offices. Top execs: Charles Mason, president; Russ Madison, senior vp.

Phone: (203) 393-1101.

McDougall Associates, Salem, Mass., reported gross income of $1,135,800 in 1983 on billings of $7,429,400. In 1982, it reported gross income of $1,109,200 on billings of $7,416,300. Volume in 1983 consisted of $1,338,500 in media, $766,900 in materials and services and $5,324,000 in capitalized fees. In 1982, volume consisted of $1,187 200 in media, $792,400 in materials and services and $5,436,700 in capitalized fees. Accounts gained: Velcro Usa, Varian, Peerless Insurance, Clamp All, Marson Corp., Central Banks, Keene Savings Bank, Landry & Arcari. Lost: Holyoke Insurance, Barnsider Restaurants, H W. Powers. Billings breakdown: Newspapers 40%, magazines 35%, spot tv 5%, outdoor 10%, other 10%. Employes 28. Top execs: Michael J. McDougall, chairman; Daniel R. McDougall, president.

Phone: (617) 745-1500.

M.E.D. Communications, Woodbridge, N.J., reported gross income of $4,600,000 in 1983 on billings of $40,982,000. In 1982, it reported gross income of $4,400,000 on billings of $37,648,000. Volume in 1983 consisted of $6,000,000 in media, $4,300,000 in materials and services and $30,682,000 in capitalized fees. In 1982, volume consisted of $5,000,000 in media, $3,300,000 in materials and services and $29,348,000 in capitalized fees. Accounts gained: Block Drug Co., Bristol-Myers international division, Pharmacia Labs, Pharmacia Nu-Tech, Sandoz Inc., Schering-Plough, Wallace Labs, Bard Electro Medical Systems, Kimberly-Clark Nursing Home and Geriatrics Business Unit, Cooper Biomedical, Johnson & Johnson Dental Products Co. Lost: None. Billings breakdown: magazines 20%, supplements 25%, direct mail 5%, other 50%. Employes: 82. Top execs: Robert Portman, president; David I. Portman, exec vp.

Phone: (201) 636-6600.

Stan Merritt Advertising, New York, reported gross income of $3,118,568 in 1983 on billings of $20,552,126. In 1982, it reported gross income of $2,503,556 on billings of $16,630,447. Volume in 1983 consisted of $15,260,900 in media, $1,201,849 in materials and services and $4,089,377 in capitalized fees. In 1982, volume consisted of $11,965,700 in media, $926,879 in materials and services and $3,737,868 in capitalized fees. Accounts gained: Herb-Ox, Polaroid, General Electric, Johnson & Johnson, Warnaco. Lost: None. Billings breakdown: Newspapers 10%, magazines 20%, supplements 5%, radio 15%, network tv 5%, spot tv 35%, cable tv 1%, outdoor 2%, transit 1%, business papers 3%, point of sale 2%, direct mail 1%. Employes: 26. Top execs: Stanley S. Merritt, chairman-president; Richard F. Goebel, exec vp; William H. Croke, senior vp; Michael E. Keenan, chairman of the plans board.

Phone: (212) 867-4650.

Miller Advertising Agency, New York, reported gross income of $4,200,000 in 1983 on billings of $27,400,000. In 1982, it reported gross income of $3,700,000 on billings of $23,400,000. Volume in 1983 consisted of $24,000,000 in media, $400,000 in materials and services and $3,000,000 in capitalized fees. In 1982, volume consisted of $20 500,000 in media, $240,000 in materials and services and $2,660,000 in capitalized fees. Billings breakdown: Newspapers 60%, magazines 5%, radio 15%, spot tv 8%, cable tv 3%, transit 3%, business papers 3%, direct mail 3%. Employes: 90 in two offices. Top exec: Robert Miller, president.

Phone: (212) 929-2200.

Mintz & Hoke, Avon, Conn., reported gross income of $3,415,000 in 1983, including $9,000 from overseas volume of $60,000, on billings of $22,764,000. In 1982, it reported gross income of $2,991,903, including $37,500 on $250,000 in non-U.S. volume, on billings of $19,838,000. U.S. volume in 1983 consisted of $9,500,000 in media, $1,490,000 in materials and services and $11,714,000 in capitalized fees. In 1982, U.S. volume consisted of $10,000,000 in media, $1,070,000 in materials and services and $8,518,000 in capitalized fees. Accounts gained: Monarch Resources, National Automotive Stores, Pan Am World Services, Orion Research Inc., U Conn. Children's Cancer Fund, Unimation Inc., division of Westinghouse. Lost: Southern New England Telephone, Connecticut Bank & Trust. Billings breakdown: Newspapers 11%, magazines 4%, supplements 2%, radio 19%, spot tv 42%, outdoor 1%, transit 1%, business papers 18%, point of sale 1%, direct mail 1%. Employes: 69. Top execs: Alan S. Mintz, chairman; Joseph M. Hoke, president; Dale Kesel, exec vp.

Phone: (203) 678-0473.

Montgomery & Associates, Bala Cynwyd, Pa., reported gross income of $1,900,000 in 1983 on billings of $13,900,000. In 1982, it reported gross income of $1,500,000 on billings of $11,000,000. Volume in 1983 consisted of $10,300,000 in media, $1,200,000 in materials and services and $2,400,000 in capitalized fees. In 1982, volume consisted of $8,500,000 in media, $1,000,000 in materials and services and $1,500,000 in capitalized fees. Accounts gained: Philadelphia Stock Exchange, Diatome US, Americana Inn, Thriftway, Saint Joseph's University, Academy of Food Marketing, Skytop Lodge, West Jersey Health System. Lost: Purity Mills Division, Stokey-Van Camp, Temple University. Billings breakdown: Newspapers 19%, magazines 15%, radio 14%, spot tv 45%, outdoor 2%, business papers 5%. Employes: 32. Top execs: Harold Montgomery, president; Barclay Hallowell, senior vp.

Phone: (215) 667-7580.

Mallen Advertising, Beverly Farms, Mass., reported gross income of $1,590,000 in 1983 on billings of $10,600,000. In 1982, it reported gross income of $1,138,000 on billings of $7,586,667. Volume in 1983 consisted of $7,015,167 in media, $751,500 in materials and services and $2,833,333 in capitalized fees. In 1982, volume consisted of $4,561,167 in media, $690,000 in materials and services and $2,335,667 in capitalized fees. Accounts gained: Ovation Technologies, New Specs, Mark of the Unicorn, Centronics Data Corp., Saunders Hotels, M. W. Carr Inc. Lost: U. S. Trust. Billings breakdown: Newspapers 16%, magazines 40%, radio 15%, spot tv 12%, outdoor 1%, business papers 15%, direct mail 1%. Employes: 17. Top execs: James X. Mullen, president; Joseph M. Grimaldi, Paul H. Silverman, Stephen W. Haesche, senior vps.

Phone: (617) 927-7222.

Mutual Media, Englewood Cliffs, N.J., had estimated gross income of $3,060,000 in 1983 on billings of $20,400,000. In 1982, it had an estimated gross income of $2,145,000 on billings of $14,300,000. Volume for both years was all in media. Accounts gained: Silvercrest, U.S. Consumer Products Corp. Billings breakdown: Newspapers 2%, magazines 5%, radio 10%, network tv 5%, spot tv 78%. Employes: 29. Top execs: David Blank, president; Lester T. Kempner, senior vp; Richard Blank, Michael Kempner, vps.

Phone: (201) 871-0690.

Naftzger & Kuhe, Farmington, Conn., reported gross income of $1,048,328 in 1983 on billings of $9,583,421. In 1982, it reported gross income of $773,416 on billings of $6,427,411. Volume in 1983 consisted of $4,025,000 in media, $849,515 in materials and services and $4,708,906 in capitalized fees. In 1982, volume consisted of $2,500,000 in media, $759,448 in materials and services and $3,167,963 in capitalized fees. Accounts gained: Connecticut Bank & Trust (retail), Connecticut ATM Switch, Mott Metallurgical. Lost: Mechanics & Farmers Savings Bank. Billings breakdown: Newspapers 10%, magazines 31%, radio 14%, spot tv 18%, outdoor 1%, business papers 24%, direct mail 2%. Employes: 28. Top execs: J. Naftzger, president; H.J. Kuhe, exec vp.

Phone: (203) 677-7900.

Newmark, Posner & Mitchell, New York, reported gross income of $2,980,000 in 1983 on billings of $14,993,950. In 1982, it reported gross income of $2,400,000 on billings of $13,172,000. Volume in 1983 consisted of $12,445,000 in media, $1,315,000 in materials and services and $1,233,950 in capitalized fees. In 1982, volume consisted of $11,700,000 in media, $785,000 in materials and services and $687,000 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 79%, magazines 7%, radio 4%, spot tv 3%, outdoor 2%, business press 2%, direct mail 2%, other 1%. Employes: 53. Top execs: Sidney Posner, president; Edward N. Hoffman, senior vp.

Phone: (212) 867-3900.

Northrup & Teel, Pittsford, N.Y., reported gross income of $1,297,000 in 1983 on billings of $8,484,000. In 1982, it reported gross income of $1,652,000 on billings of $10,711,000. Volume in 1983 consisted of $1,252,000 in media, $613,000 in materials and services and $6,619,000 in capitalized fees. In 1982, volume consisted of $2,377,000 in media, $669,000 in materials and services and $7,665,000 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 47%, radio 11%, spot tv 5%, farm publications 9%, other 3%. Employes: 40. Top execs: Alden F. Schutte, chairman; William K. Northrup, president; George P. Teel, exec vp; J. Arthur Rath, senior vp.

Phone: (716) 248-2460.

Paolin & Sweeney, Cherry Hill, N.J., had estimated gross income of $1,100,000 in 1983 on billings of $7,406,894. In 1982, it reported gross income of $603,428 on billings of $5,149,250. Volume in 1983 consisted of $1,231,335 in media, $314,633 in materials and services and $5,860,926 in capitalized fees. In 1982, volume consisted of $945,000 in media, $369,000 in materials and services and

Agency Q&A

Q: What is the financial outlook for advertising agencies this year?

Answer: The outlook for agencies in general is excellent for 1984. The economic recovery continues quite strong. It should be a close election, but I see the reelection of President Reagan and the party of business. All signs indicate that advertisers will be increasing expenditures, stepping up new product introductions. Media costs are going up, too, and, as yet, no group has marshalled strengths to call a halt to them. It will be another big year for network tv, especially with the presidential election and the Olympics. Agencies and advertisers will experiment more substantially with the new electronic media, even during their coming shakeout. Special interest magazines and departmentalized newspaper sections should do well.

Hagopian

All this bodes well for agencies.

The agencies that beat the averages will do unusually well in this kind of climate. These will be the agencies that can:

1. Keep rolling to get new business.
2. Manage their income from overseas most capably, in an effort to take advantage of the vicissitudes of the dollar in various parts of the world.
3. Resist the temptations to spend out of control just because things look good.
4. Manage their cash and cash flow with prudent investments in equity markets.
5. Keep and get the best possible people. . .and do outstanding advertising.

Louis T. Hagopian
Chairman, N W Ayer
New York

Coming April 23: Foreign agency profile reports

Advertising Age's annual report on income and billings of advertising agencies outside the U.S. will be presented in the April 23 issue. Last year's report on foreign agencies included data on more than 800 agencies in 74 countries with combined gross income of $4.2 billion.

In this issue, the same rate of exchange will be applied to foreign income and billings of U.S. agencies for both 1983 and 1982, resulting in some restating of 1982 data.

Gross income of $1,000,000 to $5,000,000

$3.835.250 in capitalized fees. Accounts gained: Jiffy Lube International, Midlantic National Bank/South; Penn-Sheridan Investment Group, Sunshine Foundation, Fox & Lazo Realtors, Marple Woods. Billings breakdown: Newspapers 30%, magazines 20%, radio 20%, spot tv 9%, cable tv 1%, outdoor 5%, business papers 10%, direct mail 5%. Employes: 19. Top execs: John R. Paolin, president; Thomas B. Sweeney, exec vp.

Phone: (609) 667-7700.

Penchina, Selkowitz, New York, reported gross income of $2,300,000 in 1983 on billings of $14.213.890. In 1982, it reported gross income of $2.088.000 on billings of $10.834.000. Volume in 1983 consisted of $12.375.000 in media, $725.000 in materials and services and $1.113.890 in capitalized fees. In 1982, volume consisted of $9.000.000 in media, $500,000 in materials and services and $1.334.000 in capitalized fees. Accounts gained: WNBC Radio, Aramburu Bros., Citibank N.A. Lost: Hermes Products. Billings breakdown: Newspapers 4%, magazines 21%, radio 1%, network tv 58%, cable tv 4%, outdoor 1%, business papers 7%, direct mail 4%. Employes: 16. Top execs: Steven Penchina, chairman, Arthur Selkowitz, president, James Handloser, senior vp.

Phone: (212) 980-6677.

Pesin, Sydney & Bernard, New York, reported gross income of $1.153.550 in 1983 on billings of $7.691.200. In 1982, the agency reported gross income of $1.185.000 on billings of $7.142.500. Volume in 1983 consisted of $5.675.000 in media, $282.000 in materials and services and $1.734.200 in capitalized fees. Its 1982 volume included $4.675.000 in media, $1.100.000 in materials and services and $1.367.500 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 20%, magazines 45%, supplements 5%, radio 5%, spot tv 10%, outdoor 3%, business papers 7%, point of sale 3%, direct mail 2% Employes: 23 in two offices. Top execs: Harry Pesin, president; Sydney J. Cohn, exec vp.

Phone: (212) 752-2212.

Posey, Parry & Quest, Greenwich, Conn., reported gross income of $1.300.000 in 1983 on billings of $13.520.000. In 1982, it reported gross income of $1.075.000 on billings of $9.700.000. Volume in 1983 consisted of $3.830.000 in media, $2.220.000 in materials and services and $7.470.000 in capitalized fees. In 1982, volume consisted of $4.500.000 in media, $900.000 in materials and services and $4.300.000 in capitalized fees. Accounts gained: Basis Soaps, Nivea Creme Soap, Nivea moisturizing after shave, Penta Hotels/New York Penta, Southern New England Telephone's Cellular Mobile and Yellow Pages, Gulf+Western (corporate). Lost: None. Billings breakdown: Newspapers 20%, magazines 30%, radio 10%, network tv 20%, spot tv 10%, business papers 10%. Employes: 20. Top execs: Chester L. Posey, chairman; James D. Parry, exec vp; James H. Quest, president; Richard J. Keegan, exec vp; Robert L. Liddel, vp.

Phone: (203) 531-4900.

Reimel Carter Advertising, Philadelphia, had estimated gross income of $2.175.000 in 1983 on billings of $14.500.000. In 1982, it had estimated gross income of $1.980.000 on billings of $13.200.000. Volume in 1983 consisted of $10.000.000 in media, $500.000 in materials and services and $4.000.000 in capitalized fees. No volume breakout was provided for 1982. Accounts gained: Central Penn National Bank, Meridian Bancorp, Graham Insurance Co., Philadelphia Parking Authority. Lost: Budget Rent-A-Car of Philadelphia. Billings breakdown: Newspapers 36%, magazines 8%, radio 26%, spot tv 16%, outdoor 7%, business papers 4%, direct mail 2%, other 1%. Employes: 25. Top execs: T. L. Reimel, president; Edward P. Carter, exec vp.

Phone: (215) 735-3200.

Mel Richman Inc., Bala Cynwyd, Pa., reported gross income of $4,750,000 in 1983 on billings of $28,505,000. In 1982, it reported gross income of $4,500,000 on billings of $26,500,000. Volume in 1983 consisted of $13,000,000 in media, $5,500,000 in materials and services and $10,005,000 in capitalized fees. In 1982, volume consisted of $11,000,000 in media, $5,000,000 in materials and services and $10,500,000 in capitalized fees. Accounts gained: Commodore Business Machines, Health Cost Containment, Intracorp, Seneca Textiles, Gerli Co., Sellers & Josephson, Smith-Edwards-Dunlap. Lost: Middleton Tobacco, Wound Closure Products. Billings breakdown: Newspapers 15%, magazines 15%, radio 15%, spot tv 15%, business papers 10%, direct mail 5%, other 25%. Employes: 80. Top execs: Mel Richman, chairman; William Robertson, president-ceo; Hank Kozlowski, Ron Tucker, exec vps.

Phone: (215) 667-8900.

Rizzo, Simons, Cohn, Boston, reported gross income of $1,252,093 in 1983 on billings of $10,491,389. In 1982, it reported gross income of $844,523 on billings of $5,415,424. Volume in 1983 consisted of $2,243,737 in media, $1,466,543 in materials and services and $6,781,109 in capitalized fees. In 1982, volume consisted of $1,457,418 in media, $884,437 in materials and services and $3,073,569 in capitalized fees. Accounts gained: Houghton Mifflin, Business & Professional Software, Symbolics, *Boston Herald*, Mutual Bank. Lost: L.B. Evans' Sons Co. Billings breakdown: Newspapers 9%, magazines 37%, radio 7%, spot tv 5%, outdoor 1%, transit 1%, business papers 15%, point of sale 12%, direct mail 3%, other 10%. Employes: 29. Top execs: J. Peter Rizzo, president; Thomas S. Simons, Richard E. Cohn, exec vps.

Phone: (617) 423-2700.

Ruvane-Leverte, subsidiary of Bozell & Jacobs, New York, reported gross income of $2,750,000 in 1983 on billings of $ 20,172,000. In 1982, it reported gross income of $2,000,000 on billings of $15,038,000. Volume in 1983 consisted of $4,300,000 in media, $5,200,000 in materials and services and $10,672,000 in capitalized fees. In 1982, volume consisted of $1,900,000 in media, $3,800,000 in materials and services and $9,338,000 in capitalized fees. Accounts gained: Unitek Corp. Billings breakdown: Magazines 15%, direct mail 30%, other 55%. Employes: 30. Top execs: John A. Ruvane, ceo; Robert J. Leverte, chief operating officer.

Phone: (212) 867-1670.

SZF Inc., New York, reported gross income of $1,300,000 in 1983 on billings of $11,136,500 with net income of $95,000. In 1982, it reported gross income of $1,200,000 on billings of $11,303,250 with net income of $60,000. Volume in 1983 consisted of $3,500,000 in media, $1,300,000 in materials and services and $6,336,500 in capitalized fees. In 1982, volume consisted of $3,300,000 in media, $1,500,000 in materials and services and $6,503,250 in capitalized fees. Figures include those of subsidiary LAQ Marketing Communications. Accounts gained: Marine Midland Bank, Comp-U-Card. Billings breakdown: Newspapers 5%, magazines 15%, business papers 20%, point of sale 25%, direct mail 30%, other 5%. Employes: 21. Top execs: Robert Freedman, president; Robert Wilcox, management partner.

Phone: (212) 759-6850.

Sacks & Rosen, New York, reported gross income of $4,730,000 in 1983 on billings of $26,800,000. In 1982, it reported gross income of $4,320,000 on billings of $25,500,000. Volume breakout was not provided for either year. Accounts gained: Ancient Age Distilling Co., Falbar Import Co., Tuck Industries, Intershoe, Crane & Co., Georgette Klinger, Van Heusen Corp.'s Cacharel jeans for men. Lost: Jaqueline Cochrane Inc., Fleischmann Distilling. Billings breakdown: Newspapers 5%, magazines 30%, supplements 10%, radio 5%, spot tv 25%, cable tv 2%, outdoor 1%, business papers 7%, direct mail 15%. Employes: 43. Top execs: Leonard Sacks; Michael Rosen.

Phone: (212) 986-4004.

St. Vincent, Milone & McConnells Advertising, New York, reported gross income of $1,062,586 in 1983 on billings of $7,696,346. In 1982, it reported gross income of $975,299 on billings of $7,357,217. Net income was $165,232 in 1983 and $157,396 in 1982. Volume in 1983 consisted of $1,910,145 in media, $248,120 in materials and services and $5,538,081 in capitalized fees. In 1982, the agency's volume consisted of $1,805,364 in media, $220,275 in materials and services and $5,331,578 in capitalized fees. Accounts gained: Sweet's Catalog division of McGraw-Hill, Charter Holiday Planners. Lost: None. Billings breakdown: Newspapers 7%, magazines 30%, radio 15%, spot tv 5%, outdoor 2%, business papers 40%, direct mail 1%. Employes: 17. Top execs: Richard L. St. Vincent, president; Vincent C. Milone, exec vp.

Phone: (212) 921-1414.

Murray Salit & Associates, New York, reported gross income of $1,035,000 in 1983 on billings of $6,900,000. In 1982, it reported gross income of $930,000 on billings of $6,200,000. Volume in 1983 consisted of $5,800,000 in media, and $1,100,000 in materials and services. In 1982, volume consisted of $5,200,000 in media, and $1,000,000 in materials and services. Accounts gained: Clarins U.S.A., Lord West & Pierre Cardin Formalwear, Augustus Apparel, Ellen Tracy, Teenform, Bianchi Bridals, Sea Island Cotton Growers. Lost: Erno Laszlo Skincare, Pandora Knitwear. Employes: 13. Top execs: Murray H. Salit, president; Charles J. Auerbach, exec vp; Arthur Trostler, senior vp.

Phone: (212) 661-7300.

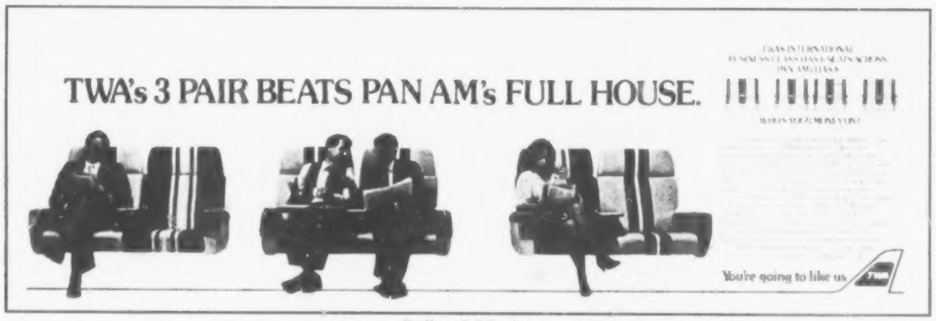
Schaefer Advertising, Valley Forge, Pa., reported gross income of $2,483,000 in 1983 on billings of $16,555,000. In 1982, it reported gross income of $1,995,000 on billings of $13,300,000. Volume in 1983 consisted of $7.505.000 in media, $2,100,000 in materials and services and $6,950,000 in capitalized fees. In 1982, volume consisted of $6,200,000 in media, $1,700,000 in materials and services and $5,400,000 in capitalized fees. Accounts gained: AM Cable TV Industries, C.H. Dexter division, Leeds & Northrup Instruments, Matheson Gas Products, Sketchley Services, Trane Thermal. Lost: Namolco, Pitcairn Enterprises, Glenhardie, Geisinger Medical Management Corp. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, spot tv 8%, outdoor 1%, business papers 33%, farm publications 1%, direct mail 12%. Employes: 48. Top execs: A.O. Schaefer Jr., president; Joseph A. Meehan Jr. and Paul Stevens, senior vps; Jim Bruno, exec vp and director of Woodward & Schaefer, a pr subsidiary.

Phone: (215) 337-0550.

Scharfberg & Associates, Jenkintown, Pa., reported gross income of $1,090,000 in 1983 on billings of $8,000,500. In 1982, it reported gross income of $990,000 on billings of $6,450,400. Volume in 1983 consisted of $6,250,000 in media, $750,000 in materials and services and $1,000,500 in capitalized fees. In 1982, volume consisted of $5,150,000 in media, $500,000 in materials and services and $800,400 in capitalized fees. Accounts gained: Oxford First Corp., Arai Motorcycle Helmets, Spectacor, Spectrum, Philadelphia Flyers, Ovations,

Category profiles: Airlines

Hard sell is mixed with soft sell as airlines continue to vie for passengers in their deregulated industry environment.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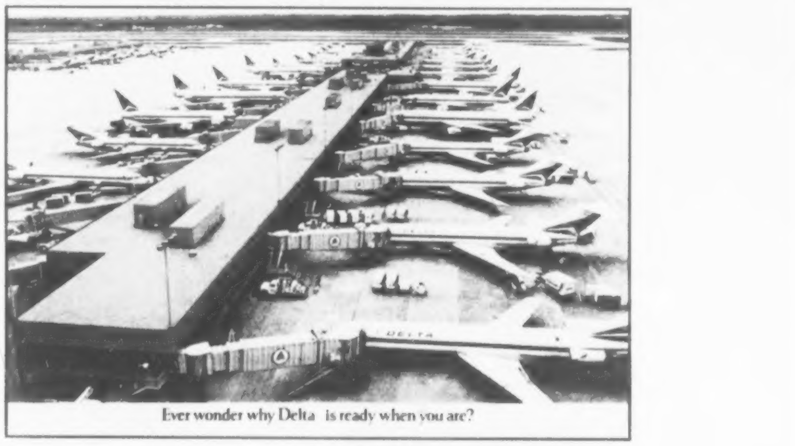

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TO MORE OF THE ORIENT...
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Grey Advertising

Only our name is Eastern.
EASTERN

Campbell-Ewald

Gross income of $1,000,000 to $5,000,000

Spectacor Management. Lost: Carlisle Motorcycle Tire Co. Billings breakdown: Newspapers 25%, magazines 5%, supplements 2%, radio 25%, spot tv 35%, cable tv 1%, outdoor 1%, transit 1%, business papers 2%, direct mail 2%, other 1%. Employes: 18. Top exec: Richard S. Menapace Jr., exec vp.

Phone: (215) 885-7050.

Schein/Blattstein Advertising, New York, reported gross income of $1,405,000 in 1983 on billings of $8,540,000. In 1982, it reported gross income of $1,361,000 on billings of $8,282,100. Volume in 1983 consisted of $3,686,700 in media, $251,000 in materials and services and $4,602,300 in capitalized fees. In 1982, volume consisted of $3,855,000 in media, $225,000 in materials and services and $4,202,100 in capitalized fees. Accounts gained: CIBA-Clinical Symposium Magazine, Times Mirror Publishing, Ziff-Davis Publishing, Collector's Media (*The Plate Collector, The Figurine Collector*). Lost: *Sportstyle*. Billings breakdown: Newspapers 20%, magazines 20%, radio 5%, spot tv 15%, business papers 5%, transit 5%, direct mail 30%. Employes: 18. Top execs: Eliot Dey Schein, president; Joel S. Blattstein, exec vp.

Phone: (212) 758-1555.

Schneider Parker Jakuc, Boston, reported gross income of $3,573,658 in 1983 on billings of $27,516,126. In 1982, it reported gross income of $3,039,027 on billings of $24,406,674. Volume in 1983 consisted of $14,317,317 in media, $1,711,675 in materials and services and $11,487,134 in capitalized fees. In 1982, volume consisted of $12,540,993 in media, $1,958,156 in materials and services and $9,907,525 in capitalized fees. Accounts gained: MEMTEC Inc., IDE Associates, Pro Computing. Lost: Harmon Kardon, Fairhaven Savings Bank. Billings breakdown: Newspapers 28%, magazines 45%, radio 5%, network tv 3%, spot tv 7%, outdoor 2%, business papers 10%. Employes: 85. Top execs: Robert Schneider, president; Patricia Parker, treasurer; Denis Jakuc, Nicholas Arend, exec vps.

Phone: (617) 542-3444.

Serino, Coyne & Nappi, New York, reported gross income of $3,008,000 in 1983 on billings of $20,063,000. In 1982, it reported gross income of $2,473,000 on billings of $16,487,000. Volume in 1983 consisted of $15,021,000 in media, $3,402,000 in materials and services and $1,640,000 in capitalized fees. In 1982, volume consisted of $13,287,000 in media, $2,253,000 in materials and services and $947,000 in capitalized fees. Accounts gained: WABC-TV, The Glass Menagerie, Painting Churches, The Real Thing, The Rink, Ticketron. Lost: None. Billings breakdown: Newspapers 43%, radio 14%, spot tv 38%, outdoor 2%, transit 3%. Employes: 39.

Phone: (212) 869-9824.

Shaller, Rubin & Winer, New York, reported gross income of $4,410,000 in 1983 on billings of $29,400,000. In 1982, it reported gross income of $4,200,000 on billings of $28,000,000. Volume in 1983 consisted of $18,200,000 in media, $5,200,000 in materials and services and $6,000,000 in capitalized fees. In 1982, volume consisted of $17,100,000 in media, $5,100,000 in materials and services and $5,800,000 in capitalized fees. Accounts gained: SOGRAPE USA, Custom Tint Laboratories, Monarch Wine, Roberts Proprietaries. Lost: None. Billings breakdown: Newspapers 10%, magazines 15%, supplements 5%, radio 20%, network tv 10%, spot tv 40%. Employes: 60. Top execs: Murray M. Rubin, Milton G. Shaller, co-chairmen; Arnold H. Winer, president.

Phone: (212) 598-6900.

Shiffman/Ferguson/Stone, Fort Lee, N.J., reported gross income of $1,239,900 in 1983 on billings of $8,266,000 with net income of $184,300. In 1982, it reported gross income of $696,700 on billings of $4,644,000 with net income of $81,100. Volume in 1983 consisted of $6,763,000 in media, $983,000 in materials and services and $520,000 in capitalized fees. In 1982, volume consisted of $4,217,000 in media, $114,000 in materials and services and $313,000 in capitalized fees. Figures do not include those of subsidiary Madison West Entertainment. Accounts gained: AT&T Long Lines, Malrite Communications, Hideaways Furniture. Billings breakdown: Newspapers 7%, radio 11%, spot tv 70%, cable tv 5%, outdoor 6%, point of sale 1%. Employes: 23. Top execs: D.L. Ferguson, chairman; M.S. Shiffman, president-ceo.

Phone: (201) 592-7993.

The Siesel Co., New York, had estimated gross income of $1,721,250 in 1983 on billings of $11,475,000. In 1982, it had an estimated gross income of $1,615,721 on billings of $10,761,475. Volume in 1983 consisted of $4,179,500 in media, $795,500 in materials and services and $6,500,000 in capitalized fees. In 1982, volume consisted of $3,946,300 in media, $725,175 in materials and services and $6,000,000 in capitalized fees. Accounts gained: Burlington Industries, Villeroy & Boch, Trans Ocean Imports. Lost: Olympia & York, Saxton Communications Group. Billings breakdown: Newspapers 12%, magazines 40%, radio 10%, business papers 28%, point of sale 5%, direct mail 5%. Employes: 38. Top execs: Alfred J. Siesel, president.

Phone: (212) 759-6500.

Silberman Whitebrow Dolan, Philadelphia, had estimated gross income of $1,215,000 in 1983 on billings of $8,100,000. In 1982, it had estimated gross income of $1,035,000 on billings of $6,900,000. Volume in 1983 consisted of $3,365,000 in media, $2,335,000 in materials and services and $2,400,000 in capitalized fees. In 1982, volume consisted of $2,650,000 in media, $2,015,000 in materials and services and $2,235,000 in capitalized fees. Accounts gained: U.S. Health Care Systems (HMO Pennsylvania, HMO New Jersey, HMO Florida), National Auto Sales. Billings breakdown: Newspapers 7%, magazines 43%, radio 8%, spot tv 28%, outdoor 2%, business papers 5%, point of sale 5%, other 2%. Employes: 17. Top execs: Eli Silberman, president; Leo J. Dolan Jr., exec vp; Harold Ziebelman, senior vp.

Phone: (215) 732-0440.

Slater Hanft Martin, New York, reported gross income of $4,683,000 in 1983 on billings of $31,219,500. In 1982, it reported gross income of $3,807,000 on billings of $25,381,700. Volume in 1983 consisted of $25,859,200 in media, $3,049,500 in materials and services and $2,310,800 in capitalized fees. In 1982, volume consisted of $21,360,000 in media, $1,729,800 in materials and services and $2,291,900 in capitalized fees. Accounts gained: Citibank Homebase, Citibank FOCUS, Friendship Food Products, Muzak division of Group W Radio, Richardson-Vicks (haircare products and Leslie Blanchard products), R-V's home care division (Formby's Inc. and Thompson's Water Seal). Lost: Group W Satellite Communications, Satellite News Channel; Richardson-Vicks' Natural and Plus products. Billings breakdown: Newspapers 5%, magazines 15%, radio 5%, network tv 56%, spot tv 12%, cable tv 5%, outdoor 2%. Employes: 55. Top execs: Gerald Martin, chairman; Adam Hanft, president; Donald Slater, exec vp; Gary Roberts, exec vp-chief operating officer; William J. Lahr, senior vp.

Phone: (212) 674-3100.

Smith Burke & Azzam, Baltimore, reported gross income of $3,045,100 in 1983 on billings of $22,146,000. In 1982, it reported gross income of $2,267,930 on billings of $17,116,000. Volume in 1983 consisted of $19,626,000 in media and $2,520,000 in materials and services. In 1982, volume consisted of $15,356,000 in media and $1,760,000 in materials and services. Accounts gained: Public Broadcasting System, Baltimore Blast Soccer Club, *News American*. Lost: Wild World. Billings breakdown: Newspapers 5.8%, magazines 5.4%, supplements 1.5%, radio 18.1%, spot tv 66.1%, outdoor 1%, point of sale 2.1%. Employes: 52. Top execs: Barry L. Smith, president; Joseph McD. Burke, chairman; Eugene Azzam, exec vp; Roger L. Gray, Graham Kirk, senior vps.

Phone: (301) 727-4306.

Specht, Gilbert & Partners, New York, part of Jordan Case & McGrath agency, reported gross income of $2,700,000 in 1983 on billings of $17,800,000. In 1982, it reported gross income of $2,489,000 on billings of $16,400,000. Volume in 1983 consisted of $16,000,000 in media, $1,200,000 in materials and services and $600,000 in capitalized fees. In 1982, volume consisted of $14,800,000 in media, $900,000 in materials and services and $700,000 in capitalized fees. Accounts gained: Andrew Jergens Co., Squeek Shampoo. Lost: Thompson Medical. Billings breakdown: magazines 1%, radio 25%, network tv 42%, spot tv 30%, cable tv 2%. Employes: 15. Top exec: Donald J. Gilbert, president.

Phone: (212) 371-0590.

Spencer Bennett Nowak, Seekonk, Mass., reported gross income of $1,255,000 in 1983 on billings of $8,370,850. In 1982, it reported gross income of $844,000 on billings of $5,700,000. The agency did not supply a billings breakdown for either year. Accounts gained: American Tourister, Aurora Calculator, Battenfeld, Devcon, Xyplex, Thomson-CSF, Augot-Pylon, Robert Cloud Associates. Billings breakdown: Newspapers 5%, magazines 10%, radio 5%, business papers 60%, direct mail 15%, other 5%. Employes: 30. Top execs: Shelton D. Spencer, chairman; Edward Nowak, president; Richard E. Donnelly, exec vp.

Phone: (617) 336-5801.

Stiegler & Wells, Allentown, Pa., reported gross income of $2,947,801 and net income of $95,586 in 1983 on billings of $7,478,171. In 1982, it reported gross income of $1,926,996 and net income of $29,491 on billings of $5,172,827. Volume in 1983 consisted of $1,242,558 in media, $906,236 in materials and services and $5,329,377 in capitalized fees. In 1982, volume consisted of $994,719 in media, $359,820 in materials and services and $3,818,288 in capitalized fees. Accounts gained: Binney & Smith (Silly Putty), Eagle Computer Furniture Systems, Warren W. York & Co., Western Electric, Arbogast & Bastian, Burbidge Associates, CDP Marketing Information, Christmas Club a Corp., Farmers Bank & Trust Co., Horizon Bancorp, T.A. Armbruster Inc., Mack Trucks. Billings breakdown: Newspapers 27%, magazines 39%, supplements 10%, radio 8%, spot tv 2%, outdoor 3%, direct mail 11%. Employes: 31. Top execs: Ernie G. Stiegler, chairman; Daniel C. Wells, president; Ernie R. Stiegler, exec vp.

Phone: (215) 434-6166.

Philip Stogel Co., New York, had estimated gross income of $2,132,452 in 1983 on billings of $14,216,350. In 1982, it had estimated gross income of $2,227,976 on billings of $14,853,175. Volume in 1983 consisted of $9,450,600 in media, $3,095,750 in materials and services and $1,670,000 in capitalized fees. In 1982, volume consisted of $10,775,000 in media, $3,207,950 in materials and services and $870,225 in capitalized fees. Accounts gained: A&A Food Products, Acme Safe Co., Emergency Alert Receivers, Metropolitan Adler Office Machine Dealer Assn., Sansui Car Audio, Select Audio Visual, Typetron American Polycryl, Herbert Construction. Lost: Omnisonix, Knickerbocker Bed, Konica Camera (pr). The agency did not break down its billings. Top execs: Philip Stogel, president.

Phone: (212) 682-7600.

Sullivan & Brugnatelli, New York, reported gross income of $1,065,005 in 1983 on billings of $8,704,007. In 1982, it reported gross income of $1,096,378 on billings of $10,929,668. Volume in 1983 consisted of $669,744 in media, $950,075 in materials and services and $7,084,188 in capitalized fees. In 1982, volume consisted of $3,426,000 in media, $709,456 in materials and services and $6,794,212 in capitalized fees. Accounts gained: Orelia; Zila; Reader's Digest software division. Lost: Ocean Spray. Billings breakdown: Newspapers 4%, magazines 53%, radio 13%, spot tv 30%. Employes: 26. Top execs: John Sullivan, president; Bruno Brugnatelli, exec vp.

Phone: (212) 986-4200.

Sutton Communications, New York, reported gross income of $1,200,000 in 1983 on billings of $8,000,000, 1983. In 1982, it reported gross income of $275,000 on billings of $1,900,000. In 1983, it reported $200,000 in gross income and $1,500,000 in billings from international business, compared to $75,000 in gross income and $500,000 in billings from international activity in 1982. Domestic volume was $6,500,000 in 1983 and $1,400,000 in 1982. Accounts gained: G.D. Searle & Co. (additional assignments), Adria Laboratories, Abbott Laboratories. Billings breakdown: Magazines 60%, direct mail 30%, other 10%. Employes: 20. Top exec: Glenn DeSimone, president.

Phone: (212) 682-7090.

Symon & Hilliard, New York, reported gross income of $2,343,750 in 1983 on billings of $18,750,000. In 1982, it reported gross income of $1,812,500 on billings of $14,500,000. Volume in 1983 consisted of $18,000,000 in media, and $750,000 in materials and services. In 1982, volume consisted of $14,000,000 in media, and $500,000 in materials and services. Accounts gained: S.C. Johnson/Rydelle Laboratories, Diane Von Furstenberg Hosiery, Hoffritz for Cutlery, General Electric Co.'s major appliance group. Billings breakdown: Newspapers 5%, magazines 12%, network tv 60%, spot tv 15%, cable tv 2%, business papers 6%. Employes: 15. Top execs: John Sheedy, president; James Symon, chairman; Anthony Hilliard, exec vp.

Phone: (212) 505-0688.

TCI Advertising, Stamford, Conn., reported gross income of $1,042,215 in 1983 on billings of $8,225,809. In 1982, it reported gross income of $685,882 on billings of $5,374,095. Volume in 1983 consisted of $1,941,576 in media, $1,260,396 in materials and services and $5,023,837 in capitalized fees. In 1982, volume consisted of $1,197,861 in media, $796,432 in materials and services and $3,379,802 in capitalized fees. Accounts gained: Astronet Cellular Radio Systems, Tracline Software, Coherent Communications, ECI Telecom, Imteks, Computer Terminal Systems, Heraeus, Fairfield University, Howmet-Home Front Centers. Lost: Esprit Systems. Billings breakdown: Magazines 45%, spot tv 5%, business papers 40%, point of sale 5%, direct mail 5%. Employes: 22. Top exec: Michael F. Murphy, president.

Phone: (203) 327-9900.

Ted Thomas Associates, Philadelphia, had estimated gross income of $2,250,000 in 1983 on billings of $15,000,000. In 1982, it had an estimated gross income of $1,950,000 on billings of $13,000,000. The agency did not break down its billings for 1982 or 1983. Accounts gained: None. Lost: Smith Kline & French Labs. Billings breakdown: Magazines 40%, direct mail 20%, other 40%. Employes: 30 in two offices. Top execs: Robert D. Ritchie, president; David F. Dodd, exec vp.

Phone: (215) 732-4300.

Trahan, Burden & Charles, Baltimore, reported gross income of $2,726,254 in 1983 on billings of $18,175,031. In 1982, it reported gross income of $2,475,000 on billings of $16,501,027. Volume in 1983 consisted of $11,092,544 in media, $2,107,835 in materials and services and $4,974,652 in capitalized fees. In 1982, volume consisted of $10,340,000 in media, $1,943,920 in materials and services and $4,217,107 in capitalized fees. Accounts gained: American Resort Services, Quality Hotels & Resorts, Cherokee Shoes for Men, Maryland National Bank, DavCo Food Inc., (Wendy's in Baltimore, Washington D.C and St. Louis). Lost: Carlyle & Co., Greater Baltimore McDonald's Owner/Operator Assn. Billings breakdown: Newspapers 10%, magazines

Agency Q&A

Q: Will international growth by agencies in the U.S. accelerate this year?

Answer: In local currencies, yes. In dollars, perhaps. Much depends on the strength of the dollar as the year progresses.

Right now, on a local market basis, I see 1984 as a good growth year over-all for international advertising. By that I mean growth of 5% or more, after adjustment for inflation. Naturally, growth will vary by market, but conditions are finally right for healthy increases in ad spending.

Schalk

Remember, the economic recovery in the U.S. has been under way for over a year and the ripple effect on the rest of the world has been surprisingly slow. We saw some good signs in the more developed economies at the end of 1983, which makes me optimistic that a prolonged recovery is finally spreading to other markets.

Just how much U.S.-based agencies will benefit from this growth is largely a matter of exchange rates. It will be difficult for these agencies to show much headway if the dollar stays as strong as it's been in the past year. As an example, BBDO's international billings in 1983 would have been more than 20% higher than we reported had exchange rates remained at the prior year's level. Whether the dollar will stay that strong is a prediction better left to the bankers.

Again, I think 1984 will be a good year for the agency business outside the U.S. Whether it will translate into significant gains in dollars is out of our control.

Willi Schalk
President, International Group
BBDO International
New York

Gross income of $1,000,000 to $5,000,000

10%, radio 20%, spot tv 45%, cable tv 5%, outdoor 2%, business papers 5%, point of sale 1%, direct mail 2%. Employes: 47. Top execs: Edward A. Trahan, president; Thomas L. Burden, Allan F. Charles, exec vps.

Phone: (301) 889-7500.

Douglas Turner Inc., Newark, N.J., reported gross income of $1,875,000 in 1983 on billings of $12,500,000. In 1982, it reported gross income of $1,600,000 on billings of $11,000,000. The agency did not break down its billings. Accounts gained: Cohen's Fashion Optical Centers, Denture & Dental Center, Lee Myles Transmissions, The Market Place, Natural Pak System. Lost: Hexacon Electric, Adolph Gottscho Inc., United Health Services. Employes: 38 in two offices. Top exec: Arthur A. Siegel, exec vp.

Phone: (201) 623-4506.

Van Brunt & Co. Advertising-Marketing, New York, reported gross income of $2,975,000 in 1983 on billings of $26,990,000. In 1982, it reported gross income of $2,850,000 on billings of $26,520,000. Of the totals, non-U.S. income was $7,750,000 in 1983 and $8,000,000 in 1982. Volume in 1983 consisted of $10,000,000 in media, $3,440,000 in materials and services and $5,800,000 in capitalized fees. In 1982, volume consisted of $9,570,000 in media, $1,600,000 in materials and services and $4,500,000 in capitalized fees. Accounts gained: Hearst Publications; Judy Bond; Jou Jou; Steven Barry; Nova Jeans. Lost: Tampax Inc. International; Salen Linblad Cruising. Billings breakdown: Newspapers 20%, magazines 30%, radio 17%, spot tv 16%, transit 1%, business papers 8%, direct mail 8%. Employes: 50. Top execs: Edwin Van Brunt, chairman; Albert Van Brunt, president; Richard Barker and Howard Karp, senior vps.

Phone: (212) 949-1300.

VanSant, Dugdale & Co., Baltimore, reported gross income of $3,797,289 in 1983 on billings of $25,315,263. In 1982, it reported gross income of $3,945,665 on billings of $26,304,434. Volume in 1983 consisted of $21,116,094 in media, $2,580,142 in materials and services and $1,619,027 in capitalized fees. In 1982, volume consisted of $20,263,687 in media, $3,191,720 in materials and services and $2,849,027 in capitalized fees. Accounts gained: Commercial Credit Co., 1st American Mortgage Co., Free State Health Plan Inc., Hershey Entertainment & Resort Co., Maryland Port Administration. Lost: The Baltimore Blast, Jiffy Lube International, Maryland National Bank. Billings breakdown: Newspapers 26%, magazines 14%, radio 12%, spot tv 16%, network tv 13%, outdoor 1%, business papers 18%. Employes: 74 in two offices. Top execs: Raymond J. Sachs, chairman/president; Kenneth E. Mayhorne, exec vp; Timothy D.S. Catling, Seymour Levin, E. Patrick McDonough, J. Stanley Paulus, Sheldon T. Taule, senior vps.

Phone: (301) 539-5400.

Harry Viola Advertising, New York, reported gross income of $1,443,000 in 1983 on billings of $11,100,000. In 1982, it reported gross income of $1,190,656 on billings of $8,650,000. Volume in 1983 consisted of $10,000,000 in media and $1,100,000 in materials and services. In 1982, volume consisted of $7,600,000 in media and $1,050,000 in materials and services. Accounts gained: Mavado Watch Corp. Lost: None. Billings breakdown: Newspapers 10%, magazines 30%, supplements 5%, spot tv 50%, business papers 5%. Employes: 10. Top exec: Harry Viola, president.

Phone: (212) 397-7838.

Frank Vos Co., New York, reported gross income of $3,350,168 in 1983 on billings of $22,338,386. In 1982, it reported gross income of $3,275,130 on billings of $21,838,284. Volume in 1983 consisted of $13,106,725 in media, $1,381,025 in materials and services and $7,850,636 in capitalized fees. In 1982, volume consisted of $12,368,090 in media, $1,305,928 in materials and services and $8,164,266 in capitalized fees. Accounts gained: Arthur S. DeMoss Foundation-Power for Living, Topps chewing gum, Coral Ridge Ministries. Lost: Xerox Education Publications. Billings breakdown: Newspapers 10%, magazines 40%, spot tv 20%, direct mail 30%. Employes: 45. Top execs: Frank Vos, chairman; Thomas J. Turner, president.

Phone: (212) 684-7600.

Warner, Bicking & Fenwick, New York, reported gross income of $2,063,220 in 1983 on billings of $13,654,018. In 1982, it reported gross income of $1,899,526 on billings of $12,567,444. Volume in 1983 consisted of $4,285,000 in media, $595,300 in materials and services and $8,733,718 in capitalized fees. In 1982, volume consisted of $3,775,000 in media, $567,000 in materials and services and $8,225,444 in capitalized fees. Accounts gained: Thomas Register Subscription Sales, Thomas Grocery Register Technical Information Distribution Service. Lost: None. Billings breakdown: Newspapers 5%, magazines 30%, radio 20%, spot tv 5%, business papers 25%, point of sale 10%, direct mail 5%. Employes: 25. Top execs: John F. Bicking, chairman; John E. Warner, president; Ed Sutherland, senior vp; Andy Morris, vp.

Phone: (212) 759-7900.

Warren/Kremer Advertising, New York, reported gross income of $2,070,000 in 1983 on billings of $13,800,000. In 1982, it reported gross income of $1,650,000 on billings of $10,165,000. No breakdown in volume was provided. Accounts gained: Loews Ventana Canyon Resort, Grand Hotel on Paradise Island in the Bahamas, Jolly Beach Resort in Antiqua, Laser Sat Inc. Billings breakdown: Newspapers 30%, magazines 35%, radio 5%, spot tv 5%, outdoor 4%, business papers 15%, transit 1%, point of sale 2%, direct mail 3%. Employes: 32. Top execs: Peter Warren, president; John H. Pollok, exec vp.

Phone: (212) 686-2914.

Weitzman, Dym & Associates, Washington D.C., reported gross income of $2,100,000 in 1983 on billings of $14,000,000. Figures for 1982 and volume breakdown were not provided. Accounts gained: Bank of Delaware, Group Health Association, Greater Southeast Community Hospital, American Institute of Architects Servi-Corp. Billings breakdown: Newspapers 15%, magazines 20%, radio 20%, spot tv 30%, outdoor 1%, business papers 5%, transit 1%, point of sale 1%, direct mail 5%, other 2%. Employes: 35. Top execs: Alan R. Weitzman, chairman; Diana S. Dym, president-ceo; Rich Livingston, Troy Lumpkin, senior vps.

Phone: (301) 652-7035.

Winchell Marketing Communications, Philadelphia, had estimated gross income of $1,275,000 in 1983 on billings of $8,500,000. In 1982, it had estimated gross income of $1,200,000 on billings of $8,000,000. Volume in both years was all in media. Billings breakdown: Newspapers 10%, magazines 5%, radio 5%, business papers 30%, direct mail 10%, other 40%. Employes: 16. Top execs: Henry R. Blynn, president; Frederick H. Gloeckner, chairman.

Phone: (215) 568-1770.

Winterkorn Lillis, Rochester, N.Y., reported gross income of 1,055,000 in 1983 on billings of $7,037,000. In 1982, it reported gross income of $1,250,000 on billings of $8,338,000. Volume in 1983 consisted of $1,200,000 in media, $826,000 in materials and services and $5,011,000 in capitalized fees. In 1982, the agency's volume consisted of $1,465,000 in media, $847,000 in materials and services and $6,026,000 in capitalized fees. Accounts gained: Corning Glass —consumer products division and cutlery group (promotion assignments), Calbiochem, Behring. Lost: None. Billings breakdown: Magazines 31%, radio 4%, spot tv 9%, business papers 36%, point of sale 10%, direct mail 10%. Employes: 22. Top execs: William J. Lillis, chairman-ceo; Gerard J. Winterkorn, president/chief operating officer.

Phone: (716) 454-1010.

Midwestern region

North Dakota
Minnesota
South Dakota
Wisconsin
Michigan
Nebraska
Iowa
Illinois
Indiana
Ohio
Kansas
Missouri

Abelson-Taylor, Chicago, reported gross income of $2,325,130 in 1983 on billings of $19,038,121. In 1982, it reported gross income of $1,673,361 on billings of $13,216,330. Volume in 1983 consisted of $1,843,764 in media, $1,685,740 in materials and services and $15,508,617 in capitalized fees. In 1982, volume consisted of $702,887 in media, $1,352,125 in materials and services and $11,161,318 in capitalized fees. Accounts gained: Acme United, Duraclean, Alcon, Rainsoft, Amedco. Lost: None. Billings breakdown: Newspapers 5%, magazines 10%, business papers 10%, point of sale 15%, other 60%. Employes: 36. Top execs: Marvin Abelson, president; Dale Taylor, exec vp.

Phone: (312) 781-1700.

Associated Advertising Agency, Wichita, reported gross income of $1,687,610 in 1983 on billings of $11,256,359. In 1982, it reported gross income of $1,902,386 on billings of $12,688,914. Volume in 1983 consisted of $4,230,623 in media, $2,587,558 in materials and services and $4,438,178 in capitalized fees. In 1982, volume consisted of $4,984,458 in media, $2,920,752 in materials and services and $4,783,704 in capitalized fees. Accounts gained: Airport Hilton Inn, Hilton Inn East. Lost: None. Billings breakdown: Newspapers 1.6%, magazines 5.7%, radio 8.5%, spot tv 12.6%, outdoor 0.5%, business papers 1.8%, farm publications 8.9%, point of sale 0.2%, direct mail 3.4%, other 56.8%. Employes: 40. Top execs: Preston D. Huston, chairman-president; M. Gene Countryman, T. Joe Robertson, senior vps.

Phone: (316) 683-4691.

BBDM Inc., Chicago, reported gross income of $2,651,682 in 1983 on billings of $17,677,880. In 1982, it reported gross income of $2,272,527 on billings of $15,150,180. No volume breakout was provided. Accounts gained: Ingersoll-Rand (McCartney Division), Orrington Hotel, Teradyne Central, Ritter-Midwest. Billings breakdown: Newspapers 15%, magazines 20%, radio 10%, network television 10%, spot television 15%, business papers 20%, direct mail 5%, other 5%. Employes: 45. Top execs: W.S. Bud Browning, president; John Dolby, David M. Bender, Richard B. Sanderson, directors.

Phone: (312) 644-9600.

Bader Rutter & Associates, Brookfield, Wis., reported gross income of $4,381,742 in 1983 on billings of $29,226,219. In 1982, it reported gross income of $3,785,236 on billings of $25,234,906. Volume in 1983 consisted of $17,264,065 in media, $5,983,736 in materials and services and $5,978,418 in capitalized fees. In 1982, volume consisted of $15,678,240 in media, $4,820,956 in materials and services and $4,735,710 in capitalized fees. Accounts gained: Molecular Genetics, PPG Industries, Chempar Products, Aqua-Chem, Kalium Chemicals, FMC Construction Equipment Group. Lost: DuPont Biochemicals (product publicity). Billings breakdown: Newspapers 5%, magazines 15%, radio 11%, spot tv 21%, outdoor 1%, farm publications 46%, direct mail 1%. Employes: 66. Top execs: Ronald L. Bader, president; James K. Rutter, exec vp.

Phone: (414) 784-7200.

Bailey Lewis & Associates, Lincoln, Neb., reported gross income of $1,217,028 in 1983 on billings of $8,115,252. In 1982, it reported gross income of $1,095,753 on billings of $7,306,825. Volume in 1983 consisted of $3,827,808 in media, $820,912 in materials and services and $3,466,532 in capitalized fees. In 1982, volume consisted of $3,071,109 in media, $631,675 in materials and services and $3,604,041 in capitalized fees. Accounts gained: Beatrice National Bank, The DeLay First National Bank, Farmers National Bank, HELP Inc., Jiffy Lube International, LinTELsystems, Quickolor, Sun Newspapers of Lincoln, JBA ATM Facilities, KESY Radio, KOIL Radio, Omaha Development Foundation/ParkFair, Tip Top Corp., American Business Lists, KBGT-TV, Mid-American Peripherals, Omaha National Bank, FirsTier, Seldin Development Management. Lost: First Mid-America, First Westside Bank, Omaha Convention & Visitors Bureau, Pepsico, Pepsi Cola Bottling Co. of Lincoln, Platte Valley National Bank, Walker Tire, WOW Radio. Billings breakdown: Newspapers 10%, magazines 4%, supplements 1%, radio 23%, spot television 25%, outdoor 5%, business papers 2%, farm publications 4%, direct mail 1%, other 25%. Employes: 32 in 2 offices. Top execs: Richard W. Bailey, chairman-ceo; Jim Lauerman, president (Lincoln division); Tracy Zaiss, president (Omaha division); George Meininger, senior exec vp; Ron Plageman, exec vp.

Phone: (402) 475-2800.

Baker, Abbs, Cunningham & Klepinger, Birmingham, Mich., reported gross income of $1,832,802 in 1983 on billings of $12,224,790. In 1982, it reported gross income of $1,666,544 on billings of $10,781,857. Volume in 1983 consisted of $4,123,882 in media, $2,963,656 in materials and services and $5,137,252 in capitalized fees. In 1982, volume consisted of $3,375,619 in media, $1,686,709 in materials and services and $5,719,529 in capitalized fees. Accounts gained: Diversitec, Group Health Plan of Southeast Michigan, Michigan Asparagus Advisory Board, Michigan Plum Advisory Board. Lost: DeVlieg Machine Co., Ross Operating Valve Co. Billings breakdown: Newspapers 29%, magazines 45%, radio 15%, spot tv 11%. Employes: 38. Top execs: Ernest W. Baker Jr., chairman; Robert L. Klepinger, president; Robert J. Cunningham, exec vp; B.H. Cunningham, treasurer.

Phone: (313) 540-5400.

Batz Hodgson Neuwoehner, St. Louis, reported gross income of $4,552,600 in 1983 on billings of $30,563,994. In 1982, it reported gross income of $4,229,632 on billings of $29,311,102. Volume in 1983 consisted of $15,989,946 in media, $4,031,780 in materials and services and $10,542,268 in capitalized fees. In 1982, volume consisted of $15,428,503 in media, $3,480,668 in materials and services and $10,401,931 in capitalized fees. Accounts gained: National Vendors, Roto Rooter, Plaza Motors, Roosevelt Federal, Pevely Dairy, Wetterau/IGA, United Telespectru, Labconco, Norand, St. Mary's Hospital Kansas City. Lost: Utel Com, Intertherm, Hazel Manufacturing. Billings breakdown: Newspapers 11%, magazines 12%, radio 15%, spot tv 29%, outdoor 2%, business papers 26%, farm publications 2%, other 3%. Employes: 102 in 6 offices. Top execs: Charles A. Hodgson, chairman; Kennett C. Johnson, president-ceo; Robert C. Zeitinger, George T. Gale, exec vps, Walter F. Balzerick, James F. Watts, Irv Jensen, John Blakemore, Steve Hunter, division presidents.

Phone: (314) 241-1200.

Bentley, Barnes & Lynn, Chicago, reported gross income of $4,684,798 in 1983 on billings of $31,231,987. In 1982, it reported gross income of $4,040,596 on billings of $26,937,311. Volume in 1983 consisted of $27,436,054 in media, $1,435,500 in materials and services and $2,360,433 in capitalized fees. In 1982, volume consisted of $23,664,490 in media, $1,069,744 in materials and services and $2,203,077 in capitalized fees. Accounts gained: Chicago Blitz, Cari Inc., Pheasant Run, Wagon Wheel Resort, 666 Lake Shore Drive Southmark Communities, Landmark Properties, Hi-tek Management Services, Citimark Financial Services. Billings breakdown: Newspapers 70%, magazines 5%, supplements 1%, radio 4%, spot tv 7%, cable tv 1%, outdoor 1%, business papers 1%, other 10%. Employes: 110. Top execs: Peter Postelnek, chairman; Stan Tannenbaum, president; Paul Oleff, Sam Conforti, exec vps.

Phone: (312) 467-9350.

Bernstein Rein Advertising, Kansas City, Mo., reported gross income of $3,850,000 in 1983 on billings of $36,320,426. In 1982, it reported gross income of $3,738,421 on billings of $32,509,136. Volume in 1983 consisted of $31,195,104 in media, $3,036,251 in materials and services and $2,089,071 in capitalized fees. In 1982, volume consisted of $28,164,473 in media, $2,913,901 in materials and services and $1,430,762 in capitalized fees. Accounts gained: Kansas City Hilton Hotels, United Telecommunications, Avon Products (regionally). Lost: McDonald's of Arizona. Billings breakdown: Newspapers 8%, magazines 3%, radio 12%, spot tv 70%, cable tv 2%, outdoor 5%. Employes: 100. Top execs: Robert A. Bernstein, president; Irwin Rein, exec vp.

Phone: (816) 756-0640.

William R. Biggs/Gilmore Associates, Kalamazoo, Mich., reported gross income of $3,300,000 in 1983 on billings of $34,061,000. In 1982, it reported gross income of $2,456,000 on billings of $24,152,000. Volume in 1983 consisted of $15,708,000 in media, $3,045,000 in materials and services and $15,308,000 in capitalized fees. In 1982, volume consisted of $11,735,000 in media, $2,345,000 in materials and services and $10,072,000 in capitalized fees. Accounts gained: Agra Land, Auto Owners Insurance, Rose Johnson Furniture, Edwards Motors, Kaiser Agriculture, Bissell, Cattus, Hastings Mfg. Lost: Geerpres. Billings breakdown: Newspapers 4%, magazines 88%, radio 3%, network tv 4%, outdoor 1%. Employes: 78. Top execs: William B. Riggs, president; Ronald Davis, David Hunt, senior vps; Don DeGroot, secretary/treasurer.

Phone: (616) 349-7711.

Bonsib Marketing Services, Fort Wayne, Ind., reported gross income of $1,070,447 in 1983 on billings of $7,139,881. In 1982, it reported gross income of $989,502 on billings of $6,599,978. No volume breakout was provided. Accounts gained: ARA Living Centers Assn. for Retarded Citizens, Central Soya poultry division, Gold N. Fresh, Central Soya processing division, Central Soya corporate (projects), The Centrium, All American Homes Division of Coachman Industries, Ferranti Indiana, Ford Meter Box, Franklin Financial Corp., Franklin Bank & Trust, Independent Stationers, Greater Fort Wayne Chamber of Commerce, Lincoln Logotype, Joe O'Malia Food Markets, Phelps Dodge Magnet Wire, WOWO-Radio, WPTA-TV. Lost: Auburn Gear, Dinner Bell Foods, Gemeinhardt/CBS, Huntington Laboratories, Jim Kelley Buick, Parkview Memorial Hospital. Billings breakdown: Newspapers 8%, magazines 15%, supplements 3%, radio 13%, spot tv 16%, cable tv 1%, outdoor 2%, transit 1%, business papers 21%, farm publications 9%, point of sale 4%, direct mail 7%. Employes: 21 in three offices. Top execs: Richard E Bonsib, chairman-president; Thomas D. Mattern, exec vp; David J. Floyd, vp.

Phone: (219) 422-4661.

The Brady Co., Menomenee Falls, Wis., reported gross income of $1,701,172 in 1983 on billings of $12,003,172. In 1982, it reported gross income of $1,361,666 on billings of $9,443,435. Volume in 1983 consisted of $2,553,908 in media, $2,181,066 in materials and services and $7,268,198 in capitalized fees. In 1982, volume consisted of $2,348,364 in media, $1,685,748 in materials and services and $5,409,323 in capitalized fees. Accounts gained: Amersham Corp., IML/MIL Inc., Centocor, Falls Medical Group, Windworks, Phoenix Products Co. Lost: South Bend Sporting Goods, PL Biochemicals. Billings breakdown: Newspapers 5%, magazines 40%, radio 5%, spot tv 1%, farm publications 49%. Employes: 46. Top exec: Karl F. Ohm, president.

Phone: (414) 255-0100.

Brand Advertising, Chicago, reported gross income of $1,294,476 in 1983 on billings of $10,691,815. In 1982, it reported gross income of $1,297,238 on billings of $10,800,272. In non-U.S. contributions, it reported income of $7,103 in 1983 on billings of $48,021. In 1982, it reported non-U.S. contributions of $6,251 in income on billings of $48,182. Volume in 1983 consisted of $6,525,818 in media, $1,136,411 in materials and services and $2,981,865 in capitalized fees. In 1982, volume consisted of $6,593,247 in media, $.127,146 in materials and services and $3,031,697 in capitalized fees. Accounts gained: Nalco Chemical Co., Timeworks Inc., American Home Products (Duplicolor division). Billings breakdown: Newspapers 10%, magazines 41%, supplements 5%, radio 22%, spot tv 13%, outdoor 3%, direct mail 3%, other 3%. Top exec: Perry L. Brand, president.

Phone: (312) 836-7777.

E. H. Brown Advertising, Chicago, reported gross income of $2,370,329 in 1983 on billings of $15,802,192. In 1982, it reported gross income of $2,005,389 on billings of $13,369,258. No volume breakout was provided. Accounts gained: Masonite Corp, Sykes division, NCR Corp., Comten division. Lost: None. Billings breakdown: Newspapers 10%, magazines 25%, trade publications 15%, radio and television 20%, other 30%. Employes: 41 in two offices. Top execs: E. H. Brown Sr., president-ceo; E. H. Brown Jr., exec vp-chief operating officer; W. A. Vernon, J.M. Ryan, J.D. Kenner, E.J. Murnane, senior vps.

Phone: (312) 372-9494.

Buckheim & Rowland, Ann Arbor, Mich., reported gross income of $1,189,558 in 1983 on billings of $7,807,685. In 1982, it reported gross income of $981,694 on billings of $6,983,613. Volume in 1983 consisted of $1,826,850 in media, $709,434 in materials and services and $5,271,401 in capitalized fees. In 1982, volume consisted of $1,720,911 in media, $684,834 in materials and services and $4,577,868 in capitalized fees. Accounts gained: Datanational Corp., Delfield Co., Holland Systems, Independent Bankcorp, Info Designs, Inter-City Bank, Irwin Magnetics, Somerset Inn, Winterhalter Inc., Ultracarbon. Lost: Applied Intelligent Systems, American Security Bank, Community Bank of Bad Axe, Bank of Commerce. Billings breakdown: Newspapers 3%, magazines 28%, radio 5%, spot tv 4%, outdoor 1%, business papers 2%, direct mail 1%, other 56%. Employes: 29. Top execs: Harvey A. Bailey, Richard A. Buckheim, E. Margaret Eich, Justin L. Moran, Richard H. Rowland, partners.

Phone: (313) 769-6771.

Burrell Advertising, Chicago, reported gross income of $3,900,000 in 1983 on billings of $26,000,000. In 1982, it reported gross income of $3,403,000 on billings of $22,586,700. Volume in 1983 consisted of $22,500,000 in media and $3,500,000 in materials and services. In 1982, volume consisted of $19,986,700 in media and $2,600,000 in materials and ser-

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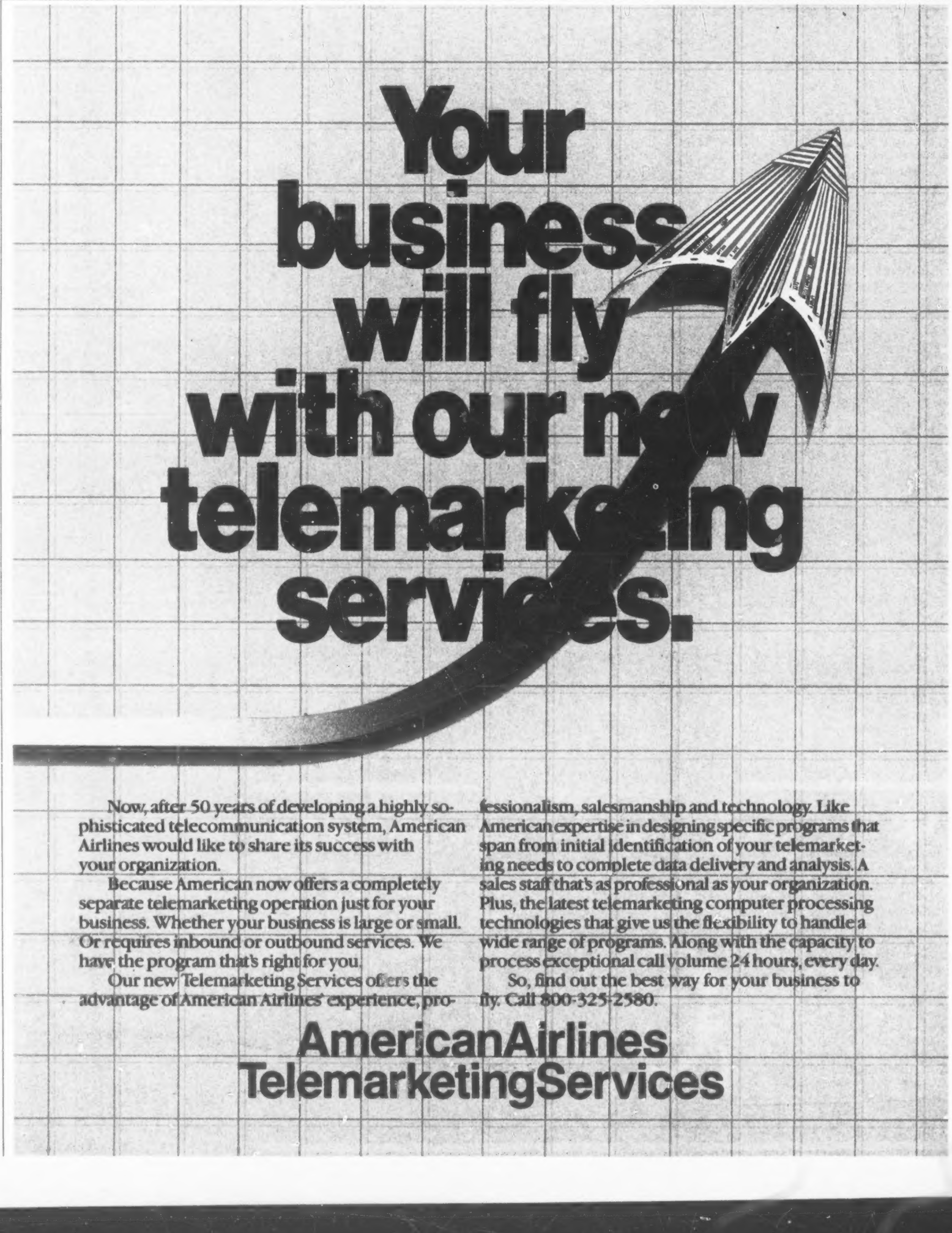
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vices. Accounts gained: Coca-Cola Co.-international, Coca-Cola Co.-foods division. Billings breakdown: Newspapers 6%, magazines 12%, radio 15%, spot tv 6%, network tv 57%, outdoor 4%. Employes: 70. Top execs: Thomas J. Burrell, president; Barbara Burrell, Eugene Morris, Anna Morris, Sarah Burroughs, William Sharp, Keith Tunnell, senior vps.
Phone: (312) 266-4600.

Burton Advertising, Detroit, reported gross income of $1,425,000 in 1983 on billings of $9,500,000. In 1982, it reported gross income of $1,611,000 on billings of $10,740,000. Volume in 1983 consisted of $8,386,500 in media, $780,000 in materials and services and $333,500 in capitalized fees. In 1982, volume consisted of $9,451,000 in media, $888,800 in materials and services and $400,200 in capitalized fees. Accounts lost: G. Heileman Brewing Co. Billings breakdown: Newspapers 16.9%, magazines 8%, radio 26.4%, spot tv 34.3%, outdoor 5.3%, other 9.1%. Employes: 26. Top execs: Rod Burton, president; Warren Kruger, exec vp; Brian Bremner, senior vp.
Phone: (313) 961-1166.

Carmichael-Lynch, Minneapolis, reported gross income of $4,908,000 in 1983 on billings of $32,732,000. In 1982, it reported gross income of $4,066,000 on billings of $27,113,000. Volume in 1983 consisted of $10,928,000 in media, $4,642,000 in materials and services and $17,162,000 in capitalized fees. In 1982, volume consisted of $10,123,000 in media, $3,437,000 in materials and services and $13,553,000 in capitalized fees. Accounts gained: Custom One International, Hagen Systems, Lifespan, Jerome Foods, Medtronic Inc., Minnesota Mutual Insurance, Mercury Marine, Mercruiser Stern Drives & Inboards, Quicksilver Parts & Accessories. Lost: Northland Ford Dealers. Billings breakdown: Newspapers 15%, magazines 18%, radio 9%, spot tv 32%, outdoor 4%, transit 1%, business papers 6%, farm publications 1%, point of sale 5%, direct mail 5%, other 4%. Employes: 102. Top execs: Leland T. Lynch, chairman; Lou Bacig, president; Ed Coleman, Jerry Stahl, Steven Goldstein, Phil Waggoner, senior vps.
Phone: (612) 871-8300.

Carr Liggett, Cleveland, reported gross income of $3,623,839 in 1983 on billings of $31,562,274. In 1982, it reported gross income of $3,437,660 on billings of $26,065,182. Volume in 1983 consisted of $11,563,992 in media, $7,391,275 in materials and services and $12,607,007 in capitalized fees. In 1982, volume consisted of $10,584,108 in media, $3,774,998 in materials and services and $11,706,076 in capitalized fees. Accounts gained: WKYC-TV, Don's Restaurants. Lost: McDonald's North East Ohio Co-op. Billings breakdown: Newspapers 6%, radio 7%, network tv 2%, spot tv 24%, cable tv 1%, business papers 52%, other 8%. Employes: 85. Top execs: Harold A. Shoup, president-ceo; John M Morton, vice chairman; Michael W. Carlton, senior vp.
Phone: (216) 696-0330.

Frank J. Corbett Inc., Chicago, reported gross income of $3,500,000 in 1983 on billings of $23,345,000. In 1982, it reported gross income of $3,000,000 on billings of $20,000,000. Volume in 1983 consisted of $23,345,000 in capitalized fees. In 1982, volume consisted of $20,000,000 in capitalized fees. Accounts gained: Mead-Johnson & Co. Nutritional Products division, Abbott Diagnostic division. Billings breakdown: Magazines 20%, point of sale 5%, direct mail 35%, other 40%. Employes: 50. Top execs: Frank J. Corbett, chairman; John J. Fisher, president.
Phone: (312) 664-5310.

Don Costello & Co., Chicago, had estimated gross income of $1,170,000 in 1983 on billings of $7,800,000. In 1982, it had estimated gross income of $750,000 on billings of $5,000,000. Volume in both years was all in media. Accounts gained: Mohawk Liqueur, New Generation Foods. Lost: None. Billings breakdown: Newspapers 15%, magazines 8%, supplements 5%, radio 15%, spot tv 15%, network tv 30%, outdoor 5%, transit 2%, point of sale 5%. Employes: 19. Top exec: Donald J. Costello, president.
Phone: (312) 280-8680.

Dawson, Johns & Black, Chicago, reported gross income of $2,512,500 in 1983 on billings of $16,750,000. In 1982, it reported gross income of $1,980,000 on billings of $13,200,000. Volume in 1983 consisted of $11,300,000 in media and $5,450,000 in capitalized fees. In 1982, volume consisted of $4,300,000 in media and $8,900,000 in capitalized fees. Accounts gained: Wilderness Foods, Execunet Travel Systems, Coachmen Recreational Vehicles, Great Plains Computer Software, Allison Industries. Lost: Uniwatch Security Systems. Billings breakdown: Newspapers 12%; magazines 20%, radio 13%, spot tv 35%, network tv 15%, outdoor 5%. Employes: 34. Top execs: R. Powell Johns Jr., president; James P. Black, exec vp; Marion D. Dawson, exec vp; Robert G. Kaplan, exec vp.
Phone: (312) 670-2200.

Dix & Eaton, Cleveland, reported gross income of $2,300,000 in 1983 on billings of $15,771,500. In 1982, it reported gross income of $2,430,000 on billings of $15,700,000. Volume in 1983 consisted of $3,500,000 in media, $2,600,000 in materials and services and $9,671,500 in capitalized fees. In 1982, volume consisted of $3,800,000 in media, $2,800,000 in materials and services and $9,100,000 in capitalized fees. Accounts gained: ALLTEL Corp., WCI Alliance Group, Playhouse Square Foundation, Clevetrust Realty Investors. Lost: Blaw-Knox Construction Equipment. Billings breakdown: Newspapers 12%, magazines 25%, radio 4%, spot tv 4%, business papers 55%. Employes: 45. Top execs: Henry F. Eaton, chairman; John A. Kinley, president; Edward M. Stevens, Richard D. Kostic, exec vps.
Phone: (216) 241-0405.

Dudreck DePaul Ficco & Morgan, Pittsburgh, reported gross income of $1,671,000 in 1983 on billings of $12,869,000. In 1982, it reported gross income of $1,272,000 on billings of $11,027,000. Volume in 1983 consisted of $4,786,000 in media, $1,593,000 in materials and services and $6,490,000 in capitalized fees. In 1982, volume consisted of $3,787,000 in media, $1,463,000 in materials and services and $5,777,000 in capitalized fees. Accounts gained: Bercon Packaging, Swiss Mountain Village, Webtron Corp., Boca Bank, Arpco Inc., Lynn Insurance Group, Ingersoll-Rand Mining Machinery Group. Lost: None. Billings breakdown: Newspapers 6%, magazines 5%, radio 10%, network tv 3%, spot tv 28%, outdoor 3%, business papers 16%, point of sale 1%, direct mail 1%, other 27%. Employes: 35 in three offices. Top execs: Albert W. Dudreck, chairman; John DePaul, president; James V. Ficco Jr., Paul J. Morgan, exec vps.
Phone: (412) 242-2580.

Duffy, Bringgold, Knutson & Oberpriller, Minneapolis, reported gross income of $1,502,500 and net income of $138,000 in 1983 on billings of $10,016,000. In 1982, it reported gross income of $633,000 and net income of $52,000 on billings of $4,780,000. Volume in 1983 consisted of $3,611,000 in media, $2,339,000 in materials and services and $4,066,000 in capitalized fees. In 1982, volume consisted of $1,575,000 in media, $870,000 in materials and services and $2,335,000 in capitalized fees. Accounts gained: Mayer Housewares, National Computer Systems, Great Northern Data Systems, Oxford Properties, American PopCorn, Rite-Hite Corp; Amfac Hotels; Northrup King. Lost: Harris & Frank, Northwest Microfilm. Billings breakdown: Newspapers 30%, magazines 30%, radio 15%, spot tv 15%, outdoor 1%, farm publications 5%, direct mail 4%. Employes: 30. Top execs: Gary Bringgold, ceo; Gary Knutson, president; Daniel Oberpriller, exec vp; Dean Oberpriller, exec vp; Joseph P. Duffy III, senior vp.
Phone: (612) 375-9660.

William Eisner & Associates, Hales Corners, Wis., reported gross income of $1,300,760 and net income of $45,612 in 1983 on billings of $10,416,386. In 1982, it reported gross income of $1,331,058 and net income of $85,354 on billings of $9,381,239. Volume in 1983 consisted of $2,970,483 in media, $836,194 in materials and services and $6,609,709 in capitalized fees. In 1982, volume consisted of $1,833,193 in media, $520,434 in materials and services and $7,027,612 in capitalized fees. Accounts gained: Milwaukee Marriott, Milwaukee Symphony, University of Wisconsin Athletic Dept., WZUU/WLZZ, Crown Prince, WLUM. Billings breakdown: Newspapers 8%, magazines 29%, radio 8%, spot tv 4%, outdoor 3%, other 48%. Employes: 25. Top execs: William F. Eisner, president.
Phone: (414) 425-8800.

G.M. Feldman & Co., Chicago, reported gross income of $2,775,000 in 1983 on billings of $18,500,000. In 1982, it reported gross income of $3,495,000 on billings of $23,300,000. Volume for both years was all in media. Accounts gained: Honda Dealers Assn. of Chicago & Northern Indiana, Pathway Financial, Northern Laboratories' toiletries division. Lost: Assn. of Chicagoland McDonald's Restaurants, Arlington Park Race Track. Billings breakdown: Newspapers 4%, magazines 1%, radio 24%, spot tv 63%, outdoor 6%, direct mail 1%, other 1%. Employes: 40 in three offices. Top execs: Gerald M. Feldman, chairman; Patrick C. Tims, president.
Phone: (312) 644-1800.

R.S. Feldman & Co., Chicago, had estimated gross income of $2,161,242 in 1983 on billings of $14,408,280. In 1982, it had estimated gross income of $1,980,000 on billings of $13,200,000. No volume breakout was provided. Accounts gained: Time-Life Books, IPC Income Property Computer Services, Omega Microware, Jewels by Stephanie, Micro Lab. The company did not break down its billings. Employes: 20. Top exec: Roger S. Feldman, president.
Phone: (312) 642-4300.

Fortis Fortis Advertising, Chicago, reported gross income of $1,537,000 and net income of $191,000 in 1983 on billings of $11,650,000. In 1982, it reported gross income of $1,080,000 and net income of $133,000 on billings of $7,200,000. Volume in 1983 consisted of $5,700,000 in media, $1,450,000 in materials and services and $4,500,000 in capitalized fees. In 1982, volume consisted of $3,315,000 in media, $585,000 in materials and services and $3,300,000 in capitalized fees. Accounts gained: Chicagoland Oldsmobile Dealers Assn. Lost: None. Billings breakdown: Newspapers 7%, magazines 15%, supplements 5%, radio 33%, spot tv 40%. Employes: 23. Top execs: J. Gerald Fortis, president; Dixie B. Fortis, exec vp/creative services director; Terry M. Bowman, James A. Dernocoeur, senior vps.
Phone: (312) 329-1980.

Frankenberry, Laughlin & Constable, Milwaukee, reported gross income of $3,300,000 in 1983 on billings of $22,000,000. In 1982, it reported gross income of $2,200,000 on billings of $16,800,000. Volume in 1983 consisted of $16,500,000 in media, $5,500,000 in materials and services. In 1982, volume consisted of $12,800,000 in media, $4,000,000 in materials and services. Accounts gained: Amity Leather Products, Henri's Food Service, Hamilton Test Systems, Nekoosa Papers. Billings breakdown: Newspapers 13%, magazines 10%, radio 15%, network tv 23%, spot tv 29%, business papers 10%. Employes: 45. Top execs: Dennis W. Frankenberry, partner; Steven L. Laughlin, partner; Edward A.J. Constable, partner.
Phone: (414) 272-2400.

Grant/Jacoby Inc., Chicago, reported gross income of $4,121,000 in 1983 on billings of $40,041,000. In 1982, it reported gross income of $3,278,000 on billings of $37,272,000. Volume in 1983 consisted of $20,800,000 in media, $3,900,000 in materials and services and $15,341,000 in capitalized fees. In 1982, volume consisted of $20,160,000 in media, $3,772,000 in materials and services and $13,340,000 in capitalized fees. Accounts gained: On Cor Foods, Lincoln National, Sears Roebuck & Co., Alcar Associates Software, DeLong Sportswear, North Pole Corp., Commercial National Bank. Lost: Wells Lemont, Michael Reese Hospital, Wisconsin Packing. Billings breakdown: Newspapers 23.3%, magazines 12%, supplements 0.1%, radio 4%, spot tv 17%, network tv 22.4%, outdoor 0.5%, transit 0.1%, business papers 8.5%, farm publications 2.1%, point of sale 2%, direct mail 8%. Employes: 70. Top execs: Robert L. Flink, chairman-ceo; Bruce I. Carlson, president; Robert W. Krewer, Robert W. Lavender, Charles A. Norris, Robert J. Killian, senior vps.
Phone: (312) 664-2055.

Haddon Advertising, Chicago, reported gross income of $2,574,000 and net income of $319,000 in 1983 on billings of $21,354,000. In 1982, it reported gross income of $1,778,236 and net income of $320,000 on billings of $16,524,522. Volume in 1983 consisted of $3,800,000 in media, $3,200,000 in materials and services and $14,354,000 in capitalized fees. Volume in 1982 consisted of $3,645,000 in media, $3,323,445 in materials and services, and $9,547,077 in capitalized fees. Subsidiaries: Haddon, Lynch & Baughman PR and Haddon Direct. Accounts gained: Baird & Warner, Color Communications, The Landings. Lost: Dunbar Corp., 666 Lake Shore Drive Associates, The Levy Organization. Billings breakdown: Newspapers 20%, magazines 20%, radio 20%, spot tv 20%, direct mail 20%. Employes: 50. Top execs: Harvey Haddon, president; Jacgueline Wagner, vp.
Phone: (312) 943-6266.

Hall, Haerr, Peterson & Harney, Peoria, Ill., reported gross income of $1,260,000 in 1983 on billings of $8,350,000. In 1983, net income was $195,000 and net income was $175,000 in 1982. In 1982, it reported gross income of $1,200,000 on billings of $8,000,000. Volume in 1983 consisted of $5,250,000 in media, $2,050,000 in materials and services and $1,050,000 in capitalized fees. In 1982, volume consisted of $5,000,000 in media, $2,000,000 in materials and services and $1,000,000 in capitalized fees. Billings include those of an affiliate office in Jefferson City, Mo. Accounts gained: Gem City Savings & Loan, Security Federal Savings & Loan, Smithco, Inc., Missouri Chamber of Commerce, Fuqua Homes, Nickles Machine Co., Automatic Devices Corp. Billings breakdown: Newspapers 20%, magazines 23%, radio 8%, network tv 22%, outdoor 5%, business papers 9%, farm publications 13%. Employes: 42 in four offices. Top execs: John Philip Harney, chairman; Richard A. Hall, president.
Phone: (309) 692-7011.

Harmon Smith, Kansas City, Mo., reported gross income of $1,102,131 in 1983 on billings of $7,520,772. In 1982, it reported gross income of $815,000 on billings of $5,317,916. Volume in 1983 consisted of $2,723,511 in media, $2,314,487 in materials and services and $2,482,774 in capitalized fees. In 1982, volume consisted of $1,821,253 in media, $1,826,195 in materials and services and $1,670,468 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 25%, magazines 45%, radio 5%, spot tv 5%, business papers 10%, farm publications 10%. Employes: 20. Top execs: Austin Harmon, president; John Lee Smith, corporate vp.
Phone: (816) 756-0756.

Hoffman York & Compton, Milwaukee, reported gross income of $4,664,000 in 1983 on billings of $31,090,000. In 1982, it reported gross income of $4,525,500 on billings of $30,140,000. Volume in both years was all in media. Accounts gained: Midway Motor Lodges, McDonald's Co-ops in Rockford, Wisconsin Sports Network, Lamplight Farms, SUN Foods. Lost: Bank of Commerce, Lanair. Billings breakdown: Newspapers 9.4%, magazines 11.4%, radio 9.2%, network tv 18.6%, spot tv 15.9%, cable tv 1.7%, outdoor 2.8%, business papers 23.4%, direct mail 3.9%, other 3.7%. Employes: 78. Top execs: Eugene P. Lawler, chairman; Eugene P Gilmartin, president-ceo; Thomas A. Jordan,

Agency Q&A

Q: Will agency mergers increase this year?

Answer: Last year was a pretty big year for agency mergers. I expect this trend to continue in 1984 and beyond.

I think there are three fundamental reasons for this.

The first reason relates to the powerful business trend toward globalization of markets. As more and more companies operate worldwide they look for the extra resources and leverage that come from an agency with matching worldwide capabilities. This trend causes larger companies to seek agencies around the world to complete and strengthen their networks. It also causes many good local agencies to seek alignment to better serve some of the largest and best clients in their area.

Brown

The second point is somewhat related. It has to do with the tendency now to have a total communications perspective. That is, to try to leverage total marketing efforts by integrating advertising, direct marketing, promotion, public relations, etc. This trend creates a natural attraction for a number of kinds of agency to want to come together.

Third is what I would call the natural maturing of a dynamic industry. Advertising will continue to be dynamic in that many excellent new agencies will be formed; others will grow into outstanding local, regional or national operations. But at some point, as owners get ready to retire or as their particular business changes, there are pressures to sell to larger agencies. I think our business has reached a point where many agencies built up after World War II have now reached this point of maturity. Merging is an important option.

Norman W. Brown
President-chief executive officer
Foote, Cone & Belding
Chicago

Frank A. Dysarz, Warren A. Eulg n, senior vps; John M. Melamed, Ma tin L. Felde, vps.
Phone: (414) 259-2000.

Hughes Advertising, St. Louis, reported gross income of $1,201,375 in 1983 on billings of $9,240,018. In 1982, it reported gross income of $1,043,834 on billings of $8,077,751. Volume in 1983 consisted of $3,650,376 in media, $1,387,643 in materials and services and $4,201,999 in capitalized fees. In 1982, the agency's volume consisted of $3,001,959 in media, $1,297,644 in materials and services and $3,778,148 in capitalized fees. Accounts gained: Affinitech Corp., Marriott Hotels, Saddlebrook Corp., Mirex Corp., Central Hardware, Bi-State Development, Chapman's Ice Cream, Crestwood Plaza, Arby's, Essex Hardware, Kleen-Rite, KangaRoos Retail Stores, John Morris Limited. Lost: Springfield Marine Bank, Air One Airlines. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, spot tv 25%, outdoor 1%, transit 1%, business papers 15%, point of sale 5%, direct mail 8%. Employes: 28. Top execs: Jack A. Hughes, president; Larry R. McLane, exec vp; Donald H. Fosher and Henry George, senior vps.
Phone: (314) 862-9111.

Jaqua Co., Grand Rapids, Mich., reported gross income of $1,348,766 in 1983 on billings of $10,056,933. In 1982, it reported gross income of $1,480,985 on billings of $10,161,187. Volume in 1983 consisted of $1,940,389 in media, $1,894,121 in materials and services and $6,222,423 in capitalized fees. In 1982, volume consisted of $2,114,629 in media, $1,723,298 in materials and services and $6,323,260 in capitalized fees. Accounts gained: Simplex Industries, Hanchett Mfg., Aerovent Fan & Blower, Calvin College. Lost: Dake Corp, Ludowici-Celadon, Universal Electric. Billings breakdown: Newspapers 3%, magazines 70%, radio 1%, network tv 10%, spot tv 3%, outdoor 1%, farm publications 5%, point of sale 2%, direct mail 5%. Employes: 30. Top execs: Jack R. Brouwer, chairman; David W. Friend, president.
Phone: (616) 241-6701.

The Jayme Organization, Beachwood, O., reported gross income of $2,108,000 in 1983 on billings of $16,732,000. In 1982, it reported gross income of $1,747,000 on billings of $13,327,000. Volume in 1983 consisted of $1,839,000 in media, $1,726,000 in materials and services and $13,167,000 in capitalized fees. In 1982, volume consisted of $1,232,000 in media, $1,183,000 in materials and services and $10,912,000 in capitalized fees. It has two subsidiaries, Publicom (public relations) and Strategic Research Center (marketing research). Accounts gained: Assa Inc., Automated Packaging Systems, Mannesmann Demag, Honda Cars of Cleveland and Bedford Toyota-Volvo, Sherwin-Williams' chemicals division, Tameran Inc., Webb Mfg. Lost: Sherwin-Williams' automotive division, Cyberex, Inc., SSCI (Steel Service Center Institute), NRM Process Systems. Billings breakdown: Newspapers 10%, magazines 40%, radio 10%, spot tv 5%, business papers 20%, farm publications 2%, point of sale 3%, direct mail 10%. Employes: 47. Top execs: George N. Havens, chairman-ceo; Michael E. Cargile, president; Lawrence R. Kavanaugh, exec vp; Allen B. Straka, vp; Kathleen M. Wallace, exec vp, SRC; Cathy A. Pokorny, president, Publicom.
Phone: (216) 831-0110.

Jordan/Tamraz/Caruso Advertising, Chicago, reported gross income of $2,580,000 in 1983 on billings of $17,200,000. In 1982, it reported gross income of $2,370,000 on billings of $15,800,000. Volume in 1983 consisted of $12,145,000 in media, $3,215,000 in materials and services and $1,840,000 in capitalized fees. In 1982, volume consisted of $11,376,000 in media, $2,859,000 in materials and services and $1,567,000 in capitalized fees. Accounts gained: National Van Lines, Alboy Security Locks, Biltmore Tires, Sony Corp. Lost: None. Billings breakdown: Newspapers 25%, magazines 15%, radio 17%, spot tv 26%, outdoor 2%, business papers 5%, collateral 10%. Employes: 44. Top execs: Joseph A. Caruso, president; Charles A. Jordan, exec vp.
Phone: (312) 951-2000.

Juhl Advertising, Elkhart, Ind., had estimated gross income of $3,291,150 in 1983 on billings of $21,941,000. In 1982, it had estimated gross income of $2,556,000 on billings of $17,040,000. Volume in 1983 consisted of $3,900,000 in media, $2,700,000 in materials and services and $15,341,000 in capitalized fees. In 1982, volume consisted of $3,300,000 in media, $1,900,000 in materials and services and $11,840,000 in capitalized fees. Accounts gained: King Band Instruments, W.T. Armstrong, Caradco Corp., Halda Systems, Heritage Cablevision, Kent Co., Remin Corp., Semperit of America. Lost: Boosey & Hawkes, Austin-Kane, Indiana Department of Commerce (pr), Lowes Inc. (pr). Billings breakdown: Newspapers 6%, magazines 44%, radio 8%, spot television 10%, cable television 1%, outdoor 1%, point of sale 5%, direct mail 10%, and other 15%. Employes: 85 in three offices. Top execs: Howard J. Blackwood, president; Max B. Barrick, James J. Dominello, Bonnie Ackley, senior vps; Steven Patton, vp.
Phone: (219) 293-5621.

Kamstra Communications, St. Paul, Minn., had estimated gross income of $1,815,000 in 1983 on billings of $12,100,000. In 1982, it had estimated gross income of $1,575,000 on billings of $10,500,000. Volume in 1983 consisted of $2,100,000 in media, $500,000 in materials and services and $9,500,000 in capitalized fees. In 1982, volume consisted of $1,900,000 in media, $350,000 in materials and services and $8,300,000 in capitalized fees. Accounts gained: ADC Magnetic Controls, Sensor-based Systems, 3M Commercial Chemicals division (specialty film products), 3M Traffic Control Materials division, Rank Videometrix. Lost: Owens Services, Anderson Cornelius Co. Billings breakdown: Radio 2%, spot tv 2%, business papers

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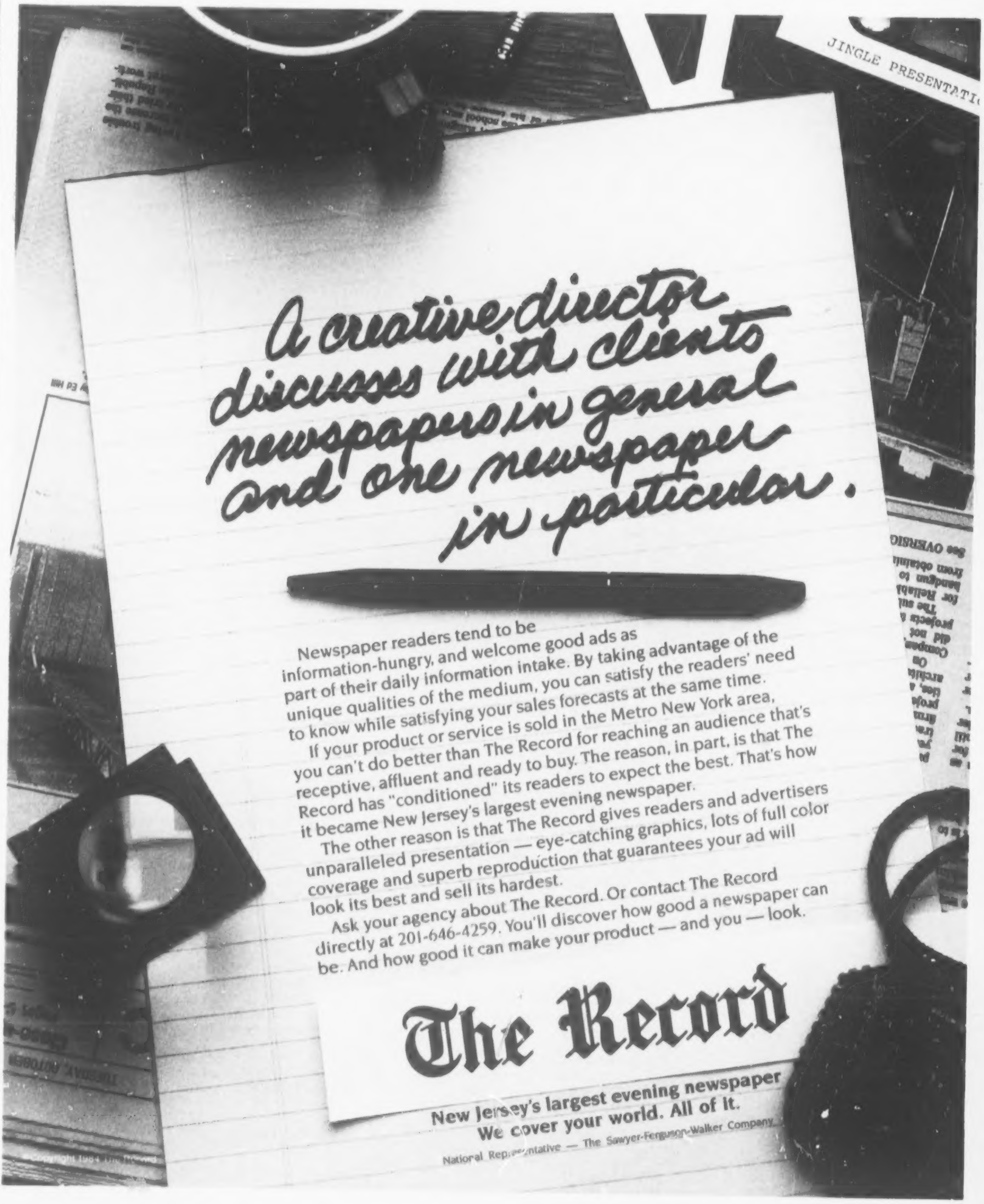
A creative director discusses with clients newspapers in general and one newspaper in particular.
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Gross income of $1,000,000 to $5,000,000

35%, point of sale 1%, direct mail 10%, other 50%. Employes: 25. Top execs: K.M. Kamstra, president.
Phone: (612) 228-1419.

Kenrick Advertising, St. Louis, reported gross income of $3,723,000 in 1983 on billings of $30,177,000. In 1982, it reported gross income of $2,625,000 on billings of $23,793,000. Volume in 1983 consisted of $9,365,000 in media, $4,250,000 in materials and services and $16,562,000 in capitalized fees. In 1982, volume consisted of $8,326,000 in media, $3,508,000 in materials and services and $11,959,000 in capitalized fees. Figures include those of subsidiaries Frank/James Direct Marketing, Kingsbury Graphics, Aragon PR, Data Support Services. Accounts gained: Intertherm, May Centers, Pantera's, Greater St. Louis Ad Council, Elanco Products, Tylan Premix. Lost: Metro Banks. Billings breakdown: Newspapers 6%, magazines 9%, supplements 2%, radio 20%, spot tv 20%, cable tv 3%, outdoor 5%, transit 1%, business papers 5%, farm publications 26%, point of sale 2%, direct mail 1%. Employes: 115 in four offices. Top exec: Eric Sides, president.
Phone: (314) 726-6020.

Kerker & Associates, Minneapolis, reported gross income of $2,734,323 in 1983 on billings of $19,014,249. In 1982, it reported gross income of $3,052,845 on billings of $20,335,899. Volume in 1983 consisted of $7,680,410 in media, $2,300,118 in materials and services and $9,033,721 in capitalized fees. In 1982, volume consisted of $7,582,064 in media, $2,427,220 in materials and services and $10,326,615 in capitalized fees. Accounts gained: Sanborn Mfg., 3M Alarm Services, Zytec, McQuay, Services division. Lost: Medtronic (Pacemakers), Wagner Spray-Tech, commercial division, Henkel Chemicals, Griffin Properties, ADC Magnetic Controls. The agency did not supply a billings breakdown. Employes: 45. Top execs: Richard W. Kerker, chairman; Robert E. Marlow, ceo; Allen R. Sandvik, president.
Phone: (612) 835-7922.

Kerlick, Switzer & Johnson Advertising, St. Louis, reported gross income of $1,068,600 in 1983 on billings of $7,112,156. In 1982, it reported gross income of $975,000 on billings of $6,500,000. Volume in 1983 consisted of $6,222,125 in media, $534,300 in materials and services and $355,731 in capitalized fees. In 1982, volume consisted of $5,687,500 in media, $487,500 in materials and services and $325,000 in capitalized fees. Billings breakdown: Newspapers 32%, magazines 7%, radio 30%, spot tv 22%, outdoor 1%, business papers 1%, point of sale 1%, direct mail 2%, other 4%. Employes: 32. Top execs: Daniel J. Kerlick, chairman; Michael Switzer, president; Arthur Johnson, exec vp; Robert E. Johnson, chairman of the executive committee.
Phone: (314) 863-8800.

Keroff & Rosenberg Advertising, Chicago, reported gross income of $1,195,383 in 1983 on billings of $7,973,204. In 1982, it reported gross income of $155,000 on billings of $975,000. Volume in 1983 consisted of $4,289,942 in media, $1,253,272 in materials and services and $2,429,990 in capitalized fees. In 1982, volume consisted of $325,000 in media, $325,000 in materials and services and $325,000 in capitalized fees. Accounts gained: Dow Jones Irwin Publishing, Intrinsic Fashions, Maywood Park Trotting Assn., Thybony Wall Coverings, John B. Coleman Hotels. Lost: District Furniture & Appliances, First Computer Corp. Billings breakdown: Newspapers 10%, magazines 10%, radio 25%, network tv 5%, spot tv 5%, business papers 10%, direct mail 25%, other 10%. Employes: 24. Top execs: William B. Keroff, president; Charles I. Rosenberg, exec vp.
Phone (312) 321-9000.

Kolon, Bittker & Desmond, Troy, Mich., reported gross income of $2,200,000 in 1983 on billings of $13,200,000. In 1982, it reported gross income of $2,000,000 on billings of $12,800,000. Volume in 1983 consisted of $10,428,000 in media, $1,438,000 in materials and services and $1,334,000 in capitalized fees. In 1982, volume consisted of $10,240,000 in media, $1,392,750 in materials and services and $1,167,250 in capitalized fees. Accounts gained: CBS/FOX Video, Richard Simmons Anatomy Asylums, Simmons Airlines, Detroit/Windsor Freedom Festival. Lost: None. Billings breakdown: Newspapers 20%, magazines 4%, supplements 0.5%, radio 15%, spot television 35%, outdoor 5%, business papers 0.5%, point of sale 5%, direct mail 10%, other 5%. Employes: 50. Top execs: Joseph Bittker, chairman; John Kolon, president.
Phone: (313) 524-2500.

Lang, Fisher & Stashower Advertising, Cleveland, O., reported gross income of an estimated $3,495,339 in 1983 on billings of $23,302,261. In 1982, it reported estimated gross income of $3,328,894 on billings of $22,192,630. Volume in 1983 consisted of $13,656,891 in media and materials and services, and $9,736,370 in capitalized fees. In 1982, volume consisted of $12,919,896 in media and materials and services and $22,192,630 in capitalized fees. Figures do not include those of subsidiaries: Creative Group Inc., Systems Group Inc. and Upper Case. Accounts gained: BernzOmatic Corp., Community of Bedford Hospital, Judson Park, Ohio Desk, Medical Mutual, Medical Center South. Lost: None. Billings breakdown: Newspapers 17%, magazines 8%, supplements 1%, radio 17%, network tv 3%, spot tv 39%, cable 2%, outdoor 1%, business papers 5%, point of sale 2.5%, direct mail 2.5%, other 2%. Employes: 49. Top execs: David L. Stashower, president; Thomas S. Case, Edmund M. Kagy, exec vps.
Phone: (216) 771-0300.

Lauerer Markin Gibbs, formerly Widerschein/Strandberg Associates, Toledo, O., reported gross income of $4,539,946 and net income of $2,081,839 in 1983 on billings of $13,762,048. In 1982, it reported gross income of $4,310,654 and net income of $1,852,039 on billings of $12,364,217. Volume in 1983 consisted of $1,308,678 in media, $1,604,789 in materials and services and $10,848,581 in capitalized fees. In 1982, volume consisted of $1,116,466 in media, $1,773,803 in materials and services and $9,473,948 in capitalized fees. Accounts gained: Fleetwood Enterprises, Lily-Tulip, Therma Tru division, LST Corp., NAPA American Brakeblok. Lost: 1st National Bank of Toledo. Billings breakdown: Newspapers 5%, magazines 25%, radio 5%, spot tv 2%, outdoor 1%, business papers 10%, sales promotions 25%, collateral 22%, other 5%. Employes: 50. Top execs: Kenneth G. Lauerer, G. Edward Gibbs, William R. Markin, senior partners.
Phone: (419) 841-7744.

Jack Levy & Associates, Chicago, reported gross income of $2,496,336 in 1983 on billings of $16,210,000. In 1982, it reported gross income of $1,526,651 on billings of $10,097,834. Volume in 1983 consisted of $7,235,081 in media, $1,131,245 in materials and services and $7,843,674 in capitalized fees. In 1982, volume consisted of $4,386,925 in media, $715,015 in materials and services and $4,995,894 in capitalized fees. Accounts gained: Aeolian Pianos, Le Creuset, Metropolitan Structures. Lost: Amity Leather Products Co. Billings breakdown: Newspapers 16%, magazines 31%, radio 14%, spot tv 25%, outdoor 1%, business papers 13%. Employes: 32. Top execs: Jack Levy, president; Mark Goldstein, Richard Stack, senior vps.
Phone: (312) 332-7540.

Lord, Sullivan & Yoder, Marion, O., reported gross income of $4,041,729 in 1983 on billings of $30,131,253. In 1982, it reported gross income of $3,999,728 on billings of $29,624,999. Volume in 1983 consisted of $9,792,489 in media, $3,524,632 in materials and services and $16,814,132 in capitalized fees. In 1982, volume consisted of $10,358,233 in media, $4,031,662 in materials and services and $15,235,104 in capitalized fees. Accounts gained: Continental Cablevision, Dana World Trade Corp., Diamond S&L, Diebold Inc., Gorman-Rupp, IRD Mechanalysis, National City Bank, Ohio Insurance Institute, Peabody Galion Co., Spectra Physics, WNCI Radio, AID Insurance Co., Brenton Banks, Equitable Cos. of Iowa, Heritage Cablevision, W.A. Klinger Corp., Missouri Division of Highway Safety, Wendy's Des Moines Area Co-op. Lost: Metropolitan Bank of Lima, Norwest Banks of Des Moines, Barber-Green Info Systems, Schneider Mfg. Co. Billings breakdown: Newspapers 21%, magazines 9.3%, radio 20.5%, spot tv 22.2%, cable tv 0.1%, outdoor 1.6%, business papers 21%, farm publications 4%, direct mail 0.1%, other 0.2%. Employes: 92. Top execs: John K. Lord, chairman; Robert E. Sullivan, president; Robert D. Ackerman, Robert L. Bender, Carl E. Gustin Jr., senior vps.
Phone: (614) 387-8500.

MARCOA Direct Advertising, Chicago, had estimated gross income of $3,690,000 in 1983 on billings of $24,600,000. In 1982, the agency had estimated gross income of $3,060,000 on billings of $20,400,000. Volume was all in media. Accounts gained: MCI, LeeWards, Thousand Trails, Video Associates, Yield House, Allstate Motor Club. Lost: Amoco Motor Club. Billings breakdown: Newspapers 16%, magazines 28%, supplements 8%, radio 1%, business papers 5%, point of sale 5%, direct mail 37%. Employes: 51. Top exec: David Hefter, president.
Phone: (312) 454-0660.

J. MacLachlan & Associates, Wayzata, Minn., reported gross income of $1,295,000 in 1983 on billings of $8,194,000. In 1982, it reported gross income of $658,000 on billings of $4,263,000. Volume in 1983 consisted of $386,000 in media, $744,000 in materials and services and $7,064,000 in capitalized fees. In 1982, volume consisted of $98,000 in media, $290,000 in materials and services and $3,875,000 in capitalized fees. Accounts gained: Benson Optical wholesale division, Deluxe Check Printers training division, Travelers Express. Billings breakdown: Newspapers 5%, magazines 80%, business papers 5%, other 10%. Employes: 24. Top execs: James H. MacLachlan, chairman; Richard F. Ebert, president.
Phone: (612) 473-2[illegible]00.

Malone, Akron, O., reported gross income of $2,850,000 in 1983 on billings of $36,000,000. In 1982, it reported gross income of $2,550,000 on billings of $17,000,000. Volume in 1983 consisted of $20,000,000 in media, $1,865,000 in materials and services and $14,135,000 in capitalized fees. In 1982, volume consisted of $4,650,000 in media, $1,350,000 in materials and services and $11,000,000 in capitalized fees. Accounts gained: Barclays American, First Union National Bank, GE Electromaterials Business Dept., Sodyeco, Southmark, Sun Health Network, General Electric lighting products division, Gold Bond Building Products, BF Goodrich's Tremco division, Butler, Wick & Co., First National Bank Assn., Conquest Exploration, Credit Life Insurance Co., Hexagram, Myers Industries, Teledyne, Westfield Cos. Lost: Sorkin Thayer & Co. Billings breakdown: Newspapers 2%, magazines 4%, radio 7%, spot television 65% cable television 1%, outdoor 1%, transit 1%, business papers 1%, point of sale 8%, direct mail 1%, other 9%. Employes: 85. Top execs: Harry P. Stitzlein, chairman; Bain L. Malone, president.
Phone: (216) 376-6148.

Marc & Co., Pittsburgh, reported gross income of $3,370,000 in 1983 on billings of $22,600,000. In 1982, it reported gross income of $3,450,000 on billings of $23,000,000. Volume in 1983 consisted of $17,950,000 in media, $3,300,000 in materials and services and $1,350,000 in capitalized fees. In 1982, volume consisted of $18,600,000 in media, $3,150,000 in materials and services and $1,250,000 in capitalized fees. Accounts gained: The Meadows Harness Racing Track, Color Your World Paint and Wallpaper Stores (overseas). Billings breakdown: Newspapers 10%, radio 12%, spot tv 62%, other 16%. Employes: 75. Top exec: Louis J. Cardamone, president.
Phone: (412) 562-2000.

Marketing Support, Chicago, reported gross income of $4,578,537 in 1983 on billings of $20,565,144. In 1982, it reported gross income of $2,112,258 on billings of $17,781,670. Volume in 1983 consisted of $2,119,919 in media, $3,015,654 in materials and services and $15,429,571 in capitalized fees. In 1982, volume consisted of $1,852,806 in media, $1,840,104 in materials and services and $14,088,760 in capitalized fees. Accounts gained: Dynamic Downhill Skis, Dumont, Joanna Window Furnishings, National Furniture Sale, Skilom Cross Country Skis, Vaco Hand Tools. Lost: Dremel Tools. Billings breakdown: Newspapers 15%, magazines 10%, supplements 5%, radio 10%, network tv 12%, spot tv 15%, outdoor 1%, business papers 14%, point of sale 10%, direct mail 3%, other 5%. Employes: 45 in two offices. Top execs: David L. Weiner, president; Kenneth Chakiris, exec vp.
Phone: (312) 565-0044.

Martin-Williams, Minneapolis, reported gross income of $3,829,709 in 1983 on billings of $30,439,445. In 1982, it reported gross income of $3,476,900 on billings of $27,439,500. Net income was $62,136 in 1983 and $68,017 in 1982. Volume in 1983 consisted of $10,118,845 in media, $2,485,207 in materials and services and $17,835,393 in capitalized fees. In 1982, volume consisted of $10,147,681 in media, $3,030,179 in materials and services and $14,261,640 in capitalized fees. Accounts gained: ADM Feeds, 3M, Poppin Fresh Restaurants, Donaldson's department stores, Onan engine division, Vee Corp. Lost: 3M medical division, Arby's, E.F. Johnson, Sun Seeds. Billings breakdown: Newspapers 12%, magazines 20%, radio 5%, network tv 26%, business papers 37%. Employes: 74. Top execs: Steven C. Martin, chairman; Don A. Hagg, chairman; David D. Floren, president; Tom F. Weyl, exec vp.
Phone: (612) 340-0800.

McKee Advertising, Elmhurst, Ill., reported gross income of $1,316,000 in 1983 on billings of $4,245,000. In 1982, it reported estimated gross income of $1,001,000 on billings of $3,230,000. Volume in 1983 consisted of $880,000 in media, $1,197,000 in materials and services and $2,168,000 in capitalized fees. In 1982, volume consisted of $700,000 in media, $850,000 in materials and services and $1,680,000 in capitalized fees. Accounts gained: Benchmark Doors, Graber Industries; Danly Machine Corp.; Hoyne Industries. Lost: STO Industries. Billings breakdown: Newspapers 5%, magazines 65%, spot tv 5%, business papers 3%, farm publications 2%, point of sale 15%, direct mail 5%. Employes: 12. Top execs: Edward McKee, president.
Phone: (312) 833-0155.

R.L. Meyer Advertising, Milwaukee, reported gross income of $1,328,517 and net income of $47,276 in 1983 on billings of $10,435,930. In 1982, it reported gross income of $1,071,186 and net income of $53,706 on billings of $7,539,387. Volume in 1983 consisted of $4,418,592 in media, $1,109,132 in materials and services and $4,908,206 in capitalized fees. In 1982, volume consisted of $3,834,532 in media, $871,372 in materials and services and $2,833,483 in capitalized fees. Accounts gained: Paramount Pictures. Billings breakdown: Newspapers 9%, magazines 10%, radio 28%, spot tv 50%, outdoor 1%, transit 1%, other 1%. Employes: 25. Top exec: Robert L. Meyer, president.
Phone: (414) 933-3344.

Miller Meester Advertising, Minneapolis, had estimated gross income of $4,520,000 in 1983 on billings of $30,150,000. In 1982, the agency reported gross income of $2,420,000 on billings of $16,300,000. No volume breakout was provided by the agency for either year. Accounts gained: American Cancer Society's Minnesota division, American Cyanamid, American Simmental, Arkell Development, Branded Apparel, Contech, Embro Seed Co., Engler & Budd, Fairview Hospital, Farmer's Union Central Exchange, Gelco, Hamline University, Hubbard Milling, Institution of Industrial Launderers, International Minerals & Chemical, Lakewood Cemetary, Laukka Associated, Meadowbrook Press, Mobility, Nokomis Square, Onan Corp., Pearson's Preferred Stock Gourmet Beef, Pillsbury Co.'s industrial by-products group, Possis Corp., Productive Software Systems, E.A. Sween/Deli Express, 3M, Tri-State Breeders Co-op, Turbo West, Viio Design/Skillers Working Clothes, Weavewood, Wisconsin Dairies. Lost: Farm Credit Banks, Owatonna Mfg., CC Systems. Employes: 74 in three offices. Top execs: Robert V. Miller, president; Judd L. Meester, senior exec vp.
Phone: (612) 854-8944.

Frank C. Nahser Inc., Chicago, reported gross income of $2,046,000 in 1983 on billings of $21,202,730. In 1982, the agency reported gross income of $1,991,000 on billings of $15,258,000. Volume in 1983 consisted of $14,083,000 in media, $1,882,130 in materials and services and $5,237,600 in capitalized fees. In 1982, the agency's volume consisted of $7,776,000 in media, $1,976,000 in materials and services and $5,506,000 in capitalized fees. Accounts gained: Excelsior Fitness Equipment Co., Mayer/Atlantic China, Winkler/Flexible Products. Lost: Miller Shoe Co., ServiceMaster Industries. Billings breakdown: Newspapers 2%, magazines 46%, supplements 1%, radio 17%, network television 2%, cable television 1%, business papers 31%. Employes: 42 in two offices. Top execs: Frank C. Nahser, chairman; Frank B. Nahser, president.
Phone: (312) 845-5000.

New Product Insights, Overland Park, Kan., reported gross income of $1,753,505 and net income of $35,264 on billings of $12,495,725. In 1982, it reported gross income of $2,157,786 and net income of $469,880 on billings of $17,350,919. Volume in 1983 consisted of $5,785,400 in media, $895,059 in materials and services and $5,815,266 in capitalized fees. In 1982, volume consisted of $8,989,340 in media, $1,159,827 in materials and services and $7,201,752 in capitalized fees. Accounts gained: Otasco, Scott Paper, McNeil, Pastificio. Lost: La Maur Inc. Billings breakdown: Newspapers 4%, magazines 16%, radio 4%, spot tv 18%, network tv 58%. Employes: 20. Top exec: Lewis Berey, president.
Phone: (913) 831-2772.

Noble & Associates, Springfield, Mo., reported gross income of $2,614,954 in 1983 on billings of $17,944,113. In 1982, it reported gross income of $2,478,749 on billings of $14,758,873. Volume in 1983 consisted of $8,950,893 in media, $1,541,872 in materials and services and $7,451,348 in capitalized fees. In 1982, volume consisted of $6,302,773 in media, $1,454,628 in materials and services and $7,001,472 in capitalized fees. Accounts gained: Amedco Steel, American National Property & Casualty Insurance, Campbell Soup new products, Land O'Lakes new products, Underwood foodservice, Accent foodservice, B&M Beans foodservice, Toastmaster, Tyson Gourmet Se-

lection, Port Industry Group. Lost: Park Central Hospital; Stinger Sam Auto Parts. Billings breakdown: Newspapers 14%, magazines 19%, radio 4%, network tv 38%, spot tv 15%, outdoor 9%, other 1%. Employes: 70. Top execs: Robert B. Noble, president-ceo; Terry Fisher, John Morrison, Dennis Marlin, exec vps.
Phone: (417) 882-5050.

Northlich, Stolley, Cincinnati, reported gross income of $3,171,000 and net income of $220,000 in 1983 on billings of $21,150,000. In 1982, it reported gross income of $3,373,000 and net income of $200,000 on billings of $22,500,000. Volume in 1983 consisted of $1,520,000 in media, $366,000 in materials and services and $19,264,000 in capitalized fees. In 1982, volume consisted of $2,631,000 in media, $595,000 in materials and services and $19,274,000 in capitalized fees. Accounts gained: Steelcraft/American Standard, Buckhorn Inc., Fibre Glass-Evercoat, Management Design, Martinizing Dry Cleaning Stores, Patient Monitoring Systems/Merrell Dow, MicroStandard Technologies, Monarch Marking Systems/Pitney Bowes, Campbell Hausfeld/Scott Fetzer. Billings breakdown: Newspapers 18%, magazines 38%, radio 12%, spot tv 30%, outdoor 2%. Employes: 70 in three offices. Top execs: Alexander Stolley, president; William M. LaWarre, exec vp; John A. Kerley, Barry E. Raut, Charles W. Powers, senior vps.
Phone: (513) 421-8840.

Paragon Advertising & PR, Minneapolis, reported gross income of $4,113,000 in 1983 on billings of $28,417,000. In 1982, it reported gross income of $3,712,000 on billings of $24,754,000. Volume in 1983 consisted of $13,376,000 in media, $4,069,000 in materials and services and $10,972,000 in capitalized fees. In 1982, volume consisted of $12,348,000 in media, $4,175,000 in materials and services and $8,231,000 in capitalized fees. Accounts gained: Farm Credit Services, Health Central Inc., Industrial Fabrics Assn. International, International Multifoods (restaurant division), Lea Foods, Schweigert Brands. Lost: Bankers Areawide Advertising Program, Cub Foods, Downtown St. Paul, Mid-America Farms, Ringer Corp. Billings breakdown: Newspapers 9%, magazines 12%, radio 14%, network tv 6%, spot tv 37%, outdoor 10%, direct mail 2%, collateral 10%. Top execs: Trevor R. Gettelman, chairman; Robert L. Jones, president; Gary L. Vars, exec vp; Roland W. Comstock, Philip W. Hummel, senior vps.
Phone: (612) 835-3707.

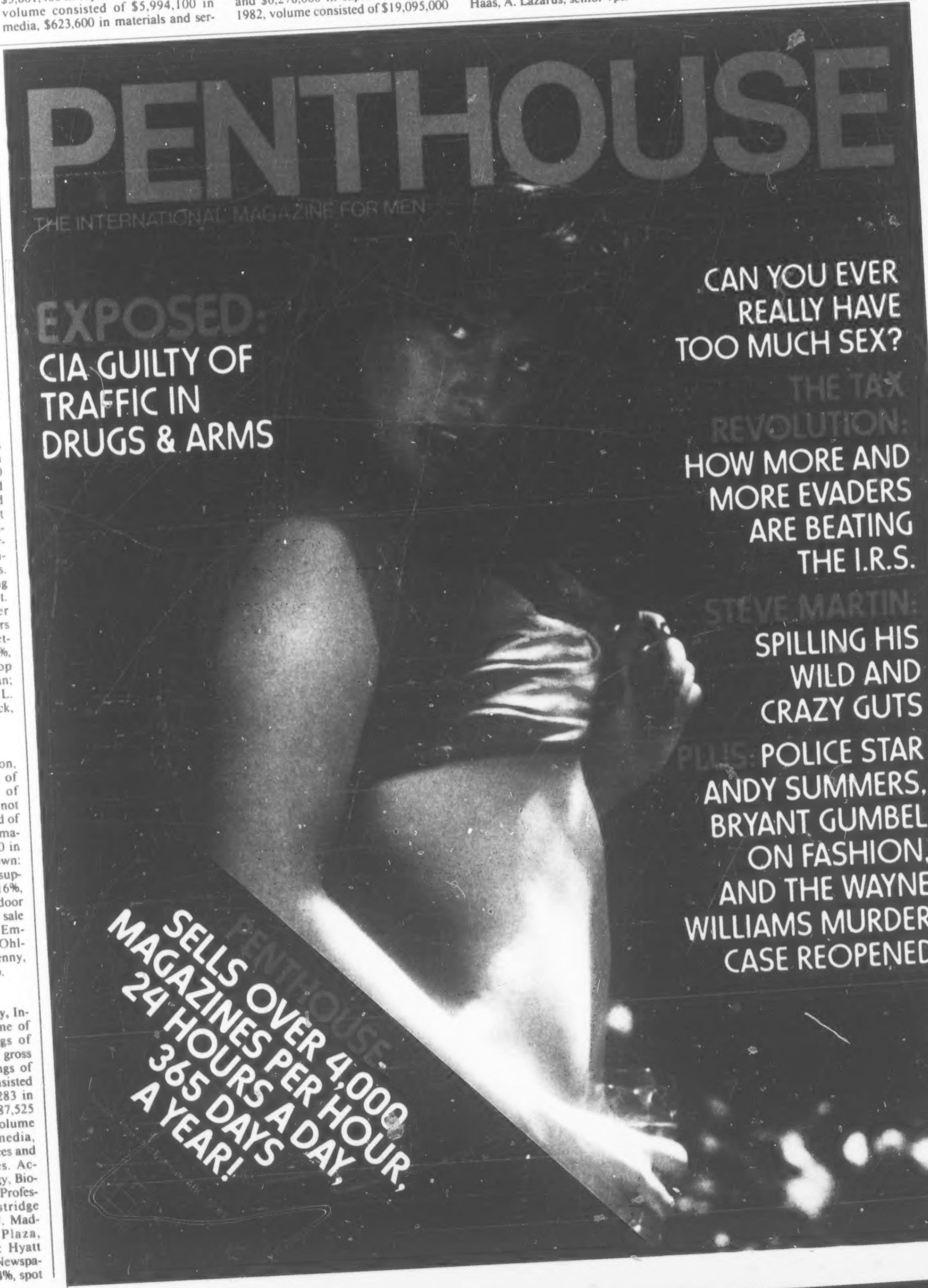
Penny/Ohlmann/Neiman, Dayton, O., had estimated gross income of $1,509,456 in 1983 on billings of $9,613,000. Figures for 1982 were not provided. Volume in 1983 consisted of $5,491,000 in media, $200,000 in materials and services and $3,922,000 in capitalized fees. Billings breakdown: Newspapers 20%, magazines 7%, supplements 2%, radio 26%, spot tv 16%, cable tv 1%, network tv 4%, outdoor 3%, business papers 4%, point of sale 12%, direct mail 4%, other 1%. Employes: 40. Top execs: Walter Ohlmann, president-ceo; Robert L. Penny, chairman; Ralph Neiman, exec vp.
Phone: (513) 278-0681.

Quinlan Keene Peck & McShay, Indianapolis, reported gross income of $3,007,239 in 1983 on billings of $8,097,084. In 1982, it reported gross income of $3,489,099 on billings of $9,866,146. Volume in 1983 consisted of $1,264,276 in media, $845,283 in materials and services and $5,987,525 in capitalized fees. In 1982, volume consisted of $1,414,612 in media, $949,788 in materials and services and $7,501,746 in capitalized fees. Accounts gained: American Synergy, Biosound, Brougher Agency Inc., Professional Design Insurance, Estridge Corp., Harry Levinson, John J. Madden Furniture, Radisson Plaza, Threaded Rod Co. Inc. Lost: Hyatt Regency. Billings breakdown: Newspapers 2%, magazines 5%, radio 4%, spot tv 3%, outdoor 1%, business papers 34%, point of sale 1%, collateral and special projects 50%. Top execs: John E. McShay, chairman; John C. McCaig, president.
Phone: (317) 546-4701.

Red Barron Inc., Minnetonka, Minn., reported gross income of $1,685,200 in 1983 on billings of $14,340,500. In 1982, it reported gross income of $1,334,500 on billings of $11,306,400. In non-U.S. contributions, it reported income of $5,800 in 1982 on billings of $38,300. Volume in 1983 consisted of $7,827,900 in media, $711,200 in materials and services and $5,801,400 in capitalized fees. In 1982, volume consisted of $5,994,100 in media, $623,600 in materials and services and $4,650,400 in capitalized fees. Accounts gained: Cybernetics Technology, Custom Systems. Lost: Kato Engineering, Sunds Defibrator. Billings breakdown: Magazines 22%, radio 9%, spot tv 69%. Employes: 36. Top execs: Barron B. Boe, president; Douglas G. Maxwell, chairman.
Phone: (612) 933-2040.

Albert Jay Rosenthal & Co., Chicago, reported gross income of $4,770,000 in 1983 on billings of $31,800,000. In 1982, it reported gross income of $4,275,000 on billings of $28,500,000. Volume in 1983 consisted of $21,624,000 in media, $3,898,000 in materials and services and $6,278,000 in capitalized fees. In 1982, volume consisted of $19,095,000 in media, $3,388,650 in materials and services and $6,016,350 in capitalized fees. Accounts gained: Orval Kent Food Co. (retail and foodservice divisions), Riekes Crystal Co. (division of Alco Standard), Warhouse Club Inc., Ekco Products, Lindy's Food Products, Illinois Bronze, Albert Capraro Ltd., Prolon Products. Lost: Monogram Models, Butcher Boy Food Products. Billings breakdown: Newspapers 12%, magazines 26%, supplements 2%, radio 10%, network tv 4%, spot tv 33%, cable tv 2%, outdoor 2%, business papers 6%, transit 1%, point of sale 2%. Employes: 112 in two offices. Top execs: A.J. Rosenthal, president; N. Waldman, president, New York; S. Dordick, B. Lyman, exec vps; M. Haas, A. Lazarus, senior vps.
Phone: (312) 337-8070.

Ross Advertising, Peoria, Ill., reported gross income of $1,128,622 and net income of $249,786 in 1983 on billings of $8,764,448. In 1982, it reported gross income of $1,205,929 and net income of $247,521 on billings of $9,193,553. Volume in 1983 consisted of $1,600,000 in media, $1,028,708 in materials and services and $6,135,740 in capitalized fees. In 1982, volume consisted of $1,450,000 in media, $883,198 in materials and services and $6,860,355 in capitalized fees. Accounts gained: Quincy Compressor, Balderson Inc., Barber-Greene, Thompson Food Basket, Batterlite Whitlock. Billings breakdown: Newspapers 10%, magazines 5%, radio 5%,


PENTHOUSE
THE INTERNATIONAL MAGAZINE FOR MEN
EXPOSED:
CIA GUILTY OF TRAFFIC IN DRUGS & ARMS
CAN YOU EVER REALLY HAVE TOO MUCH SEX?
THE TAX REVOLUTION:
HOW MORE AND MORE EVADERS ARE BEATING THE I.R.S.
STEVE MARTIN:
SPILLING HIS WILD AND CRAZY GUTS
PLUS: POLICE STAR ANDY SUMMERS, BRYANT GUMBEL ON FASHION, AND THE WAYNE WILLIAMS MURDER CASE REOPENED
PENTHOUSE
SELLS OVER 4,000 MAGAZINES PER HOUR, 24 HOURS A DAY, 365 DAYS A YEAR!

Gross income of $1,000,000 to $5,000,000

spot tv 10%, outdoor 1%, business papers 25%, farm publications 10%, point of sale 9%, direct mail 25%. Employes: 27. Top execs: A. Wayne Flittner, president; Ken Westerdale, exec vp.
Phone: (309) 691-4436.

Chuck Ruhr Advertising, Minneapolis, reported gross income of $2,820,000 in 1983 on billings of $22,790,900. In 1982, it reported gross income of $2,512,000 on billings of $21,300,000. Volume in 1983 consisted of $12,730,300 in media, $1,642,400 in materials and services and $8,418,200 in capitalized fees. In 1982, volume consisted of $10,650,000 in media, $1,430,000 in materials and services and $9,220,000 in capitalized fees. Accounts gained: Benson Optical, Deluce Check Printers, Metropolitan Medical Center, United Hospital Inc., Varitronic Systems. Lost: Industrial Credit-division of ITT. Billings breakdown: Newspapers 7%, magazines 8%, radio 4%, spot tv 43%, network tv 16%, outdoor 3%, farm publications 1%, direct mail 2%, other 16%. Employes: 40. Top execs: Charles F. Ruhr, president.
Phone: (612) 546-4323.

Ken Schmidt Co., Milwaukee, reported gross income of $1,300,000 in 1983 on billings of $8,025,200. In 1982, it reported gross income of $1,325,500 on billings of $8,188,800. Volume in 1983 consisted of $4,420,000 in media, $1,877,000 in materials and services and $1,728,200 in capitalized fees. In 1982, volume consisted of $4,509,800 in media, $1,915,800 in materials and services and $1,763,200 in capitalized fees. Accounts gained: E.R. Squibbs & Sons animal health division, Jacobsen, Agrimerica, Andis Co., Hopkins. Lost: Centralab Inc. Billings breakdown: Magazines 25%, radio 15%, spot tv 15%, farm publications 45%. Employes: 22. Top execs: Kenneth W. Schmidt, president; Cecil M. Hunt, exec vp.
Phone: (414) 224-0210.

J.I. Scott Co., Grand Rapids, Mich., reported gross income of $1,730,000 in 1983 on billings of $11,539,100. Its net income last year was $342,000. In 1982, it had gross income of $1,540,000 on billings of $10,211,000. The agency did not supply a volume breakdown for either year. Accounts gained: Allied Hardware Services, Champion Spark Plugs (projects), Emerson-Cuming division of W. R. Grace Co., Werner LeHara Inc. Lost: Aerovent Fan & Equipment. Employes: 38. Top exec: James I. Scott, president.
Phone: (616) 458-7000.

Shaffer/MacGill & Associates, Chicago, reported gross income of $1,415,518 in 1983 on billings of $8,881,839. In 1982, it reported gross income of $1,254,892 on billings of $7,392,035. Volume in 1983 consisted of $4,305,648 in media, $1,085,333 in materials and services and $3,490,858 in capitalized fees. In 1982, volume consisted of $3,520,563 in media, $1,028,752 in materials and services and $2,842,720 in capitalized fees. Accounts gained: BW 10 Minute Oil Service; Fujitsu America Inc., components div.; Liquid Controls; TEK International. Billings breakdown: Newspapers 25%, magazines 5%, radio 15%, spot tv 25%, outdoor 2%, business papers 28%. Employes: 32. Top exec: Jerome B. Shaffer, president.
Phone: (312) 467-0920.

Shaker Advertising, Oak Park, Ill., had estimated gross income of $1,711,188 in 1983 on billings of $11,407,923. In 1982, it had estimated gross income of $1,650,885 on billings of $11,005,903. Volume in both years was all in media. Accounts lost: None. Billings breakdown: Newspapers 80%, magazines 10%, radio 5%, spot tv 2%, outdoor 1%, business papers 1%, farm publications 1%. Employes: 50 in two offices. Top exec: Joseph R. Shaker, president.
Phone: (312) 383-5320.

Simons Michelson Zieve, Troy, Mich., reported gross income of $3,100,000 in 1983 on billings of $17,365,000. In 1982, it reported gross income of $2,760,000 on billings of $15,100,000. Volume in 1983 consisted of $12,460,000 in media, $1,435,000 in materials and services and $3,470,000 in capitalized fees. In 1982, volume consisted of $10,958,000 in media, $1,250,000 in materials and services and $2,892,000 in capitalized fees. Accounts gained: A V Computer Graphics; Henry K Chocolates; RAO Wholesale Tires/Metro 25. Lost: Ziebart Rustproofing Co. Billings breakdown: Newspapers 19%, magazines 11%, radio 19%, spot tv 27%, outdoor 18%, transit 3%, point of sale 2%, direct mail 1%. Employes: 55. Top execs: Morton Zieve, chairman; James A. Michelson, president; Evelyn J. Keller, exec vp.
Phone: (313) 649-5600.

Smith, Kaplan, Allen & Reynolds, Omaha, reported gross income of $1,383,942 in 1983 on billings of $9,226,285. In 1982, it reported gross income of $1,353,144 on billings of $9,020,961. Volume in 1983 consisted of $6 556,760 in media, $1,230,633 in materials and services and $1,438,892 in capitalized fees. In 1982, volume consisted of $5,212,956 in media, $2,543,450 in materials and services and $1,264,555 in capitalized fees. Accounts gained: Homer's, Records & Tapes, New Image Furniture, Execulines of America, Executone of Nebraska KEFM. Lost: American Popcorn Co., Guarantee Mutual Life Insurance. Billings breakdown: Newspapers 10%, magazines 13%, radio 15%, network tv 5%, spot tv 30%, outdoor 5%, transit 1%, business papers 3%, point of sale 2%, direct mail 1%, other 15%. Employes: 38. Top execs: H. Wayne Smith, president; Ronald N. Kaplan, exec vp.
Phone: (402) 330-0110.

Starmark Inc., Chicago, reported gross income of $1,151,500 in 1983 on billings of $7,472,200. In 1982, it reported gross income of $732,250 on billings of $4,723,100. Volume in 1983 consisted of $2,450,000 in media, $620,000 in materials and services and $4,402,200 in capitalized fees. In 1982, volume consisted of $1,375,000 in media, $480,000 in materials and services and $2,868,100 in capitalized fees. Accounts gained: Access Telecom, Chemplex Co., ITW/Fastex, Holoubek, Qwint Systems. Lost: Tidy Car. Billings breakdown: Newspapers 6%; magazines 32%, supplements 3%, radio 5%, spot tv 7%, outdoor 2%, transit 5%, business papers 20%, point of sale 2%, direct mail 12%, other 6%. Employes: 21. Top execs: Peggy Nordeen, president; Dan L. Estes, exec vp; Matthew P. Geyer, vp.
Phone: (312) 922-3388.

Stephan & Brady, Madison, Wis., reported gross income of $2,096,912 in 1983 on billings of $15,364,230. In 1982, it reported gross income of $2,020,145 on billings of $15,155,640. Volume in 1983 consisted of $4,165,876 in media, $1,311,118 in materials and services and $9,887,236 in capitalized fees. In 1982, volume consisted of $4,059,577 in media, $1,305,843 in materials and services and $9,790,220 in capitalized fees. Accounts gained: Associated Bank Corp. Lost: Research Products. Billings breakdown: Newspapers 23%, magazines 8%, supplements 1%, radio 6%, spot tv 20%, outdoor 1%, business papers 22%, farm publications 2%, direct mail 7%, other 10%. Employes: 41. Top execs: Hugh Brady, chairman-ceo; Jack Ragel, president-chief operating officer; Frank Fueger, senior vp.
Phone: (608) 241-4141.

Stern Advertising, Pepper Pike, O., had estimated gross income of $3,600,000 in 1983 on billings of $24,000,000. In 1982, it had estimated gross income of $2,850,000 on billings of $19,000,000. Volume in both years was all in media. Accounts gained: McDonald's Restaurants, Cole National, Bobbi Gee, J.B. Robinson Jewelers, Forrest City. Lost: None. Billings breakdown: Newspapers 15%, magazines 12%, radio 30%, spot tv 40%, outdoor 1%, transit 1%, direct mail 1%. Employes: 54 in two offices. Top execs: Nelson Stern, chairman; William J. Stern, president; Bruce M. Stern, exec vp; James S. Cohan, senior vp.
Phone: (216) 464-4850.

Stern Walters/Earle Ludgin, Chicago, a subsidiary of Ted Bates Co., reported gross income of $4,021,072 in 1983 on billings of $31,519,581. In 1982, it reported gross income of $4,615,782 on billings of $35,422,641. Volume in 1983 consisted of $18,158,336 in media, $1,997,787 in materials and services and $11,363,458 in capitalized fees. In 1982, volume consisted of $20,569,230 in media, $2,554,785 in materials and services and $12,298,626 in capitalized fees. Accounts gained: Elaky Mfg., American Hospital Assn., Arby's Chicago, Hosiery Mate. Lost: Sealey Inc., Dollar Rent-A-Car. Billings breakdown: Newspapers 6%, magazines 17%, radio 33%, network tv 28%, spot tv 7%, outdoor 1%, business papers 8%. Employes: 68 in two offices. Top execs: Gerald J. Stern, chairman; W. Laurence Weltin, president; William J. Lowney, vice-chairman; Vera M. McRae and Ira Brichta, exec vps; Willard Isenberg, exec vp, West Coast; Eileen M. Healey, senior vp.
Phone: (312) 642-4990.

Stolz Advertising, St. Louis, reported gross income of $1,952,242 in 1983 on billings of $12,367,931. In 1982, it reported gross income of $1,857,594 on billings of $11,466,633. Volume in 1983 consisted of $8,023,344 in media, $1,571,181 in materials and services and $2,773,406 in capitalized fees. In 1982, volume consisted of $7,610,055 in media, $1,182,255 in materials and services and $2,674,323 in capitalized fees. Accounts gained: Sunfield Foods, Six Flags Over Mid-America, Bill Marre Inc., Lazy Bones Shoes (Juvenile Shoe Corp.), Monetary Transfer Systems Inc., Strout Realty Inc. Lost: Plaza Motor Co. Billings breakdown: Newspapers 4%, magazines 3%, radio/spot tv 78%, outdoor 4%, business papers 5%, transit 1%, point of sale 5%. Employes: 48 in four offices. Top execs: John F. Eyler, chairman; Glennon D. Jamboretz, president; Marvin Gold, exec vp.
Phone: (314) 863-0005.

Stone, August & Co., Birmingham, Mich., reported gross income of $1,620,000 in 1983 on billings of $10,200,482. In 1982, it reported gross income of $1,221,000 on billings of $7,348,090. Volume in 1983 consisted of $6,826,590 in media, $787,000 in materials and services and $2,586,892 in capitalized fees. In 1982, volume consisted of $3,126,167 in media, $623,565 in materials and services and $3,598,358 in capitalized fees. Accounts gained: Detroit Symphony Orchestra, Frank's Nursery and Crafts, Mercury Paint, Weight Watchers of Upper Midwest, Weight Watchers of Fort Worth, Weight Watchers of South Texas. Lost: Tyfield Distributors, Wm. C. Roney Inc. Billings breakdown: Newspapers 48%, radio 18%, spot tv 24%, business papers 1%, other 9%. Employees: 28. Top execs: Ronald Stone, chairman; James August, president; Norman Prady, exec vp.
Phone: (313) 646-9200.

Stone & Simons Advertising, Southfield, Mich., reported gross income of $2,172,174 in 1983 on billings of $13,140,800. In 1982, it reported gross income of $2,062,547 on billings of $12,332,680. Volume in 1983 consisted of $9,386,809 in media, $1,230,930 in materials and services and $2,523,061 in capitalized fees. In 1982, volume consisted of $8,857,357 in media, $1,108,440 in materials and services and $2,366,883 in capitalized fees. Accounts gained: Leather Loft. Billings breakdown: Newspapers 14%, magazines 8%, radio 27%, spot tv 24%, network tv 26%, transit 1%. Employes: 32. Top execs: Charles G. Stone, chairman-president; Robert Sorock, exec vp.
Phone: (313) 358-4800.

Sullivan, Higdon & Sink, Wichita, Kan., reported gross income of $1,541,083 and net income of $58,300 in 1983 on billings of $10,769,084. In 1982, it reported gross income of $1,324,672 and net income of $40,571 on billings of $8,625,760. Volume in 1983 consisted of $2,672,589 in media, $1,615,536 in materials and services and $6,480,959 in capitalized fees. In 1982, volume consisted of $2,638,434 in media, $1,428,114 in materials and services and $4,559,212 in capitalized fees. Accounts gained: Acra-Plant Sales, Eye Clinic of Wichita, El Dorado Motor Corp., Great Plains Health Alliance, Health Care Plus, Health Strategies, Krauss-Maffei Corp., MegaByte, Medspace, Smith Tool, Wesley Endowment Foundation. Lost: Camp Systems, Citizens State Bank, Friends University, Hilton Inn East, Koch Fiberglass, Mulvane State Bank, Liberty Federal S&L, Southwest Federal S&L, TransAmerican Investment Properties, Wichita Visitors Bureau. Billings breakdown: Newspapers 7%, magazines 54%, radio 2%, spot tv 2%, outdoor 1%, business papers 30%, farm publications 4%. Employes: 32. Top execs: Wendell R. Sullivan, Allan K. Higdon and B. Vaughn Sink.
Phone: (316) 263-0124.

Don Tennant Co., Chicago, reported gross income of $3,730,000 in 1983 on billings of $35,500,770. In 1982, it reported gross income of $2,607,000 on billings of $24,003,000. Volume in 1983 consisted of $32,589,000 in media, $2,578,270 in materials and services and $333,500 in capitalized fees. In 1982, volume consisted of $18,261,000 in media, $3,008,000 in materials and services and $2,734,000 in capitalized fees. Accounts gained: Ralston Purina Co.-Praise dog food, Donkey-Kong cereal, Donkey Kong Jr. cereal. Billings breakdown: Newspapers 1%, magazines 4%, radio 2%, spot tv 24%, network tv 68%, other 1%. Employes: 40. Top execs: Don Tennant, chairman; Roland Waller, vice-chairman; Thomas Prchal, president; Denis Naylor, exec vp.
Phone: (312) 644-4600.

Vinyard & Lee & Partners, St. Louis, reported gross income of $1,453,000 in 1983 on billings of $10,100,000 with net income of $140,000. In 1982, it reported gross income of $1,212,000 on billings of $7,001,000 with net income of $125,000. Volume in 1983 consisted of $4,200,000 in media, $2,500,000 in materials and services and $3,400,000 in capitalized fees. In 1982, volume consisted of $3,500,000 in media, $1,500,000 in materials and services and $2,001,000 in capitalized fees. Billings breakdown: Newspapers 5%, magazines 40%, supplements 5%, radio 10%, spot tv 35%, outdoor 2%, point of sale 1%, direct mail 2%. Employes: 27. Top execs: Richard R. Vinyard, chairman, Richard S. Carney, president; Steven Nollau, exec vp.
Phone: (314) 993-8080.

Waldbillig & Besteman, Madison, Wis., reported gross income of $1,486,780 in 1983 on billings of $11,751,010. In 1982, it reported gross income of $1,308,097 on billings of $9,887,436. Volume in 1983 consisted of $2,138,862 in media, $1,582,335 in materials and services and $8,029,813 in capitalized fees. In 1982, volume consisted of $1,830,116 in media, $1,379,670 in materials and services and $6,667,650 in capitalized fees. Accounts gained: AAA of Wisconsin, American United Real Estate, Jung Seed Co., DiVall Investment, Wisconsin Department of Agriculture, Connor-Forest Industries, Sassafras Ltd./Karen Co. Lost: Wisconsin Dairies Cooperative, Advanced Dental Concepts. Billings breakdown: Newspapers 15%, magazines 4%, radio 15%, spot tv 10%, outdoor 2%, business papers 15%, farm publications 3%, point of sale 4%, direct mail 7%, other 25%. Employes: 34. Top execs: William J. Waldbillig, president; Robert H. Besteman, exec vp.
Phone: (608) 238-4767.

Wardrop, Murtaugh, Temple & Frank, Chicago, reported gross income of $1,710,000 in 1983 on billings of $11,400,000. In 1982, it reported gross income of $1,502,000 on billings of $10,017,000. Volume in 1983 consisted of $5,900,000 in media, $4,286,060 in materials and services and $1,213,940 in capitalized fees. In 1982, volume consisted of $5,200,000 in media, $3,963,000 in materials and services and $854,000 in capitalized fees. Accounts gained: Handy Andy Home Improvement Centers, Paddock Publications, Civic Center for Performing Arts. Lost: Donald Bruce & Co. Billings breakdown: Newspapers 11%, magazines 21%, radio 22%, spot tv 16%, business papers 22%, direct mail 6%, other 2%. Employes: 20. Top execs: Jack Wardrop, president; Philip Murtaugh, exec vp.
Phone: (312) 236-2321.

West, Gentry & Morris, Rockford, Ill., reported gross income of $1,810,614 in 1983 on billings of $7,567,575. In 1982, it reported gross

Agency Q&A

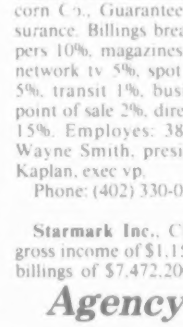
Q: Will foreign agency ownership in the U.S. increase this year?

Answer: Yes. I do believe that foreign agency ownership in the United States will increase this year and in the years to come.

As I have said on a number of occasions, advertising is no longer only a U.S. business.

Good advertising people are doing superb work all over Western Europe and Southeast Asia. They no longer look to the United States solely for leadership and ideas.

It is most likely that the truly large and great international agencies of the '80s and '90s will be "joint ventures" between American agencies and European agencies (even perhaps Australian agencies.).



Sloves

Witness the Saatchi & Saatchi acquisition mode and the interest of the French agency, Eurocom, in an American agency.

I see this as a wonderful opportunity for the agency business not only in terms of new ideas here in the U.S. but also because of the increased international quality of our business.

Marvin Sloves
chairman
Scali, McCabe, Sloves
New York

income of $1,418,007 on billings of $4,775,460. Volume in 1983 consisted of $2,800,000 in media, $428,160 in materials and services and $4,339,415 in capitalized fees. In 1982, volume consisted of $1,429,000 in media, $224,900 in materials and services and $3,121,560 in capitalized fees. Accounts gained: Barnes Drill Co., Auto Werks, Lou Bochrodt Chevrolet, Hartzog Aviation, CardioCare division of Medtronic, Joseph Behr Co., Larson & Darby, Rockford Memorial Hospital, Rogers & Clark Mfg. Lost: Federal Cos., The Bedroom, Dyna Technologies. Billings breakdown: Newspapers 10%, magazines 60%, radio 10%, spot tv 10%, outdoor 4%, direct mail 6%. Employes: 18. Top execs: Robert A. West, president; William Morris, exec vps.

Phone: (815) 968-5552.

Yaffe Berline, Southfield, Mich., reported gross income of $1,481,134 in 1983 on billings of $10,061,371. In 1982, it reported gross income of $1,613,366 on billings of $11,952,244. Volume in 1983 consisted of $5,696,348 in media, $820,585 in materials and services and $3,544,438 in capitalized fees. In 1982, volume consisted of $7,088,740 in media, $1,223,405 in materials and services and $3,640,099 in capitalized fees. Figures for subsidiary, The Support Group, are included in the over-all agency total. Accounts gained: WJBK-TV, Michigan Panthers, Orthodontic Treatment Centers, Ticket World, Diamond Mortgage Corp., A.J. Obie Associates. Lost: Michigan State Lottery. Billings breakdown: Newspapers 21%, magazines 2%, radio 32%, spot tv 38%, outdoor 7%. Employes: 23. Top execs: Fred Yaffe, chairman; Robert A. Popa, senior vp.

Phone: (313) 552-7800.

Yellow Pages Marketing Services, Mequon, Wis., reported gross income of $3,019,000 in 1983 on billings of $20,136,000. In 1982, it reported gross income of $2,013,000 on billings of $13,430,000. The agency did not supply a volume breakdown. The agency added 48 accounts and lost six. Billings breakdown: Yellow Pages 100%. Employes: 48 in eight offices. Top execs: T. F. Scannell Jr., chairman-ceo; R.C. Miller, president; H.B. Harper, R.B.Kennedy, D.J. Madison, R.N. Magnolia, J. F. Ponce, K. L. Smith, M. G. Young, D.A. Zimmel, vps.

Phone: (414) 241-8600.

Zechman & Associates, Chicago, reported gross income of $1,666,000 in 1983 on billings of $10,780,000 with net income of $283,000. In 1982, it reported gross income of $1,093,000 on billings of $7,059,000 with net income of $201,000. Volume in 1983 consisted of $6,665,000 in media, $1,874,000 in materials and services and $2,241,000 in capitalized fees. In 1982, volume consisted of $3,545,000 in media, $1,380,000 in materials and services and $2,134,000 in capitalized fees. Accounts gained: Swift & Co., Seaboard Seed, Strombecker Corp., WJBK-TV, WPDS-TV, WLAK-FM 94 Radio, Chas. A. Stevens. Lost: Carson Pirie Scott & Co., WKQX Radio. Billings breakdown: Newspapers 4%, magazines 18%, radio 31%, spot tv 48%, transit 2%, other 4%. Employes: 15. Top execs: Jan E. Zechman, president; Phillip D. Davis Jr., senior vp.

Phone: (312) 346-0551.

Zwiren & Wagner, Chicago, had estimated gross income of $2,280,000 in 1983 on billings of $15,200,000. In 1982, it had estimated gross income of $1,095,000 on billings of $7,300,000. Volume for both years was all in media. Accounts gained: Jovan, Powercard/USA, U.S. Equities. Lost: None. Billings breakdown: Newspapers 10%, magazines 10%, supplements 5%, radio 5%, network tv 20%, spot tv 20%, cable tv 5%, outdoor 5%, transit 5%, business papers 5%, point of sale 5%, direct mail 5%. Employes: 21. Top execs: Jan Zwiren, chairman; John E. Wagner, president; Mary Koelle, exec vp; Vince Copp, Ireve Wilson, vps.

Phone: (312) 280-8400.

Southern region

W. Va.
Virginia
Kentucky
N. Carolina
Tennessee
S. Carolina
Oklahoma
Arkansas
Georgia
Miss.
Alabama
Texas
Louisiana
Florida

Ackermann & McQueen, Oklahoma City, reported gross income of $3,316,562 in 1983 on billings of $22,754,070. In 1982, it reported gross income of $2,636,181 on billings of $17,583,327. Volume in 1983 consisted of $8,786,322 in media, $2,450,032 in materials and services and $11,517,716 in capitalized fees. In 1982, volume consisted of $6,962,647 in media, $2,087,009 in materials and services and $8,533,671 in capitalized fees. Accounts gained: Shawnee Milling; First City Place, United American Insurance; Oklahoma State Tourism & Recreation, Sheraton Capitol Place; Sheraton Greensboro, Monterey Sheraton; American Airlines Recruiting. Lost: 7-Eleven Stores; Oklahoma City Tourism & Recreation. Billings breakdown: Newspapers 7%, magazines 42%, radio 15%, spot tv 23%, outdoor 2%, business papers 11%. Employes: 67. Top execs: Ray Ackerman, chairman; Angus McQueen, exec vp; Bruce Anderson, senior vp.

Phone: (405) 843-9451.

Advertising Inc., Tulsa, reported gross income of $3,235,747 in 1983 on billings of $21,582,432. In 1982, it reported gross income of $3,194,461 on billings of $21,275,512. Volume in 1983 consisted of $8,956,367 in media, $4,396,102 in materials and services and $8,229,963 in capitalized fees. In 1982, volume consisted of $9,009,678 in media, $3,283,599 in materials and services and $8,982,235 in capitalized fees. Accounts gained: Thrifty Rent-A-Car Systems, Oil & Gas Group of Combustion Engineering, Magnaflux Pipeline Services, *Oil & Gas Journal*, Tulsa Properties, Maxim Construction, SWLG Corp., Tulsa Excelsior, Dans Un Jardin, Day/Yadan/Struber, The Timbercrest Cos. Lost: Centrilift-Hughes, Crane Carrier. Billings breakdown: Newspapers 4%, magazines 4%, radio 15%, spot tv 51%, cable tv 5%, outdoor 3%, business papers 16%, point of sale 1%, direct mail 1%. Employes: 71. Top execs: Tom Tripp, chairman; Bob Daily, president.

Phone: (918) 747-8871.

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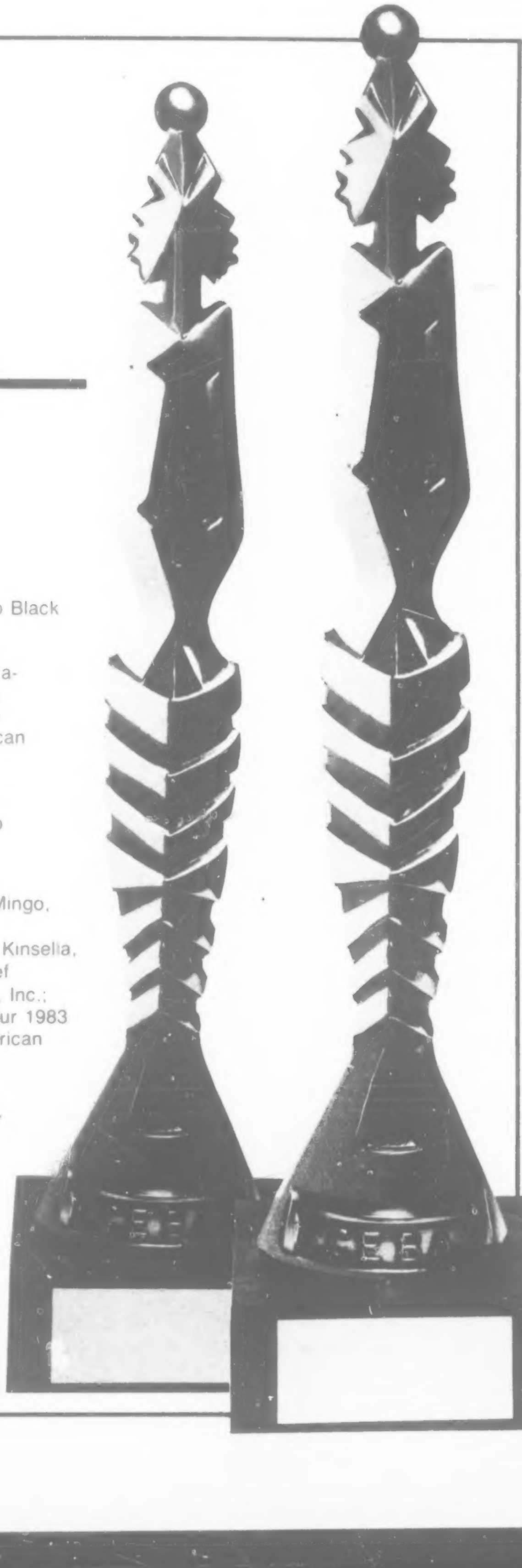
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Six years has now placed the CEBA, an acronym for Communications Excellence to Black Audiences, as one of the most prestigious awards in the communications industry today. The CEBA is awarded to those corporations, advertising agencies, and individuals who have been sensitive to the cultural differences and ethnic pride of African-American people.

First presented in 1978, the CEBA Awards will again this year acknowledge those who exhibit advertising excellence to the $150 billion African-American market.

This year's CEBA Co-Chairmen, Frank L. Mingo, Chairman, and Chief Operating Officer of Mingo-Jones Advertising, Inc. and John J. Kinsella, Chairman of the Board, President and Chief Executive Officer of Leo Burnett Company, Inc.; and the CEBA staff invite you to submit your 1983 creative efforts directed to the African-American consumer market.

We look forward to your participation, and wish you good luck! This may be your year to win.
Watch for the gold brochure which will be mailed to you soon.

The deadline for entries is May 1, 1984.

For additional information contact:
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Black Communications, Inc.
Linda W. Bowie, Executive Director
10 Columbus Circle, New York, NY 10019
(212) 586-1771

Gross income of $1,000,000 to $5,000,000

Arnold Harwell McClain & Associates, Dallas, reported gross income of $1,351,302 in 1983 on billings of $9,013,178. In 1982, it reported gross income of $1,288,851 on billings of $8,596,636. Volume in 1983 consisted of $888,877 in media, $1,417,958 in materials and services and $6,706,345 in capitalized fees. In 1982, volume consisted of $1,670,973 in media, $1,541,331 in materials and services and $5,384,332 in capitalized fees. Accounts gained: Texas Utilities Electric Co., Union Station. Lost: Murray Cos., Holly Corp., Continuum Co. Billings breakdown: Newspapers 25%, magazines 7%, radio 17%, spot tv 48%, outdoor 3%. Employes: 26. Top execs: George L. Arnold, president-ceo; Barbara Harwell, chairman; Martha McClain, exec vp-chief financial officer; Robert W. Foster, chief operating officer; William M. McGee, senior vp.
Phone: (214) 521-6400.

Gordon Bailey & Associates, formerly Food Fundamentals, Stone Mountain, Ga., reported gross income of $1,320,996 in 1983 on billings of $10,977,439. In 1982, it reported gross income of $1,073,156 on billings of $8,158,149. Volume in 1983 consisted of $1,504,604 in media, $749,129 in materials and services and $8,723,706 in capitalized fees. In 1982, volume consisted of $1,095,615 in media, $250,499 in materials and services and $6,812,035 in capitalized fees. Accounts gained: Frito-Lay, Continental Carlisle. Lost: None. Billings breakdown: Business papers 80%, point of sale 10%, direct mail 10%. Employes: 20 in three offices. Top execs: Gordon R. Bailey, chairman-president; Al Schoelles, exec vp.
Phone: (404) 296-2777.

Bauerlein Inc., New Orleans, reported gross income of $1,918,406 in 1983 on billings of $13,200,455. In 1982, it reported gross income of $1,587,164 on billings of $11,061,110. Volume in 1983 consisted of $4,920,192 in media, $1,722,259 in materials and services and $6,558,004 in capitalized fees. In 1982, the agency's volume consisted of $4,373,033 in media, $1,264,329 in materials and services and $5,423,748 in capitalized fees. Accounts gained: Baton Rouge Bank, Delta Transload, Evangeline Downs, Estes Cadillac/Rolls Royce, L.A. Department of Commerce & Industry, National Medical Enterprises, Plantation Business Campus, Windsor Court Hotel. Lost: Greater New Orleans Tourist Commission, Paramount Pictures Corp., Resource Management Inc. Billings breakdown: Newspapers 24%, magazines 20%, radio 18%, network tv 32%, outdoor 6%. Employes: 35. Top execs: Eugene Barnes, president; Kenneth Gormin, chairman.
Phone: (504) 522-5461.

Louis Benito Advertising, Tampa, reported gross income of $2,730,000 in 1983 on billings of $19,199,000. In 1982, it reported gross income of $2,310,000 on billings of $15,406,000. Volume in 1983 consisted of $15,200,000 in media, and $3,999,000 in capitalized fees. In 1982, volume consisted of $11,941,000 in media, and $3,465,000 in capitalized fees. Accounts gained: McDonald's Restaurants (Orlando & Jacksonville), Clairson International. Lost: Girard Jewelers, J.P. Hotels. Billings breakdown: Newspapers 23%, magazines 13%, radio 18%, spot tv 34%, outdoor 5%, business papers 3%, direct mail 4%. Employes: 69 in three offices. Top execs: Jack Painter, chairman-president; Ken Bernhardt, exec vp; Duke Miller, senior vp.
Phone: (813) 877-8200.

Bowes/Hanlon Advertising, Atlanta, reported gross income of $1,569,402 in 1983 on billings of $10,562,029. In 1982, it reported gross income of $779,435 on billings of $5,198,807. Volume in 1983 consisted of $3,673,202 in media, $2,050,609 in materials and services and $4,838,218 in capitalized fees. In 1982, volume consisted of $868,080 in media, $903,613 in materials and services and $3,427,114 in capitalized fees. Accounts gained: Big Apple Food Warehouse, Charter Medical Corp., Ciba Vision Care (additional assignments), Fickling & Walker Insurance Services. Lost: Vaughan Merlyn Corp. Billings breakdown: Newspapers 15%, magazines 15%, radio 20%, spot tv 20%, outdoor 1%, business papers 10%, point of sale 10%, direct mail 5%, other 4%. Employes: 18. Top execs: Kenneth E. Bowes, president; George R. Hanlon, exec vp.
Phone: (404) 261-1900.

Caravetta Allen Kimbrough/BBDO, Coral Gables, Fla., a BBDO subsidiary, reported gross income of $1,635,792 in 1983 on billings of $10,910,732. In 1982, it reported gross income of $1,637,946 on billings of $10,925,103. Volume in 1983 consisted of $7,619,257 in media, $2,353,673 in materials and services and $937,802 in capitalized fees. In 1982, volume consisted of $8,875,385 in media and $2,049,718 in materials and services. Accounts gained: Premier Cruise Lines. Lost: Scandinavia Cruise Lines. No billings breakdown was provided. Employes: 30. Top exec: John L. Kimbrough, president.
Phone: (305) 448-4741.

Caraway Kemp Communications, Jacksonville, Fla., reported gross income of $1,523,300 in 1983 on billings of $15,813,450. In 1982, it reported gross income of $1,500,000 on billings of $15,273,610. Volume in 1983 consisted of $12,102,160 in media, $1,103,320 in materials and services and $2,607,970 in capitalized fees. In 1982, volume consisted of $11,801,320 in media, $891,000 in materials and services and $2,581,290 in capitalized fees. Accounts gained: Prucare, Paramount Pictures Corp., Strokes & Co., Ryan Homes, 1st Sun Development Corp., Burgman Industries Group, Thigpen Distributors, May Cohens, Media General Broadcast Services, Gate Petroleum, Gate Lands Co., The Florida Companies, W.L. Sutton Co., Computer Resources Center, Irvington Moore Div., U.S. Natural Resources, Methodist Hospital. Lost: Argyle Forest, Property Services, Phillips Highway Auto Dealers. Billings breakdown: Newspapers 22%, magazines 15%, radio 10%, spot tv 26%, outdoor 12%, business papers 15%. Employes: 41. Top execs: William D. Kemp Jr., president; John E. Caraway, chairman; Thomas C. Evans, senior vp.
Phone: (904) 335-1505.

Cole Henderson Drake, Atlanta, reported gross income of $1,082,280 in 1983 on billings of $7,648,752. In 1982, it reported gross income of $918,878 on billings of $5,672,084. Volume in 1983 consisted of $6,142,538 in media, $1,072,664 in materials and services and $433,550 in capitalized fees. In 1982, volume consisted of $3,793,255 in media, $1,620,700 in materials and services and $258,129 in capitalized fees. Accounts gained: Home Lines Cruises, MacGregor Golf Co., The Ritz-Carlton Hotel Co., JP Hotels. Lost: Monarch Plaza Office Building, Uniflex Corp., Tucker Federal S&L. Billings breakdown: Newspapers 12%, magazines 22%, supplements 6%, radio 8%, spot tv 8%, cable tv 12%, outdoor 2%, business papers 14%, point of sale 2%, direct mail 8%, other 6%. Employes: 25. Top execs: Richard Henderson, chairman; John Drake, president; James P. Cole, exec vp.
Phone: (404) 237-0057.

Craig, Lamm, Hensley & Alderman, Houston, reported gross income of $2,080,280 and net income of $57,722 in 1983 on billings of $13,868,532. In 1982, it reported gross income of $2,477,354 and net income of $72,700 on billings of $16,523,951. Volume in 1983 consisted of $3,695,144 in media, $2,841,128 in materials and services and $7,332,260 in capitalized fees. In 1982, volume consisted of $4,520,784 in media, $4,520,123 in materials and services and $7,483,044 in capitalized fees. Figures include those of subsidiary Hill Audio-Visual Productions. Accounts gained: American Teleprocessing, Alfred Conhagen of Texas, Bakerline, Danze & Davis, Southwestern Camera, United Savings of Texas. Lost: Butterworth, Galleria Bank, Gundle Lining Systems, Holt Machinery, Suntan Research. Billings breakdown: Newspapers 13%, radio 8%, outdoor 2%, business papers 76%, other 1%. Employes: 37. Top execs: Douglas S. Craig, chairman; Donald C. Lamm, president.
Phone: (713) 621-2680.

DeBruyn-Rettig, El Paso, Tex., reported gross income of $1,156,280 in 1983 on billings of $7,712,385. In 1982, it reported gross income of $1,136,675 on billings of $7,199,803. Volume in 1983 consisted of $1,506,648 in media, $1,025,963 in materials and services and $5,179,774 in capitalized fees. In 1982, volume consisted of $1,152,920 in media, $1,001,195 in materials and services and $5,045,688 in capitalized fees. Accounts gained: Wrangler Boots, Futurama, Alamogordo Federal Savings, Adams Plastics. Lost: Laramie Boots, Hondo Boots. Billings breakdown: Newspapers 10%, magazines 14%, radio 8%, spot tv 16%, outdoor 1%, direct mail 1%, other 50%. Employes: 27. Top execs: Erich R. deBruyn, president; Henry Rettig, Stafford Werner, vps.
Phone: (915) 532-4117.

Doe-Anderson Advertising, Louisville, Ky., reported gross income of $3,679,039 in 1983 on billings of $27,258,338. In 1982, it reported gross income of $3,068,787 on billings of $23,066,332. Volume in 1983 consisted of $12,287,340 in media, $2,969,340 in materials and services and $12,001,658 in capitalized fees. In 1982, volume consisted of $11,131,945 in media, $2,026,942 in materials and services and $9,907,445 in capitalized fees. Accounts gained: Bird Inc., McDonald's-Evansville, PDW Computer System, Ryobi America Corp., Roklan Corp., FireKing International. Lost: Hotwork, Roklan Corp., Roadmaster. Billings breakdown: Newspapers 10%, magazines 44%, radio 16%, spot tv 7%, outdoor 2%, business papers 21%. Employes: 70. Top execs: Robert S. Allison, president; James S. Lindsey, Philip D. Payne, exec vps.
Phone: (502) 589-1700.

Ensslin & Hall, Tampa, Fla., reported gross income of $2,160,870 in 1983 on billings of $14,328,000. No figures were reported for 1982 and no volume breakout was provided. Accounts gained: Wendy's International, Florida Interchange Group, First Fidelity, Hilton at Walt Disney World, Penner Financial, Younger's Beer. Lost: NCNB National Bank, Clairson International. Billings breakdown: Newspapers 25%, magazines 8%, radio 25%, spot tv 27%, outdoor 15%. Employes: 47. Top execs: Thomas Hall, president; Pat Hill, exec vp.
Phone: (813) 223-5684.

Eric Ericson & Associates, Nashville, reported gross income of $3,306,205 in 1983 on billings of $22,609,355. In 1982, it reported gross income of $2,415,613 on billings of $16,056,993. Volume in 1983 consisted of $9,523,548 in media, $11,903,216 in materials and services and $1,182,591 in capitalized fees. In 1982, volume consisted of $7,967,772 in media, $7,906,463 in materials and services and $182,758 in capitalized fees. Accounts gained: WTVF-TV, Southern Hospitality Corp., Barnett Co., Why Not Inc., Victor Ashe for U.S. Senate, Country Music Assn., Murray Cookies, Tennessee Hotel & Motel Assn. Lost: Hickory Specialties, Odom's Country Junction, Everfresh Inc. Billings breakdown: Newspapers 9%, magazines 9%, supplements 4%, radio 5%, spot tv 20%, cable tv 1%, outdoor 1%, point of sale 1%, other 50%. Employes: 78. Top execs: Eric Ericson, chairman; Janice Ericson, president; Gary Haynes, exec vp-chief operating officer.
Phone: (615) 242-1050.

Fessel, Siegfriedt & Moeller Advertising, Louisville, Ky., reported gross income of $1,286,425 and net income of $124,152 in 1983 on billings of $6,315,571. In 1982, it reported gross income of $1,270,625 and net income of $257,765 on billings of $6,236,100. Volume in 1983 consisted of $4,126,675 in media, $1,089,680 in materials and services and $1,099,216 in capitalized fees. In 1982, volume consisted of $3,530,715 in media, $1,250,090 in materials and services and $1,455,295 in capitalized fees. Accounts gained: Stop-N-Go Stores of Pittsburgh, Horizon Financial Corp., Intersure Marketing Consortium, Planned Parenthood of Louisville. Lost: Metairie Ford, NAPA Distribution Center of New Orleans. Billings breakdown: Newspapers 22%, magazines 15%, radio 13%, spot tv 32%, cable tv 0.5%, outdoor 8%, transit 0.5%, point of sale 7%, direct mail 2%. Employes: 28 in three offices. Top execs: E.F. Siegfriedt, chairman; R.F. Moeller, president.
Phone: (502) 585-5154.

Finnegan & Agee, Richmond, Va., reported gross income of $1,379,000 in 1983 on billings of $9,193,400 with net income of $113,009. In 1982, it reported gross income of $914,748 on billings of $5,952,698 with net income of $86,521. Volume in 1983 consisted of $6,577,717 in media, $2,542,229 in materials and services and $73,454 in capitalized fees. In 1982, volume consisted of $3,754,413 in media, $840,116 in materials and services and $1,358,169 in capitalized fees. Accounts gained: WXEX-TV, McDonald's Co-op of Roanoke Valley, Polaris Optics. Lost: Holiday Inn Management-Services Inc., Fortunate Corp., WRXL-FM. Billings breakdown: Newspapers 7%, magazines 8%, radio 24%, spot tv 59%, other 2%. Employes: 33 in two offices. Top execs: Tim Finnegan, president; Lou Brink, exec vp.
Phone: (804) 643-4100.

Fitzgerald Advertising, New Orleans, reported gross income of $1,950,396 in 1983 on billings of $13,174,954. In 1982, it reported gross income of $1,517,131 on billings of $10,677,706. Volume in 1983 con-

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sisted of $6,411,180 in media, $1,685,787 in materials and services and $5,077,987 in capitalized fees. In 1982, volume consisted of $4,912,998 in media, $1,579,264 in materials and services and $4,185,444 in capitalized fees. Accounts gained: Canal Place, Hotel Iberville, Joseph Canizaro Interests, New Orleans Breakers, Vatican Pavillion at World's Fair, Mexi-Mac, Popeye's P.R. Lost: Louisiana Land & Exploration Co., Ocean Drilling & Exploration. Billings breakdown: Newspapers 25.18%, magazines 30.15%, radio 19.08%, spot tv 23.72%, outdoor 1.87%. Employes: 37. Top execs: Joseph L. Killeen Jr., president-ceo; Ronald J. Thompson, Gary D. Dickson, Donald C. Smith, exec vps.

Phone: (504) 529-3161.

Fogarty & Klein, Houston, reported gross income of $1,252,000 in 1983 on billings of $8,350,000. In 1982, it reported gross income of $875,000 on billings of $5,862,000. Volume in 1983 consisted of $7,252,000 in media and $1,098,000 in materials and services. In 1982, volume consisted of $5,100,000 in media and $762,000 in materials and services. Accounts gained: Pulte Home Corp. (Houston division), KSRR Radio, The Greensheet (classified newspaper), Houston Shoe Hospital, Luke's Hamburgers. Lost: None. Billings breakdown: Newspapers 15%, magazines 5%, radio 30%, spot tv 35%, outdoor 10%, direct mail 5%. Employes: 15. Top execs: William H. Fogarty and Richard E. Klein, principals.

Phone: (713) 528-3354.

Garber, Goodman & Rothchild, Miami, reported gross income of $2,513,500 and net income of $117,600 in 1983 on billings of $10,546,500. In 1982, it reported gross income of $1,971,600 and net income of $92,400 on billings of $9,200,000. Volume in 1983 consisted of $5,869,600 in media, $765,600 in materials and services and $3,911,300 in capitalized fees. In 1982, volume consisted of $5,104,000 in media, $696,000 in materials and services and $3,400,000 in capitalized fees. Accounts gained: Capital Bank, Home-Owners Warehouse, PLACOA, The Sporting Outlet, Venetia Properties, DMZ Offshore Service, Paxxon Corp, JND Concerts. Lost: Teltec, Thermo-Guard. Billings breakdown: Newspapers 18%, magazines 14%, radio 22%, spot tv 34%, outdoor 7%, business papers 5%. Employes: 18. Top execs: Robert Goodman, president; Howard Rothchild, exec vp.

Phone: (305) 573-5177.

Gulf State Advertising Agency, Houston, reported gross income of $1,050,376 in 1983 on billings of $7,540,965. In 1982, it reported gross income of $1,349,374 on billings of $7,314,161. Volume in 1983 consisted of $3,559,750 in media, $841,699 in materials and services and $3,139,516 in capitalized fees. In 1982, volume consisted of $3,720,747 in media, $901,562 in materials and services and $2,691,852 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 12%, magazines 8%, radio 17%, spot tv 25%, outdoor 15%, business papers 7%, point of sale 3%, direct mail 6%, other 7%. Employes: 20. Top exec: Larry Sachnowitz, president.

Phone: (713) 776-9000.

J.P. Hogan & Co., Knoxville, reported gross income of $1,056,000 and net income of $220,000 in 1983 on billings of $7,040,000. In 1982, it reported gross income of $853,800 and net income of $56,865 on billings of $5,692,000. Volume in 1983 consisted of $1,900,000 in media, $820,000 in materials and services and $4,320,000 in capitalized fees. In 1982, volume consisted of $1,732,250 in media, $1,016,950 in materials and services and $2,942,800 in capitalized fees. Accounts gained: ARCO Chemical Co., All Weather Inc., Colorstrand Corp., DeRoyal Industries, Park West Hospital, National Assn. of Bedding Mfrs., Milliken Corp., Recticel Foam, S&S Industries, Southern Coffin & Casket Co., Swan's Sunbeam Bakery, Volunteer Optical Labs, Worth Sports Co. Lost: Wysong & Miles Co., Synthetic Turf Council. Billings breakdown: Newspapers 3%, magazines 13%, radio 11%, spot tv 8%, outdoor 0.5%, business papers 12%, point of sale 1.5%, direct mail 4.5%, other 46.5%. Employes: 24. Top execs: James P. Hogan, president; Ray V. Anthony, exec vp; Robert J. Luedeka, Dan Thurman, vps.

Phone: (615) 546-7661.

Hood, Hope & Associates, Tulsa, Okla., reported gross income of $3,450,622 in 1983 on billings of $30,207,212. In 1982, it reported gross income of $3,507,088 on billings of $23,392,276. Volume in 1983 consisted of $4,902,670 in media, $2,258,438 in materials and services and $23,046,104 in capitalized fees. In 1982, volume consisted of $5,722,191 in media, $7,549,961 in materials and services and $10,120,124 in capitalized fees. Accounts gained: Agrico, Century Health Care, Daisy, Milchem. Lost: Cobalt Boats, CE INVALCO. Billings breakdown: Newspapers 24%, magazines 40%, radio 7%, spot tv 16%, cable tv 2%, outdoor 2%, business papers 7%, farm publications 2%. Employes: 85. Top execs: C.H. Hood, chairman; J.S. Hope, president; J.R. Roberts, B.E. Fick, J.B. Bowers, senior vps.

Phone: (918) 250-9511.

Howard, Merrell & Partners, Raleigh, N.C., reported gross income of $2,838,303 in 1983 on billings of $14,860,228. In 1982, it reported gross income of $2,289,356 on billings of $13,233,274. Volume in 1983 consisted of $7,545,303 in media, $2,222,921 in materials and services and $5,092,004 in capitalized fees. In 1982, volume consisted of $4,647,626 in media, $3,916,953 in materials and services and $4,668,695 in capitalized fees. Accounts gained: Intertec Data Systems. Billings breakdown: Newspapers 20%, magazines 31%, radio 20%, spot tv 23%, outdoor 1%, other 5%. Employes: 34. Top execs: W.M. Merrell, president/ceo.

Phone: (919) 872-4740.

Hume Smith Mickelberry, Miami, had estimated gross income of

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$2,850,000 in 1983 on billings of $19,000,000. In 1982, it had an estimated gross income of $2,700,000 on billings of $18,000,000. The agency did not furnish a volume breakdown. Accounts gained: Taco Diva Mexican restaurant chain, Deltona Corp., Smith Knaupp Catch of the Day. Lost: Benihana of Tokyo restaurants, Casa Marina Hotel. Billings breakdown: Newspapers 37%, magazines 19%, radio 11%, spot tv 29%, outdoor 3%, other 1%. Employes: 50 in two offices. Top execs: David Hume, president; Robert Sindelar, exec vp; Robert Wright and Wayne Dandlin, senior vps; Rod Carlson and Art Foster, vps.
Phone: (305) 37[illegible]-8361.

Leslie Advertising Agency, Greenville, S.C., reported gross income of $3,078,048 in 1983 on billings of $21,350,249. In 1982, it reported gross income of $2,469,022 on billings of $16,833,827. Volume in 1983 consisted of $12,102,476 in media, $3,196,694 in materials and services and $6,051,079 in capitalized fees. In 1982, volume consisted of $9,929,108 in media, $2,320,565 in materials and services and $4,584,156 in capitalized fees. Accounts gained: Greenwood Packing Co., Reliance Electric, Mechanical Group, Garcia's of Scottsdale, Telecommunications Systems, Litchfield by the Sea, Phillips Fibers Corp. Lost: Holiday Health & Fitness. Billings breakdown: Newspapers 12%, magazines 17%, radio 10%, spot tv 60%, outdoor 1%. Employes: 64. Top execs: E. Dean Anderson, president; Gene Dickson, exec vp.
Phone: (803) 271-8340.

Levenson, Levenson & Hill, Dallas-Fort Worth, reported gross income of $2,156,126 in 1983 on billings of $17,196,127. In 1982, it reported gross income of $2,228,076 on billings of $17,877,629. Volume in 1983 consisted of $10,826,843 in media, $2,810,425 in materials and services and $3,558,859 in capitalized fees. In 1982, volume consisted of $11,060,225 in media, $2,153,673 in materials and services and $4,663,731 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 12%, radio 16%, spot tv 47%. Employes: 41. Top execs: Stanley R. Levenson, ceo; Barbara Levenson, chief operating officer; William Hill, president.
Phone: (214) 556-0944.

Liller Neal, Atlanta, reported gross income of $2,914,508 in 1983 on billings of $20,179,174. In 1982, it reported gross income of $3,143,935 on billings of $20,970,046. Volume in 1983 consisted of $8,754,453 in media, $1,065,417 in materials and services and $10,359,304 in capitalized fees. In 1982, volume consisted of $8,306,418 in media, $1,032,636 in materials and services and $11,630,992 in capitalized fees. Accounts gained: Mighty Distributing Systems of America, Scientific Atlanta, Stran Steel Buildings, Dyer Wells Associates, Gladwin Industries, Refreshment Enterprises, Southern Mills. Lost: YES Liquid Detergent, Hyponex, Ciba Vision Care. Billings breakdown: Newspapers 7%, magazines 7%, radio 9%, network tv 26%, spot tv 45%, outdoor 5%, other 1%. Employes: 59. Top execs: Richard H. Hodges, chairman-ceo; Lucian Kapuscinski, president; J.D. Gonia, vice-chairman.
Phone: (404) 432-7555.

Luckie & Forney, Birmingham, Ala., reported gross income of $3,372,671 and net income of $364,323 in 1983 on billings of $26,096,294. In 1982, it reported gross income of $2,890,435 and net income of $191,513 on billings of $21,520,043. Volume in 1983 consisted of $15,891,678 in media, $3,143,314 in materials and services and $7,061,302 in capitalized fees. In 1982, volume consisted of $13,756,360 in media, $2,610,634 in materials and services and $5,153,049 in capitalized fees. Accounts gained: Baptist Health Services Corp., Complex Systems, Quality Micro Systems, Ernst & Whinney, WTTO-TV. Lost: Connors Steel. Billings breakdown: Newspapers 19%, magazines 12%, radio 10%, spot tv 54%, outdoor 2%, direct mail 3%. Employes: 72. Top execs: Robert E. Luckie Jr., chairman-ceo; Frank Lee, president & chief operating officer; John Forney, vice chairman.
Phone: (205) 879-2121.

John Malmo Advertising, Memphis, had estimated gross income of $1,950,000 in 1983 on billings of $13,000,000. In 1982, it had estimated gross income of $1,800,000 on billings of $12,000,000. No volume breakout was provided. Employes: 45. Top execs: John Malmo, president; Paul Bell, exec vp.
Phone: (901) 523-2000.

Maris, West & Baker, Jackson, Miss., reported gross income of $1,733,916 in 1983 on billings of $11,563,330. In 1982, it reported gross income of $1,336,277 on billings of $8,911,571. Volume in 1983 consisted of $2,125,073 in media, $1,653,807 in materials and services and $7,784,450 in capitalized fees. In 1982, the agency's volume consisted of $1,752,680 in media, $1,039,773 in materials and services and $6,119,118 in capitalized fees. Accounts gained: Sunbelt Federal S&L, Communication Arts, Crawler Parts, Ms. Management, Jackson After Hours Clinic, Jackson Chamber of Commerce, Mainsail Condominiums, Citizens Bank, Ridgway Realty, Dunn Construction, Napa, Business Data Services, Oriental Rug Retailers, Stuart Irby, Passport Inn, Crouse-Hinds, Sperry Vickers, Castlewoods. Billings breakdown: Newspapers 28%, magazines 24%, radio 15%, spot tv 23%, outdoor 9%, other 1%. Employes: 32. Top execs: Gerrit A. Maris, president; Norman L. West, exec vp.
Phone: (601) 362-6306.

Martin Agency, Richmond, Va., reported an estimated gross income of $3,520,000 and net income of $155,722 in 1983 on billings of $23,480,000. In 1982, it reported gross income of $2,712,000 and net income of $53,495 on billings of $18,089,000. No breakdown in volume was reported. Accounts gained: FMC Corp. agricultural chemicals division, Pru-Care, Reynolds Aluminum Recycling, EBI Medical Systems, Barnett Banks of Florida, Ethyl Corp., Lane Furniture. Lost: Branch Bank & Trust, Atlantic Nuclean. Billings breakdown: Newspapers 36%, magazines 6%, radio 29%, spot tv 27%, outdoor 2%. Employes: 85 in three offices. Top execs: David N. Martin, chairman-ceo; Donald R. Just, president; Harry M. Jacobs Jr., vice-chairman; James R. Hughes, Stephen A. Martin, Ralph L. Thompson, John B. Adams, senior vps.
Phone: (804) 254-3400.

McDonald & Little, Atlanta, a subsidiary of Ted Bates Co., reported gross income of $3,491,000 in 1983 on billings of $23,054,000. In 1982, it reported gross income of $6,123,000 on billings of $44,504,000. Volume in 1983 consisted of $10,862,000 in media, $4,181,000 in materials and services and $8,011,000 in capitalized fees. In 1982, volume consisted of $21,326,000 in media, $8,378,000 in materials and services and $14,800,000 in capitalized fees. Accounts gained: Bojangles of America, Louisiana World Exposition. Lost: Busch Entertainment Corp. Billings breakdown: Newspapers 11.9%, magazines 4%, radio 14.7%, network tv 13%, spot tv 48.4%, cable tv 0.2%, outdoor 7.8%. Employes: 85. Top execs: Michael G. McDonald, chairman; Robert J. Jones, president; Joseph C. Lansdorf, exec vp.
Phone: (404) 881-8700.

Miller-Reid Group, Chattanooga, Tenn., had estimated gross income of $3,871,350 in 1983 on billings of $25,809,000. In 1982, it had estimated gross income of $1,931,100 on billings of $12,874,000. Volume in 1983 consisted of $23,400,000 in media, $575,000 in materials and services and $1,834,000 in capitalized fees. In 1982, volume consisted of $11,059,000 in media, $361,000 in materials and services and $1,454,000 in capitalized fees. Accounts gained: Midwestern Distribution, Parkview Alcohol Treatment Center, Direct Connection Mall, Florida Group Coca-Cola Bottling Co., T.U. Parks Construction Co., ComputerLand. Lost: Victory Lane, John Rist Jewelers, La-Z-Boy Showcase. Billings breakdown: Newspapers 10%, magazines 5%, radio 15%, spot tv 60%, outdoor 5%, point of sale 5%. Employes: 52. Top exec: W. Kent Keasler, president.
Phone: (615) 756-2131.

Morgan Burchette Associates, Alexandria, Va., reported gross income of $3,787,933 in 1983 on billings of $6,219,869. In 1982, it reported gross income of $2,158,235 on billings of $4,248,562. Volume in 1983 consisted of $2,157,301 in media, $1,201,720 in materials and services and $2,860,848 in capitalized fees. In 1982, volume consisted of $735,166 in media, $1,054,405 in materials and services and $2,458,991 in capitalized fees. Accounts gained: Martin Marietta Data Systems, Entre Computer Centers, General Electric Information Services, Amtrak, IRS, Holly Farms Fried Chicken, National Public Radio, U.S. Geological Survey, Finalco Group, Electronic Data Systems. Billings breakdown: Newspapers 10%, magazines 10%, radio 10%, spot tv 15%, business papers 50%, direct mail 5%. Employes: 35. Top execs: Karen C. Burchette, president.
Phone: (703) 549-2393.

Pitluk Group, San Antonio, reported gross income of $3,650,000 in 1983 on billings of $24,300,000. In 1982, it reported gross income of $3,300,000 on billings of $22,000,000. The agency did not break down its volume for either year. Accounts gained: La Mansion Hotels, USAF Lakeland, Schaefer Homes, Texas Citrus Exchange, Fremont Distributing Co., Family Medical Services. Lost: Hyatt Regency San Antonio, Riata Cadillac, Alamo Downs. Billings breakdown: Newspapers 18%, magazines 8%, radio 19%, spot tv 32%, cable tv 2%, outdoor 4%, transit 1%, business papers 9%, direct mail 6%, other 1%. Employes: 78. Top execs: Louis H. Pitluk, president; Jack N. Pitluk, Jr., exec vp.
Phone: (512) 223-6131.

Point Communications, Dallas, reported gross income of $2,529,834 in 1983 on billings of $18,966,121. In 1982, it reported gross income of $2,381,970 on billings of $18,571,124. Volume in 1983 consisted of $4,940,821 in media, $2,427,844 in materials and services and $11,597,456 in capitalized fees. In 1982, volume consisted of $3,704,597 in media, $2,723,112 in materials and services and $12,143,415 in capitalized fees. Accounts gained: Domino's Pizza, Storage Technology, Otrona Advanced Systems, The Houstonian, Denver Nuggets, Cutter Bill, Margaret Mead Enterprises, U.S. Ammunition Co., 10X Products, Pacific Realty. Lost: Intermedics, LaBelles. Billings breakdown: Newspapers 35%, magazines 4%, radio 5%, spot tv 23%, outdoor 2%, business papers 31%. Employes: 49. Top execs: Bill R. Neale, president; William B. Moon, exec vp; Anthony J. Fedele, senior vp.
Phone: (214) 744-1885.

Pringle Dixon Pringle, Atlanta, reported gross income of $2,051,250 in 1983 on billings of $13,315,000. In 1982, it reported gross income of $1,620,000 on billings of $7,918,800. Volume in 1983 consisted of $8,215,000 in media, $1,085,000 in materials and services and $4,015,000 in capitalized fees. In 1982, volume consisted of $670,500 in media, $895,000 in materials and services and $3,188,000 in capitalized fees. Accounts gained: Domino's Pizza, Tropitone Furniture Co., Coin Financial Systems, Integrated Systems, Governor's Office, Peachtree Center. Lost: Mizuno, National Bank of South Carolina. Billings breakdown: Newspapers 12%, magazines 22%, radio 10%, spot tv 34%, cable tv 3%, outdoor 5%, point of sale 2%, direct mail 8%, other 4%. Employes: 48. Top execs: Jim Pringle, president; Jobie Dixon, exec vp; Jan Pringle, president-public relations.
Phone: (404) 261-9542.

Robinson, Yesawich & Pepperdine, Orlando, Fla., reported gross income of $2,360,475 in 1983 on billings of $15,736,500. The agency was founded last year. Volume in 1983 consisted of $6,400,000 in media, $7,669,000 in materials and services and $1,667,500 in capitalized fees. No figures for 1982 were provided. Accounts gained: Ambassador Beach Hotel, Bonaire Government Tourist Bureau, Cable Beach Hotel & Casino, The Drake Hotel, Gulf Island Resort & Racquet Club, Halloran Hotels, Halloran House, Hilton International, Holiday Inn Barbados, Holiday Inn Trinidad, Jamaica Vacations Ltd., Krisam Group, Naples Beach Hotel & Golf Club, Panama Institute of Tourism, Ponte Vedra Inn & Club, Rose Hall Beach Hotel & Country Club, Saddlebrook Golf & Tennis Resort, Sandy Beach Resort, Sea Garden Beach & Tennis Resort, Sea Palms Golf & Tennis Resort, SunDestin Ltd., Taft Hotel, Tryall Golf & Beach Club, Walker's Cay Hotel & Marina, Wyndham Hotel, Wyndham Dallas Market Center, Wyndham at South Park, Wyndham Hotel Co. Lost: None. Billings breakdown: Newspapers 20%, magazines 30%, radio 5%, spot tv 5%, outdoor 5%, business press 25%, direct mail 10%. Employes: 35 in two offices. Top execs: John E. Robinson Jr., chairman; Peter C. Yesawich, president; Jim Pepperdine and Norman Sandhaus, senior vps.
Phone: (305) 896-2808.

Sawyer Advertising, Gainesville, Ga., had estimated gross income of $1,134,126 in 1983 on billings of $13,127,411. In 1982, it had estimated gross income of $1,004,517 on billings of $10,437,273 volume in 1983 consisted of $4,432,277 in media, $1,238,355 in materials and services and $7,456,779 in capitalized fees. In 1982, volume consisted of $3,439,876 in media, $1,031,963 in materials and services and $5,965,434 in capitalized fees. Figures include U.S. subsidiaries Sawyer Advertising, Dallas and Sawyer Public Relations. Accounts gained: Coble Dairy Products, Briggs & Stratton/Lombardini Diesel, Elan Pharmaceutical Research, Federal Intermediate Credit Banks/Texas, First National Bank/Gainesville, Sky Valley Resort. Lost: Estech fertilizer division, Esmark. Billings breakdown: Newspapers 2%, magazines 1%, radio 14%, spot tv 20%, outdoor 1%, business papers 29%, farm publications 29%, point of sale 1%, direct mail 3%. Employes: 31 in two offices. Top execs: L. Gordon Sawyer, chairman; Franklin C. Compton, president; Richard W. Riley, exec vp; S. Jack Waters, Louis G. Sawyer, vps.
Phone: (404) 532-6285.

Schey Advertising, Houston, had estimated gross income of $2,565,000 in 1983 on billings of $17,100,000. In 1982, it had estimated gross income of $2,070,000 on billings of $13,800,000. Volume in both years was all in media. Accounts gained: None. Billings breakdown: Newspapers 30%, magazines 5%, radio 10%, network tv 25%, outdoor 5%, business papers 5%, direct mail 10%, other 10%. Employes: 38. Top execs: Richard A. Schey, chairman; Edith T. Personette, president.
Phone: (713) 621-5010.

Short Shepler & Fogleman Advertising, Hickory, N.C., a division of Inform Inc., reported gross income of $1,263,935 and net income of $110,004 in 1983 on billings of

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$8,302,917. In 1982, it reported gross income of $624,683 and net income of $18,689 on billings of $4,154,012. Volume in 1983 consisted of $580,483 in media, $380,970 in materials and services and $7,341,464 in capitalized fees. In 1982, volume consisted of $288,377 in media, $37,349 in materials and services and $3,828,286 in capitalized fees. Accounts gained: AP Parts Co., N.C. Florist Assn., Crabtree Associates, DANA precision controls division, Neuville Industries, Hickory Memorial Hospital, Leather Furniture, Atcom Inc., Unifour Medical Group. Billings breakdown: Newspapers 46%, magazines 50%, radio 4%. Employes: 25 in two offices. Top execs: Paul Fogleman, ceo; Larry B. Shepler, president; Barbara Short, exec vp.

Phone: (704) 322-7766.

Mike Sloan Advertising, Miami, had estimated gross income of $2,160,000 in 1983 on billings of $14,400,000. In 1982, it had estimated gross income of $2,130,000 on billings of $14,200,000. The agency, which only broke out media, reported $12,100,000 in media in 1983 and $12,500,000 in 1982. Accounts gained: Belz Enterprises, Factory Outlet Malls, Alice International, Palm Beach County Tourist Development Council, All American Hero Restaurants. Lost: Ryder System. Billings breakdown: Newspapers 12%, magazines 20%, supplements 3%, radio 3%, network tv 22%, spot tv 26%, cable tv 3%, outdoor 4%, business papers 4%, point of sale 2%, direct mail 1%. Employes: 27 in two offices. Top execs: Mike Sloan, chairman; Michael C.R. Collins, president; Phillip M. Schwartz, exec vp; Laurence Leblang, John Long, William Goldman, Diane Nuber, vps.

Phone: (305) 358-4234.

Neal Spelce Communications, Austin, Tex., reported gross income of $1,224,475 in 1983 on billings of $8,163,167. In 1982, it reported gross income of $1,159,662 on billings of $7,731,076. Volume in 1983 consisted of $1,883,380 in media, $1,053,880 in materials and services and $5,225,907 in capitalized fees. In 1982, volume consisted of $1,549,396 in media, $1,333,127 in materials and services and $4,848,553 in capitalized fees. No breakdown in billings was provided. Employes: 30. Top execs: Neal Spelce, chairman; William Bennett Spelce, vice-chairman; Howard Falkenberg, president.

Phone: (512) 476-4644.

Stern/Monroe Advertising, Dallas, reported gross income of $3,870,000 in 1983 on billings of $25,800,000. In 1982, it reported gross income of $3,300,000 on billings of $22,000,000. No volume breakout was provided for either year. Accounts gained: Holiday Inns, Crowne Plaza Hotels, Embassy Suites, Dr. Pepper (collateral, graphic design and local advertising). Billings breakdown: Newspapers 6%, magazines 7%, radio 8%, network tv 11%, spot tv 41%, outdoor 2%, business papers 3%, transit 2%, point of sale 6%, direct mail 3%, other 11%. Employes: 37. Top execs: Lawrence N. Stern, principal; Thomas F. Monroe, principal.

Phone: (214) 871-7171.

Weekley & Penny, Houston, reported gross income of $1,592,916 in 1983 on billings of $13,941,125. In 1982, it reported gross income of $1,746,925 on billings of $15,629,084. Volume in 1983 consisted of $3,497,947 in media, $1,149,134 in materials and services and $9,294,044 in capitalized fees. In 1982, volume consisted of $4,470,869 in media, $1,499,255 in materials and services and $9,658,960 in capitalized fees. Accounts gained: Lake Olympia Development and Urban Affairs Corp. Lost: PIC Realty and Cullen Center Bank & Trust. Billings breakdown: Newspapers 23%, magazines 25%, radio 1%, spot television 2%, outdoor 17%, business papers 13%, point of sale 7%, direct mail 4%, other 8%. Employes: 30 Top execs: C. R. Penny, president.

Phone: (713) 529-4861.

Winius-Brandon Texas, Bellaire, Tex., reported gross income of $2,732,781 in 1983 on billings of $17,161,087 with net income of $533,389. In 1982, the agency reported gross income of $2,602,649 on billings of $16,348,656 with net income of $507,990. Volume in 1983 consisted of $11,205,444 in media, $3,154,918 in materials and services and $2,800,725 in capitalized fees. In 1982, the agency's volume consisted of $10,671,852 in media, $3,009,446 in materials and services and $2,667,358 in capitalized fees. Accounts gained: Mid South Bottling Co., Kettle Restaurants, Bay City Holiday Inn. Lost: The Greater Houston Convention & Visitors Council, Houston First American Savings. Billings breakdown: Newspapers 10%, magazines 14%, radio 17%, spot television 37%, cable television 3%, outdoor 11%, point of sale 2%, direct mail 3%, other 3%. Employes: 36. Top execs: Art Casper, president; Ed Kennard exec vp and Harold Green, senior vp.

Phone: (713) 666-1765.

Witherspoon & Associates, Fort Worth, Tex., reported gross income of $2,100,473 and net income of $530,600 in 1983 on billings of $14,785,368. In 1982, it reported gross income of $1,809,447 and net income of $351,432 on billings of $12,016,870. Volume in 1983 consisted of $4,190,399 in media, $1,417,696 in materials and services and $9,177,273 in capitalized fees. In 1982, volume consisted of $3,401,210 in media, $1,147,862 in materials and services and $7,467,798 in capitalized fees. Accounts gained: Dallas Eye Institute, Hogan Systems, Nacol Diamond Co., Schick Shadel Hospital, Sparkman Producing Co., Sprinter division of Computer Language Research and Western Savings. Lost: CIGNA Individual Financial Services, Skinny Haven Restaurants of Fort Worth, Texas Amercan Bankshares. Billings breakdown: Newspapers 13%, magazines 20%, radio 12%, spot tv 28%, outdoor 3%, business papers 22%, transit 1%, direct mail 1%. Employes: 40. Top execs: Roger Rienstra, president; Frank Burkett, Preston Figley, exec vps.

Phone: (817) 335-1373.

Womack/Claypoole/Griffin, Dallas, reported gross income of $1,509,578 in 1983 on billings of $10,068,885. In 1982, it reported gross income of $1,539,954 on billings of $10,271,482. Volume in 1983 consisted of $3,515,203 in media and $6,553,682 in capitalized fees. In 1982, volume consisted of $4,411,310 in media and $5,860,172 in capitalized fees. Accounts gained: Celanese Chemical; Mooney Aircraft; Road Runner Convenience Stores; Trans National Leasing; Victor Equipment; Taco Villa; Graphic Datakits. Lost: Three Texas American Banks; Redman Homes. Billings breakdown: Newspapers 12%, spot tv 19%, outdoor 7%, business papers 34%, farm publications 16%, point of sale 2%, direct mail 2%, other 8%. Employes: 36 in five offices. Top execs: Bill Claypoole, president; Jack Womack, chairman.

Phone: (214) 620-0300.

Wray/Ward Advertising, Charlotte, N.C., reported gross income of $1,064,024 in 1983 on estimated billings of $7,094,000. In 1982, it reported gross income of $1,046,948 on estimated billings of $6,980,000. Account gained: Southeastern Energy Information Council. Billings breakdown: Newspapers 9%, magazines 8%, radio 8%, spot tv 55%, outdoor 2%, business papers 18%. Employes: 21. Top execs: Charles W. Wray Jr., president; Robert L. Ward, exec vp.

Phone: (704) 332-9071.

Ed Yardang & Associates, San Antonio, Tex., reported gross income of $1,080,430 in 1983 on billings of $9,197,908. In 1982, it reported gross

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FORTLAUDERDALE

UPTOWN MIAMI

He was really going. She should have seen it coming. He had been obsessed with Fort Lauderdale, reading the News/Sun-Sentinel for months. The Herald may be very well for Miami, he had told her. But uptown ADI, in Fort Lauderdale, it's the News/Sun-Sentinel that pulls the purse strings of power.

Funny, how it always comes down to power, she thought. Fort Lauderdale teems with it. Phenomenal effective buying power. Monumental investment income power. And retail sales? Who could keep up with them?

He could. Two metros in one ADI, he had lectured. Both have international fame and over one million people. But Fort Lauderdale beats Miami in personal buying power every time.

"I'm leaving now," he said with no remorse.

"Which way you headed?," she asked, feigning ignorance.

"Up," he replied.

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Gross income of $1,000,000 to $5,000,000

income of $1,187,000 on billings of $8,876,090. Volume in 1983 consisted of $2,894,417 in media, $1,742,746 in materials and services and $4,560,745 in capitalized fees. In 1982, volume consisted of $2,494,447 in media, $1,699,303 in materials and services and $4,682,340 in capitalized fees. Accounts gained: The Alamo Group, Bytex Corp., El Tropicano Hotel, Fiesta Aviation, Holt Machinery, Southport Development and Southport Homes. Lost: Coors beer (Hispanic), Coca-Cola (Hispanic). Billings breakdown: Newspapers 11.2%, magazines 5.2%, radio 56.5%, spot television 19.4% and outdoor 7.7%. Employes: 19. Top exec: Warren E. Stewart, president-ceo.

Phone: (512) 227-8141.

Western region

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Oregon
Idaho
Montana
Wyoming
Nevada
Utah
Colorado
California
Arizona
New Mexico

A&M Associates, Phoenix, reported gross income of $3,388,000 in 1983 on billings of $24,966,464, including $613,004 in overseas volume. In 1982, it reported gross income of $3,180,000 on billings of $21,886,770, including overseas billings of $546,670. Volume in 1983 consisted of $23,350,000 in media, $750,000 in materials and services and $253,460 in capitalized fees. Its 1983 overseas volume consisted of $580,000 in media, $25,000 in materials and services and $8,004 in capitalized fees. In 1982, volume consisted of $20,360,000 in media, $780,000 in materials and services and $200,100 in capitalized fees. Its overseas volume for 1982 consisted of $520,000 in media, $20,000 in materials and services, and $6,670 in capitalized fees. In 1983, it gained Movers World, U-Haul Tool and Equipment. Billings breakdown: Newspapers 1%, magazines 12%, radio 1%, network tv 21%, spot tv 10%, outdoor 1%, business papers 2%, point of sale 2%, direct mail 1%, other (Yellow Pages) 49%. It has 33 employes in 1 office. Top exec: Duane P. Swanson, president.

Phone: (602) 263-6504.

Abert, Newhoff & Burr, Los Angeles, reported gross income of $2,428,395 in 1983 on billings of $31,745,697. In 1982, it reported gross income of $2,656,284 on billings of $24,802,877. Volume in 1983 consisted of $25,923,328 in media, $2,237,805 in materials and services and $3,584,564 in capitalized fees. In 1982, volume consisted of $18,520,580 in media, $2,897,119 in materials and services and $3,385,178 in capitalized fees. Accounts gained: Ashton-Tate, Callan Data Systems, Corona Data Systems, Studio Software, Sheraton Scottsdal Teenage World's Fair. Lost: Bushnell, Great Western Bank, Hungry Tiger. Billings breakdown: Newspapers 10%, magazines 20%, radio 20%, spot tv 20%, outdoor 2%, business papers 10%, direct mail 8%, collateral 10%. Employes: 60. Top exec: Tom Burr, president.

Phone: (213) 552-2217.

Advertising Works, Honolulu, reported gross income of $1,200,000 in 1983 on billings of $8,000,000. In 1982, it reported gross income of $1,050,000 on billings of $7,000,000. Accounts gained: Hasegana Komutun. Lost: None. Billings breakdown: Newspapers 25%, magazines 18%, radio 5%, spot tv 20%, cable tv 1%, business papers 5%, point of sale 20%, other 6%. Employes: 18. Top execs: Darrel Kloninger, president; Carol Apiki, exec vp.

Phone: (808) 955-4416.

Basso & Associates, Newport Beach, Cal., had estimated gross income of $1,980,000 in 1983 on billings of $13,200,000. In 1982, it had estimated gross income of $1,875,000 on billings of $12,500,000. Volume in 1983 consisted of $8,580,000 in media and $4,620,000 in materials and services. In 1982, volume consisted of $9,000,000 in media and $3,500,000 in materials and services. Accounts gained: General Automation, Landa/Minyard, Photomation, Yonex, Haller Systems, National Council on Alcoholism, Anaheim/Marriott, Setmakers, Casablanca Fans. Lost: Hawker-Pacific, Jazz Exchange. Billings breakdown: Newspapers 13%, magazines 44%, radio 17%, network tv 24%, outdoor 1%, transit 1%. Top exec: Joseph Basso, president.

Phone: (714) 641-0111.

Battenberg, Fillhardt & Wright, San Jose, Cal., reported gross income of $2,088,607 in 1983 on billings of $13,931,008. In 1982, it reported gross income of $1,410,300 on billings of $9,406,701. Volume in 1983 consisted of $5,489,716 in media, $1,610,285 in materials and services and $6,831,007 in capitalized fees. In 1982, volume consisted of $3,876,453 in media, $1,028,304 in materials and services and $4,501,944 in capitalized fees. Accounts gained: American Microsystems, ANOVA, Forethought, Intelligent Technologies International Corp., Quantum Corp. Lost: Amfit, Grinnell Systems, Remac, Visicorp. Billings breakdown: Newspapers 13%, magazines 29%, radio 8%, business papers 47%, point of sale 1%, direct mail 2%. Employes: 25. Top exec: Curtis L. Wright, president.

Phone: (408) 287-8500.

Baxter, Gurian & Mazzei, Beverly Hills, Cal., had estimated gross income of $1,615,500 in 1983 on billings of $10,770,000. No figures were reported for 1982. Volume in 1983 consisted of $2,000,000 in media, $3,000,000 in materials and services and $5,770,000 in capitalized fees. Accounts gained: Alza Corp., Hospital Satellite Network. Lost: Arrowhead Water, Olympic Bank. Billings breakdown: Newspapers 5%, magazines 30%, radio 5%, spot tv 5%, direct mail 40%, other 15%.

Employes: 30 in two offices. Top execs: Donald Baxter, chairman; Kenneth Gurian, president; Michael J. Byrnes, vp.

Phone: (213) 657-5050.

Bermudez & Associates, Beverly Hills, Cal., reported gross income of $1,560,000 in 1983 on billings of $10,402,000. The agency did not provide figures for 1982. Volume in 1983 consisted of $5,500,000 in media, $900,000 in materials and services and $4,002,000 in capitalized fees. Accounts gained: Lever Brothers, Caress Soap, Kentucky Fried Chicken, Southern California Deardens Department Stores, Westinghouse Beverage Group, Like, Seven-Up. Lost: None. Billings breakdown: Newspapers 3%, magazines 5%, network tv 50%, radio 40%, outdoor 2%. Top execs: Eduardo Bermudez, president.

Phone: (213) 852-1011.

Bonfield & Associates, San Francisco, reported gross income of $1,050,000 in 1983 on billings of $6,301,000. In 1982, it reported gross income of $680,000 on billings of $4,201,000. Volume in 1983 consisted of $2,200,000 in media, $2,100,000 in materials and services and $2,001,000 in capitalized fees. In 1982, volume consisted of $1,200,000 in media, $1,000,000 in materials and services and $2,001,000 in capitalized fees. Accounts gained: Exel Microelectronics, Granger Associates antennas, Marconi Instruments, Monitek, Peritek, Robinton Products, SBE, Spectra-Physics and Zeltex. Lost: Anatek, Autogenic Systems, Ecodyne, Hanjin and Tower Systems. Billings breakdown: Newspapers 1%, business papers 95%, direct mail 4%. Employes: 12. Top execs: Alfred E. Young Jr. president; C.L. Hildreth, exec vp; Zahid Khan, vp.

Phone: (415) 777-5577.

Borders, Perrin & Norrander, Portland, Ore., reported gross income of $1,496,787 in 1983 on billings of $8,847,655. In 1982, it reported gross income of $1,396,122 on billings of $7,882,531. Volume in 1983 consisted of $2,849,300 in media, $2,169,013 in materials and services and $3,829,342 in capitalized fees. In 1982, volume consisted of $2,884,736 in media, $2,218,673 in materials and services and $2,799,122 in capitalized fees. Accounts gained: Leitz Binoculars, Burgerville USA, Multisoft, Charbonneau, Hoody Inc., KING-AM, KSTW, Metheus, Western Wood, Holland Restaurants. Lost: Grantree, Sidereal, Lloyd's Interiors, Pacific Western Bank. Billings breakdown: Newspapers 15%, magazines 44%, radio 25%, network tv 13%, transit 1%, other 2%. Employes: 37. Top execs: Wesley Perrin, president; William Borders, Mark Norrander, exec vps.

Phone: (503) 227-2506.

John Brown & Partners, Seattle, had estimated gross income of $1,551,369 in 1983 on billings of $10,342,463. In 1982, it had estimated gross income of $1,223,018 on billings of $8,153,454. Volume in 1983 consisted of $7,964,024 in media, $868,832 in materials and services and $1,509,607 in capitalized fees. In 1982, volume consisted of $6,117,960 in media, $737,279 in materials and services and $1,298,215 in capitalized fees. Accounts gained: Independent Colleges of Washington, Oz-Computer School, Hyde Athletic, Seattle Repertory Theater, Roffee Skiwear, Senator Dan Evans Political Campaign. Lost: KPLZ Radio, Harrington Chevrolet, Vista Chevrolet. Billings breakdown: Newspapers 21%, magazines 1%, supplements 1%, radio 30%, spot tv 44%, cable tv 1%, outdoor 0.5%, business papers 0.5%, direct mail 1%. Employes: 20. Top exec: John Brown, president.

Phone: (206) 622-9306.

Broyles, Allenbaugh & Davis, Englewood, Colo., reported gross income of $2,341,100 in 1983 on billings of $17,762,809. In 1982, it reported gross income of $2,071,200 on billings of $15,956,561. Volume in 1983 consisted of $6,043,300 in media, $2,024,977 in materials and services and $9,694,532 in capitalized fees. In 1982, volume consisted of $5,197,900 in media, $1,652,937 in materials and services and $9,105,724 in capitalized fees. Accounts gained: Scandinavian Soft, Centex Homes Corp., Adolph Coors (corporate), Information Handling Services, Honeywell, Reynolds Properties. Lost: Pulte-American Home Builders, Central Bank of Denver. Billings breakdown: Newspapers 8%, magazines 61%, radio 5%, network tv 3%, spot tv 13%, cable tv 2%, outdoor 1%, point of sale 3%, direct mail 2%, other 2%. Employes: 45. Top execs: George H. Eakins, president; Kent L. Eggleston, vp.

Phone: (303) 770-2000.

Busse & Cummins, San Francisco, had estimated gross income of $2,100,000 in 1983 on billings of $14,000,000. In 1982, it had estimated gross income of $1,837,500 on billings of $12,250,000. Volume in 1983 consisted of $12,500,000 in media, $1,500,000 in materials and services. In 1982, volume consisted of $11,000,000 in media, $1,250,000 in materials and services. Billings breakdown: Newspapers 10%, magazines 30%, radio 15%, network tv 5%, spot tv 15%, cable tv 5%, outdoor 1%, business papers 10%, other 9%. Employes: 28. Top execs: Walter G. Busse Jr., president; Bernard J. Cummins Jr., exec vp.

Phone: (415) 957-0300.

Carter Callahan Advertising & PR, San Jose, Cal., reported gross income of $1,599,645 in 1983 on billings of $11,857,129. In 1982, it reported gross income of $1,437,317 on billings of $9,800,367. Volume in 1983 consisted of $2,083,316 in media, $1,350,150 in materials and services and $8,423,663 in capitalized fees. In 1982, volume consisted of $1,210,350 in media, $1,068,418 in materials and services and $7,521,599 in capitalized fees. Accounts gained: Acrian Inc., Blackman Garlock Flynn & Co./The Merchant Bank, Gerson Baker & Associates, Mirassou Vineyards, Information Memories Corp., Trillian Computer Corp., Waveform Corp. Lost: Broadmoor Homes, DeAnza Bank, Vass Computers. Billings breakdown: Newspapers 28%, magazines 23%, radio 15%, spot tv 5%, outdoor 2%, business papers 17%, direct mail 10%. Employes: 28. Top execs: Peter S. Carter, president; Edna M. Markham, ceo.

Phone: (408) 998-5433.

Coakley Heagerty, Santa Clara, Cal., reported gross income of $1,254,069 in 1983 on billings of $9,237,255. In 1982, it reported gross income of $1,074,074 on billings of $7,164,074. Volume in 1983 consisted of $1,867,427 in media, $623,950 in materials and services and $6,745,878 in capitalized fees. In 1982, volume consisted of $1,065,409 in media, $541,748 in materials and services and $5,556,917 in capitalized fees. Accounts gained: Cochlea Corp., Eli Thomas, Grabyan Corp., Eldred Kunkel, JDO Corp., Marcus & Millichap, Sente Technologies, Walls Alive Inc. Lost: EBI Companies, Citation Homes, Mayfair Packing. Billings breakdown: Newspapers 54%, magazines 10%, radio 8%, spot tv 18%, outdoor 2%, business papers 5%, direct mail 3%. Employes: 30. Top execs: John D. Heagerty, president; David A. Heagerty, ceo; George E. Parker, vp.

Phone: (408) 249-6242.

Cochrane Chase, Livingston & Co., Irvine, Cal., reported gross income of $4,829,350 in 1983 on billings of $51,771,513. In 1982, it reported gross income of $4,712,740 on billings of $49,627,107. Volume in 1983 consisted of $19,070,544 in media, $5,314,343 in materials and services and $27,386,626 in capitalized fees. In 1982, volume consisted of $17,303,664 in media, $5,455,709 in materials and services and $26,867,734 in capitalized fees. Accounts gained: AirCal, Bateman Eichler, Hill Richards, Birtcher Pacific, Investia International, Marriott Hotel in Irvine, Metal Bellows, Pridemark Insurance, Kaiser Development Corp.'s industrial division, Irvine Co., Sensormedics. Lost: Rainbird, Mission Viejo Co. Billings breakdown: Newspapers 8%, magazines 27%, supplements 1%, radio 10%, spot tv 47%, outdoor 7%. Employes: 98. Top execs: Cochrane Chase, chairman; Lynn Livingston, president.

Phone: (714) 752-6171.

Ralph Kent Cooke Inc., Los Angeles, had estimated gross income of $1,860,000 in 1983 on billings of $12,400,075. In 1982, it had estimated gross income of $1,800,000 on billings of $12,000,000. Volume in 1983 consisted of $8,904,000 in media, $1,344,000 in materials and services and $2,152,075 in capitalized fees. In 1982, volume consisted of $8,799,000 in media, $1,200,000 in materials and services and $2,001,000 in capitalized fees. Billings breakdown not supplied. Top exec: Michael R. Hooper, president.

Phone: (213) 879-5885.

The Creative Advertising Co., Phoenix, reported gross income of $1,254,670 and net income of $347,837 in 1983 on billings of $8,713,954. In 1982, it reported gross income of $921,667 and net income of $105,671 on billings of $6,151,289. Volume in 1983 consisted of $4,804,607 in media, $343,052 in materials and services and $3,566,295 in capitalized fees. In 1982, volume consisted of $3,172,734 in media, $246,579 in materials and services and $2,731,976 in capitalized fees. Accounts gained: Bob Sellers Chrysler, Durango Co., Merrill Communications, Microwave Video Corp., Phoenix Pride Soccer Club, Insurance West Inc., Custom Security, American Continental Corp, Mark Singleton Mitsubishi. Billings breakdown: Newspapers 10%, magazines 2%, radio 35%, spot tv 42%, cable tv 4%, outdoor 3%, direct mail 4%. Employes: 17. Top execs: Henry Sauro, chairman; William H. Sauro, president.

Phone: (602) 252-7606.

Cunningham, Root & Craig, Los Angeles, reported gross income of $1,500,000 in 1983 on billings of $13,010,998. In 1982, it reported gross income of $1,000,000 on billings of $12,009,904. Volume in 1983 consisted of $11,440,000 in media, $1,560,000 in materials and services and $10,998 in capitalized fees. In 1982, volume consisted of $10,790,000 in media, $1,210,000 in materials and services and $9,904 in capitalized fees. Accounts gained: Hungry Tiger Restaurants, Japan W.K., Winston Tire Co., Pogen's Family bakery. Resigned: AVCO Financial Services. Billings breakdown: Newspapers 30%, magazines 5%, radio 10%, network tv 15%, spot tv 33%, outdoor 5%, sale 1%, direct mail 1%. Employes: 20. Top execs: Don R. Cunningham, chairman; Jean Craig, president; Hal Hayes, exec vp.

Phone: (213) 487-7575.

Ehrig & Associates, Seattle, reported gross income of $2,340,000 in 1983 on billings of $15,607,800. In 1982, it reported gross income of $2,135,000 on billings of $14,247,120. Volume in 1983 consisted of $9,382,956 in media, $1,707,186 in materials and services and $4,517,658 in capitalized fees. In 1982, volume consisted of $7,895,279 in media, $1,560,780 in materials and services and $4,791,061 in capitalized fees. Accounts gained: 5th Avenue Theatre, Graham Development, Davis, Wright, Todd, Riese & Jones, Northwest Construction Co., Dain Bosworth (area offices only), Sundance Cruises. Lost: Bellevue Art Museum, Ratelco, Wendy's (Washington and Oregon). Billings breakdown: Newspapers 10%, magazines 11%, radio 22%, spot tv 48%, outdoor 3%, transit 2%, business papers 2%, point of sale 1%, direct mail 1%. Employes: 50. Top execs: Jack Ehrig, chairman-ceo; Fred Burrow, president-chief operating officer.

Phone: (206) 623-6666.

Franklin & Associates, San Diego, reported gross income of $1,197,897 in 1983 on billings of $8,000,000. In

1982, it reported gross income of $993,651 on billings of $6,625,000. No volume breakout was provided for either year. Accounts gained: Conrock Property Development, Denticenter, Financial American Network, Great American/McNeil Securities, McMillan Development, National Decision Systems. Lost: Chicago Brothers, Safer Agro-Chem. Billings breakdown: Newspapers 35%, magazines 5%, radio 30%, spot tv 15%, outdoor 10%, direct mail 5%. Employes: 25. Top execs: Bob Cerasoli, president; Jeanne Vanderburg, senior vp; Warren Molentin, Jim Riegelman, Peter Higgins, vps.

Phone: (619) 231-6168.

Gerber Advertising, Portland, Oregon, reported gross income of $1,900,000 in 1983 on billings of $13,450,000. In 1982, it reported gross income of $2,195,000 on billings of $14,630,250. Volume in 1983 consisted of $7,250,000 in media, $5,450,000 in materials and services and $750,000 in capitalized fees. In 1982, volume consisted of $7,570,000 in media, $6,560,000 in materials and services and $500,250 in capitalized fees. Accounts gained: Pacific Western Bank; Miller Redwood Plywood; Portland Buick Dealer Assn.; American Federal Savings; American Network Chelatchie Prairie Railroad. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 42%, transit 1%, point of sale 1%, direct mail 1%. Employes: 34. Top execs: Tom Hougan, president, Phil Stevens, senior vp.

Phone: (503) 221-0100.

Gumpertz/Bentley/Fried, Los Angeles, reported gross income of $2,029,742 in 1983 on billings of $15,973,000. In 1982, it reported gross income of $1,810,997 on billings of $14,426,100. Volume in 1983 consisted of $11,305,680 in media, $1,033,264 in materials and services and $3,634,056 in capitalized fees. In 1982, volume consisted of $9,835,066 in media, $1,163,728 in materials and services and $3,427,306 in capitalized fees. Accounts gained: Numero Uno Pizza Restaurant Chain. Lost: Honda Automobile Dealers of Southern Cal. Billings breakdown: Newspapers 8%, magazines 19%, radio 13%, network tv 8%, spot tv 46%, outdoor 1%, business papers 5%. Employes: 23. Top execs: Gordon M. Gumpertz, chairman; Richard M. Fried, president.

Phone: (213) 931-6301.

Harris & Love, Salt Lake City, reported gross income of $1,536,399 in 1983 on billings of $10,535,792. In 1982, it reported gross income of $1,241,943 on billings of $9,032,130. Volume in 1983 consisted of $8,837,744 in media and $1,698,048 in capitalized fees. In 1982, volume consisted of $7,646,411 in media and $1,385,719 in capitalized fees. Figures include those of U.S. subsidiary Harris & Love/Southwest. Accounts gained: McDonald's NM, American Quality Craft Homes, Sorenson System, Sweet Candy Co. Lost: Western General Dairy. Billings breakdown: Newspapers 10%, magazines 2%, radio 10%, spot tv 68%, business papers 1%, farm publications 1%, point of sale 3%, other 5%. Employes: 30. Top execs: Robert G. Love, chairman; Donald G. Ware, president; Lee Snedaker, exec vp.

Phone: (801) 532-7333.

Horlick Levin Hodges, Los Angeles, had estimated gross income of $1,200,000 in 1983 on billings of $7,400,000. In 1982, it had an estimated gross income of $1,035,000 on billings of $6,700,000. Volume for both years was all in media. Billings breakdown: Newspapers 10%, magazines 15%, supplements 2%, radio 15%, spot tv 50%, outdoor 8%. Employes: 16. Top execs: Ronald J. Levin, president; Dennis Horlick, exec vp; Robert L. Hodges, senior vp.

Phone: (213) 480-0708.

Humpal, Leftwich & Sinn, Mountain View, Cal., reported gross income of $1,185,000 in 1983 on billings of $8,002,900. In 1982, it reported gross income of $950,000 on billings of $6,323,800. Volume in 1983 consisted of $2,190,500 in media, $876,600 in materials and services and $4,935,800 in capitalized fees. In 1982, volume consisted of $1,450,400 in media, $984,800 in materials and services and $3,888,600 in capitalized fees. Accounts gained: American Educational Computer, Information Access, Raytel, Intek, Carl Hovick Inc., Cornish & Carey. Lost: Logo Paris, Xonics. Billings breakdown: Newspapers 10%, magazines 70%, radio 5%, spot tv 5%, point of sale 5%, direct mail 5%. Employes: 20. Top execs: Jerry Humpal, president; Perry Leftwich, Paul Sinn, senior vps; Tom Lauck, exec vp.

Phone: (415) 966-1500.

Imahara & Keep, Santa Clara, Cal., reported gross income of $3,875,738 in 1983 on billings of $12,706,905. In 1982, it reported gross income of $1,810,598 on billings of $5,428,802. Net income was $461,278 in 1983 and $134,637 in 1982. Volume in 1983 consisted of $1,507,303 in media, $810,910 in materials and services and $10,388,692 in capitalized fees. In 1982, volume consisted of $513,058 in media, $659,410 in materials and services and $4,256,334 in capitalized fees. Accounts gained: Fairchild Microprocessor and Gate Arrays Divisions, Durango Cambridge Systems, Dual Systems, Logic, BTI, Serviologic, The Wollongong Group, SMOS. Lost: Valley Data Sciences, Lang. Billings breakdown: Newspapers 1%, magazines 98%, other 1%. Employes: 25. Top execs: Victor Imahara, Alan Imahara, Peter Keep.

Phone: (408) 727-2222.

Rick Johnson & Co., Albuquerque, reported gross income of $1,112,710 in 1983 on billings of $7,421,178. In 1982, it reported gross income of $928,927 on billings of $6,195,943. The agency did not break out volume for either year. Accounts gained: Angel Fire Ski Resort; Sen. Pete V. Domenici Committee, State of New Mexico Department of Tourism, Albuquerque Convention & Visitors Bureau; Rio Grande Zoo; Winrock Mall; Nisus Video; Omega Computers; R&D Associates; The Santa Fe Agency; Dorman/Nelson/Breen, Architects. Lost: Plateau Oil, Janus Galleries; Sports Center. Billings breakdown: Newspapers 15%, magazines 5%, radio 15%, spot tv 30%, cable tv 5%, outdoor 15%, direct mail 7%, point of sale 3%, other 5%. Employes: 33. Top exec: Eric D. Johnson, president.

Phone: (505) 881-7333.

Kraft Smith, Seattle, reported gross income of $1,793,784 in 1983 on billings of $12,804,188. In 1982, it reported gross income of $2,487,376 on billings of $20,100,179. Volume in 1983 consisted of $7,624,685 in media, $1,731,206 in materials and services and $3,448,297 in capitalized fees. In 1982, volume consisted of $11,716,856 in media, $2,802,781 in materials and services and $5,580,542 in capitalized fees. Accounts gained: Pizza Hut, Metro Transit, Pacific Medical Center, Wapato Point, Direct Service Industries, John Rabel for Congress. Lost: Thousand Trails, Washington State Ferries. Billings breakdown: Newspapers 10%, magazines 5%, radio 20%, spot tv 55%, cable tv 2%, outdoor 2%, transit 2%, business papers 1%, direct mail 3%. Employes: 35. Top execs: Hugh Smith, chairman; Don Kraft, president; George Lowe, Terry Thompson, Steve Darland, James Winton, senior vps.

Phone: (206) 285-2222.

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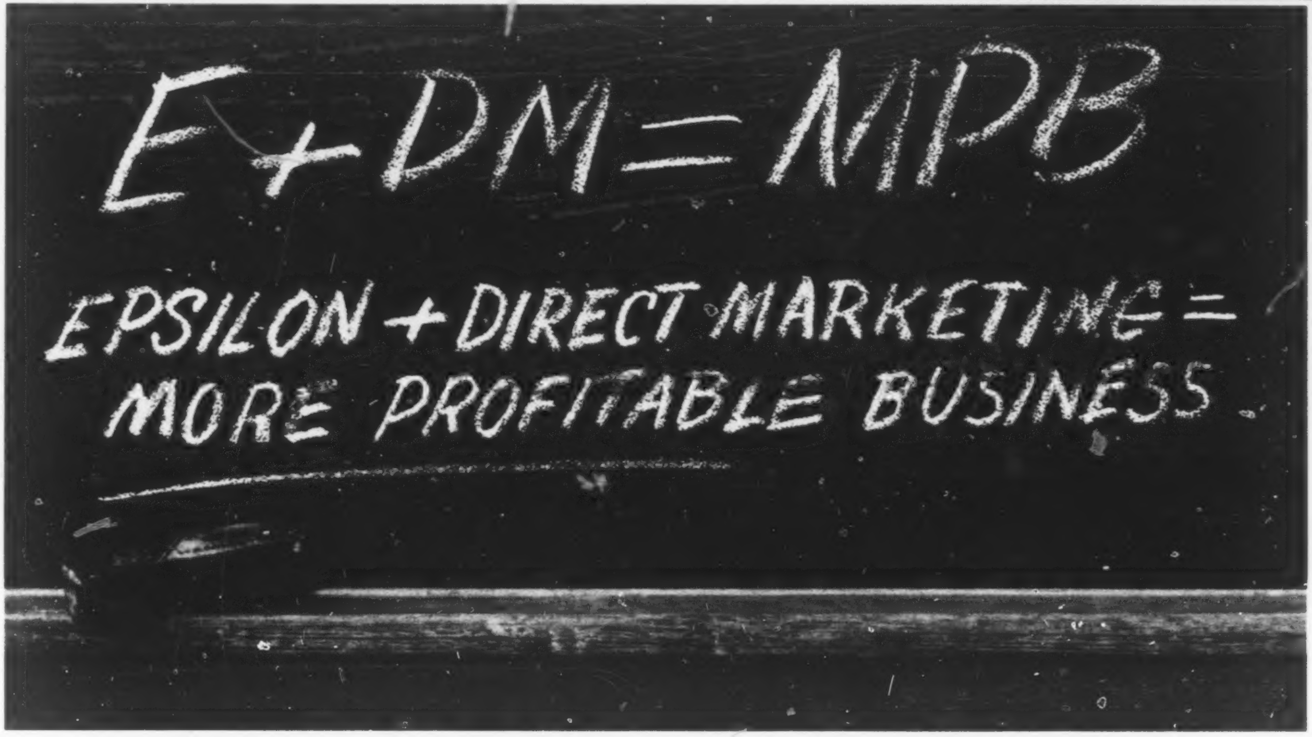

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Gross income of $1,000,000 to $5,000,000

Lenac, Warford, Stone, Newport Beach, Cal., had estimated gross income of $1,490,670 in 1983 on reported billings of $9,937,800. In 1983, volume consisted of $1,382,200 in media, $1,104,900 in materials and services and $7,450,700 in capitalized fees. Accounts gained: Aqua-Lung division of U.S. Divers, Cappy Dobbs Development Co., El Torito Restaurants, PacTel, Automation Electronics Corp., AOC Insurance, Trimedyne. Lost: None. Billings breakdown: Newspapers 10%, magazines 20%, radio 10%, outdoor 5%, transit 5%, business papers 35%, point of sale 5%, direct mail 10%. Employes: 16. Top execs: Ralph Lenac, president; David Warford, vp; Don Stone, secretary-treasurer.

Phone: (714) 833-8435.

Louis & Saul, Santa Monica, Cal., reported gross income of $3,249,585 in 1983 on billings of $21,253,140 with net income of $739,281. Non-U.S. income in 1983 was $1,500,750, all in fees. In 1982, it reported gross income of $699,945 on billings of $4,666,840 with net income $157,489. No overseas income was reported in 1982. Volume in 1983 consisted of $13,575,350 in media, $2,340,120 in materials and services and $3,836,920 in capitalized fees. Overseas billings included $1,500,750 in capitalized fees through subsidiary Louis & Saul International, Hong Kong. In 1982, volume consisted of $3,275,750 in media, $310,550 in materials and services and $1,080,540 in capitalized fees. There were no overseas billings reported in 1982. Accounts gained: Jet American Airlines, King's Hawaiian Bread, Bon Ami Cleanser, Faultless Spray Starch, Pyromid International (overseas), Fresh Pak Wines, M. LaMont Wines, A.R. Morrow Brandy, Crwth Interactive Training Systems, Computer Humor Systems, Tofutti Frozen Dessert, Kleen King Polish, Pacific East Airway, China Airways, John Brandon & Sons Tobacco (overseas). Lost: Jackie Sorenson's Aerobic Dancing. Billings breakdown: Newspapers 18%, magazines 14%, supplements 4%, radio 15%, spot tv 20%, outdoor 10%, transit 5%, business papers 5%, point of sale 5%, direct mail 3%, other 1%. Employes: 26 in three offices. Top execs: Saul I. Fruchthendler, president; Louis Goldberg, exec vp.

Phone: (213) 393-0507.

Mendoza, Dillon & Asociados, Newport Beach, Cal., reported gross income of $2,100,000 in 1983 on billings of $14,000,000. In 1982, it reported gross income of $1,800,000 on billings of $12,284,200. Volume in 1983 consisted of $2,000,000 in media, $1,300,000 in materials and services and $10,700,000 in capitalized fees. In 1982, volume consisted of $2,680,000 in media, $1,200,000 in materials and services and $8,404,200 in capitalized fees. Accounts gained: Ban Roll-On deodorant, Vitalis, Post cereals, Miller High Life/Miller Lite/Lowenbrau, Band-Aid Brand adhesive bandages, Pediatric Tylenol. Lost: Stroh's beer, Right Guard, Rice-A-Roni, Master Blend coffee. Billings breakdown: magazines 2%, radio 15%, network tv 40%, spot tv 40%, outdoor 3%. Employes: 17. Top execs: Richard E. Dillon, president-chairman; Nicolas O. Mendoza, senior vp.

Phone: (714) 851-1811.

The Merchandising Factory, San Francisco, reported gross income of $1,294,000 in 1983 on billings of $8,516,030. In 1982, it reported gross income of $600,300 on billings of $5,329,965. Volume in 1983 consisted of $810,900 in media, $3,109,500 in materials and services and $4,595,630 in capitalized fees. In 1982, volume consisted of $538,700 in media, $1,326,200 in materials and services and $3,465,065 in capitalized fees. Accounts gained: DHL Airways, ComputerLand Corp., GTE/Sprint Communications, Butcher Boy Food Products. Lost: None. Billings breakdown: Newspapers 5%, magazines 80%, radio 10%, point of sale 5%. Employes: 15. Top execs: Richard E. McClean, chairman; Joel S. Lewis, president; James A. Liguori, vp.

Phone: (415) 956-4990.

Murray/Bradley, Anchorage, reported gross income of $1,900,000 in 1983 on billings of $12,400,000. In 1982, it reported gross income of $1,500,000 on billings of $11,300,000. Volume in 1983 consisted of $1,800,000 in media, $1,200,000 in materials and services and $9,400,000 in capitalized fees. In 1982, volume consisted of $2,000,000 in media, $1,900,000 in materials and services and $7,400,000 in capitalized fees. Accounts gained: Alaska Mutual Bank, United Bank Alaska, Army/Navy Stores, Spenard Builders Supply, Alpine-Burtco, Carlin Development, Whitney-Fidalgo, Birtcher, McDonald & Frank. Lost: Capitol Glass, B&C Supply, Outdoor World, Maranuska Maid Dairy, Sheffield Enterprises, Alaska Chiropractic Society. Employes: 39 in two offices. Top execs: Rodney C. Bradley, president, Murray/Bradley; Connel L. Murray, chairman, Murray/Bradley; Erik Peterson, president, Murray/Bradley & Peterson.

Phone: (907) 276-6353.

Phillips-Ramsey Co., San Diego, reported gross income of $4,966,300 in 1983 on billings of $33,125,200. In 1982, it reported gross income of $4,413,500 on billings of $29,438,000. Net income was $62,000 in 1983 and $69,000 in 1982. Volume in 1983 consisted of $9,540,200 in media, $2,385,100 in materials and services and $21,199,900 in capitalized fees. In 1982, volume consisted of $7,935,700 in media, $1,983,900 in materials and services and $19,518,400 in capitalized fees. Accounts gained: Aerojet General Corp., American Medical International, Carmel Mountain Ranch, Control Data Corp., Famous Pacific Fish Co., Grand Canyon National Park Lodges, Huber, Hunt & Nichols, IVAC, Louisiana Downs, Sun Aire, Taco Bell Franchise Assn. of Phoenix, Toyota Dealers Advertising Assn. of San Diego County, Transalert, Western Savings. Lost: Hoehn Motors, Mr. Steak, National University. Billings breakdown: Newspapers 18%, magazines 15%, radio 30%, spot tv 31%, outdoor 2%, business papers 4%. Employes: 108. Top execs: Richard D. Brooks, president; R. Page Jones, chairman; Charles C. Ramsey and Robert F. Smith, vice-chairmen.

Phone: (619) 574-0808.

Pool/Sarraille Advertising, Beverly Hills, Cal., had estimated gross income of $1,125,000 in 1983 on billings of $7,500,000. The agency did not provide figures for 1982 and did not break out billings for 1983. Billings breakdown: Newspapers 30%, magazines 30%, radio 15%, spot tv 5%, outdoor 5%, direct mail 10%, other 5%. Employes: 21 in two offices. Top execs: Harvey Pool, president; Edmonde Sarraille, exec vp.

Phone: (213) 659-9753.

Roggers, French & Co., Irvine, Cal., reported gross income of $1,261,310 in 1983 on billings of $8,410,057. In 1982, it reported gross income of $887,077 on billings of $5,914,823. The agency had a non-U.S. income contribution of $217,335 on billings of $1,449,305 in 1983 compared to $180,362 in income on billings of $1,202,777 in 1982. Combined international and domestic volume in 1983 consisted of $4,678,500 in media, $1,082,900 in materials and services and $2,648,657 in capitalized fees. In 1982, volume consisted of $3,267,271 in media, $696,243 in materials and services and $1,951,309 in capitalized fees. Accounts gained: Asta Designs, New World Computers, Fissler USA. Lost: Yamaha (generators). Billings breakdown: Newspapers 3%, magazines 40%, radio 15%, spot tv 10%, network tv 7%, cable tv 5%, outdoor 5%, transit 3%, business papers 5%, point of sale 3%, direct mail 4%. Employes: 28 in 3 offices compared to 25 in 2 offices in 1982. Top execs: William C. French, president; Carol I Malek, David H. McMichael, Jane Roggers, vps.

Phone: (714) 261-6122.

Schenkein/Associates, Englewood, Colo., reported gross income of $2,099,035 in 1983 on billings of $7,335,371 In 1982, the agency reported gross income of $1,971,146 on billings of $5,956,890. Net income was $59,330 in 1983 and $60,418 in 1982. Volume in 1983 consisted of $421,369 in media, $754,150 in materials and services and $6,159,852 in capitalized fees. In 1982, the agency's volume consisted of $561,876 in media, $706,317 in materials and services and $4,688,697 in capitalized fees. Accounts gained: Minibanks of Colorado, Duplers Furs, and GEFCO. Lost: Tamarron Resort, University National Bank. Billings breakdown: Newspapers 3%, magazines 13%, radio 3%, network tv 1%, outdoor 3%, direct mail 2% and other 75%. Employes: 20. Top exec: Robert A. Schenkein, president.

Phone: (303) 790-1773.

Scott Lancaster Mills Atha, Los Angeles, reported gross income of $1,886,500 in 1983 on billings of $14,526,400. In 1982, the agency reported gross income of $1,681,700 on billings of $13,038,000. Volume in 1983 consisted of $13,770,000 in media, $643,000 in materials and services and $113,400 in capitalized fees. In 1982, the agency's volume consisted of $12,420,000 in media, $528,000 in materials and services and $90,000 in capitalized fees. Accounts gained: Anmark Inc., Papel Inc., and Seafood Broiler. Lost: Los Angeles Hilton. Billings breakdown: Newspapers 11%, magazines 22%, radio 17%, network tv 14%, spot tv 26%, cable tv 1%, outdoor 3%, business papers 4%, point of sale 1%, direct mail 1%. Employes: 22 in two offices. Top execs: Stephen C. Scott, president; Peggy W. Lancaster and David W. Mills, senior vps.

Phone: (213) 552-6050.

Scroggin & Fischer Advertising, San Francisco, reported gross income of $1,169,635 in 1983 on billings of $8,645,251. In 1982, the agency reported gross income of $1,009,295 on billings of $7,708,595. Volume in 1983 consisted of $5,073,437 in media, $437,648 in materials and services and $3,134,166 in capitalized fees. In 1982, the agency's volume consisted of $3,911,247 in media, $711,339 in materials and services and $3,086,009 in capitalized fees. Accounts gained: Ramada Renaissance Hotels, Trade Plus, Walker Interactive Products, Voicemail, Emil Villa Restaurants and Blue Chip Electronics. Lost: Technicon Data Systems, China Airlines and Blue Star Lines. Billings breakdown: Newspapers 6.3%, radio 32%, network television 15%, spot television 33.7%, outdoor 0.5%, transit 0.5%, business papers 10.5% and farm publications 1.5%. Employes: 30. Top execs: Martin D. Fischer, president; Brice Schuller, senior vp; David Torme, senior vps; Robert B. Kern, vp-chief financial officer.

Phone: (415) 391-2694.

Smith-Hemmings-Gosden, El Monte, Cal., reported gross income of $4,177,000 in 1983 on billings of $37,762,450. In 1982, it reported gross income of $3,479,000 on billings of $26,909,000. Volume in 1983 consisted of $190,000 in media, $7,991,000 in materials and services and $29,581,450 in capitalized fees. In 1982, volume consisted of $134,000 in media, $6,151,000 in materials and services and $20,624,000 in capitalized fees. The agency did not list accounts gains or losses. Billings breakdown: Newspapers 1%, magazines 1%, direct mail 98%. Employes: 64. Top execs: Robert L. Hemmings, chairman; Freeman F. Gosden, president.

Phone: (213) 571-6600.

Taylor Advertising, Tucson, reported gross income of $1,517,000 in 1983 on billings of $10,371,000. In 1982, it reported gross income of $1,998,000 on billings of $12,935,000. Volume in 1983 consisted of $5,599,000 in media, $1,244,000 in materials and services and $3,528,000 in capitalized fees. In 1982, volume consisted of $6,654,000 in media, $1,419,000 in materials and services, $4,862,000 in capitalized fees. Accounts gained: Tuscon Greyhound Park. Lost: Arizona Office of Tourism. Billings breakdown: Newspapers 23%, magazines 3%, radio 15%, spot tv 40%, outdoor 19%. Employes: 34. Top exec: Jay Taylor, president.

Phone: (602) 624-0100.

Tycer-Fultz-Bellack, Palo Alto, Cal., reported gross income of $3,612,235 in 1983 on billings of $24,091,406 with net income of $515,207. In 1982, it reported gross income of $2,097,724 on billings of $14,629,844 with net income of $232,228. Volume in 1983 consisted of $4,173,081 in media, $1,085,761 in materials and services, $18,832,564 in capitalized fees. In 1982, volume consisted of $3,885,964 in media, $640,518 in materials and services and $10,103,362 in capitalized fees. Accounts gained: Atari, Chancellor Computer, Human Edge Software, Tolerant Systems, Zentec Corp. Lost: Atari, Britton-Lee, Envision, Quantum, Software Publishing, Zoecon. Billings breakdown: magazines 75%, business papers 20%, direct mail 5%. Employes: 76. Top execs: Del Tycer, president.

Phone: (415) 856-1600.

Vantage Advertising & Marketing Associates, San Leandro, Cal., reported gross income of $2,740,000 in 1983 on billings of $18,320,000. In 1982, it reported gross income of $2,314,000 on billings of $10,994,000. Volume in 1983 consisted of $17,656,000 in media and $664,000 in materials and services. In 1982, volume consisted of $10,462,000 in media and $532,000 in materials and services. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 30%, magazines 7%, radio 4%, network tv 32%, spot tv 26%, cable tv 1%. Employes: 22 in two offices. Top exec: Charles B. Foll, president-ceo.

Phone: (415) 352-3640.

Vicom Associates, San Francisco, reported gross income of $4,311,005 in 1983 on billings of $41,809,105. In 1982, it reported gross income of $2,906,095 on billings of $30,448,460. Volume in 1983 consisted of $7,739,114 in media, $5,182,188 in materials and services and $28,887,803 in capitalized fees. In 1982, volume consisted of $6,199,981 in media, $4,864,825 in materials and services and $19,383,654 in capitalized fees. Accounts gained: Cooper Vision, Professional Resources, Merck Sharp & Dohme International. Lost: IVAC, Hyland Labs. Billings breakdown: Magazines 50%, direct mail 12%, other 38%. Employes: 57 in two offices. Top execs: Robert W. Buechert, president; Reginald A. Bowes, exec vp; Thomas C. Spooner, Lester Barnett, senior vps.

Phone: (415) 391-8700.

WFC Advertising, Phoenix, reported gross income of $3,780,000 in 1983 on billings of $25,200,000. The agency last year had estimated gross income of of $1,650,000 on billings of $11,003,335. The agency did not supply a volume breakdown. Account gains and losses were not reported. Estimated billings breakdown: Newspapers 20%, business publications 5%, magazines 12%, outdoor 6%, spot tv 40%, radio, 8%, other 9%. Employes 37. Top exec: Frank L. Callahan, president.

Phone: (602) 277-3400.

Wilton, Coombs, & Colnett, San Francisco, reported gross income of $2,352,640 in 1983 on billings of $16,756,260 with net income of $258,160. In 1982, it reported gross income of $1,875,753 on billings of $12,969,811 with net income of $238,587. Volume in 1983 consisted of $10,787,850 in media, $1,178,850 in materials and services and $4,789,560 in capitalized fees. In 1982, volume consisted of $8,716,435 in media, $1,229,732 in materials and services and $3,023,644 in capitalized fees. Accounts gained: Sorcim, Embarcadero Center, Masstor. Lost: GTE. Billings breakdown: Newspapers 5%, magazines 76%, radio 3%, outdoor 1%, business papers 15%. Employes: 47. Top execs: Ronald H. Colnett, ceo; Clifford B. Wilton, president.

Phone: (415) 981-6250.

Jack Wodell Associates, San Francisco, reported gross income of $2,488,288 in 1983 on billings of $16,588,589. In 1982, it reported gross income of $2,263,467 on billings of $15,089,785. Volume in 1983 consisted of $13,025,496 in media, $250,091 in materials and services and $3,313,002 in capitalized fees. In 1982, volume consisted of $11,960,000 in media, $150,687 in materials and services and $2,979,022 in capitalized fees. Accounts gained: Lucasfilm Merchandise-licensing division, Herbert's Furs, Vaca Leather, Pebble Beach Sportswear, Liquor Emporium, Mark Twain Hotel, Metro-Goldwyn-Mayer/United Artists (San Francisco). Lost: MCA/Universal Pictures. Billings breakdown: Newspapers 62%, magazines 2%, radio 13%, spot tv 10%, outdoor 2%, transit 1%, public relations 10%. Employes: 37. Top execs: Jack Wodell, president-chairman; B.J. Valdes, exec vp; James Taylor, senior vp.

Phone: (415) 391-1350.

Agencies: Under $1 million

Kelly Adams Advertising, York, Pa., reported gross income of $293,333 in 1983 on billings of $2,054,493. In 1982, the agency reported gross income of $196,550 on billings of $1,334,111. Volume in 1983 consisted of $795,017 in media, $281,674 in materials and services and $977,802 in capitalized fees. In 1982, the agency's volume consisted of $499,983 in media, $183,850 in materials and services and $650,278 in capitalized fees. Accounts gained: Gantner Swimwear, Penn Communications and MPSI. Lost: Capital Telecommunications. Billings breakdown: Newspapers 45%, magazines 5%, radio 15%, spot tv 25%, outdoor 5%, business papers 5%. Employes: 7. Top exec: Kelly Adams, president.

Phone: (717) 843-8035.

Adelante Advertising, New York, reported gross income of $675,000 in 1983 on billings of $5,550,525. In 1982, it reported gross income of $675,000 on billings of $5,550,525. Volume in 1983 consisted of $3,750,000 in media, $500,000 in materials and services and $1,050,525 in capitalized fees. In 1982, volume consisted of $3,750,000 in media, $500,000 in materials and services and $1,050,525 in capitalized fees. Overseas dollar volume was $250,000 for both years. Accounts gained: Alpo dog food. Lost: None. Billings breakdown: Newspapers 10%, magazines 10%, radio 30%, spot tv 30%, outdoor 10%, transit 5%, point of sale 5%. Employes: 15. Top exec: Seymour Davis, president.

Phone: (212) 696-0855.

Advertising Management, Brooklyn, N.Y., reported gross income of $186,281 in 1983 on billings of $1,242,167. In 1982, it reported gross income of $141,188 on billings of $941,450. Volume in 1983 consisted of $478,842 in media, $179,134 in ma-

Eastern region

Maine
Vt.
N.H.
Mass.
New York
Rhode Island
Conn.
Pennsylvania
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Md.
Del.

terials and services and $584.191 in capitalized fees. In 1982, the agency's volume consisted of $418.160 in media. $128.785 in materials and services and $394.505 in capitalized fees. Accounts gained: Soho Soda, CRC Information Services, International Vintners and Pay TV of New York. Lost: United Media Enterprises. Billings breakdown: Newspapers 4%, magazines 34%, radio 1%, spot tv 1%, outdoor 6%, business papers 46%, other 8%. Employes: 7. Top exec: Roy W. Sloane, president.
Phone: (212) 624-4067.

Alstin Advertising, Philadelphia, reported gross income of $720.000 in 1983 on billings of $4.800.000. In 1982, it reported gross income of $645.000 on billings of $4.300.000. Volume in both years was all in media. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 85%, magazines 2%, radio 2%, outdoor 0.5%, business papers 10%, transit 0.5%. Employes: 21. Top exec: M.V. Schluth, president.
Phone: (215) 568-3200.

Amsterdam Advertising, Reading, Mass., reported gross income of $167.730 in 1983 on billings of $1.079.246. In 1982, it reported gross income of $131.684 on billings of $830.400. Volume in 1983 consisted of $504.466 in media, $117.545 in materials and services and $457.235 in capitalized fees. In 1982, volume consisted of $500.438 in media, $105.375 in materials and services and $224.587 in capitalized fees. Accounts gained: Acushnet Capacitor Co., Diamond Electro-Optics, Dynamics Research Corp., Luther & Maelzer, Electronic Instrument & Specialty Corp. Lost: GNT Automatic. Billings breakdown: Magazines 100%. Employes: 3. Top exec: Richard E. Amsterdam, president.
Phone: (617) 944-0634.

Anderson Direct Response, Doylestown, Pa., reported gross income of $226.500 in 1983 on billings of $1.433.000. In 1982, it reported gross income of $194.600 on billings of $1.240.500. Volume in 1983 consisted of $1.121.000 in media and $312.000 in materials and services. In 1982, volume consisted of $969.000 in media and $271.000 in materials. Accounts gained: Rotation Diet Co., Noticeable Difference. Lost: Telephone Marketing Group. Billings breakdown: Newspapers 5%, magazines 40%, supplements 10%, direct mail 45%. Employes: 5. Top execs: E. Leon Anderson, president; Barbara L. Anderson, vp.
Phone: (215) 794-5225.

Arau & Goldberg, Philadelphia, reported gross income of $652.500 in 1983 on billings of $4.350.000. It did not report figures for 1982. Volume in 1983 consisted of $750.000 in media, $1.000.000 in materials and services and $2.600.000 in capitalized fees. Accounts gained: Day-Timers Inc., Monumental Life Insurance, Presbyterian Ministers Fund, World Book Ins. Group. Billings breakdown: Newspapers 5%, magazines 15%, spot tv 20%, business papers 10%, point of sale 20%, direct mail 30%. Employes: 12. Top execs: Erwin B. Goldberg, president.
Phone: (215) 988-0545.

Arnold Advertising, Reading, Pa., had estimated gross income of $375.000 in 1983 on billings of $2.500.000. In 1982, it had estimated gross income of $360.000 on billings of $2.400.000. No volume breakout was provided. Accounts gained: Garland Commercial Industries, Pennsylvania Dutch Co., Weyerhauser (collateral only). Lost: NCI, Pulse. Billings breakdown: Newspapers 20%, magazines 20%, radio 10%, spot tv 10%, outdoor 20%, point of sale 10%, direct mail 10%. Employes: 8. Top exec: J. Douglas Arnold, president.
Phone: (215) 779-3153.

Artim Advertisement, Hamilton Square, N.J., reported gross income of $44.136 in 1983 on billings of $107.243. In 1982, it reported gross income of $14.090 on billings of $70.711. Volume in 1983 consisted of $23.161 in media, $9.846 in materials and services and $74.236 in capitalized fees. In 1982, volume consisted of $15.961 in media and $54.750 in capitalized fees. Accounts gained: A.C.E. Industrial. Billings breakdown: Magazines 100%. Top exec: John Artim, director.
Phone: (609) 587-3762.

Ted Barkus Co., Philadelphia, had an estimated gross income of $628.928 in 1983 on billings of $4.192.856. In 1982, it had an estimated gross income of $464.397 on billings of $3.293.574. Volume in 1983 consisted of $1.418.101 in media, $236.780 in materials and services and $2.537.975 in capitalized fees. In 1982, volume consisted of $1.210.715 in media, $219.545 in materials and services and $1.863.314 in capitalized fees. Accounts gained: The Armm Group, Nairn America. Lost: None. Billings breakdown: Newspapers 16%, magazines 10%, supplements 2%, radio 12%, spot tv 22%, cable tv 5%, business papers 7%, point of sale 8%, direct mail 18%. Employes: 10. Top exec: Ted Barkus, president.
Phone: (215) 545-0616.

Barron, Hillman & Mellnick, Boston, had estimated gross income of $330.000 in 1983 on billings of $2.200.000. In 1982, it had estimated gross income of $300.000 on billings of $2.000.000. No volume breakout was provided. Billings breakdown: Newspapers 5%, radio 20%, spot tv 60%, transit 5%, other 10%. Employes: 7. Top exec: Ray Barron, president.
Phone: (617) 482-3883.

Frank Barth Inc., New York, reported gross income of $919.000 in 1983 on billings of $6.494.000. No information was provided for 1982. Volume in 1983 consisted of $629.000 in media, $1.450.000 in materials and services and $4.415.000 in capitalized fees. Billings breakdown: Magazines 100%. Employes: 25 in two offices. Top execs: Katrine Barth, president; Norman Solomon, exec vp.
Phone: (212) 398-0820.

Bates & Fawcett, Darien, Conn., had an estimated gross income of $195.331 in 1983 on billings of $1.302.211. In 1982, it had an estimated gross income of $180,159 on billings of $1,201,062. Volume in 1983 consisted of $876,700 in media, $70,000 in materials and services and $355,511 in capitalized fees. In 1982, volume consisted of $854,900 in media, $88,700 in materials and services and $257,462 in capitalized fees. Billings breakdown: Newspapers 1%, radio 1%, business papers 75%, direct mail 17%, other 6%. Employes: 5. Top execs: Roger K. Fawcett, chairman;

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Bill Alenson, Director of Advertising & Promotion United Airlines

"**Totally unique.**" That's how United's Bill Alenson describes local tagging of fares and schedules on The Weather Channel. "There's nothing like it on any other cable or broadcast network."

"Essentially we've turned into a local retailer and The Weather Channel's technology allows us to adapt national advertising to the specific needs of the local market."

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THE WEATHER CHANNEL

Gross income under $1,000,000

Michael S. Ziegler, president.
Phone: (203) 655-8767.

Belfaire Products, Darien, Conn., had estimated gross income of $75,000 in 1983 on billings of $500,000. The agency did not provide figures for 1982 and did not break out volume for 1983. Accounts gained: Conair. Billings breakdown: Newspapers 10%, magazines 90%. Employes: 5. Top execs: Ralph L. Evans Jr., chairman; James P. Lee, president.
Phone: (203) 655-8911.

Black & Musen, East Longmeadow, Mass., reported gross income of $223,000 in 1983 on billings of $1,317,000. In 1982, it reported gross income of $220,000 on billings of $1,315,000. Volume in 1983 consisted of $736,000 in media, $127,000 in materials and services and $454,000 in capitalized fees. In 1982, volume consisted of $820,000 in media, $108,000 in materials and services and $387,000 in capitalized fees. Accounts gained: Target Industry, Kimball Cos., American Memorial Service, Reid Treatment Service. Lost: Haberman Insurance, Versa-Tags. Billings breakdown: Newspapers 7%, magazines 25%, radio 5%, spot tv 15%, business papers 30%, direct mail 10%, other 8%. Employes: 6. Top exec: Arthur Musen, president.
Phone: (413) 567-0361.

Blackwood Associates, Wellesley Hills, Mass., reported gross income of $410,000 in 1983 on billings of $2,647,000. No figures were reported for 1982. Volume in 1983 consisted of $1,010,000 in media, $237,000 in materials and services and $1,400,000 in capitalized fees. Accounts gained: Micro Systems International. Lost: None. Billings breakdown: Newspapers 8%, business papers 85%, point of sale 2%, direct mail 5%. Employes: 4. Top exec: Jerome C. Blackwood, president.
Phone: (617) 235-8602.

Blair Advertising, Rochester, N.Y., reported gross income of $649,059 in 1983 on billings of $4,327,060. In 1982, it reported gross income of $845,523 on billings of $5,636,820. Volume in 1983 consisted of $2,596,236 in media, $1,224,558 in materials and services and $506,266 in capitalized fees. In 1982, volume consisted of $2,821,192 in media, $2,156,898 in materials and services and $658,730 in capitalized fees. Accounts gained: Software Distribution Service, Xerox Service Group, Dodge Dealer Assn., Gannett Rochester Newspapers. Lost: Pass & Seymour, Pulsa Feeder. Billings breakdown: Newspapers 10%, magazines 25%, supplements 1%, radio 20%, spot tv 20%, network tv 1%, cable tv 1%, business papers 20%, farm publications 1%, direct mail 1%. Employes: 22 in two offices. Top execs: Jack Krushaar, president; Mat Adams, senior vp.
Phone: (716) 473-0440.

Blumenthal/Herman Advertising, Blue Bell, Pa., reported gross income of $272,578 in 1983 on billings of $1,817,689. In 1982, it reported gross income of $243,504 on billings of $1,623,667. Volume in 1983 consisted of $800,240 in media and $1,017,449 in capitalized fees. In 1982, volume consisted of $1,007,140 in media and $616,527 in capitalized fees. Billings breakdown: Newspapers 5%, magazines 10%, radio 10%, spot tv 15%, cable tv 2%, business papers 30%, direct mail 15%, other 13%. Employes: 7. Top execs: Stephen D. Blumenthal; Justin R. Herman.
Phone: (215) 628-3050.

Bolster & Kings, Providence, R.I., reported gross income of $300,000 in 1983 on billings of $2,400,000. In 1982, it reported gross income of $300,000 on billings of $2,000,000. Volume in 1983 consisted of $192,000 in media and $2,208,000 in capitalized fees. In 1982, volume consisted of $192,000 in media and $1,808,000 in capitalized fees. Accounts gained: NRG Barriers, Plymouth Savings Bank, Tillotoson-Pearson flagpole division. Lost: None. The agency did not break down its billings. Employes: 5. Top execs: David W. Bolster, president; Philip Caswell, vp.
Phone: (401) 273-5330.

Earle Bower Associates, New York, reported gross income of $339,200 in 1983 on billings of $2,581,400. In 1982, it reported gross income of $322,500 on billings of $2,328,000. Volume in 1983 consisted of $1,456,000 in media, $327,700 in materials and services and $797,700 in capitalized fees. In 1982, volume consisted of $1,375,000 in media, $306,000 in materials and services and $647,000 in capitalized fees. Accounts gained: Avanti Motorcars, *Monthly Detroit* magazine. Lost: None. Billings breakdown: Newspapers 5%, magazines 40%, radio 5%, spot tv 25%, cable tv 25%. Employes: 7. Top exec: Earle Bower, president.
Phone: (212) 682-3920.

Bradley, Dimmock & Hungerford, New York, reported gross income of $726,536 in 1983 on billings of $5,245,631 with net income of $86,836. In 1982, it reported gross income of $546,278 on billings of $3,798,059 with net income of $63,384. Volume in 1983 consisted of $1,254,132 in media, $854,826 in materials and services and $3,136,673 in capitalized fees. In 1982, volume consisted of $509,974 in media, $706,462 in materials and services and $2,581,623 in capitalized fees. Accounts gained: Kiplinger Washington Newsletter, Meredith Corp. Billings breakdown: Newspapers 25%, magazines 30%, supplements 20%, spot tv 15%, direct mail 10%. Employes: 6. Top exec: David L. Dimmock, president.
Phone: (212) 697-6780.

Jack Brahms Advertising, Baltimore, had estimated gross income of $600,000 in 1983 on billings of $4,000,000. In 1982, it had estimated gross income of $450,000 on billings of $3,000,000. Volume in both years was all in media. Accounts gained: The Baltimore Spice Co. Billings breakdown: Newspapers 25%, radio 30%, spot tv 30%, business papers 15%. Employes: 12. Top execs: Jack Brahms, chairman; Sheldon Brahms, president; Judith Zimmerman, vp.
Phone: (301) 484-3993.

Brewster Advertising, Cambridge, Mass., reported gross income of $310,000 in 1983 on billings of $2,031,000. In 1982, it reported gross income of $261,000 on billings of $1,709,000. Volume in 1983 consisted of $664,000 in media, $206,000 in materials and services and $1,161,000 in capitalized fees. In 1982, volume consisted of $622,000 in media, $193,000 in materials and services and $894,000 in capitalized fees. Accounts gained: Software International, LeFiell Mfg., Zymark Corp. Lost: CE/IDC, Photochemical Research, Para Research. Billings breakdown: Newspapers 5%, magazines 50%, business papers 30%, point of sale 5%, direct mail 5%, other 5%. Employes: 6. Top execs: Donald R. Brewster, president; Marjorie W. Rines, Jim Noon, vps.
Phone: (617) 661-8318.

Brown Advertising, Somerset, N.J., reported gross income of $173,900 in 1983 on billings of $1,159,300. In 1982, it reported gross income of $158,605 on billings of $1,040,800. Volume in 1983 consisted of $527,300 in media, $362,000 in materials and services and $270,000 in capitalized fees. In 1982, volume consisted of $480,800 in media, $310,000 in materials and services and $250,000 in capitalized fees. Accounts gained: The Wagner Group, AGLO Cosmetics, Community Health Care of N.J., Score-Board Promotions, TUSA Electronics, Image Up, Edison Hair Care, Freeboard Sailing. Lost: Stoller Co. Billings breakdown: Newspapers 15%, magazines 25%, radio 5%, spot tv 5%, business papers 20%, point of sale 12%, direct mail 18%. Employes: 4. Top execs: Bernard Brown, president; Mildred Brown, exec vp.
Phone: (201) 246-2550.

Caldwell/Reingold Group, New York, reported gross income of $906,124 in 1983 on billings of $6,040,904. No information was provided for 1982. Volume in 1983 consisted of $4,806,732 in media, $477,127 in materials and services and $757,045 in capitalized fees. Accounts gained: Matlaw's Food Products, General Foods project. Billings breakdown: Newspapers 10%, magazines 30%, radio 5%, spot tv 30%, business papers 20%, direct mail 5%. Employes: 12. Top execs: Wallace E. Caldwell, president; Harry Reingold, exec vp.
Phone: (212) 953-1675.

Cantin Elliott, New York, reported gross income of $547,500 in 1983 on billings of $3,650,650. In 1982, it reported gross income of $532,000 on billings of $2,562,820. Volume in 1983 consisted of $2,100,000 in media, $250,000 in materials and services and $1,300,650 in capitalized fees. In 1982, volume consisted of $2,100,000 in media, $240,000 in materials and services and $973,820 in capitalized fees. Accounts gained: Atari, George Little Management. Lost: None. Billings breakdown: Newspapers 5%, magazines 30%, radio 35%, spot tv 5%, direct mail 25%. Employes: 20. Top execs: Don Cantin, president; Don Elliott, chairman.
Phone: (212) 696-5500.

Jack Cantwell Inc., Englewood Cliffs, N.J., reported gross income of $678,825 in 1983 on billings of $4,518,750. In 1982, it reported gross income of $753,787 on billings of $5,017,000. Volume in 1983 consisted of $300,000 in media, $50,000 in materials and services and $4,168,750 in capitalized fees. In 1982, volume consisted of $950,700 in media, $58,000 in materials and services and $4,008,300 in capitalized fees. Accounts gained: PC Expo. Lost: Girandan Corp. (flavor division). Billings breakdown: Newspapers 20%, magazines 80%. Employes: 5. Top execs: Jack Cantwell, ceo; John Brooks, chairman.
Phone: (201) 568-7023.

Christopher Thomas Associates, Northport, N.Y., reported gross income of $770,000 in 1983 on billings of $5,865,418. In 1982, it reported gross income of $650,000 on billings of $4,959,828. Volume in 1983 consisted of $5,135,900 in media, $360,000 in materials and services and $369,518 in capitalized fees. In 1982, volume consisted of $4,335,500 in media, $300,500 in materials and services and $323,828 in capitalized fees. Accounts gained: Suburban Colonial Shoppes, Metropolitan Energy Council, Mittleman Cadillac, Computer Networks, N.Y. Arrows. Lost: Bayside Federal, Harran Trailways. Billings breakdown: Newspapers 40%, magazines 15%, radio 20%, spot tv 10%, transit 7.5%, direct mail 7.5%. Employes: 17. Top execs: Christopher B. Santry, president; Thomas M. Petrocine, Theodore Douglas, exec vps.
Phone: (516) 757-6622.

Clark Direct Marketing, New York, had estimated gross income of $602,000 in 1983 on billings of $4,014,100. In 1982, the agency reported gross income of $540,500 on billings of $2,710,280. The agency's volume in 1983 consisted of $880,000 in media, $1,600,000 in materials and services and $1,534,100 in capitalized fees. In 1982, volume consisted of $850,000 in media, $1,300,000 in materials and services and $560,280 in capitalized fees. Accounts gained: *Business Computing*, *U.S. News & World Report*, Commodore Computers magazines, Time-Life Music, *Cycle World*. Billings breakdown: Newspapers 10%, magazines 10%, spot tv 10%, cable tv 10%, direct mail 60%. Employes: 14. Top execs: Junius R. Clark, III.
Phone: (212) 661-9230.

George P. Clarke Advertising, New York, reported gross income of $986,011 in 1983 on billings of $6,571,405. In 1982, it reported gross income of $939,471 on billings of $6,269,800. Volume in 1983 consisted of $2,864,294 in media, $333,125 in materials and services and $3,373,986 in capitalized fees. In 1982, volume consisted of $2,855,293 in media, $315,732 in materials and services and $3,098,775 in capitalized fees. Accounts gained: William T. Thompson Inc., Fasolino Foods, Welda Inc., Security Pacific National Trust, Security Pacific Clearing Corp., Clifford Drake & Co., Antigua/Barbuda Department of Tourism. Lost: Murdock International. Billings breakdown: Newspapers 25%, magazines 15%, radio 10%, spot tv 10%, business papers 10%, point of sale 5%, direct mail 5%, other 20%. Employes: 16. Top execs: George P. Clarke, president.
Phone: (212) 490-2212.

Communicators Group, Brattleboro, Vt., reported gross income of $528,400 in 1983 on billings of $3,952,300. In 1982, it reported gross income of $467,800 on billings of $3,522,600. Volume in 1983 consisted of $1,353,200 in media, $618,800 in materials and services and $1,980,300 in capitalized fees. In 1982, volume consisted of $1,253,100 in media, $561,300 in materials and services and $1,708,200 in capitalized fees. Accounts gained: The Holstein Assn., Garden Way Publishing Co., Montgomery Real Estate Management, Stratton Mountain Corp. Lost: Energy Systems 2000, Mary Meyer Mfg. Billings breakdown: Newspapers 21%, magazines 22%, supplements 1%, radio 23%, spot tv 19%, outdoor 5%, business papers 8%, direct mail 1%. Employes: 15. Top execs: James E. Hormel, president.
Phone: (802) 257-4321.

Communigraphics, Woodbury, N.Y., had estimated gross income of $785,250 in 1983 on billings of $5,235,766. In 1982, it had estimated gross income of $795,000 on billings of $5,449,251. Volume in 1983 consisted of $867,068 in media, $243,536 in materials and services and $4,125,162 in capitalized fees. In 1982, volume consisted of $1,132,745 in media, $549,730 in materials and services and $3,766,776 in capitalized fees. Accounts gained: Charmilles Technologies Corp., Passat Corp., LVD Corp., Stanley Sheppard Co. Lost: Chemapec Inc., Holmor Inc., Sodick Inc. Billings breakdown: Newspapers 3%, business papers 74%, direct mail 5%, other 18%. Employes: 17 in two offices. Top execs: Walter Hutt, president; Barry Van Name, vp.
Phone: (516) 364-2333.

Conti Advertising, Montvale, N.J., had estimated gross income of $526,500 in 1983 on billings of $3,510,000. In 1982, it had estimated gross income of $557,700 on billings of $3,718,000. Volume in 1983 consisted of $950,000 in media, $1,025,900 in materials and services and $1,534,100 in capitalized fees. In 1982, volume consisted of $998,000 in media, $1,152,550 in materials and services and $1,567,450 in capitalized fees. Accounts gained: ATS Software, Alloy & Stainless Inc., Chipwich Inc., Devonsheer Melba Corp., Timex Clock division (special projects), On Line Software (special projects), Volvo Bus division, Volvo of America Corp. and Star-Glo Industries. Lost: M.A.N. Bus & Truck Corp., Swedish Wire Corp., I.F.E. Industries and American Dermal Corp. Billings breakdown: Newspapers 10%, magazines 20%, radio 10%, business papers 40%, point of sale 10%, direct mail 10%. Employes: 27. Top execs: Edward Conti, president; Richard Conti, exec vp; A. Guerrara, J. Richter, T. Piazza, J. Szymanski, P. Reinauer, vps.
Phone: (201) 391-4400.

Cross Keys Advertising, Doylestown, Pa., reported gross income of $80,085 in 1983 on billings of $638,973. In 1982, it reported gross income of $49,511 on billings of $437,130. No volume breakout was provided. Accounts gained: Mid-Atlantic Mausoleums, Environmental Concepts, Lambertville Travel, A.C. Elfman-Contractor, Wycombe Inn, Sew Smart Fabrics, Holbert Racing. Lost: Jules Pilch, Manovers Furniture, Carl N. Rist Furniture, Wycombe Inn, Sew Smart Fabrics. Billings breakdown: Newspapers 40%, magazines 5%, radio 25%, outdoor 15%, direct mail 15%. Employes: 5. Top exec: Laura Thompson, president.
Phone: (215) 345-5435.

DFK Advertising, New York, reported gross income of $525,000 in 1983 on billings of $3,500,250. It reported the same in 1982. For both years it reported volume of $2,750,000 in media, $250,000 in materials and services and $500,250 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 30%, magazines 30%, radio 20%, spot tv 10%, other 10%. Employes: 14. Top exec: David Krieger, president.
Phone: (212) 696-0766.

Davis Advertising, Worcester, Mass., reported gross income of $325,000 in 1983 on billings of $3,925,000. In 1982, it reported gross income of $300,000 on billings of $3,700,000. Volume in 1983 consisted of $3,500,000 in media, $100,000 in materials and services and $325,000 in capitalized fees. In 1982, volume consisted of $3,300,000 in media, $100,000 in materials and services and $300,000 in capitalized fees. Accounts gained: Harr Dodge. Lost: None. Billings breakdown: Newspapers 75%, magazines 5%, radio 15%, outdoor 2%, other 3%. Employes: 21. Top exec: Jeffrey Davis, president.
Phone: (617) 752-4615.

Decker, Guertin & Cheyne, Hartford, Conn., reported gross income of $851,423 in 1983 on billings of $7,491,400. In 1982, it reported gross income of $265,435 on billings of $3,836,811. Volume in 1983 consisted of $2,003,685 in media, $1,220,182 in materials and services and $4,267,533 in capitalized fees. In 1982, volume consisted of $1,011,277 in media, $945,879 in materials and services and $1,879,655 in capitalized fees. Accounts gained: W.E. Andrews Co., EASCO Hand Tools, The Liberty Bank For Savings, Otis Elevator, Shubert Performing Arts Center. Lost: Subway. Billings breakdown: Newspapers 25%, magazines 10%, radio 20%, spot tv 43%, outdoor 2%. Employes: 24. Top execs: James Decker, Paul Guertin, Craig Cheyne.
Phone: (203) 522-6633.

Dekrig Advertising, New York, reported gross income of $820,000 in 1983 on billings of $7,450,000. In 1982, it reported gross income of $780,000 on billings of $6,964,000. Volume in 1983 consisted of $4,000,000 in media, $250,000 in materials and services and $3,200,000 in capitalized fees. In 1982, volume consisted of $3,800,000 in media, $230,000 in materials and services and $2,934,000 in capitalized fees. Accounts gained: Crest Uniform Co. Lost: None. Billings breakdown: Newspapers 10%, magazines 20%, business papers 70%. Employes: 21. Top exec: Arnold Krigsman, president.
Phone: (212) 532-3260.

The Eddy Rucker Nickels Co., Cambridge, Mass., reported gross income of $243,453 in 1983 on billings of $1,629,407. In 1982, it reported gross income of $182,069 on billings of $1,222,567. Volume in 1983 consisted of $1,321 in media, $5,575 in materials and services and $1,622,511 in capitalized fees. In 1982, volume consisted of $1,797 in media, $10,132 in materials and services and $1,210,638 in capitalized fees. The agency did not break down its billings. Employes: 5. Top exec: George D. Sargent, president.
Phone: (617) 864-9300.

Eidel Marketing Communications, Briarcliff Manor, N.Y., formerly

Z/E/A Marketing Communications, reported gross income of $250.316 in 1983 on billings of $1.616.088. In 1982, it reported gross income of $365.750 on billings of $2.315.400. Volume in 1983 consisted of $827.000 in media, $159.000 in materials and services and $630.088 in capitalized fees. In 1982, volume consisted of $1.145.000 in media, $370.000 in materials and services and $800.400 in capitalized fees. Accounts gained: Best Foods (special projects); Penn Star Products; Nassau Center for the Developmentally Disabled, Nestworks Inc. Lost: FranStef Mfg. Co.; Emil Ascher Inc. Billings breakdown: Newspapers 25%, radio 5%, business papers 30%, direct mail 40%. Employes: 3. Top execs: Zeneth Eidel, president.
Phone: (914) 762-4985.

Elbert Advertising, Norwood, Mass., had an estimated gross income of $306.803 in 1983 on billings of $2.045.358. In 1982, it reported gross income of $339.755 on billings of $2.010.771. Volume in 1983 consisted of $593.602 in media, $241.350 in materials and services and $1.210.406 in capitalized fees. In 1982, volume consisted of $595.646 in media, $294.011 in materials and services and $1.121.114 in capitalized fees. Account gained: International Thermal Dispenser. Lost: None. Billings breakdown: Newspapers 13%, magazines 2%, radio 2%, spot tv 1%, business papers 70%, point of sale 5%, direct mail 6%, other 1%. Employes: 6. Top execs: Elbert A. Taitz, president.
Phone: (617) 769-7666.

Emerson Lane Fortuna, Boston, reported gross income of $914.129 in 1983 on billings of $8.089.635. In 1982, it reported gross income of $675.338 on billings of $4.502.257. Volume in 1983 consisted of $6.131.556 in media, and $1.958.079 in capitalized fees. In 1982, volume consisted of $3.027.360 in media, and $1.474.897 in capitalized fees. Accounts gained: Boston Gas, Harvard Community Health Plan, Cadmus Computer, Softrend Inc. Lost: None. Billings breakdown: Newspapers 5%, magazines 2.5%, radio 20%, spot tv 60%, outdoor 2.5%, direct mail 10%. Employes: 20. Top execs: Michael B. Fortuna, Keith D. Lane, senior vps.
Phone: (617) 720-2424.

H.T. Fenton Associates, Somerville, N.J., reported gross income of $685.723 in 1983 on billings of $4.572.834. In 1982, it reported gross income of $629 104 on billings of $4.195.261. Volume in 1983 consisted of $1.373.790 in media, $487.274 in materials and services and $2.711.771 in capitalized fees. In 1982, volume consisted of $1.260.358 in media, $447.040 in materials and services and $2.487.863 in capitalized fees. Accounts gained: Seaboard Foods, E.R. Squibb & Sons International (animal health division). Lost: None. Billings breakdown: Newspapers 10%, magazines 20%, radio 10%, spot tv 3%, farm publications 45%, point of sale 2%, direct mail 7%, other 3%. Employes: 14. Top exec: Harry T. Fenton, president.
Phone: (201) 359-1100.

Ferber Janklow Chimbel Bender, New York, had estimated gross income of $955.350 in 1983 on billings of $6.369.000. In 1982, it had estimated gross income of $782.550 on billings of $5.217.000. Volume in 1983 consisted of $3.650.000 in media, $1.385.000 in materials and services and $1.334.000 in capitalized fees. In 1982, volume consisted of $3.100.000 in media, $1.050.000 in materials and services and $1.067.000 in capitalized fees. Accounts gained: Malden Mills, Showtime, JanSport Mountain Gear. Lost: McGregor Sportswear. Billings breakdown: Magazines 40%, radio 10%, spot tv 15%, business papers 20%, direct mail 15%. Employes: 13. Top execs: Bruce H. Janklow, president; David Bender, Robert Chimbel, exec vps; Murray Gerber, senior vp.
Phone: (212) 581-6780.

Martin Fiderer Associates, Englewood Cliffs, N.J., reported gross income of $493,000 in 1983 on billings of $3,650,000. In 1982, it reported gross income of $479,000 on billings of $3,355,000. Volume in 1983 consisted of $735,000 in media, $460,440 in materials and services and $2,454,560 in capitalized fees. In 1982, volume consisted of $625,000 in media, $429,000 in materials and services and $2,301,000 in capitalized fees. Accounts gained: Commerce Drug Co., H&R Phillips, Harcourt Brace Jovanovich (Healthcare Publications). Lost: None. Billings breakdown: Magazines 20%, direct mail 42%, other 38%. Employes: 9. Top exec: Martin Fiderer, president.
Phone: (201) 871-0422.

Fones & Mann, New York, has estimated gross income of $900,000 in 1983 on billings of $6,000,000. In 1982, it had estimated gross income of $750,000 on billings of $5,000,000. No volume breakout was provided. Accounts gained: Luxo Industries, DCN Industries. Billings breakdown: Newspapers 10%, magazines 5%, spot tv 20%, business papers 35%, direct mail 20%, other 10%. Employes: 10. Top execs: Maynard Fones, president; John Mann, chairman.
Phone: (212) 689-9870.

Peter Forstenzer Inc., New York, reported gross income of $150,000 in 1983 on billings of $593,804. In 1982, it reported gross income of $110,000 on billings of $761,641. Volume in 1983 consisted of $435,577 in media and $158,227 in materials and services. In 1982, volume consisted of $577,730 in media and $183,911 in materials and services. Account gained: Innomed Inc. Lost: Religious Lists, Artoptic. Billings breakdown: Newspapers 10%, magazines 10%, business papers 60%, point of sale 5%, direct mail 15%. Employes: 2. Top execs: Peter Forstenzer, president.
Phone: (212) 697-8725.

Foster Peterson & Kostopoulos, Boston, reported gross income of $593,342 in 1983 on billings of $3,839,986. The agency did not report figures for 1982. Volume in 1983 consisted of $2,050,000 in media, $1,150,000 in materials and services and $639,986 in capitalized fees. Accounts gained: Methods & Solutions, Deweese Associates, Forum Corp., WLVI-TV (product), Polaroid sunglasses, Market Forge, Jamesbury Corp. (product). Lost: Norton-Process E division. Billings breakdown: Newspapers 30%, magazines 10%, radio 30%, spot tv 5%, outdoor 10%, point of sale 5%, direct mail 5%, other 5%. Employes: 12. Top execs: Robert Foster, president.
Phone: (617) 536-2525.

Gann-Dawson, Scranton, Pa., reported gross income of $773,936 in 1983 on billings of $5,161,124. In 1982, it reported gross income of $745,286 on billings of $4,970,316. Volume in 1983 consisted of $1,809,267 in media, $246,712 in materials and services and $3,105,145 in capitalized fees. In 1982, volume consisted of $1,228,449 in media, $249,822 in materials and services and $3,492,045 in capitalized fees. Accounts gained: Buck Hill Inn, Catholic Golden Age, Cement National Bank, Sandvik Steel, Norbank Life Insurance, Norbanc Lease, Uni-Marts, Unico, Wyoming Valley Clinic. Billings breakdown: Newspapers 35%, magazines 2%, radio 9%, spot tv 30% outdoor 3%, business papers 20%, other 1%. Top execs: William M. Dawson, chairman; William M. Dawson III, president; John Herron Jr., exec vp.
Phone: (717) 343-6551.

Donald W. Gardner Advertising, Beverly, Mass., had estimated gross income of $315,000 in 1983 on billings of $2,100,000. In 1982, it had estimated gross income of $300,000 on billings of $2,000,000. No volume breakout was provided. Billings breakdown: Newspapers 5%, magazines 40%, radio 5%, spot tv 10%, direct mail 30%, other 10%. Top exec: Robert E. Graham, president.
Phone: (617) 227-5517.

Glasheen Advertising, New York, reported gross income of $998,000 in 1983 on billings of $7,602,200. In 1982, it reported gross income of $990,001 on billings of $7,434,974. Volume in 1983 consisted of $4,200,300 in media, $200,100 in materials and services and $3,201,800 in capitalized fees. In 1982, volume consisted of $3,920,000 in media, $232,000 in materials and services and $3,282,974 in capitalized fees. Accounts gained: Posnack Computer Corp., Roller Ball pens, Saint Tropez pens, White Ball pens, DecoColor pens, DecoLiner pens, LePlume Market. Lost: Peter Pan Records, Windsor Total Video, Executive Complex. Billings breakdown: Newspapers 15%, magazines 30%, spot tv 10%, business papers 20%, point of sale 10%, direct mail 15%. Employes: 5. Top exec: Pete Glasheen, president.
Phone: (212) 355-7920.

Goff Communications, Corning, N.Y., reported gross income of $311,592 in 1983 on billings of $2,077,281. In 1982, it reported gross income of $277,156 on billings of $1,847,316. Volume in 1983 consisted of $1,135,478 in media, $374,706 in materials and services and $567,097 in capitalized fees. In 1982, volume consisted of $961,145 in media, $351,177 in materials and services and $534,994 in capitalized fees. Accounts gained: The Hilliard Corp., Foresight Education Center. Billings breakdown: Newspapers 32%, magazines 2%, radio 18%, spot tv 4%, outdoor 2%, business papers 36%, point of sale 1%, direct mail 5%. Employes: 8. Top exec: H. David Goff, president.
Phone: (607) 962-2431.

Gonsor & Wilson Communications, Westport, Conn., reported gross income of $237,000 in 1983 on billings of $959,900. In 1982, it reported gross income of $196,000 on billings of $831,900. Volume in 1983 consisted of $192,400 in media, $473,000 in materials and services and $294,500 in capitalized fees. In 1982, volume consisted of $222,900 in media, $381,000 in materials and services and $228,000 in capitalized fees. Accounts gained: Coleco Industries Project, Muller Air Freight, Qualitron Corp., IPCO Home Health Systems, Peter Ferucci Consultants. Lost: Program Design Inc. Billings breakdown: Newspapers 5%, magazines 15%, business papers 10%, direct mail 2%, other 68%. Employes: 8. Top execs: Hamilton Wilson, president.
Phone: (203) 222-0233.

Greene & Claire, New York, reported gross income of $920,000 in 1983 on billings of $6,900,000. Included in its gross income was $90,000 on overseas volume of $600,000. In 1982, it reported gross income of $833,000 on billings of $5,852,000. Included in the total gross was $93,000 from overseas volume of $620,000. U.S. volume in 1983 consisted of $3,800,000 in media, $1,100,000 in materials and services and $1,400,000 in capitalized fees. In 1982, volume consisted of $3,166,000 in media, $939,000 in materials and services and $1,127,000 in capitalized fees. Accounts gained: Asahi Chemical Industry, Florida Drum Co., MPO Videotronics. Lost: Weatherbee Coats. Billings breakdown: Newspapers 20%, magazines 25%, supplements 10%, radio 5%, spot tv 10%, business papers 15%, point of sale 5%, direct mail 10%. Employes: 18. Top execs: Don Greene, ceo; Arthur Abravanel, vp.
Phone: (212) 695-5800.

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Greenwald/Christian Advertising, Philadelphia, reported gross income of $824,955 in 1983 on billings of $5,500,000. In 1982, it reported gross income of $599,970 on billings of $4,000,000. Volume in 1983 consisted of $4,649,700 in media, $250,000 in materials and services and $600,300 in capitalized fees. In 1982, volume consisted of $3,399,800 in media, $200,000 in materials and services and $400,200 in capitalized fees. Accounts gained: The Palace Hotel, Cafe Royal, VU/TEXT Information Services, Ryland Homes, Harry's Bar & Grill, Johns Inc., Contemporary Furniture and Ethan Allen Stores. Lost: None. Billings breakdown: Newspapers 30%, magazines 8%, radio 30%, network tv 25%, outdoor 2%, transit 1%, business papers 1%, direct mail 2%, other 1%. Employes: 14. Top execs: Joseph T. Greenwald, president; Caye Christian, exec vp.

Phone: (215) 568-9797.

Gregory & Clyburne, New Canaan, Conn., had estimated gross income of $562,500 in 1983 on billings of $3,750,000. In 1982, it had estimated gross income of $550,275 on billings of $3,668,500. No volume breakout was provided. Figures do not include those of subsidiaries The Printing Press and Clyburne Mailing Services. Accounts gained: Flowers of the World, Amcal Inc. Lost: Whitney Communications. Billings breakdown: magazines 25%, radio 10%, business papers 20%, direct mail 35%, other 10%. Employes: 13 in two offices. Top execs: James Gregory, president.

Phone: (203) 966-8343.

Haley & Ruckle Advertising, Boston, founded in 1983, reported gross income of $300,000 in 1983 on billings of $1,897,000. Volume in 1983 consisted of $887,000 in media, $323,000 in materials and services and $687,000 in capitalized fees. Accounts gained: Bay Tower Room Restaurant, Great Cuts Haircutting Shops, Itran Industrial Vision Systems, Queen's Quay Terminal Toronto, Security Deposit Corp., American Automobile Assn., Massachusetts Travel Bureau, Hawthorne Place Condominiums, Graduate School of Business, Northeastern University. Lost: Fisher Hill Estates. Billings breakdown: Newspapers 25%, magazines 10%, radio 35%, spot tv 10%, business papers 10%, transit 5%, point of sale 5%. Employes: 7. Top exec: Edgar Ruckle, president.

Phone: (617) 542-7777.

Hart/Conway, Rochester, N.Y., reported gross income of $813,830 in 1983 on billings of $6,076,729. In 1982, it reported gross income of $785,270 on billings of $5,238,937. Volume in 1983 consisted of $2,953,749 in media, $147,273 in materials and services and $2,975,707 in capitalized fees. In 1982, volume consisted of $2,297,348 in media, $187,100 in materials and services and $2,754,489 in capitalized fees. Accounts gained: Eastwood Management, Hub-Langie Fuels, Rochester Bronze, Rochester Monroe County War Memorial Promotions, USGA Senior Open. Billings breakdown: Newspapers 39%, radio 29%, spot tv 17%, outdoor 11%, transit 1%, business papers 3%. Employes: 20. Top execs: Peter Whitcombe, president; William Westerfield, exec vp.

Phone: (716) 232-2930.

Hazard Advertising Co., New York, reported gross income of $860,000 in 1983 on billings of $6,300,000. In 1982, it reported gross income of $700,000 on billings of $4,780,000. Volume in 1983 consisted of $3,500,000 in media, $800,000 in materials and services and $2,000,000 in capitalized fees. In 1982, volume consisted of $2,800,000 in media, $650,000 in materials and services and $1,330,000 in capitalized fees. Accounts gained: Buckeye Oil Co. Billings breakdown: Newspapers 10%, radio 2%, spot tv 1%, outdoor 3%, business papers 28%, farm publications 2%, point of sale 5%, direct mail 20%, other 29%. Employes: 21 in two offices. Top exec: William Mordwin, president.

Phone: (212) 891-5346.

Hill Hays Associates, Randolph, Vt., reported estimated gross income of $320,000 and net income of $40,000 in 1983 on billings of $2,133,881. In 1982, it reported estimated gross income of $304,000 and net income of $45,000 on billings of $2,025,500. Volume in 1983 consisted of $825,000 in media, $222,058 in materials and services and $1,086,823 in capitalized fees. In 1982, volume consisted of $875,000 in media, $150,000 in materials and services and $1,000,500 in capitalized fees. Accounts gained: Imaging Technologies, Sconnix Group Broadcasting, Surfcoaster. Lost: Montpelier Tavern Inn, South Down Farm. Billings breakdown: Newspapers 25%, magazines 5%, radio 25%, spot tv 25%, outdoor 5%, point of sale 5%, direct mail 5%, other 5%. Employes: 7. Top execs: Alfred W. Hill, president; Paul J. Sullivan, exec vp.

Phone: (802) 728-9624.

Hirsch Elliott Inc., New York, reported gross income of $510,000 in 1983 on billings of $3,746,490. In 1982, it reported gross income of $478,540 on billings of $3,017,959. Volume in 1983 consisted of $711,000 in media, $1,388,000 in materials and services and $1,647,490 in capitalized fees. In 1982, volume consisted of $551,000 in media, $979,549 in materials and services and $1,487,410 in capitalized fees. Accounts gained: DunsPlus (recruiting, advertising). Billings breakdown: Newspapers 25%, magazines 1%, radio 1%, business papers 30%, direct mail 4%, other 39%. Employes: 19. Top execs: Don Elliott, president; Bernie Hirsch, exec vp.

Phone: (212) 686-6452.

Michael Holmes & Co., New York, formerly Deering & Holmes, reported gross income of $562,187 in 1983 on billings of $3,749,147. In 1982, it reported gross income of $400,502 on billings of $2,670,276. Volume in 1983 consisted of $1,253,339 in media, $30,569 in materials and services and $2,465,239 in capitalized fees. In 1982, volume consisted of $2,107,258 in media, $41,924 in materials and services and $521,094 in capitalized fees. Accounts gained: Lafayette Electronics; P.& G. Productions (special projects); International Youth Year; Lever Bros. (special projects); Dollar Dry Dock Savings Bank (special projects). Lost: None. Billings breakdown: Newspapers 11%, magazines 2%, radio 1%, spot tv 84%, cable tv 2%. Employes: 10. Top exec: Michael J. Holmes, president.

Phone: (212) 333-2671.

Image Dynamics, Baltimore, Md., reported gross income of $724,375 in 1983 on billings of $8,597,912. In 1982, it reported gross income of $590,611 on billings of $6,804,763. Volume in 1983 consisted of $1,121,418 in media and $7,476,494 in capitalized fees. In 1982, volume consisted of $887,192 in media and $5,917,571 in capitalized fees. Accounts gained: Tuerkes/Beckers, Meridian Healthcare Co., Westinghouse Electric Corp., Arlington Television Corp., Peabody Court. Lost: Mansion Fine Arts. Billings breakdown: Newspapers 27%, magazines 20%, radio 20%, spot tv 15%, cable tv 2%, outdoor 3%, business papers 10%, transit 1%, direct mail 2%. Employes: 20. Top exec: Phyllis B. Brotman, president.

Phone: (301) 539-7730.

Iversen Norman Associates, Tarrytown, N.Y., reported estimated gross income of $160,000 in 1983 on billings of $1,066,812. In 1982, it reported estimated gross income of $142,000 on billings of $940,134. Volume in 1983 consisted of $346,824 in media, $644,797 in materials and services and $75,191 in capitalized fees. In 1982, volume consisted of $399,028 in media, $383,040 in materials and services and $158,066 in capitalized fees. Accounts gained: H.A. Manning Co., Father Flanagan's Boys Home. Billings breakdown: Newspapers 13%, magazines 17%, radio 2%, direct mail 68%. Employes: 14. Top execs: Clyde A. Norman, president; Carmen V. Norman, vp.

Phone: (914) 630-8090.

JRL Advertising & Sales Promotion, Chester Springs, Pa., reported gross income of $375,000 in 1983 on billings of $2,500,000. In 1982, it reported gross income of $390,000 on billings of $2,600,000. Volume in 1983 consisted of $1,300,000 in media, $400,000 in materials and services and $800,000 in capitalized fees. In 1982, volume consisted of $1,200,000 in media, $400,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: Hertz-Penske Leasing. Lost: KHI Anesthesiology. Billings breakdown: Newspapers 2%, magazines 10%, business papers 25%, point of sale 3%, direct mail 25%, other 35%. Employes: 5. Top exec: John R. Landan Jr., president.

Phone: (215) 827-9127.

Jason Group, New York, reported gross income of $768,000 in 1983 on billings of $7,625,000. In 1982, it reported gross income of $500,000 on billings of $5,620,000. Volume in 1983 consisted of $5,125,000 in media and $2,500,000 in materials and services. In 1982, volume consisted of $3,750,000 in media and $1,870,000 in capitalized fees. Accounts gained: Harodite, Bradford National, General Syndicators of America, Radio TV Reports, Fisher-Stevens, Viva Optique. Billings breakdown: Newspapers 20%, magazines 45%, radio 10%, spot tv 15% business papers 10%. Employes: 8. Top exec: Art Sasso, president.

Phone: (212) 759-9583.

KRS Communications, Hempstead, N.Y., reported gross income of $385,181 in 1983 on billings of $1,241,166. In 1982, it reported gross income of $298,836 on billings of $1,185,464. Volume in 1983 consisted of $569,471 in media, $581,242 in materials and services and $90,453 in capitalized fees. In 1982, volume consisted of $722,905 in media, $375,086 in materials and services and $65,473 in capitalized fees. Accounts gained: Hastings Tile, Il Bagno Collection, Fila Boutique, Michael Marketing International, International Wine Co., Danbury Pharmacal, Clark Surgical Co., Equis Medical Co., Elastomer Seal Co. Lost: Henry Schein Inc. (dental division). Billings breakdown: Newspapers 10%, magazines 40%, radio 5%, spot tv 5%, point of sale 10%, direct mail 10%, other 20%. Employes: 15. Top exec: Philip S. DiMarco, president.

Phone: (516) 292-9780.

Kalmar Responsive Ad/Marketing Corp., Fort Lee, N.J., had estimated gross income of $798,000 and net income of $290,000 in 1983 on billings of $5,320,000. In 1982, it had estimated gross income of $750,000 and net income of $260,000 on billings of $5,000,000. Volume in 1983 consisted of $3,400,000 in media and $1,920,000 in materials and services. In 1982, volume consisted of $3,250,000 in media and $1,750,000 in materials and services. Accounts gained: Volvo Penta of America, Copal (U.S.A.), Sima Products Corp. and Salvarani Design. Lost: None. Billings breakdown: Newspapers 5%, magazines 60%, radio 5%, network tv 5%, cable tv 3%, outdoor 2%, business papers 5%, point of sale 15%. Employes: 12. Top execs: Albert E. Markarian, chairman-ceo; Doris S. Wiese, president-chief operating officer.

Phone: (201) 947-7770.

Kaufman & Maraffi, New York, reported gross income of $822,000 in 1983 on billings of $7,800,000. In 1982, it reported gross income of $800,000 on billings of $7,157,000. Volume in 1983 consisted of $5,178,000 in media, $1,622,000 in materials and services and $1,000,000 in capitalized fees. In 1982, volume consisted of $4,490,000 in media, $2,000,000 in materials and services and $667,000 in capitalized fees. Accounts gained: Berlitz (special projects), Orient Express Hotels and Direct Response, Le Pavillon Hotels, Ferrovanadium Ltd. Lost: Garden City Hotel. Billings breakdown: Newspapers 60%, magazines 20%, radio 15%, spot tv 2%, direct mail 3%. Employes: 10. Top execs: John B. Maraffi, president; John B. Kaufman, chairman.

Phone: (212) 867-0670.

Keller Haver Inc., New York, reported gross income of $375,000 in 1983 on billings of $2,710,000. No figures were reported for 1982. In 1983, volume consisted of $1,965,000 in media, $225,000 in materials and services and $520,000 in capitalized fees. Accounts gained: Pulco Import Co., Voyager Emblem. Billings breakdown: Newspapers 25%, magazines 20%, spot tv 10%, transit 35%, business papers 5%, point of sale 5%. Employes: 10. Top exec: Gerald H. Keller, president.

Phone: (212) 752-4400.

Kenney Advertising, Natick, Mass., reported gross income of $785,000 in 1983 on billings of $5,736,000. In 1982, it reported gross income of $560,000 on billings of $4,212,000. Volume in 1983 consisted of $4,055,000 in media and $1,681,000 in capitalized fees. In 1982, volume consisted of $4,212,000 in media alone. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 85%, radio 3%, business papers 12%. Top execs: Roberta Kenney Taylor, president; Patricia Armstrong, Donald Dansker, senior vps.

Phone: (617) 237-7047.

Koehler Iversen, New York, had estimated gross income of $520,000 in 1983 on billings of $3,466,700. In 1982, it had estimated gross income of $439,506 on billings of $2,930,040. Volume in 1983 consisted of $3,400,000 in media, $66,700 in capitalized fees. In 1982, volume consisted of $2,850,000 in media, and $80,040 in capitalized fees. Accounts gained: Health Care Division of Amalgamated Bank of New York. Lost: InterRoyal Corp. Billings breakdown: Newspapers 30%, radio 30%, business papers 15%, direct mail 5%, other 20%. Employes: 20 in two offices. Top execs: W. Peter Koehler, president; Peter W. Iversen, senior vp; Monique S. Koehler, exec vp.

Phone: (212) 686-0880.

Gene K. Kolber Advertising Inc., Willow Grove, Pa., reported gross income of $950,000 in 1983 on billings of $6,900,000. In 1982, the agency reported gross income of $850,000 on billings of $6,400,000. The agency's volume in both years was all in media. Accounts gained: Mid-Atlantic, The Meadows, Stevenson Village, Jack W. Blumenfeld, Claridge Hotel & Casino, Inn of the Dove, Financial Guardian, Kings Collar, Video Village, Make Believe. Lost: Aloe Charm Cosmetics, 1600 Church Road. Billings breakdown: Newspapers 55%, magazines 10%, radio 10%, cable 5%, spot tv 5%, outdoor 10%, direct mail 5%. Employes: 15 in two offices. Top exec: Gene K. Kolber, president.

Phone: (215) 657-4600.

Kopf & Isaacson Advertising, Melville, N.Y., reported gross income of $370,000 in 1983 on billings of $2,256,700. In 1982, it reported gross income of $280,000 on billings of $1,563,350. Volume in 1983 consisted of $1,320,000 in media, $870,000 in materials and services and $66,700 in capitalized fees. In 1982, volume consisted of $910,000 in media, $620,000 in materials and services and $33,350 in capitalized fees. Accounts gained: Circuit Technology, Silver Lake Cookies, Manof Communications, NAPCO Security Systems, Logitek. Lost: Quoizell Lighting. Billings breakdown: Newspapers 5%, magazines 80%, business papers 10%, direct mail 5%. Employes: 12. Top exec: Andrew Isaacson, president.

Phone: (516) 293-6115.

Hal Langerman Co., Center Square, Pa., reported gross income of $554,600 in 1983 on billings of $4,081,219. In 1982, it reported gross income of $470,000 on billings of $3,275,000. Volume in 1983 consisted of $175,000 in materials and services and $3,906,219 in capitalized fees. In 1982, volume consisted of $150,00 in materials and services and $3,125,000 in capitalized fees. Accounts gained: The Prudential Insurance Co. of America/American Association of Retired Persons, Continental American Insurance Co., Colonial Penn Group, Montgomery Ward Life Insurance Co. Lost: National Liberty Marketing. Billings breakdown: Direct mail 80%, other 20%. Employes: 6. Top execs: Hal Langerman, president; Doris Tustin, partner.

Phone: (215) 275-1901.

Lardis, McCurdy & Co., Meriden, Conn., reported gross income of $494,000 in 1983 on billings of $4,152,000. In 1982, it reported gross income of $359,000 on billings of $3,165,000. Volume in 1983 consisted of $1,099,000 in media, $1,786,000 in materials and services and $1,267,000 in capitalized fees. In 1982, volume consisted of $972,000 in media, $1,286,000 in materials and services and $907,000 in capitalized fees. Accounts gained: Rose-Holland-House, Creative Tools, FirstBancorp, United Way of Greater New Haven. Lost: None. Billings breakdown: Newspapers 15%, magazines 25%, radio 5%, spot tv 4%, cable tv 1%, outdoor 5%, point of sale 35%, other 10%. Employes: 12. Top execs: John S. McCurdy, president; Jack A. Lardis, vp.

Phone: (203) 776-0851

Larwin/Livers Associated, Huntingdon Valley, Pa., reported gross income of $945,000 in 1983 on billings of $8,399,200. In 1982, it reported gross income of $805,000 on billings of $8,000,000. Volume in 1983 consisted of $1,475,000 in media, $1,028,800 in materials and services and $5,896,200 in capitalized fees. In 1982, volume consisted of $1,376,900 in media, $1,053,650 in materials and services and $5,569,450 in capitalized fees. Accounts gained: Delta Data Systems Corp., Honeywell Power Sources Center, Levin Associates. Lost: Alphawire Corp., General Electric Space Systems Div., National Metalizing. Billings breakdown: Business papers 74%, point of sale 1%, direct mail 20%, other 5%. Employes: 22. Top exec: Stephen S. Livers, president.

Phone: (215) 938-0400.

Lessner Slossberg Gahl & Partners, Avon, Conn., reported gross income of $733,031 in 1983 on billings of $4,301,519. In 1982, it reported gross income of $756,000 on billings of $3,594,604. Volume in 1983 consisted of $786,154 in media, $1,033,692 in materials and services and $2,481,673 in capitalized fees. In 1982, volume consisted of $881,924 in media, $1,725,000 in materials and services and $987,680 in capitalized fees. Accounts gained: Adams Super Markets, Colonial Bancorp, Collins Development-real estate division, Canterbury Food Service, Restaurants of Distinction, D.T. Marini Co., Dimartino Co., Suffolk Management Co. Lost: Sheaffer Eaton, Durfee Attleboro Bank, Falmouth National Bank, First Agricultural Bank, Liberty Bank, Seth Thomas Clocks. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 15%, outdoor 5%, business papers 5%, point of sale 10%, direct mail 10%. Employes: 17. Top execs: Gary Lessner, president; Richard Slossberg, exec vp; John Gahl, Albert Curt, senior vps.

Phone: (203) 674-1902.

Levy Advertising Associates, New York, reported gross income of $360,500 in 1983 on billings of $2,249,770. In 1982, it reported gross income of $347,635 on billings of $1,961,760. Volume in 1983 consisted of $705,135 in media, $904,850 in materials and services and $639,785 in capitalized fees. In 1982, volume con-

sisted of $475,580 in media, $485,445 in materials and services and $1,000,735 in capitalized fees. Accounts gained: Casa del Mar, Aruba. Lost: None. Billings breakdown: supplements 20%, business papers 80%. Top execs: David Levy, president.
Phone: (212) 921-4400.

MSA Advertising, Philadelphia, reported gross income of $313,200 in 1983 on billings of $2,087,728. In 1982, it reported gross income of $272,000 on billings of $1,951,130. Volume in 1983 consisted of $1,310,000 in media, $121,400 in materials and services and $656,328 in capitalized fees. In 1982, volume consisted of $1,250,000 in media, $107,500 in materials and services and $593,630 in capitalized fees. Accounts gained: Human Resources Network, Fischer Publishing, Henry Mann Inc. Lost: The Electronic Office. Billings breakdown: Newspapers 27.5%, magazines 12.1%, radio 8%, business papers 27.5%, point of sale 4.2%, direct mail 20.7%. Employes: 7. Top exec: Michael Schwartz, president.
Phone: (215) 546-8000.

Mad Ave East, Melville, N.Y., had gross income of $662,661 in 1983 on billings of $4,418,000. In 1982, it had gross income of $603,895 on billings of $4,026,000. Volume in both years was all in media. Accounts gained: Erin Data Systems & Services, Gull Corp., Schacker Realty, Thorn EMI Gencom, Choice Vend Industries. Lost: Circuit Technology. The agency did not break down its billings. Employes: 18. Top execs: Bob Feldheim, president; Bob Sanna, exec vp, Marie Cuozzo, senior vp.
Phone: (516) 293-3680.

Malek Group, New York, reported gross income of $690,221 in 1983 on billings of $1,511,781. In 1982, it reported gross income of $768,269 on billings of $1,781,594. Volume in 1983 consisted of $361,368 in media, $183,957 in materials and services and $966,456 in capitalized fees. In 1982, volume consisted of $278,300 in media, $311,252 in materials and services and $1,192,042 in capitalized fees. Accounts gained: Tripp & Co., Hanover Data Systems, Bernard L. Madoff International, Business Investment Systems, HSF, Philon Inc., Richardson Greenshields. Lost: Mabon, Nugent & Co., Sun Carriers. Billings breakdown: Newspapers 50%, magazines 10%, radio 1%, direct mail 5%, other 34%. Employes: 8. Top exec: Judith Malek, president.
Phone: (212) 684-6103.

Marcom Inc., East Windsor, Conn., reported gross income of $565,690 in 1983 on billings of $3,307,719. In 1982, it reported gross income of $619,458 on billings of $3,621,160. Volume in 1983 consisted of $592,049 in media, $697,725 in materials and services and $2,017,945 in capitalized fees. In 1982, volume consisted of $687,837 in media, $763,866 in materials and services and $2,169,457 in capitalized fees. Figures do not include those of subsidiary Marcom Public Relations. Accounts gained: Highline Products, Windsor Medical, Transkinetics, Vermedco, U.S. Olympic Committee, International Contractor Equipment-GE, DuBose Assn. Lost: Contromatics, Copytex, Redington Counters. Billings breakdown: Newspapers 5%, business papers 20%, direct mail 10%, other 65%. Employes: 15. Top execs: Kent T. Lewis, president; Jeremiah F. O'Connor, exec vp; Lester R. Allen, Jr., partner, Marcom Public Relations; Herbert M. Doherty, partner, Marcom Public Relations.
Phone: (203) 623-9856.

Marketing Group, Horsham, Pa., had estimated gross income of $368,300 in 1983 on billings of $2,455,335. In 1982, it had estimated gross income of $366,899 on billings of $2,445,995. Volume in 1983 consisted of $256,200 in media, $795,100 in materials and services and $1,404,035 in capitalized fees. In 1982, volume consisted of $230,300 in media, $825,000 in materials and services and $1,390,695 in capitalized fees. Accounts gained: Accept-A-Check, All-City Self Storage, Barclay Associates, DeLuca Enterprises, L. Lawrence Products, Liberty Federal Bank, Moore Push-Pin, Omni Video, Second Street Gallery. Lost: Amelia's Restaurant. Billings breakdown: Newspapers 10%, magazines 17%, supplements 3%, radio 8%, spot tv 2%, cable tv 3%, outdoor 1%, transit 1%, business papers 7%, point of sale 3%, direct mail 45%. Employes: 12. Top execs: James J. Notte, Robert J. Dean, Robert J. Miller, partners; Cynthia Mannes, vp.
Phone: (215) 233-4160.

Matlin Co., Washington Crossing, Pa., had estimated gross income of $465,000 in 1983 on billings of $3,100,000. In 1982, it had estimated gross income of $420,000 on billings of $2,800,000. The company did not break out volume for 1982 or 1983. Accounts gained: Alnort, Creative Greenery, Glitsch Special Products, Henkels & McCoy. Lost: Precicontact. Billings breakdown: Business papers 80%, direct mail 20%. Employes: 8. Top exec: Nathaniel A. Matlin, president.
Phone: (215) 493-4033.

McAdams & Ong, Philadelphia, reported gross income of $966,700 in 1983 on billings of $18,389,200. In 1982, the agency reported gross income of $763,400 on billings of $15,142,040. The agency's volume in 1983 consisted of $12,200,000 in media, $1,120,000 in materials and services and $5,069,200 in capitalized fees. In 1982, the agency's volume consisted of $10,600,000 in media, $460,000 in materials and services and $4,082,040 in capitalized fees. Accounts gained: Logan Circuits and Atlantic Financial Federal. Lost: None. Billings breakdown: Newspapers 10%, magazines 10%, radio 40%, spot tv 31%, cable tv 2%, outdoor 1%, business papers 3%, direct mail 3%. Employes: 39. Top execs: Brian McAdams, chairman-ceo; William Thompson Ong, president.
Phone: (215) 893-4400.

McAndrew Advertising, Bronx, N.Y., had estimated gross income of $39,000 in 1983 on billings of $260,000. In 1982, it had estimated gross income of $36,750 on billings of $245,000. Volume in 1983 consisted of $100,000 in media, $160,000 in materials and services. In 1982, volume consisted of $100,000 in media, $145,000 in materials and services. Accounts gained: Quadro Inc. Lost: None. Billings breakdown: business papers 80%, direct mail 10%, other 10%. Employes: 3. Top exec: Robert McAndrew, president.
Phone: (212) 892-8660.

McLaughlin, DelVecchio & Casey, New Haven, Conn., reported gross income of $678,254 in 1983 on billings of $4,582,800. In 1982, it reported gross income of $617,000 on billings of $4,275,000. The agency did not break down its volume for either year. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 25%, magazines 60%, radio 5%, spot tv 10%, Employes: 10. Top execs: James W. McLaughlin, president; Pasquale DelVecchio, David B. Casey, vps.
Phone: (203) 624-4151.

Melgar Nordlinger Inc., New York, reported estimated gross income of $200,000 in 1983 on billings of $1,283,100. No information was provided for 1982. Volume in 1983 consisted of $320,000 in media, $96,000 in materials and services and $867,100 in

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capitalized fees. Accounts gained: Zelco Industries, Rab Electric Mfg., Monkey Puzzle Inc. Billings breakdown: Magazines 74%, spot tv 7%, business papers 4%, point of sale 10%, direct mail 5%. Employes: 7. Top exec: Mildred Nordlinger, president.
Phone. (212) 725-2714.

Mercurio Consultants, New York, reported gross income of $590,000 in 1983 on billings of $7,400,000. Previously a consulting firm, Mercurio Consultants became an advertising agency in 1983. Volume was all in media. Accounts gained: Hart for President, Johnson for U.S. Senator-Louisiana, Moses for Governor-Indiana, Edmenton for Governor-North Carolina. Billings breakdown: Newspapers 5%, radio 15%, network tv 2%, spot tv 77%, cable tv 1%. Employes: 8. Top exec: Joseph Mercurio, president.
Phone: (212) 977-4040.

Miller, Addison, Steele, New York, reported gross income of $485,000 in 1983 on billings of $3,234,000, including $433,500 in non-U.S. volume. In 1982, it reported gross income of $555,000 on billings of $3,701,000, including $100,000 in non-U.S. volume. Volume in 1983 consisted of $1,500,000 in media, $300,000 in materials and services and $1,000,500 in capitalized fees. Overseas, 1983 volume consisted of $100,000 in billings and $433,500 in capitalized fees. In 1982, volume consisted of $1,000,000 in media, $600,000 in materials and services and $2,001,000 in capitalized fees. Overseas volume consisted of $100,000 in billings. Accounts gained: Amurcon, Interval International, Jacquar Corp. Billings breakdown: Newspapers 50%, magazines 20%, business papers 5%, direct mail 5%, other 20%. Employes: 10 in two offices. Top exec: Kenneth Miller, president.
Phone: (212) 759-1060.

Howard Miller Associates, Lancaster, Pa., reported an estimated gross income of $825,000 in 1983 on billings of $5,492,890. In 1982, it reported an estimated gross income of $440,000 on billings of $2,921,214. Volume in 1983 consisted of $913,838 in media, $955,306 in materials and services and $3,623,746 in capitalized fees. In 1982, volume consisted of $456,604 in media, $279,529 in materials and services and $1,885,081 in capitalized fees. Account gained: Best Programs Inc. Billings breakdown: Newspapers 3%, radio 1%, network tv 1%, business papers 90%, other 5%. Employes: 16. Top execs: Howard J. Miller Jr., president.
Phone: (717) 291-1130.

Mitchell & Co., Jenkintown, Pa., reported gross income of $492,000 in 1983 on billings of $3,280,000. In 1982, it reported gross income of $565,050 on billings of $3,767,000. Volume in 1983 consisted of $964,100 in media, $1,101,960 in materials and services and $1,213,940 in capitalized fees. In 1982, volume consisted of $1,010,560 in media, $1,355,740 in materials and services and $1,400,700 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 15%, radio 5%, spot tv 10%, business papers 15%, point of sale 5%, direct mail 35%, other 5%. Employes: 10. Top exec: Michael Wachs, president.
Phone: (215) 572-7000.

Morrow Lewis & Kelley, New York, reported gross income of $273,512 and net income of $16,000 in 1983 on billings of $1,500,000. In 1982, it reported gross income of $170,285 and net income of $17,000 on billings of $1,500,000. Volume in 1983 consisted of $500,000 in media, $800,000 in materials and services and $200,000 in capitalized fees. In 1982, volume consisted of $500,000 in media, $800,000 in materials and services and $200,000 in capitalized fees. Accounts gained: Schaller & Weber, Fred Weinfuff Inc., Merchants' Coffee Tea & Spice Co. Lost: Diet Centers of New Jersey. Billings breakdown: Newspapers 10%, magazines 50%, radio 20%, spot television 10%, point of sale 10%. Employes: 5. Top exec: William E. Lewis, president.
Phone: (212) 245-7646.

Henry Nachman Associates, New York, reported gross income of $135,600 in 1983 on billings of $935,000. In 1982, it reported gross income of $126,500 on billings of $886,000. Volume in 1983 consisted of $750,000 in media and $185,000 in materials and services. In 1982, volume consisted of $719,000 in media and $167,000 in materials and services. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 10%, magazines 20%, radio 30%, spot tv 15%, business papers 25%. Employes: 4. Top exec: Henry Nachman Jr., president.
Phone: (212) 673-1405.

New England Advertising Associates, Rowayton, Conn., reported estimated gross income of $202,000 in 1983 on billings of $1,821,950. In 1982, it reported estimated gross income of $170,000 on billings of $1,441,850. Volume in 1983 consisted of $375,000 in media, $880,000 in materials and services and $566,950 in capitalized fees. In 1982, volume consisted of $325,000 in media, $750,000 in materials and services and $366,850 in capitalized fees. Accounts gained: Ayerst Labs. Lost: Recra Research. Billings breakdown: Business papers 25%, direct mail 60%, other 15%. Employes: 4. Top exec: William Gulick, president.
Phone: (203) 838-8812.

Newton Associates, St. Davids, Pa., had estimated gross income of $342,750 in 1983 on billings of $2,285,000. In 1982, it had estimated gross income of $311,700 on billings of $2,078,614. Accounts gained: Boy Machines, Fidelity Equities Corp., Franklin Realty Group, U. S. Systems. Lost: Upsala College, Scholler Inc. Billings breakdown: Newspapers 15%, magazines 55%, radio 15%, spot tv 10%, transit 2%, other 3%. Employes: 8. Top execs: Jon Newton, president.
Phone: (215) 964-9300.

Northeast Advertising Group, New York, had estimated gross income of $177,823 in 1983 on billings of $1,185,489. In 1982, it had estimated gross income of $122,932 on billings of $819,553. Volume in 1983 consisted of $571,488 in media, $614,001 in materials and services. In 1982, volume consisted of $346,509 in media, $473,044 in materials and services. Accounts gained: Camp Hosiery Group, Fila Accessories, Max Kahn Curtain Corp., Mignani International, Nina Footwear, Dyables Inc., Remote Computing. Lost: None. Billings breakdown: Newspapers 5%, magazines 35%, supplements 5%, business papers 35%, point of sale 5%, direct mail 15%. Employes: 11. Top exec: Margaret Launzel-Pennes, president.
Phone: (212) 687-4530.

O'Sullivan, Dugan & Partners, Morristown, N.J., reported gross income of $942,619 in 1983 on billings of $8,024,615. In 1982, it reported gross income of $774,652 on billings of $7,548,175. Volume in 1983 consisted of $5,610,700 in media, $2,413,915 in materials and services and $8,024,615 in capitalized fees. In 1982, volume consisted of $4,872,000 in media, and $2,676,175 in materials and services. Accounts gained: Limestone Products Co., Braunschweigers, CBS Toys (special products), Lea & Perrins (special projects), Karcher Inc., CSO Inc. (special projects), Merrick Corp., Isomedix Inc. Lost: Engelhard Corp. Billings breakdown: Newspapers 11%, magazines 46%, radio 3%, spot tv 3%, point of sale 11%, direct mail 26%. Employes: 16. Top exec: Owen M. O'Sullivan.
Phone: (201) 267-1440.

Patlis Advertising, New York, reported gross income of $410,000 in 1983 on billings of $2,733,500. The agency did not report figures for 1982. Volume in 1983 consisted of $1,800,000 in media, $600,000 in materials and services and $333,500 in capitalized fees. Accounts gained: Berlitz Translation, Vitaclown Vitamin Club, Family Bazaar. Lost: None. Billings breakdown: Newspapers 40%, magazines 30%, radio 5%, spot tv 5%, direct mail 20%. Employes: 10. Top exec: Gerald Patlis, president.
Phone: (212) 759-6400.

Pearlman/Rowe/Kolomatsky, New York, reported gross income of $860,450 in 1983 on billings of $5,571,316. In 1982, it reported gross income of $783,289 on billings of $5,076,200. Volume in 1983 consisted of $3,000,000 in media, $903,816 in materials and services and $1,667,500 in capitalized fees. In 1982, volume consisted of $2,750,450 in media, $825,000 in materials and services and $1,500,750 in capitalized fees. Accounts gained: Children's Television Workshop, Reuben H. Donnelley Corp., New York Philharmonic, Paramount Television Domestic & International Distribution, RCA Videodiscs (special projects), WGBH/Ch.2, Boston, WNET/Thirteen, New York, Grenadier Realty Corp. Lost: None. Billings breakdown: Newspapers 50%, magazines 35%, radio 10%, spot tv 5%. Employes: 11. Top execs: Gerald E. Rowe, chairman; Gilbert Pearlman, president; Gene Kolomatsky, senior vp.
Phone: (212) 246-4555.

R.S.M. & K., New York, reported gross income of $946,830 in 1983 on billings of $6,313,890. In 1982, it reported gross income of $851,031 on billings of $5,985,480. Volume in 1983 consisted of $2,248,050 in media, $690,820 in materials and services and $3,375,020 in capitalized fees. In 1982, volume consisted of $2,061,000 in media, $649,510 in materials and services and $3,274,970 in capitalized fees. Accounts gained: Fremarques Ltd., Charlotte Ford for Jondel Fashions. Lost: Power Mate Co. Billings breakdown: Newspapers 5%, magazines 35%, radio 6%, spot tv 15%, business papers 38%, direct mail 1%. Employes: 14. Top execs: Leon Katz, chairman; Joseph Bartolone, vice-chairman; Mel Mohr, president; Alfred Calabro, exec vp.
Phone: (212) 759-7070.

Jules Rabin Associates, Valley Stream, N.Y., reported gross income of $615,000 in 1983 on billings of $3,700,000. In 1982, it reported gross income of $700,000 on billings of $3,500,000. No volume breakout was provided for either year. Accounts gained: Reese Motors, Transfarm Inc., Guardian Bank. Billings breakdown: Newspapers 40%, magazines 40%, radio 10%, direct mail 5%, other 5%. Employes: 20. Top execs: Jules W. Rabin, president; Melvin Weber, exec vp.
Phone: (516) 561-9160.

Richardson, Thomas & Bushman, Fort Washington, Pa., reported gross income of $832,269 in 1983 on billings of $5,738,403. In 1982, it reported gross income of $785,010 on billings of $5,308,321. Volume in 1983 consisted of $2,048,355 in media, $609,402 in materials and services and $3,080,646 in capitalized fees. In 1982, volume consisted of $1,844,419 in media, $571,897 in materials and services and $2,892,005 in capitalized fees. Accounts gained: Singer American Meter, Powerline Communications. Lost: None. Billings breakdown: Newspapers 2%, magazines 31%, business papers 2%, direct mail 11%, other 54%. Employes: 16. Top execs: Charles W. McCann, president.
Phone: (215) 643-2220.

Richmond Advertising/Reinhold Associates, New York, reported gross income of $521,332 in 1983 on billings of $4,509,679. In 1982, it reported gross income of $520,193 on billings of $4,394,165. Volume in 1983 consisted of $3,414,439 in media, and $1,095,240 in capitalized fees. In 1982, volume consisted of $3,011,134 in media, and $1,383,031 in capitalized fees. Billings breakdown: Newspapers 25%, magazines 6%, supplements 1%, radio 18%, spot tv 2%, transit 13%, business papers 35%. Top exec: Louis E. Reinhold, president.
Phone: (212) 840-7676.

Robinson Associates, Boston, reported gross income of $801,875 in 1983 on billings of $5,348,506. In 1982, it reported gross income of $672,643 on billings of $4,486,529. Volume in 1983 consisted of $4,187,639 in media and $1,160,867 in materials and services. In 1982, volume consisted of $3,963,567 in media and $522,962 in materials and services. Accounts gained: G.H. Bass & Co., Tony Roma's, Scandia Trading Co., Big Brother Assn. Lost: None. Billings breakdown: Newspapers 5%, magazines 65%, radio 10%, spot tv 5%, other 15%. Employes: 18. Top execs: Thomas A. Robinson, president; Edwin H. Grosso, exec vp.
Phone: (617) 247-2120.

SB&W Associates, Boston, reported gross income of $142,736 in 1983 on billings of $760,727. In 1982, it reported gross income of $127,043 on billings of $681,741. Volume in 1983 consisted of $373,359 in media, $242,029 in materials and services and $145,339 in capitalized fees. In 1982, volume consisted of $330,407 in media, $214,185 in materials and services and $137,149 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown was not provided. Employes: 4. Top exec: Jacques Waisfelner, president.
Phone: (617) 262-3000.

S.M. Sachs & Associates, New York, reported gross income of $275,000 in 1983 on billings of $2,017,250. In 1982, it reported gross income of $260,000 on billings of $1,775,500. Volume in 1983 consisted of $700,000 in media, $150,000 in materials and services and $1,167,250 in capitalized fees. In 1982, volume consisted of $650,000 in media, $125,000 in materials and services and $1,000,000 in capitalized fees. Accounts gained: Uni-lock Systems Division, Key Tech Corporation, Tri-K Industries, Logmar, Gilian Instrument Corporation. Lost: None. Billings breakdown: Newspapers 35%, business papers 65%. Employes: 7. Top execs: Stuart M. Sachs, chairman; Robert Zises, president.
Phone: (212) 986-2565.

Sader & Ackerman, New York, reported gross income of $351,000 in 1983 on billings of $3,020,810. In 1982, it reported gross income of $372,000 on billings of $3,715,000. Volume in 1983 consisted of $910,000 in media, $490,000 in materials and services and $1,620,810 in capitalized fees. In 1982, volume consisted of $835,000 in media, $680,000 in materials and services and $2,200,000 in capitalized fees. Accounts gained: Clairol appliances, *Popular Computer, Working Woman, Mother Earth News*, Lebhar-Friedman, C&L Data Systems. Lost: Word Processing Exchange, Features by Giftmaster. Billings breakdown: Newspapers 2%, magazines 7%, radio 2%, spot tv 15%, cable tv 25%, business papers 2%, point of sale 2%, direct mail 45%. Employes: 8. Top execs: Archie Sader, president; Richard Povill, vp.
Phone: (212) 370-1800.

Douglas Samuel Advertising, West Caldwell, N.J., reported gross income of $760,000 in 1983 on billings of $4,167,000. In 1982, it reported gross income of $570,000 on billings of $2,950,000. Volume in 1983 consisted of $2,100,000 in media, $800,000 in materials and services and $1,267,000 in capitalized fees. In 1982, volume consisted of $1,600,000 in media, $550,000 in materials and services and $800,400 in capitalized fees. Accounts gained: Aerovox Inc., Thermo Electric, Beckman Instruments, Deanco, Aktron Corp, Sterling Edison, Hoffman Electric, Rohde & Schwarz, MA/COM. Lost: Sportarama, Samson Food Warehouse. Billings breakdown: Newspapers 20%, magazines 33%, supplements 5%, radio 15%, cable tv 2%, outdoor 3%, business papers 2%, point of sale 5%, direct mail 15%. Employes: 15. Top execs: Sam Silverberg, president; Douglas E. Schwartz, exec vp.
Phone: (201) 575-7684.

Gilbert Sandler & Associates, Baltimore, reported gross income of $607,571 in 1983 on billings of $4,051,137. In 1982, it reported gross income of $582,277 on billings of $3,682,439. Volume in 1983 consisted of $2,060,829 in media, $664,806 in materials and services and $1,325,502 in capitalized fees. In 1982, volume consisted of $1,919,682 in media, $584,289 in materials and services and $1,178,468 in capitalized fees. Billings breakdown: Newspapers 65.8%, magazines 2.5%, radio 20.4%, spot tv 10.1%, outdoor 1.2%. Employes: 16. Top exec: Gilbert Sandler, president.
Phone: (301) 837-7100.

Saxe Mitchell, Woodbury, N.Y., reported gross income of $326,000 in 1983 on billings of $2,848,400. In 1982, it reported gross income of $291,500 on billings of $2,502,320. Volume in 1983 consisted of $1,860,000 in media, $188,000 in materials and services and $800,400 in capitalized fees. In 1982, volume consisted of $1,740,000 in media, $122,000 in materials and services and $640,320 in capitalized fees. Accounts gained: Men's World, Levitz Carpet. Lost: None. Billings breakdown: Newspapers 50%, magazines 5%, radio 10%, spot tv 35%. Employes: 12. Top exec: Mitchell Laub, president.
Phone: (516) 364-9595.

R.C. Schade & Associates, New Paltz, N.Y., reported estimated gross income of $80,000 in 1983 on billings of $536,456. In 1982, it reported estimated gross income of $93,000 on billings of $610,727. Volume in 1983 consisted of $346,853 in media, $87,725 in materials and services and $101,878 in capitalized fees. In 1982, volume consisted of $314,741 in media, $59,368 in materials and services and $236,618 in capitalized fees. Account gained: Inter-County Savings Bank. Lost: None. Billings breakdown: business papers 100%. Employes: 2. Top execs: Ronald C. Schade, president; Barbara Schade, vp.
Phone: (914) 255-5840.

Scharer Associates, Great Neck, N.Y., had estimated gross income of $915,000 in 1983 on billings of $6,100,000. In 1982, it had estimated gross income of $855,000 on billings of $5,700,000. No volume breakout was provided. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 18%, magazines 33%, business papers 8%, point of sale 2%, direct mail 38%, other 1%. Employes: 17. Top execs: S. Scharer, president; Vivian Scharer, exec vp.
Phone: (516) 829-8900.

Schoenfeld/Straus, New York, reported gross income of $639,000 in 1983 on billings of $3,898,000. In 1982, it reported gross income of $485,000 on billings of $2,797,000. Volume in 1983 consisted of $2,538,000 in media, $960,000 in materials and services and $400,000 in capitalized fees. In 1982, volume consisted of $1,560,000 in media, $890,000 in materials and services and $347,000 in capitalized fees. Accounts gained: Coach Realty; IBM (World Trade Corp.); Brugal & Co.,; Shelter Funding. Lost: New York Sportswear Exchange; Cataract Eyeglass Center; First National Bank of Jefferson Parish. Billings breakdown: Newspapers 22%, magazines 17%, radio 18%, spot tv 28%, business papers 15%. Employes: 9. Top execs: Mel Schoenfeld, president; David Straus III, exec vp.
Phone: (212) 889-1200.

Sidney Schreiber Inc., Philadelphia, reported gross income of $285,082 in 1983 on billings of $3,224,760. In 1982, it reported gross income of $274,663 on billings of $2,968,167. The agency's volume in 1983 consisted of

$1,624,687 in media, $433,757 in materials and services and $1,166,316 in capitalized fees. In 1982, volume consisted of $1,602,609 in media, $370,494 in materials and services and $995,064 in capitalized fees. Accounts gained: Associated Central Group, Auto Truck, Ernst Timing Screw Co., Omega Design, D. J. Stardale Developers, U. S. Truck Cranes. Lost: Equipment Industries, Meeco Machinery, Valley Forge Medical Center & Hospital. Billings breakdown: Newspapers 64%, radio 2%, spot tv 2%, business papers 19%, direct mail 9%, other 4%. Employes: 10. Top exec: Sydney Schreiber, president.

Phone: (215) 545-2223.

Selwyn & Associates, West Hartford, Conn., reported estimated gross income of $431,000 in 1983 on billings of $2,872,000. In 1982, it reported gross income of $321,000 on billings of $2,135,360. Volume in 1983 consisted of $1,230,000 in media, $895,000 in materials and services and $747,000 in capitalized fees. In 1982, volume consisted of $790,000 in media, $625,000 in materials and services and $720,360 in capitalized fees. Accounts gained: MCS, Taylor & Fenn, Nickson Industries, Sound One Corp., Crouse Hinds Aviation Lighting. Lost: Sound One Corp. Billings breakdown: Newspapers 15%, magazines 60%, radio 10%, spot tv 10%, direct mail 5%. Employes: 12. Top exec: Lawrence D. Selwyn, president.

Phone: (203) 525-4240.

Shipley Associates, Wilmington, Del., reported gross income of $308,000 in 1983 on billings of $3,709,360. In 1982, it reported gross income of $277,200 on billings of $3,357,824. Volume in 1983 consisted of $1,540,000 in media, $115,000 in materials and services and $2,054,360 in capitalized fees. In 1982, volume consisted of $1,390,000 in media, $103,500 in materials and services and $1,864,324 in capitalized fees. Accounts gained: Rollins CableVision of Philadelphia, Stabler Chevrolet-Olds, Mathews Tire & Automotive Centers. Billings breakdown: Newspapers 38%, magazines 4%, radio 26%, network tv 19%, outdoor 5%, transit 1%, business papers 4%, direct mail 2%, other 1%. Employes: 8. Top exec: Samuel L. Shipley, president.

Phone: (302) 652-3051.

Soghigian & Macuga, Washington, D.C., reported gross income of $728,300 in 1983 on billings of $6,232,484. In 1982, it reported gross income of $650,200 on billings of $5,203,934. Volume in 1983 consisted of $5,243,990 in media, and $988,494 in capitalized fees. In 1982, volume consisted of $4,336,834 in media, and $867,100 in capitalized fees. Accounts gained: Movings Comfort, Washington Opera, Regent International, Capital City Federal S&L. Lost: Grand Hyatt Hotel. Billings breakdown: Newspapers 45%, magazines 30%, supplements 2%, radio 5%, spot tv 10%, point of sale 2%, direct mail 6%. Employes: 14. Top execs: Harry Soghigian, president; Sarah A. Macuga, exec vp.

Phone: (202) 337-5151.

Sommer Inc., Englewood, N.J., reported gross income of $802,000 in 1983 on billings of $8,211,000. In 1982, it reported gross income of $436,000 on billings of $4,554,000. Net income was $121,000 in 1983 and $50,000 in 1982. Volume in 1983 consisted of $3,120,000 in media, $1,196,000 in materials and services and $3,895,000 in capitalized fees. In 1982, volume consisted of $1,400,000 in media, $740,000 in materials and services and $2,414,000 in capitalized fees. Accounts gained: T & B Telecommunications Division, Kastar Inc., Yale Materials Handling Corp. Lost: None. Billings breakdown: Newspapers 5%, magazines 93%, radio 2%. Employes: 26. Top exec: Bernard Sommer, ceo.

Phone: (201) 568-3838.

Steen Advertising, Lynbrook, N.Y., reported gross income of $451,000 in 1983 on billings of $3,580,000. In 1982, it reported gross income of $397,000 on billings of $3,204,500. Volume in 1983 consisted of $3,200,000 in media, $116,000 in materials and services and $264,000 in capitalized fees. In 1982, volume consisted of $2,900,000 in media, $94,500 in materials and services and $210,000 in capitalized fees. Accounts gained: Excel Computer; Modernage Custom Darkrooms; Royal Zenith; Pilgrim Electric; IFTI Capital Corp. Lost: Berkey Professional Services. Billings breakdown: Newspapers 11%, magazines 60%, radio 4%, network tv 1%, spot tv 4%, business papers 12%, point of sale 1%, direct mail 7%. Employes: 11 in two offices. Top exec: Norman Steen, president.

Phone: (212) 525-3600.

Sullivan Communications, Doylestown, Pa., had estimated gross income of $218,526 in 1983 on billings of $1,456,840, its first year of operation. Volume in 1983 consisted of $312,000 in media, $131,000 in materials and services and $1,013,840 in capitalized fees. Accounts gained: Dana Corp., Bernard, a division of Dover Corp., Wallace & Teirnan and S.S. White Industrial Products, both divisions of Pennwalt, Hacon North America, Institutional Property Services, Howard Fischer & Associates, Drexel Biddle, PlanPrint Co., Fegley Industrial. Lost: None. Billings breakdown: Newspapers 5%, business papers 80%, direct mail 5%, other 10%. Employes: 9. Top execs: Michael V. Sullivan, president; George J. Harris, exec vp.

Phone: (215) 348-1665.

Thomas R. Sundheim Inc., Jenkintown, Pa., had estimated gross income of $488,000 in 1983 on billings of $3,200,000. In 1982, the agency had estimated gross income of $540,000 on billings of $3,600,000. The agency did not provide a volume breakout for either year. Billings breakdown: Newspapers 5%, business papers 70%, other 25%. Top exec: Thomas R. Sundheim, president.

Phone: (215) 887-7455.

Sunrise Corp., Providence, R.I., had estimated gross income of $152,250 in 1983 on billings of $1,015,000. In 1982, the agency had estimated gross income of $172,298 on billings of $815,320. Volume in 1983 consisted of $150,000 in media, $98,000 in materials and services and $767,000 in capitalized fees. In 1982, the agency's volume consisted of $125,000 in media, $50,000 in materials and services and $640,320 in capitalized fees. Accounts gained: Government Office on Highway Safety (safety belt campaign), N.E. Independent Living Program, Young Parents Program, Pawtucket Neighborhood Health Center, Southern N.E. Foundation, Home Health Services of Rhode Island, Northern Rhode Island Community Mental Health Center, Rhode Island Freeze Campaign. Lost: None. Billings breakdown: Newspapers 20%, radio 20%, spot tv 20%, outdoor 10%, transit 5%, other 25%. Employes: 5. Top execs: Robert Henault-Bronson, president; Donald H. Simon, vp.

Phone: (401) 331-2021.

Totalistics Advertising, Port Chester, N.Y., reported gross income of $320,000 in 1983 on billings of $2,583,200. In 1982, the agency reported gross income of $190,000 on billings of $1,362,000. Volume in 1983 consisted of $2,100,000 in media, $83,000 in materials and services and $400,200 in capitalized fees. In 1982, the agency's volume consisted of $1,300,000 in media and $62,000 in materials and services. Account gained: Thos. Oak & Sons. Lost: None. Billings breakdown: Magazines 50%, direct mail advertising 50%. Employes: 6. Top execs: David W. Florence, president; David Bianchi, Barbara Touchy, vps.

Phone: (914) 937-5600.

Warren & Epstein, New York, reported gross income of $510,000 in 1983 on billings of $3,400,000. In 1982, it reported gross income of $600,000 on billings of $4,000,000. Volume in 1983 consisted of $2,000,000 in media, $300,000 in materials and services and $1,100,000 in

sweep' stakes, plus

SWEEPSTAKES AND GAMES: THE TIP OF THE ICEBERG.

Because there's more to sales promotion than sweepstakes and games, at Don Jagoda Associates we do more than just create and execute sweepstakes and games.

re' bates

We work with advertisers and their agencies on planning and administering refund/rebate offers. We screen and verify all responses, very painstakingly, and return cash or coupons according to the terms of the offer. We're very careful when it comes to handling other people's money.

in·cen'tives

Because we know sometimes it takes more than money to motivate sales people, brokers, distributors and dealers, we help create and implement incentive programs. We know where and how to buy the prizes that will help increase sales, within budget.

pre'mi·ums

Looking for premiums or self-liquidators? We can help you there too. Our premium buyers shop the world looking for the right items to produce the right responses.

ful·fill'ment

And, with our ever expanding facilities, we have streamlined and expanded our capabilities for fulfillment. Getting the right merchandise to the right person on time, intact, is as important as getting people to respond to your offer.

sweep'stakes

Finally, if you decide to get involved in sweepstakes and games, the most visible tip of the promotional iceberg (in five years, sweeps have almost tripled in number), our more than 21 years of experience can be invaluable. We'll help you conceptualize, administer and—through our National Judging Institute—judge your promotion. We go out of our way to help our clients avoid the myriad pitfalls that can befall the unwary promoter.

When it comes to promotion, whether it's the very visible type or the not so visible but very effective nitty gritty variety, you have our number.

sweep' stakes

don jagoda associates, inc.

One Underhill Boulevard, Syosset, New York 11791

(516) 496-7300 · (212) 529-1500

Gross income under $1,000,000

capitalized fees. In 1982, volume consisted of $2,500,000 in media, $400,000 in materials and services and $1,100,000 in capitalized fees. Accounts gained: Meyers Manufacturing Co. Lost: American Foodservices Enterprises, Sardi's Restaurant. Billings breakdown: Newspapers 30%, magazines 40%, radio 20%, business papers 10%. Employes: 7. Top execs: Douglas Warren, president; Lee Epstein, exec vp.

Phone: (212) 752-6881.

Weitzman, Dym & Associates, Washington, had estimated gross income of $2,100,000 in 1983 on billings of $14,000,000. The agency did not report gross income or billings figures for 1982. No volume breakout was provided by the agency. Accounts gained: Bank of Delaware, Group Health Assn., Greater Southeast Community Hospital, American Institute of Architects Service. Billings breakdown: Newspapers 15%, magazines 20%, radio 20%, spot television 30%, outdoor 1%, transit 1%, business papers 5%, point of sale 1%, direct mail advertising 5%, and other 2%. Employes: 35. Top execs: Alan R. Weitzman, chairman; Diane S. Dym, president-ceo; Rich Livingston, senior vp; Troy Lumpkin, senior vp.

Phone: (301) 652-7035.

West & Brady, Bethesda, Md., reported gross income of $322,754 in 1983 on billings of $2,094,684. In 1982, the agency reported gross income of $339,978 on billings of $2,240,337. Volume in 1983 consisted of $778,007 in media, $182,810 in materials and services and $1,133,867 in capitalized fees. In 1982, volume consisted of $735,648 in media, $240,384 in materials and services and $1,264,305 in capitalized fees. Accounts gained: Central National Bank, Security Inc., Montgomery College, Maryland National Bank, Skinker & Garrett, Community Associations Inst. Lost: Booz, Allen & Hamilton. Billings breakdown: Newspapers 18%, magazines 50%, radio 32%. Employes: 11. Top execs: Gerald T. Brady, president.

Phone: (301) 229-6900.

White, Good & Co., Mt. Gretna, Pa., reported gross income of $298,009 in 1983 on billings of $1,717,708. In 1982, the agency reported gross income of $199,273 on billings of $1,378,934. The agency's volume in 1983 consisted of $601,937 in media, $317,809 in materials and services and $857,962 in capitalized fees. In 1982, the agency's volume consisted of $705,620 in media, $205,080 in materials and services and $468,234 in capitalized fees. Accounts gained: Willow Valley Manor Retirement Community, Pennsylvania Sour Mash Distilleries (Michter's whiskey), Allen Organ Co., Turkey Hill Dairy. Lost: Marathon Companies. Billings breakdown: Newspapers 30%, magazines 10%, radio 15%, spot television 15%, cable television 5%, outdoor 5%, business papers 5%, point of sale 5%, direct mail 5%, other 5%. Employes: 7. Top execs: Robert F. Good, president; Ann S. White, vp.

Phone: (717) 964-3616.

Stuart Williams Associates, Stamford, Conn., reported gross income of $560,000 in 1983 on billings of $3,784,540. In 1982, it reported gross income of $499,800 on billings of $4,293,960. Volume in 1983 consisted of $188,300 in media, $846,200 in materials and services and $2,750,040 in capitalized fees. In 1982, volume consisted of $298,500 in media, $661,800 in materials and services and $3,333,66[illegible] in capitalized fees. Accounts gained: Physicians Radio Network, Pharmacal Research Laboratories. Lost: Becton Dickinson Immunodiagnostics. Billings breakdown: Magazines 30%, direct mail 60%, point of sale 10%. Employes: 14. Top exec: Edmund F. Lindner, president-chairman.

Phone: (203) 348-2621.

Wimmershoff & Associates, Westwood, N.J., reported gross income of $936,147 in 1983 on billings of $6,242,775. In 1982, it reported gross income of $754,962 on billings of $5,034,177. Volume in 1983 consisted of $1,398,118 in media, $1,263,274 in materials and services and $3,581,383 in capitalized fees. In 1982, volume consisted of $1,679,216 in media, $1,159,444 in materials and services and $2,195,517 in capitalized fees. Accounts gained: Glidelite Industries, Swintec Inc. Lost: MCI Optonics, Take away Gourmet Inc. Media breakdown was not reported. Employes: 20. Top exec: Alfred Wimmershoff, president.

Phone: (201) 664-3220.

Don Wise & Co., New York, had estimated gross income of $750,000 in 1983 on billings of $5,000,000. The agency did not provide figures for 1982 and did not break out volume for 1983. Accounts gained: Pandora Industries, Supreme des Ducs, B.R. Shadows. Billings breakdown: Newspapers 5%, magazines 60%, radio 10%, business papers 15%, point of sale 5%, direct mail 5%. Employes: 15. Top exec: Donald Wise, president.

Phone: (212) 371-3333.

Gene Wolfe & Co., New York, reported gross income of $675,202 in 1983 on billings of $1,297,837. In 1982, it reported gross income of $607,440 on billings of $1,056,645. Volume in 1983 consisted of $354,457 in media, $211,521 in materials and services and $731,859 in capitalized fees. In 1982, volume consisted of $310,527 in media, $217,688 in materials and services and $528,430 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 25%, magazines 25%, direct mail 25%, other 25%. Top exec: Eugene E. Wolfe, president.

Phone: (212) 687-2560.

Wooding & Housley, Providence, R.I., reported gross income of $600,000 in 1983 on billings of $5,000,000. In 1982, it reported gross income of $430,000 on billings of $3,300,000. Volume in 1983 consisted of $3,250,000 in media, $920,000 in materials and services and $830,000 in capitalized fees. In 1982, volume consisted of $2,130,000 in media, $640,000 in materials and services and $530,000 in capitalized fees. Accounts gained: Jenkins (Valves) Bros., Norton Co., Amtrol Inc. Lost: Leonard Valve. Billings breakdown: Magazines 20%, outdoor 5%, business papers 40%, point of sale 5%, direct mail 5%, other 25%. Employes: 21. Top exec: Benjamin E. Wooding, president.

Phone: (401) 272-9494.

Wyble Advertising, Millville, N.J., reported gross income of $859,697 in 1983 on billings of $5,733,303. In 1982, it reported gross income of $843,600 on billings of $5,626,816. Volume in 1983 consisted of $1,220,433 in media, $534,602 in materials and services and $3,978,268 in capitalized fees. In 1982, volume consisted of $1,343,915 in media, $300,124 in materials and services and $3,982,777 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 20%, supplements 2%, outdoor 1%, business papers 50%, farm publications 3%, point of sale 1%, direct mail 13%. Employes: 20. Top execs: Gene Wyble, chairman; Henry E. Wyble, president.

Phone: (609) 825-3403.

Yardis Advertising, Bryn Mawr, Pa., reported estimated gross income of $300,000 in 1983 on billings of $4,500,000. In 1982, it reported estimated gross income of $200,000 on billings of $3,000,000. Billings for Total Tourism Marketing subsidiary were not included. The agency did not break down its volume. Accounts gained: Carefree David Travel, International Mobile Machines, Versailles Hotel, Sans Souci Hotel, Allied Tours, Intra Tours. Billings breakdown: Newspapers 60%, radio 15%, business papers 20%, other 5%. Employes: 8. Top exec: Raymond Rosenberg, president.

Phone: (215) 527-6550.

Richard Yeager Associates, Moorestown, N.J., reported gross income of $459,463 in 1983 on billings of $3,402,232. In 1982, the agency reported gross income of $354,659 on billings of $2,254,175. The agency's volume in 1983 consisted of $433,457 in media, $398,171 in materials and services and $2,570,604 in capitalized fees. In 1982, the agency's volume consisted of $291,820 in media, $348,622 in materials and services and $1,613,733 in capitalized fees. Accounts gained: Permagrain Products. Lost: None. Billings breakdown: Newspapers 18%, magazines 15%, radio 10%, outdoor 5%, business papers 19%, point of sale 8%, direct mail 10%, other 15%. Employes: 12. Top exec: Richard A. Yeager, president.

Phone: (609) 235-5768.

Midwestern region

North Dakota
Minnesota
Wisconsin
South Dakota
Michigan
Iowa
Nebraska
Illinois
Indiana
Ohio
Kansas
Missouri

Admark Advertising Marketing Services, Mason City, Ia., reported gross income of $186,319 in 1983 on billings of $1,223,232. In 1982, it reported gross income of $169,878 on billings of $1,104,799. Volume in 1983 consisted of $420,879 in media, $121,559 in materials and services and $680,794 in capitalized fees. In 1982, volume consisted of $356,452 in media, $126,143 in materials and services and $622,204 in capitalized fees. Billings breakdown: Newspapers 3%, radio 10%, spot tv 24%, outdoor 4%, business papers 18%, farm publications 20%, point of sale 2%, direct mail 3%, other 16%. Employes: 7. Top exec: Jerome Krieger, president.

Phone: (515) 424-0191.

Advertising Associates, Northbrook, Ill., had estimated gross income of $48,000 in 1983 on billings of $310,000. In 1982, it had estimated gross income of $52,500 on billings of $350,000. Volume in 1983 consisted of $300,000 in media, $10,000 in materials and services. No volume breakout was provided for 1982. Accounts gained: Independent Mechanical Industries. Lost: Resources Recovery Systems, Jerry R. Sheahan & Associates. Billings breakdown: Newspapers 75%, radio 5%, business papers 15%, direct mail 5%. Employes: 6. Top execs: William Aaron, president; Alice Rowe, exec vp; R. Ellison, vp.

Phone: (312) 564-5337.

Andrews/Mautner, Milwaukee, reported gross income of $959,082 in 1983 on billings of $6,847,454. In 1982, it reported gross income of $888,712 on billings of $6,338,934. Volume in 1983 consisted of $2,975,580 in media, $1,244,074 in materials and services and $2,627,800 in capitalized fees. In 1982, volume consisted of $3,417,296 in media, $908,965 in materials and services and $2,012,673 in capitalized fees. Accounts gained: Associated Construction Publications, W.H. Brady Inc. (Canada), Centralab Inc., Dumore Corp., Hi-Ranger Inc., SMD Technology Center, Wilton Corp. Lost: CORECO (resigned), Felins Typing Machine Co. (resigned), Trident/Felins (resigned), Waukee Engineering. Billings breakdown: Newspapers 2%, magazines 11%, radio 2%, business papers 60%, point of sale 1%, direct mail 4%, other 20%. Employes: 28. Top execs: Donald L. Orlaska, chairman; Christopher M. Vernon, president-ceo; Eugene Vogel, exec vp; Norman W. Mautner, corporate vp; Kenneth W. Snyder, vp.

Phone: (414) 272-4482.

Donald L. Arends Inc., Oak Brook, Ill., reported gross income of $958,800 in 1983 on billings of $6,395,000. In 1982, it reported gross income of $912,600 on billings of $6,087,000. Volume in 1983 consisted of $1,598,000 in media, $3,388,300 in materials and services and $1,408,700 in capitalized fees. In 1982, volume consisted of $1,511,700 in media, $3,206,600 in materials and services and $1,368,700 in capitalized fees. Accounts gained: Baron-Blakeslee, Illinois Credit Union League, Hawley Forge division, Portec Inc., Fred Sammons Inc., Wadsworth Golf Construction, WestAlloy Inc. Lost: Guernsey Dell, Southwest Hotels, Sifto Salt division, Domatar. Billings breakdown: Newspapers 15%, magazines 10%, radio 2%, spot tv 2%, business papers 64%, farm point of sale 2%, direct mail 5%. Employes: 20. Top execs: Donald L. Arends, ceo; Robert K. Erickson, president.

Phone: (312) 323-1220.

Noble Arnold & Associates, Schaumburg, Ill., reported gross income of $399,500 in 1983 on billings of $3,102,000. The agency did not report figures for 1982. Volume in 1983 consisted of $515,700 in media, $836,759 in materials and services and $1,749,541 in capitalized fees. Accounts gained: Research Products Division, Medline, Laser Inc., George P. Johnson, Canon Ambassador, Travenol Laboratories (special assignments). Lost: None. Billings breakdown: Magazines 24%, radio 1%, farm publications 1%, direct mail 22%, other 52%. Employes: 11. Top exec: Noble Arnold, president.

Phone: (312) 882-8808.

Ashby, Dillon & Meade, Rocky River, O., reported gross income of $645,622 in 1983 on billings of $4,306,152. Figures include those of U.S. subsidiary, DCI Directory, Catalog & Inquiry Services. The agency did not provide figures for 1982 and did not break out volume for 1983. Accounts gained: Albums Inc., Copperloy, Thermal Fintube International. Billings breakdown: Newspapers 5%, magazines 5%, radio 15%, business papers 40%, direct mail 15%, other 20%. Employes: 16. Top exec: John Ashby, president.

Phone: (216) 781-4464.

Asher Agency, Fort Wayne, Ind., reported gross income of $296,285 and net income of $175,115 in 1983 on billings of $1,815,531. In 1982, it reported gross income of $245,860 and net income of $149,611 on billings of $1,392,137. Volume in 1983 consisted of $1,285,000 in media and $530,531 in capitalized fees. In 1982, volume consisted of $975,816 in media and $416,321 in capitalized fees. Accounts gained: Bobick's Golf, Chardonnay Apartments, Fort Wayne Chamber of Commerce, Irmscher Suppliers, Mad Anthony Golf Tournament, Maxton Motors, Fort Wayne Olds Group, Fort Wayne RV Show, Wawasee Boat Dealers Assn. Lost: Tomkinson Chrysler Plymouth. Billings breakdown: Newspapers 2%, magazines 18%, radio 25%, spot tv 45%, cable tv 1%, outdoor 7%, direct mail 2%. Employes: 6. Top exec: Timothy S. Borne, president.

Phone: (219) 424-3373.

R.J. Baker Advertising, Troy, Mich., reported gross income of $504,485 in 1983 on billings of $3,364,446. In 1982, it reported gross income of $553,854 on billings of $3,693,848. Volume in 1983 consisted of $633,357 in media, $305,189 in materials and services and $2,425,900 in capitalized fees. In 1982, volume consisted of $435,243 in media, $284,941 in materials and services and $2,973,664 in capitalized fees. Accounts gained: Entech, North American Photo, Weather Shield Sports Equipment, Winter Seal, Church's Lumber, Core Technology, Arnold Transit, Soo Locks Boat Tours, Merrit Systems. Lost: Universal Engineering. Billings breakdown: Newspapers 5%, magazines 18%, radio 6%, spot tv 12%, outdoor 3%, point of sale 2%, direct mail 2%, other 52%. Employes: 10. Top exec: Richard J. Baker, president.

Phone: (313) 879-5530.

Perry Ballard Advertising, St. Joseph, Mich., reported gross income of $348,185 in 1983 on billings of $2,341,813. In 1982, it reported gross income of $355,346 on billings of $2,484,944. Volume in 1983 consisted of $120,028 in media, $91,654 in materials and services and $2,130,131 in capitalized fees. In 1982, volume consisted of $157,155 in media, $109,408 in materials and services and $2,218,380 in capitalized fees. Accounts gained: Gator Mfg., Conifer Lane Farms, Swing-Lo Suspended Scaffolding Co., Auto Specialties Mfg. Co.(special projects), Burlan Corp. Lost: Watervliet Hospital (special projects), Citizens Bank and Trust, South Haven. Billings breakdown: Newspapers 30%, magazines 40%, outdoor 15%, business papers 10%, direct mail 5%. Employes: 14. Top exec: Perry Ballard, president and chairman.

Phone: (616) 983-0611.

Keith Bates & Associates, Chicago, reported gross income of $348,633 in 1983 on billings of $3,104,364. In 1982, it reported gross income of $250,583 on billings of $2,377,540. Volume in 1983 consisted of $499,404 in media, $279,579 in materials and services and $2,325,381 in capitalized fees. In 1982, volume consisted of $261,967 in media, $444,178 in materials and services and $1,671,395 in capitalized fees. Figures do not include those of subsidiary Fox Communications. Accounts gained: Professional Computer Resources, Ethiopian Airlines, Scientific Information, Retrieval Inc., Systems Management, Science Research Associates. Lost: Software Corp. of America, Ferox Microsystems, Unig Computer Corp. Billings breakdown: Newspapers 1%, magazines 4%, radio 2%, business papers 50%, farm publications 1%, point of sale 2%, direct mail 10%, other 30%. Employes: 8. Top exec: Keith Bates, president.

Phone: (312) 263-5820.

Wm. L. Baxter Advertising, Minneapolis, reported gross income of $859,079 in 1983 on billings of $7,607,153. In 1982, it reported gross income of $724,093 on billings of $6,743,028. Volume in 1983 consisted of $3,958,424 in media, $1,339,175 in materials and services and $2,309,554 in capitalized fees. In 1982, volume consisted of $3,735,995 in media, $1,115,541 in materials and services and $1,891,492 in capitalized fees. Accounts gained: North States Industries, Owatonna Mfg., St. Jude Medical Co., St. Paul Surgical Center. Billings breakdown: Newspapers 2%, magazines 31%, radio 6%, network tv 5%, spot tv 22%, outdoor 1%, business papers 5%, farm publications 23%,

point of sale 3%, direct mail 2%. Employes: 24. Top exec: Wm. L. Baxter, president.
Phone: (612) 338-8495.

Bernard & Co., Arlington Heights, Ill., reported estimated gross income of $249,390 in 1983 on billings of $1,4[illegible]7,000. In 1982, it reported estimated gross income of $223,890 on billings of $1,317,000. Volume in 1983 consisted of $860,000 in media, $330,000 in materials and services and $277,000 in capitalized fees. In 1982, volume consisted of $770,000 in media, $380,000 in materials and services and $167,000 in capitalized fees. Accounts gained: Electri-Flex, Futaba Corp. of America (electronic components division). Lost: Grieve Corp.; Richco Plastic. Billings breakdown: Newspapers 1%, magazines 79%, business papers 10%, point of sale 5%, direct mail 5%. Employes: 7. Top exec: E. Timothy Daro, president.
Phone: (312) 593-8131.

Blanchard & Associates, Minneapolis, reported gross income of $389,914 in 1983 on billings of $2,462,836. In 1982, it reported gross income of $362,913 on billings of $2,318,310. Volume in 1983 consisted of $1,598,480 in media, $418,466 in materials and services and $445,890 in capitalized fees. In 1982, volume consisted of $1,316,443 in media, $332,540 in materials and services and $669,327 in capitalized fees. Accounts lost: Benson's. Billings breakdown: Newspapers 20%, magazines 40%, radio 27%, spot tv 3.5%, outdoor 0.5%, business papers 5%, other 4%. Employes: 7. Top exec: Ernest C. Blanchard, president.
Phone: (612) 332-1557.

Boelter & Lincoln Advertising, Milwaukee, reported gross income of $663,473 in 1983 on billings of $4,225,265. In 1982, it reported gross income of $471,036 on billings of $3,141,810. The agency did provide a volume breakout. Figures included those of subsidiary Boelter & Lincoln PR. Accounts gained: Dean Medical Center, Schneider Transport, Chapman Services, Raddon Financial Group. Resigned: Econopoint. Lost: Wilson's Clothing. Billings breakdown: Newspapers 15%, magazines 7%, radio 21%, spot tv 27%, outdoor 2%, business papers 4%, point of sale 1%, direct mail 14%, other 9%. Employes: 23 in two offices. Top execs: Robert Boelter, president; John Lincoln, exec vp.
Phone: (414) 257-1070.

Brand & Gerber & Shick, Cleveland, reported gross income of $834,467 in 1983 on billings of $7,206,675. In 1982, it reported gross income of $839,567 on billings of $7,306,530. Volume in 1983 consisted of $1,003,802 in media, $637,632 in materials and services and $5,565,241 in capitalized fees. In 1982, volume consisted of $1,072,013 in media, $699,034 in materials and services and $5,535,483 in capitalized fees. Accounts gained: American Thermometer, Q-Max division, Ann Arbor Cablevision, Cleveland Health Education Museum, Laurel Industries, Owners Management, Leaseway Fleet Management, Glass Equipment Development Corp., Guardian Title. Lost: Meistergram. Billings breakdown: Newspapers 20%, magazines 65%, radio 1%, spot tv 3%, outdoor 4%, business papers 1%, farm publications 1%, transit 1%, direct mail 4%. Employes: 21. Top exec: David R. Brand, president.
Phone: (216) 696-4550.

Bryan/Donald Advertising, Kansas City, Mo., reported gross income of $750,000 and net income of $22,500 in 1983 on billings of $2,500,000. In 1982, it reported gross income of $500,000 and net income of $15,000 on billings of $2,000,000. Volume in 1983 consisted of $1,250,000 in media, $1,000,000 in materials and services and $250,000 in capitalized fees. In 1982, volume consisted of $1,000,000 in media, $750,000 in materials and services and $250,000 in capitalized fees. Accounts gained: Dakota Bake-N-Serv, Granville Market Letter, Bio-Basics, Manley Inc., Varnum/Armstrong/Deeter Real Estate. Lost: Zimmer Inc. Real Estate. Billings breakdown: Newspapers 5%, magazines 13%, radio 16%, spot tv 15%, outdoor 4%, business papers 37%, direct mail 10%. Employes: 6. Top exec: D.K. Funk, president.
Phone: (816) 471-4866.

Burch Myers Cuttie, Chicago, reported gross income of $656,131 in 1983 on billings of $4,322,591. In 1982, it reported gross income of $715,165 on billings of $4,729,078. Volume in 1983 consisted of $882,240 in media, $301,116 in materials and services and $3,139,235 in capitalized fees. In 1982, volume consisted of $911,441 in media, $229,144 in materials and services and $3,588,493 in capitalized fees. Accounts gained: Anixter Bros., Amcell Communications, Blevle of America, John Hancock Center. Lost: Lake Shore National Bank, Sheraton-Plaza Chicago, Sheraton International at O'Hare, Savin Corp., Dynatech Microsoftware Inc. Resigned: Sheraton-Ritz Minneapolis, Fifteen Hundred Club Inc. Billings breakdown: Newspapers 11%, magazines 18%, radio 16%, spot tv 22%, outdoor 4%, transit 2%, business papers 18%, point of sale 1%, direct mail 8%. Employes: 13. Top execs: Ralph M. Burch, ceo; John C. Arnold, president; R[illegible]r Myers, Donald L. Cuttie, exec vps; Jeff Ades, senior vp.
Phone: (312) 642-0940.

Butwin & Associates, Minneapolis, had estimated gross income of $36,000 in 1983 on billings of $240,000. In 1982, the agency had estimated gross income of $33,750 on billings of $225,000. The agency did not provide a volume breakout for either year. Accounts gained: The Boston Clothiers, Robinson's Men's Wear, Ribnick Furs, A.M. Miller & Associates and Lickety Split. It gained and lost Tai Ping Inc. Billings breakdown: Newspapers 20%, magazines 5%, radio 20%, spot tv 10%, outdoor 10%, business papers 10%, point of sale 15%, direct mail 10%. Employes: 4. Top exec: Ronald Butwin, president.
Phone: (612) 929-8525.

CRE Inc., Brazil, Ind., reported gross income of $634,507 in 1983 on billings of $4,874,494. In 1982, the agency reported gross income of $457,556 on billings of $3,691,079. The agency's volume in 1983 consisted of $561,235 in media, $538,039 in materials and services and $3,775,220 in capitalized fees. In 1982, the agency's volume consisted of $361,109 in media, $278,072 in materials and services and $3,051,898 in capitalized fees. Accounts gained: CWY Electronics, Edward H. Schmidt & Sons, The Meadows. Lost: Citizen's State Bank. Billings breakdown: Newspapers 1%, magazines 24%, radio 2%, spot tv 2%, outdoor 1%, farm publications 10%, point of sale 10%, direct mail 10%, other 40%. Employes: 24. Top execs: Michael L. Brooks, president; Leslie H. Boyle, exec vp, Leslie H. Brooks, senior vp.
Phone: (812) 448-2525.

CTS Associates, Detroit, had estimated gross income of $179,931 in 1983 on billings of $1,199,540. In 1982, it had estimated gross income of $97,260 on billings of $648,400. Volume in 1983 consisted of $851,000 in media, $101,750 in materials and services and $246,790 in capitalized fees. In 1982, volume consisted of $460,000 in media, $55,000 in materials and services and $133,400 in capitalized fees. Accounts gained: Financial Equity, Your Attic Inc., National Bank of Royal Oak, National Computer Equipment. Lost: Michigan Car Wash Assn. Billings breakdown: Newspapers 35%, magazines 10%, radio 35%, spot tv 10%, cable tv 1%, business papers 1%, point of sale 5%, direct mail 1%, other 2%. Employes: 8. Top execs: C. Thomas Scholl, president; Muriel G. Scholl, exec vp.
Phone: (313) 965-0575.

Chase/Ehrenberg & Rosene, Chicago, reported gross income of $594,000 in 1983 on billings of $3,960,000. In 1982, it had estimated

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gross income of $435,000 on billings of $2,900,000. The agency did not breakout volume for either year. Accounts gained: Plywood Minnesota, Monogram Models, Skilcraft, Reiter's, Toys Plus Toy Stores, Video Technology U.S.A. Billings breakdown: Newspapers 3%, magazines 2%, radio 20%, spot tv 75%. Employes: 12. Top execs: Merrill Ehrenberg, president; John Rosene, exec vp.

Phone: (312) 943-3737.

Sidney Clayton Associates, Chicago, reported gross income of $694,505 in 1983 on billings of $4,342,710. In 1982, it reported gross income of $850,192 on billings of $5,368,574. Volume in 1983 consisted of $1,415,546 in media, $218,482 in materials and services and $2,708,682 in capitalized fees. In 1982, volume consisted of $1,204,804 in media, $500,133 in materials and services and $3,663,637 in capitalized fees. Accounts gained: All States Inc. Lost: None. Billings breakdown: business papers 40%, other 60%. Employes: 18. Top execs: Sidney Clayton, president; Wayne Clayton, vp.

Phone: (312) 648-9500.

Connor-Sager Associates, North Aurora, Ill., reported gross income of $700,000 in 1983 on billings of $4,900,250. In 1982, it reported gross income of $525,530 on billings of $4,111,912. Volume in 1983 consisted of $4,000,000 in media, $400,000 in materials and services and $500,250 in capitalized fees. In 1982, volume consisted of $3,504,208 in media, $213,908 in materials and services and $393,796 in capitalized fees. Account gained: Conco-Tellus. Lost: Oberweis Securities. Billings breakdown: Newspapers 5%, magazines 60%, radio 10%, transit 2%, business papers 10%, farm publications 5%, direct mail 5%, other 3%. Employes: 10. Top exec: Larry L. Meck, president.

Phone: (312) 897-1127.

Corbett Advertising, Rochester, Mich., reported gross income of $137,500 in 1983 on billings of $700,000. In 1982, it reported gross income of $160,000 on billings of $750,000. Volume in 1983 consisted of $450,000 in media, $250,000 in materials and services. In 1982, volume consisted of $400,000 in media, $350,000 in materials and services. Accounts gained: Sensible Software, Foamseal, Mantex Corp., Medical Awareness Foundation, Micro-Mizer. Lost: Upton Industries. Billings breakdown: Newspapers 20%, magazines 60%, radio 15%, direct mail 5%. Employes: 6. Top exec: Barbara L. Corbett, president.

Phone: (313) 651-1040.

Covey & Koons, Canton, O., reported gross income of $548,321 in 1983 on billings of $3,656,286. In 1982, it reported gross income of $630,756 on billings of $4,205,730. Volume in 1983 consisted of $1,625,819 in media, $406,455 in materials and services and $1,624,012 in capitalized fees. In 1982, volume consisted of $2,260,624 in media, $565,156 in materials and services and $1,379,950 in capitalized fees. Accounts gained: Harrison Handling, Midwestern Industries, Community Tire. Lost: None. Billings breakdown: Newspapers 2%, radio 7%, business papers 89%, direct mail 2%. Employes: 10. Top exec: W. Roderic Covey, president.

Phone: (216) 456-7381.

Davis/Muender/Ostir, Rockford, Ill., reported gross income of $246,865 in 1983 on billings of $2,078,153. The agency did not have complete figures available for 1982, its first year in operation. Volume in 1983 consisted of $262,510 in media, $322,137 in materials and services and $1,493,506 in capitalized fees. Accounts gained: Micro Switch (special projects), Zimmerman Transportation Center, The Court Clubs, The Counselor Co. (special projects). Lost: None. Billings breakdown: Newspapers 4%, magazines 65%, radio 10%, spot tv 10%, cable tv 10%, point of sale 1%. Employes: 4. Top execs: Percy J. Muender, president; Donald L. Davis, Loren L. Ostir, exec vps.

Phone: (815) 962-2020.

Deppe & Associates, St. Louis, had estimated gross income of $365,025 in 1983 on billings of $2,433,500. In 1982, it had estimated gross income of $315,000 on billings of $2,100,100. Volume in 1983 consisted of $1,900,000 in media, $200,000 in materials and services and $333,500 in capitalized fees. In 1982, volume consisted of $1,700,000 in media, $200,000 in materials and services and $200,100 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 5%, magazines 10%, radio 10%, spot tv 70%, cable tv 1%, business papers 2%, farm publications 2%. Employes: 12. Top execs: Darryl A. Ross, president-ceo.

Phone: (314) 652-2800.

Detrow & Underwood, Ashland, O., had estimated gross income of $627,116 in 1983 on billings of $4,180,776. In 1982, it had estimated gross income of $551,469 on billings of $3,676,466. Volume in 1983 consisted of $311,704 in media, $663,922 in materials and services and $3,205,150 in capitalized fees. In 1982, volume consisted of $396,109 in media, $447,423 in materials and services and $2,832,934 in capitalized fees. Accounts lost: None. Billings breakdown: magazines 15%, business papers 50%, farm publications 5%, direct mail 20%, other 10%. Employes: 14. Top execs: Jack M. Detrow, president; Gary D. Underwood, vp.

Phone: (419) 289-0265.

Didday & Branch, Cincinnati, had estimated gross income of $105,000 in 1983 on billings of $700,000. In 1982, it had estimated gross income of $90,000 on billings of $600,000. Volume in 1983 consisted of $150,000 in media, $500,000 in materials and services and $50,000 in capitalized fees. In 1982, volume consisted of $100,000 in media, $450,000 in materials and services and $50,000 in capitalized fees. Accounts gained: Campbell Hausfeld's Industrial Compressor division, Esscorp Electronic Sortation Systems, Cincinnati Milacron's Electronic Circuit Materials division. Billings breakdown: Newspapers 20%, magazines 50%, outdoor 5%, point of sale 20%, direct mail 5%. Employes: 15. Top execs: Kerry B. Didday, president; Harold Branch, secretary-treasurer.

Phone: (513) 871-9142.

Doty, Phillips & Laing, Battle Creek, Mich., reported gross income of $347,222 in 1983 on billings of $2,079,538. In 1982, it reported gross income of $321,396 on billings of $1,944,868. Volume in 1983 consisted of $238,793 in media, $290,800 in materials and services and $1,549,945 in capitalized fees. In 1982, volume consisted of $144,634 in media, $304,428 in materials and services and $1,495,806 in capitalized fees. Accounts gained: Bedford Valley Country Club, Ritzee hamburger chain. Lost: None. Billings breakdown: Newspapers 10%, magazines 15%, radio 1%, business papers 69%, point of sale 1%, direct mail 4%. Employes: 12. Top exec: Vernon C. Doty, president.

Phone: (616) 965-7255.

Everett, Brandt & Bernauer, Independence, Mo., reported an estimated gross income of $157,000 in 1983 on billings of $1,044,997. In 1982, it reported an estimated gross income of $182,000 on billings of $1,209,926. Volume in 1983 consisted of $665,392 in media, $202,000 in materials and services and $177,605 in capitalized fees. In 1982, volume consisted of $864,747 in media, $178,462 in materials and services and $166,717 in capitalized fees. Accounts gained: Speed Oil Co., Midwest Hanger Co., Columbia Savings, Mid-America Federal S&L, Enterprise Car Wash, Lenexa National Bank. Lost: Don Wessel Oldsmobile, International Marketing Associates, Martin Luther King Hospital, Brothers Meat Outlet. Billings breakdown: Newspapers 13%, magazines 6%, radio 20%, spot tv 16%, other 45%. Employes: 8. Top exec: James A. Everett, president.

Phone: (816) 836-1000.

Faber Shervey, Minneapolis, reported gross income of $126,706 in 1983 on billings of $990,793. In 1982, it reported gross income of $111,353 on billings of $868,891. Volume in 1983 consisted of $327,482 in media, $91,866 in materials and services and $571,445 in capitalized fees. In 1982, volume consisted of $279,190 in media, $82,561 in materials and services and $507,140 in capitalized fees. Accounts gained: Associated Foam Manufacturers. Lost: Possis Corp. Billings breakdown: Newspapers 6%, magazines 84%, radio 2%, business papers 4%, farm publications 4%. Employes: 4. Top execs: Paul D. Shervey, president.

Phone: (612) 881-5111.

Fasone-Garrett Advertising, Kansas City, Mo., had an estimated gross income of $289,776 in 1983 on billings of $1,931,840. In 1982, it reported gross income of $249,522 on billings of $1,663,480. Volume in 1983 consisted of $750,000 in media, $835,000 in materials and services and $346,840 in capitalized fees. In 1982, volume consisted of $650,000 in media, $720,000 in materials and services and $293,480 in capitalized fees. Accounts gained: United Information Services, Uninet. Billings breakdown: Newspapers 5%, magazines 5%, radio 15%, spot tv 20%, outdoor 5%, business papers 30%, point of sale 5%, direct mail 10%, other 5%. Employes: 7. Top execs: Larry Garrett, president; Mike Fasone, ceo.

Phone: (816) 753-7272.

Fensholt Inc., Chicago, reported gross income of $660,602 in 1983 on billings of $4,865,031. In 1982, it reported gross income of $773,324 on billings of $5,491,288. Volume in 1983 consisted of $1,234,596 in media, $876,411 in materials and services and $2,754,024 in capitalized fees. In 1982, volume consisted of $1,399,697 in media, $906,278 in materials and services and $3,185,313 in capitalized fees. Account gained: Construction Industry Mfrs. Assn. Lost: Skagit Corp., Sedro-Woolley. Billings breakdown: Magazines 96%, business papers 2%, farm publications 2%. Employes: 15 in 2 offices. Top execs: Daniel D. Glaubke, president-ceo; Charles R. Muth, exec vp-chief operating officer.

Phone: (312) 263-1132.

Fillman Advertising, Champaign, Ill., reported gross income of $114,378 in 1983 on billings of $497,299. In 1982, it reported gross income of $122,360 on billings of $532,924. Volume in 1983 consisted of $323,799 in media, and $173,500 in materials and services. In 1982, volume consisted of $348,460 in media, and $184,464 in materials and services. Billings breakdown: Business papers 50%, farm publications 25%, direct mail 25%. Employes: 5. Top exec: William T. Fillman, president.

Phone: (217) 352-0002.

FitzSimons Advertising, Cleveland, reported gross income of $405,000 in 1983 on billings of $3,050,750. In 1982, it reported gross income of $400,000 on billings of $2,667,350. Volume in 1983 consisted of $1,150,000 in media, $400,000 in materials and services and $1,500,750 in capitalized fees. In 1982, volume consisted of $1,000,000 in media, $300,000 in materials and services and $1,367,350 in capitalized fees. Accounts gained: Network Resources Co., Cleveland's Teacher Internship Program, Watership Down Restaurant. Lost: None. Billings breakdown: Newspapers 14%, magazines 5%, radio 9%, network tv 14%, outdoor 3%, transit 3%, business papers 19%, point of sale 4%, direct mail 9, other 20%. Employes: 8. Top execs: Daniel A. FitzSimons, president; Richard C. Wright, vp.

Phone: (216) 241-5656.

Flint Advertising, Fargo, N.D., reported gross income of $575,562 in 1983 on billings of $3,894,405. In 1982, it reported gross income of $633,497 on billings of $3,993,025. Volume in 1983 consisted of $1,334,496 in media, $723,064 in materials and services and $1,836,845 in capitalized fees. In 1982, volume consisted of $1,776,163 in media, $693,158 in materials and services and $1,523,704 in capitalized fees. Accounts gained: First Bank Fargo, North Dakota Tourism Promotion, Governor's Task Force on Drinking and Driving, Software Services. Lost: Gate City Savings, Great Plains Software. Billings breakdown: Newspapers 17%, magazines 5%, radio 16%, spot tv 16%, outdoor 3%, business papers 27%, farm publications 16%. Employes: 19. Top exec: Philip E. Stangl, president.

Phone: (701) 237-4850.

J. Ronald Gaffe Inc., Okemos, Mich., reported gross income of $199,667 and a net loss of $15,194 in 1983 on billings of $922,559. In 1982, it reported gross income of $201,116 and net income of $18,149 on billings of $1,360,902. Volume in 1983 consisted of $315,996 in media, $267,085 in materials and services and $339,478 in capitalized fees. In 1982, volume consisted of $331,505 in media, $322,593 in materials and services and $706,803 in capitalized fees. Accounts gained: Inacomp Computer Center. Lost: Guardian Photofinishing. Billings breakdown: Newspapers 50%, radio 15%, spot tv 35%. Employes: 7. Top exec: J. Ronald Gaffe, president.

Phone: (517) 349-6770.

George, Gibbs, Hammerman & Myers, St. Louis, reported gross income of $565,000 in 1983 on billings of $6,000,000. In 1982, it reported gross income of $575,000 on billings of $5,834,000. Volume in 1983 consisted of $3,900,000 in media and $2,100,000 in materials and services. In 1982, volume consisted of $3,834,000 in media and $2,000,000 in materials and services. The agency did not report accounts gained or lost. Billings breakdown: Newspapers 4%, magazines 1%, radio 40%, spot tv 41%, cable 1%, outdoor 1%, business papers 10%, transit 1%. Employes: 12. Top execs: Irven Hammerman, chairman-ceo; Louis Myers, president.

Phone: (314) 428-9850.

Goble & Associates, Chicago, had estimated gross income of $287,038 in 1983 on billings of $1,913,590. The agency did not report figures for 1982. Volume in 1983 consisted of $300,000 in media, $1,100,000 in materials and services and $513,590 in capitalized fees. Accounts gained: Ames Division of Miles Laboratories, Abbott Hospital Products Division. Lost: None. Billings breakdown: Magazines 25%, direct mail 15%, other 60%. Employes: 10. Top execs: Edward G. Goble, president-ceo; James Robinson, Jacqueline Fitzgerald, senior vps; David Meade, exec vp.

Phone: (312) 565-0552.

Gordon Group, Grand Rapids, Mich., reported gross income of $728,900 in 1983 on billings of $2,671,600. In 1982, it reported gross income of $172,500 on billings of $559,100. The agency had a net income of $234,400 in 1983 and a net loss of $20,951 in 1982. Volume in 1983 consisted of $301,500 in media, $2,170,000 in materials and services and $200,100 in capitalized fees. In 1982, volume consisted of $125,000 in media, $234,000 in materials and services and $200,100 in capitalized fees. Accounts gained: Andrews Jewelers, Odyssey Video Games. Billings breakdown: Newspapers 20%, magazines 5%, supplements 5%, radio 10%, spot tv 5%, point of sale 50%, direct mail 5%. Employes: 11. Top exec: Thomas L. Gordon, president.

Phone: (616) 458-6509.

Gregory Inc., Cleveland, reported gross income of $922,577 in 1983 on billings of $4,931,314. In 1982, it reported gross income of $786,815 on billings of $6,576,011. Volume in 1983 consisted of $210,078 in media, $671,439 in materials and services and $4,049,797 in capitalized fees. In 1982, volume consisted of $1,221,656 in media, $677,098 in materials and services and $4,677,257 in capitalized fees. Figures do not include those of subsidiaries Gregory PR Inc., or ADS Inc. Accounts gained: Acme Technologies Group, Astrup Co., Geauga Co., division of Carlisle Corp., Hunger U.S., Kadee Industries, Midwest Gear Corp., Midwest Listings, Parker Hannifin Aircraft Wheel & Brake. Lost: Black & Decker Air Tools, Capital University, Fairmount Tool & Forging, Girkins Electric, King of Parts, Reliance Electric Mechanical Group, Tectum Inc. Billings breakdown: Newspapers 27.5%, magazines 72.5%. Employes: 21. Top exec: J. A. Rini, president.

Phone: (216) 621-9632.

The Carl Guldberg Agency, Ann Arbor, Mich., reported gross income of $474,324 in 1983 on billings of $3,234,927. In 1982, it reported gross income of $369,225 on billings of $2,040,032. Volume in 1983 consisted of $468,104 in media, $476,172 in materials and services and $2,290,651 in capitalized fees. In 1982, volume consisted of $361,568 in media, $381,183 in materials and services and $1,297,281 in capitalized fees. Accounts gained: None. It resigned ISE/MDBS. Billings breakdown: Business papers 35%, other 65%. Employes: 8. Top exec: Carl E. Guldberg, president.

Phone: (313) 761-8678.

Haselow & Associates, Cleveland, reported gross income of $320,000 in 1983 on billings of $2,509,600. In 1982, it reported gross income of $314,000 on billings of $2,369,380. Volume in 1983 consisted of $210,000 in media, $165,200 in materials and services and $2,134,400 in capitalized fees. In 1982, volume consisted of $150,000 in media, $125,000 in materials and services and $2,094,380 in capitalized fees. Accounts gained: Cuyahoga Community College-Career Resources Academy; VIPCP-Vinyl Improvement Products Co. Billings breakdown: Business papers 23%, direct mail 5%, sales literature 35%, public relations 35%, research 2%. Employes: 7. Top exec: John H. Haselow, president.

Phone: (216) 831-6060.

Hiebing Group, Madison, Wis., reported gross income of $661,502 in 1983 on billings of $5,029,304. In 1982, it reported gross income of $605,421 on billings of $4,616,659. Volume in 1983 consisted of $680,944 in media, $526,703 in materials and services and $3,821,657 in capitalized fees. In 1982, volume consisted of $753,579 in media, $536,125 in materials and services and $3,326,955 in capitalized fees. Accounts gained: Dept. of Industry, Labor & Relations, Madison Metro. Lost: None. Billings breakdown: Newspapers 10%, magazines 5%, radio 4%, spot tv 65%, point of sale 1%, direct mail 2%, other 13%. Employes: 16. Top exec: Roman J. Hiebing Jr., president.

Phone: (608) 256-6357.

High Plains Advertising, Dodge City, Kan., reported gross income of $160,043 in 1983 on billings of $613,939. In 1982, it reported gross income of $189,945 on billings of $1,258,769. Volume in 1983 consisted of $320,086 in materials and services and $293,853 in capitalized fees. In 1982, volume consisted of $328,300 in materials and services and $930,469 in capitalized fees. Accounts gained: None. Lost: Magouirk Chevrolet. Billings breakdown: Newspapers 13%, radio 42%, spot tv 10%, outdoor 1%, farm publications 5%, point of sale 20%, direct mail 7%, other 2%. Employes: 3. Top exec: Joe Berkely, president.

Phone: (316) 227-7171.

Huwen & Davies, Chicago, reported gross income of $635,000 in 1983 on billings of $4,235,000. In 1982, it reported gross income of $612,000 on billings of $4,160,000. No volume breakout was provided. Accounts gained: American Marketing Assn., Fenco Inc., Standard Metal Products Co., Traxx Freight Systems. Lost: None. Billings breakdown: business papers 50%, other 50%. Employes: 19. Top execs: Charles E. Huwen, chairman; Lewis P. Hayhurst, president; John B. Peters, exec vp; Griffith A. Davies, vice-chairman; Anna Witt-Kite, vp.
Phone: (312) 853-2860.

Jacobson Advertising, Sheboygan, Wis., had estimated gross income of $733,050 in 1983 on billings of $4,887,000. Volume in 1983 consisted of $1,370,000 in media, $1,182,000 in materials and services and $2,335,000 in capitalized fees. The agency did not provide figures for 1982. Accounts gained: Cycles de France, Menasha Corp. packaging group, Sheboygan Clinic, St. Nicholas Hospital, West Bend Humidifier division of Bemis Mfg., Leverenz Shoe Co., Gilson Bros. commercial products division. Billings breakdown: Newspapers 5%, magazines 55%, radio 5%, spot tv 10%, outdoor 5%, business papers 5%, point of sale 5%, direct mail 10%. Employes: 20. Top execs: Johnathon L. Rost, president; Frank C. Jacobson, chairman.
Phone: (414) 458-3541.

T.S. Jenkins & Associates, Flint, Mich., reported gross income of $416,287 in 1983 on billings of $2,874,649. In 1982, it reported gross income of $315,712 on billings of $2,081,306. Volume in 1983 consisted of $1,064,000 in media, $210,850 in materials and services and $1,599,799 in capitalized fees. In 1982, volume consisted of $780,227 in media, $169,500 in materials [illegible]ervices and $1,131,579 in capital[illegible]es. Billings breakdown: Newspapers 40.4%, magazines 18.7%, radio 21.3%, spot tv 11.3%, outdoor 8%. Employes: 10. Top exec: John G. LeSage, president.
Phone: (313) 235-5654.

James O. Jones Advertising, Kansas City, Mo., reported gross income of $101,500 in 1983 on billings of $677,012. Volume in 1983 consisted of $58,950 in media, $97,382 in materials and services and $20,680 in capitalized fees. The agency did not provide figures for 1982. Billings breakdown: Magazines 80%, direct mail 20%. Employes: 1. Top exec: James O. Jones, owner.
Phone: (816) 931-9139.

Jones, Anastasi & Mitchell, Erie, Pa., reported gross income of $467,062 in 1983 on billings of $6,090,782. In 1982, it reported gross income of $395,640 on billings of $4,828,490. Volume in 1983 consisted of $1,668,082 in media, $354,000 in materials and services and $4,068,700 in capitalized fees. In 1982, volume consisted of $1,413,000 in media, $112,000 in materials and services and $3,303,490 in capitalized fees. Accounts gained: National Gas & Oil Corp., *The Times Record*, Jetstream International Airlines. Lost: Country Fair Stores. Billings breakdown: Newspapers 39%, magazines 2%, supplements 2%, radio 30%, spot tv 21%, outdoor 6%. Employes: 13 in two offices. Top execs: H. Douglas Jones, president; Joseph A. Anastasi, exec vp.
Phone: (814) 453-6635.

Kinzie & Green, Wausau, Wis., reported gross income of $317,696 in 1983 on billings of $2,436,365. In 1982, it reported gross income of $326,648 on billings of $2,278,204. Volume in 1983 consisted of $737,914 in media, $304,768 in materials and services and $1,393,683 in capitalized fees. In 1982, volume consisted of $987,341 in media, $244,807 in materials and services and $1,045,056 in capitalized fees. Accounts gained: Wausau Metals, Citizens National Bank, Murray Machinery, Abbyland Processing. Lost: Felker Brothers, Preway, Tommy's, St. Croix. Billings breakdown: Newspapers 10%, magazines 10%, spot tv 6%, business papers 44%, other 30%. Employes: 10. Top exec: Leslie C. Green, president.
Phone: (715) 845-4251.

Kostman/Schmid & Associates, Chicago, had estimated gross income of $825,000 in 1983 on billings of $5,500,000 with non-U.S. income of $500,000. The agency did not provide figures for 1982 and did not break out its billings for 1983. Accounts gained: Espree Wheel Care Products, Quinlan & Tyson Realtors, Chicago Cellular Phone Services, Leavitt Communications, Universal Synthetic Additives, TR-3 Resin Glaze. Billings breakdown: Newspapers 6%, magazines 22%, radio 9%, spot tv 38%, network tv 20%, business papers 5%. Employes: 10. Top execs: M. F. 'Skip' Kostman, president.
Phone: (312) 649-5800.

LaBelle & Shallbetter, Minneapolis, reported gross income of $905,000 in 1983 on billings of $6,033,400. In 1982, it reported gross income of $888,500 on billings of $5,923,400. Volume in 1983 consisted of $5,000,000 in media, $900,000 in materials and services and $133,400 in capitalized fees. In 1982, volume consisted of $4,900,000 in media, $890,000 in materials and services and $133,400 in capitalized fees. Accounts gained: Nankin Express, Jack & Jill Stores, Children's Wearhouse. Lost: President Homes. Billings breakdown: Newspapers 24%, magazines 2%, radio 20%, spot tv 50%, outdoor 1%, point of sale 1%, direct mail 1%, other 1%. Employes: 14. Top execs: Lawrence S. LaBelle, president; Thomas A. Shallbetter, exec vp.
Phone: (612) 338-7616.

Martin A. Lave Marketing, Indianapolis, had estimated gross income of $226,402 in 1983 on reported billings of $1,509,353. In 1982, it had estimated gross income of $168,177 on reported billings of $1,121,185. Volume in 1983 consisted of $985,810 in media, $216,723 in materials and services and $306,820 in capitalized fees. In 1982, volume consisted of $713,148 in media, $141,237 in materials and services and $266,800 in capitalized fees. Accounts gained: Education Management Corp., Data Com Corp. Lost: Hefner Chevrolet. Billings breakdown: Newspapers 13%, magazines 7%, radio 10%, spot tv 50%, cable tv 5%, outdoor 5%, business papers 2%, direct mail 8%. Employes: 8. Top execs: Martin Lave, president; Ralph Drybrough, exec vp.
Phone: (317) 872-0971.

Laven, Fuller & Perkins, Chicago, reported gross income of $396,720 in 1983 on billings of $2,675,844. In 1982, it reported gross income of $269,804 on billings of $1,833,059. Volume in 1983 consisted of $2,308,748 in media, $287,056 in materials and services and $80,040 in cap-

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italized fees. In 1982, volume consisted of $1,671,040 in media, $162,019 in materials and services. Accounts gained: Energetix Inc., Sorensen Chevrolet, Metro Cash & Carry (special projects), JMB Realty, Upjohn Health Care Services, Telesphere Corp. Lost: None. Billings breakdown: Newspapers 69%, magazines 12%, radio 4%, spot tv 2%, business papers 5%, point of sale 3%, direct mail 5%. Employes: 14. Top exec: James P. Perkins, president.

Phone: (312) 440-1818.

Lessing-Flynn, Des Moines, had estimated gross income of $745,851 in 1983 on billings of $4,972,342. The agency did not report figures for 1982. No volume breakout was provided for 1983. Accounts gained: Bob Allen Cos., ACI, Frye Copy Systems, Hopkins Sporting Goods, Powers Mfg., North Slope, Rolfes, Sunnytime Foods, Winpower. Lost: Delong Sportswear. Billings breakdown: Newspapers 12%, magazines 12%, radio 22%, spot tv 20%, cable tv 2%, outdoor 1%, transit 1%, business papers 12%, farm publications 16%, point of sale 1%, direct mail 1%. Employes: 18. Top execs: C. Thomas Flynn, president; Joseph Rosenburg, exec vp.

Phone: (515) 274-9271.

Walter P. Luedke & Associates, Rockford, Ill., reported estimated gross income of $67,000 in 1983 on billings of $393,943. In 1982, it reported estimated gross income of $60,000 on billings of $355,316. Volume in 1983 consisted of $79,912 in media, $161,755 in materials and services and $152,276 in capitalized fees. In 1982, volume consisted of $71,561 in media, $146,754 in materials and services and $137,001 in capitalized fees. Accounts gained: Hydro-Line Manufacturing Co. Lost: American Metal Ware Co. Billings breakdown: Newspapers 5%, magazines 70%, farm publications 5%, direct mail 20%. Employes: 4. Top exec: W.P. Luedke, president.

Phone: (815) 398-4207.

Lundmark Advertising & Design, Kansas City, Mo., reported gross income of $50,000 in 1983 on billings of $600,000. In 1982, it reported gross income of $38,000 on billings of $514,000. Volume in 1983 consisted of $200,000 in media, $400,000 in materials and services. In 1982, volume consisted of $144,000 in media, $370,000 in materials and services. The agency did not break down its billings. Employes: 4. Top exec: Fred Trent, president.

Phone: (816) 842-5236.

MAP Advertising, Springfield, Mo., reported gross income of $782,241 in 1983 on billings of $4,093,762. In 1982, it reported gross income of $485,412 on billings of $2,410,592. In non-U.S. contributions, it reported $23,412 in income in 1983 on $220,382 in billings. In 1982, it reported $3,465 in income on billings of $23,111. Domestic volume in 1983 consisted of $1,414,772 in media, $63,892 in materials and services and $2,394,716 in capitalized fees. In 1982, volume consisted of $1,012,742 in media, $53,639 in materials and services and $1,321,100 in capitalized fees. Accounts gained: Tastee Freez International, Tastee Freez of Georgia, Fast Food Systems, Shenandoah Foods, Missouri State Fair, Swiss Villa Amphitheatre, Ozarks Auto Show, Kountry Kin, Nubbin Ridge Charcoal, First National Bank, Security Bank. Lost: Citizens Bank of Warrensburg, Arcadia Amusements, Barth Co. Billings breakdown: Newspapers 12%, magazines 10%, supplements 8%, radio 16%, spot tv 33%, cable tv 2%, outdoor 1%, business papers 4%, farm publications 4%, point of sale 5%, direct mail 5%. Employes: 22. Top execs: Joseph H. Straughan Jr., president; Raymond D. Bradshaw, exec vp.

Phone: (417) 866-2779.

Mace Advertising, Morton, Ill., reported gross income of $780,910 in 1983 on billings of $7,685,937. In 1982, it reported gross income of $1,436,701 on billings of $15,639,908. Volume in 1983 consisted of $5,036,207 in media, $139,455 in materials and services and $2,510,275 in capitalized fees. In 1982, volume consisted of $8,373,236 in media, $381,551 in materials and services and $6,885,121 in capitalized fees. Accounts gained: Graham Hospital, C. Jack's Auto Sales. Lost: American Motors Factory Co-op. Billings breakdown: Newspapers 32%, magazines 1%, radio 3%, spot tv 17%, outdoor 6%, farm publications 1%, other 40%. Employes: 16. Top execs: Robert F. Voss, chairman; Robert D. Heubach, president.

Phone: (309) 266-5371.

Mallof, Abruzino & Nash, Lombard, Ill., reported gross income of $354,000 in 1983 on billings of $2,360,030. No figures were provided for 1982. Volume in 1983 consisted of $2,300,000 in media and $60,030 in capitalized fees. Accounts gained: Central Chevrolet, Chicagoland Alfa Romeo Dealers Assn., Willowbrook Ford, American Office Equipment Co. Lost: Toyota West. Billings breakdown: Newspapers 35%, magazines 2%, supplements 10%, radio 10%, spot tv 30%, outdoor 5%, business papers 3%, direct mail 5%. Employes: 7. Top exec: Edward G. Mallof, president.

Phone: (312) 964-7722.

Marbro Advertising, Columbus, Ohio, reported gross income of $130,724 in 1983 on billings of $1,118,942. In 1982, it reported gross income of $118,689 on billings of $1,021,631. Volume in 1983 consisted of $933,268 in media, $102,680 in materials and services and $82,994 in capitalized fees. In 1982, volume consisted of $712,556 in media, $218,816 in materials and services and $90,259 in capitalized fees. Accounts gained: Discount Aquarium & Pet Supply, Volunteers of America. Billings breakdown: Newspapers 32%, magazines 16%, radio 28%, spot tv 15%, business papers 9%. Employes: 5. Top exec: Marvin Brown, president.

Phone: (614) 224-1992.

MarketAide Inc., Salina, Kan., reported gross income of $588,005 in 1983 on billings of $3,911,010. In 1982, it reported gross income of $751,971 on billings of $5,166,996. Volume in 1983 consisted of $373,182 in media, $996,385 in materials and services and $2,541,443 in capitalized fees. In 1982, volume consisted of $434,543 in media, $1,950,193 in materials and services and $2,782,260 in capitalized fees. Accounts gained: Lor*Al Equipment Co. Lost: A&K Railroad Materials. Billings breakdown: Newspapers 8%, magazines 1%, radio 20%, spot tv 24%, outdoor 1%, business papers 20%, farm publications 5%, point of sale 1%, direct mail 20%. Employes: 17. Top execs: Gary D. Ray, chairman-ceo; Russell C. Norwood, president.

Phone: (913) 825-7161.

Marstrat Inc., Chicago, had estimated gross income of $300,000 in 1983 on billings of $2,000,000. In 1982, it had estimated gross income of $270,000 on billings of $1,800,000. Volume in both years was all in media. Accounts lost: Premier Engraving. Billings breakdown: Newspapers 5%, magazines 2%, radio 3%, business papers 85%, farm publications 5%. Employes: 10. Top execs: M.J. Pulver, president; E.R. Wentz, R.W. Wilson, vps; W.D. Leavitt, senior editor.

Phone: (312) 321-5820.

Jack Mathis Advertising, Libertyville, Ill., reported gross income of $191,774 in 1983 on billings of $1,309,397. In 1982, it reported gross income of $175,226 on billings of $1,168,505. Volume in 1983 consisted of $457,078 in media, $98,122 in materials and services and $754,197 in capitalized fees. In 1982, volume consisted of $424,012 in media, $86,177 in materials and services and $658,316 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: business papers 52%, direct mail 12%, other 36%. Employes: 3. Top exec: Jack Mathis, president.

Phone: (312) 367-1826.

McIlhenny-Humphrey, Pittsburgh, reported gross income of $427,000 in 1983 on billings of $2,800,000. In 1982, it reported gross income of $413,000 on billings of $2,404,000. Volume in 1983 consisted of $1,112,000 in media, $1,014,000 in materials and services and $674,000 in capitalized fees. In 1982, volume consisted of $978,560 in media, $822,320 in materials and services and $603,120 in capitalized fees. Accounts gained: Crown Union, Dick Corp., Tribune Review, Southwest National Bank, Vanguard Federal Savings Bank, Westmoreland Casualty Co. Lost: National Consumer Discount Co. Billings breakdown: Newspapers 62%, magazines 19%, radio 10%, spot tv 1%, outdoor 8%. Employes: 8. Top execs: John Humphrey, president; Edward Spahr, exec vp; Richard Herbert, senior vp.

Phone: (412) 261-4611.

Meldrum & Campbell, Cleveland, had an estimated gross income of $461,020 in 1983 on billings of $3,073,470. In 1982, it had an estimated gross income of $473,666 on billings of $3,157,778. Volume in 1983 consisted of $2,105,640 in media and $967,830 in capitalized fees. In 1982, volume consisted of $2,408,392 in media and $749,386 in capitalized fees. Accounts gained: Greater Cleveland (ADI) Olds Dealer Group, Sony Consumer Products Group, Eden Properties, Radio Stations WGAR and WKSW, Calvert Instruments, C.K. Newcomb & Associates. Lost: None. Billings breakdown: Newspapers 15%, magazines 20%, radio 20%, spot tv 40%, direct mail 5%. Employes: 10. Top execs: Donald A. Campbell, president-ceo; Andrew B. Meldrum, chairman.

Phone: (216) 696-3456.

Menaker & Wright, Chicago, reported gross income of $747,000 in 1983 on billings of $5,256,700 with net income of $191,000. In 1982, it reported gross income of $880,000 on billings of $5,828,700 with net income of 234,000. Volume in 1983 consisted of $2,150,000 in media, $372,000 in materials and services and $2,734,700 in capitalized fees. In 1982, volume consisted of $1,450,000 in media, $310,000 in materials and services and $4,068,870 in capitalized fees. Accounts gained: Wine Spectrum, H.P. Hood, Welch Foods. Lost: Gillette, Pepe's Tacos, Pillsbury, Corn Products. Billings breakdown: Newspapers 25%, magazines 15%, supplements 5%, radio 25%, spot tv 10%, cable tv 5%, business papers 5%, point of sale 2%, direct mail 8%. Employes: 10. Top execs: Warren M. Menaker; Kenneth T. Wright.

Phone: (312) 266-1177.

Mills Communications, Oak Brook, Ill, reported gross income of $290,000 in 1983 on billings of $2,550,000. In 1982, it reported gross income of $292,500 on billings of $2,572,020. Volume in 1983 consisted of $1,566,350 in media, $350,000 in materials and services and $633,650 in capitalized fees. In 1982, volume consisted of $1,485,000 in media, $380,000 in materials and services and $707,020 in capitalized fees. Accounts gained: Medcon, Gil Med, Concepts Dynamic, Metro Cash and Carry. Lost: Ajax Rent-a-car, National Tv

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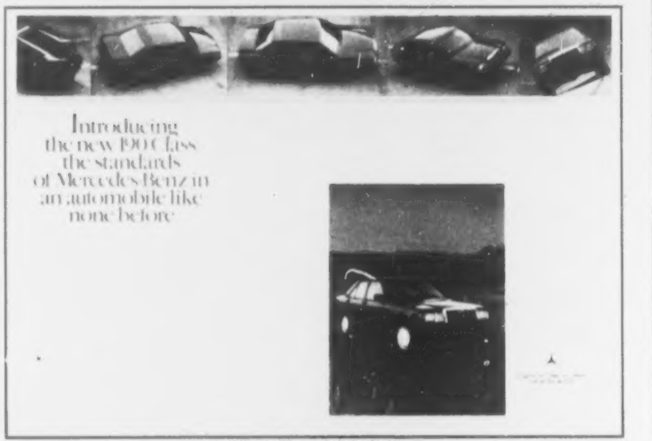

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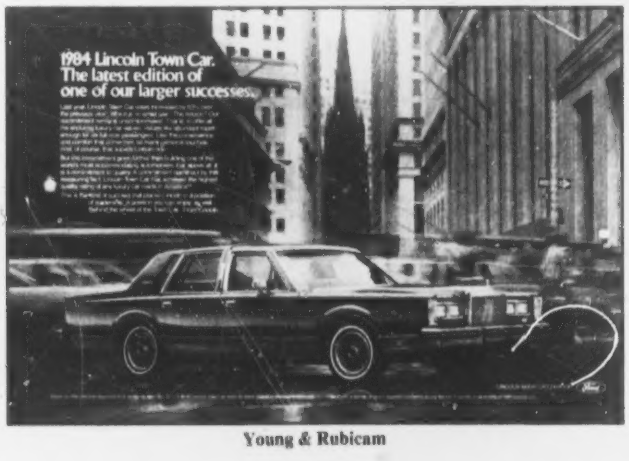

Young & Rubicam

Log. Billings breakdown: Newspapers 23%, magazines 2%, supplements 6%, radio 10%, spot tv 25%, outdoor 5%, business papers 12%, transit 1%, point of sale 5%, direct mail 10%, other 1%. Employes: 9. Top execs: Robert W. Mills, president; James H. Smith, exec vp-partner.

Phone: (312) 527-9060.

Mohawk Advertising, Mason City, Ia., had estimated gross income of $827,800 in 1983 on billings of $5,518,771. In 1982, it reported gross income of $549,785 on billings of $3,649,633. Volume in 1983 consisted of $1,340,294 in media, $687,283 in materials and services and $3,491,194 in capitalized fees. In 1982, volume consisted of $1,077,452 in media, $516,741 in materials and services and $2,055,440 in capitalized fees. Accounts gained: Control-o-fax, Safeguard, Schettler Seeds, Henkel Construction, Astro Buildings, Wilson Seed, Golden Sun Feeds, North Iowa Medical Center, Schneider Metal Mfg. Lost: None. Billings breakdown: Newspapers 8%, magazines 16%, radio 18%, spot tv 32%, outdoor 5%, farm publications 21%. Employes: 24. Top exec: James S. Clark, chairman-president.

Phone: (515) 423-1354.

Omaha Creative Group, Omaha, had estimated gross income of $312,525 in 1983 on billings of $2,083,500. In 1982, it had estimated gross income of $415,050 on billings of $2,767,000. Volume in 1983 consisted of $400,000 in media, $1,350,000 in materials and services and $333,500 in capitalized fees. In 1982, volume consisted of $500,000 in media, $1,600,000 in materials and services and $667,000 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 3%, magazines 16%, direct mail 80%, other 1%. Employes: 12. Top execs: Frederick J. Simon, chairman-president; Bob Bonardi, exec vp.

Phone: (402) 397-9310.

Orion Group, Minneapolis, reported gross income of $787,500 in 1983 on billings of $5,250,000. In 1982, it reported gross income of $667,500 on billings of $4,450,000. No volume breakout was provided. Accounts gained: Enderes Tools, Great Expectations, Hoben Corp., Midwest Stereo, Big Wheel Auto Stores, Miller Securities, National Insurance Wholesalers, Sheraton Ritz Hotel. Lost: Propper Oil, Yellow Cab-Minneapolis. Billings breakdown: Newspapers 20%, magazines 10%, radio 20%, spot tv 18%, outdoor 10%, transit 2%, business papers 10%, direct mail 10%. Employes: 20. Top execs: Myles Spicer, chairman; Edward Rubenstein, president; Sydney Rich, Stan Opstad, vps.

Phone: (612) 544-2115.

Patterson Advertising Agency, Topeka, reported gross income of $739,325 in 1983 on billings of $4,754,959. In 1982, it reported gross income of $664,961 on billings of $4,389,881. Volume in 1983 consisted of $1,875,558 in media, $464,881 in materials and services and $2,414,520 capitalized fees. In 1982, volume consisted of $1,460,931 in media, $333,273 in materials and services and $2,595,677 in capitalized fees. Accounts gained: Berry Electronics, Plaza Toyota/Mazda, Gage Shopping Center, Linn Enterprises. Lost: Duffens Optical, Magic One Hour Photo. Billings breakdown: Newspapers 25%, radio 20%, spot tv 45%, business papers 10%. Employes: 19. Top execs: Duane T. Patterson, chairman; Donald M. Shurtz, president.

Phone: (913) 266-3636.

Maurice Paulsen Advertising, Sioux Falls, S.D., reported gross income of $265,701 in 1983 on billings of $1,535,701. In 1982, it reported gross income of $213,568 on billings of $1,416,706. Volume in 1983 consisted of $1,320,209 in media, $167,468 in materials and services and $48,024 in capitalized fees. In 1982, volume consisted of $1,204,360 in media, $160,320 in materials and services and $52,026 in capitalized fees. Account gained: Foreign Candy Co. Billings breakdown: Newspapers 14%, magazines 38%, radio 10%, spot tv 18%, outdoor 1%, business papers 3%, farm publications 12%, direct mail 4%. Employes: 6. Top exec: Maurice Paulsen, president.

Phone: (605) 336-1745.

Peterson-Morris, St. Paul, Minn., reported gross income of $650,000 in 1983 on billings of $4,333,000. In 1982, it reported gross income of $600,000 on billings of $4,000,000. No agency breakout was provided. Accounts gained: Basement Water Control Corp., Colwell/North Central, Control Data Corp., ADVANTAGE programs and services, McGlynn Bakeries, Minnesota Approved Seed Processors Assn., Minnesota Dairy Herd Improvement Assn., South Dakota Crop Improvement Assn., Standard Aero International Inc., Symphony Place, The Plaza, Des Moines, Iowa. Lost: None. The agency did not break down its billings by percentage. Top exec: Jack Morris, president.

Phone: (612) 645-0581.

L. Quillin & Associates, LaCrosse, Wis., reported gross income of $590,150 and net income of $18,838 in 1983 on billings of $1,390,772. In 1982, the agency reported gross income of $389,668 and net income of $19,637 on billings of $960,613. Volume in 1983 consisted of $241,438 in media, $207,509 in materials and services and $941,825 in capitalized fees. In 1982, volume consisted of $125,738 in media, $163,234 in materials and services and $671,641 in capitalized fees. Accounts gained: LaCrosse Rubber Mills, Oktober Fest Inc., Desmond's Formal Wear, Riverfest Inc., LaCrosse Queen, Winona Princess. Billings breakdown: Newspapers 12%, magazines 8%, supplements 24%, radio 21%, spot tv 16%, outdoor 4%, business papers 8%, point of sale 1%, direct mail 4%, other 2%. Employes: 7. Top exec: Lawrence J. Quillin, president.

Phone: (608) 788-8292.

Rathke Blair Kerns & Frost, Rockford, Ill., reported gross income of $777,280 in 1983 on billings of $5,070,850. In 1982, it reported gross income of $648,713 on billings of $4,193,105. Volume in 1983 consisted of $1,016,200 in media, $638,663 in materials and services and $3,415,987 in capitalized fees. In 1982, volume consisted of $904,479 in media, $380,012 in materials and services and $2,908,614 in capitalized fees. Accounts gained: ComputerLand of Rockford, ComputerLand of St. Charles, CherryVale Mall, Dekalb AgResearch, United Banks, Warren's Turf Nursery. Lost: Caldwell Co., Computer Store. Billings breakdown: Newspapers 17%, magazines 5%, radio 19%, spot tv 16%, outdoor 5%, business papers 21%, farm publications 12%, direct mail 5%. Employes: 14. Top execs: Roger H. Rathke, president; John A. Frost, exec vp.

Phone: (815) 226-9130.

Jay Reich Inc., Pittsburgh, had estimated gross income of $375,000 in 1983 on reported billings of $2,500,000. In 1982, it had estimated gross income of $525,000 on reported billings of $3,500,000. No volume breakout was provided. Billings breakdown: Newspapers 10%, magazines 10%, radio 10%, spot tv 10%, outdoor 10%, business papers 20%, point of sale 10%, direct mail 20%. Employes: 9. Top execs: Louis Lasday, president-ceo; Frank DeAndrea, exec vp.

Phone: (412) 281-4377.

Rhea & Kaiser, Oak Brook, Ill., had estimated gross income of $918,840 in 1983 on billings of $6,125,600. In 1982, it had estimated gross income of $750,265 on billings of $5,001,772. Volume in 1983 consisted of $1,571,000 in media, and $4,554,600 in capitalized fees. In 1982, volume consisted of $1,456,000 in media, and $3,545,772 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 5%, magazines 5%, radio 10%, farm publications 50%, point of sale 15%, direct mail 15%. Employes: 14. Top execs:

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Owens Corning Fiberglas Corp

Oliver C. Boileau
General Dynamics Corp

Frank Borman
Eastern Air Lines, Inc

I. David Bufkin
Texas Eastern Corp

Willard C. Butcher
The Chase Manhattan Corp

David R. Clare
Johnson & Johnson

John T. Collinson
Chessie System, Inc

Frank W. Considine
National Can Corp

John W. Culligan
American Home Products Corp

Kenneth T. Derr
Chevron U.S.A., Inc

Royce Diener
American Medical International, Inc

John W. Dixon
E-Systems, Inc

Robert F. Erburu
The Times Mirror Co

William S. Fishman
ARA Services, Inc

Robert M. Flanagan
Western Union Corp

A. Paul Funkhouser
CSX Corp

Robert W. Galvin
Motorola, Inc

David C. Garrett, Jr.
Delta Air Lines, Inc

Maurice R. Greenberg
American International Group, Inc

William H. Hudnut III
Mayor of Indianapolis

Harry L. Hufford
County of Los Angeles

Ramon L. Humke
Indiana Bell Telephone Co

James E. Lee
Gulf Oil Corp

Howard M. Love
National Steel Corp

H. William Lurton
Jostens, Inc

John G. McElwee
John Hancock Mutual Life Insurance Co

David F. Nelson
Wisconsin Telephone Co

John J. Nevin
Firestone Tire & Rubber Co

Guy W. Nichols
New England Electric System

John T. Pollock
The Dorsey Corp

Martin J. Schwab
United Merchants & Manufacturers, Inc

Dr. Harold T. Shapiro
University of Michigan

The Honorable John Spellman
Governor of the State of Washington

Robert P. Straetz
Textron, Inc

Eugene J. Sullivan
Borden, Inc

Richard P. Sullivan
Easco Corp

W. Paul Tippett, Jr.
American Motors Corp

W. Reid Thompson
Potomac Electric Power Co

Keith L. Turley
Arizona Public Service Co

Rawleigh Warner, Jr.
Mobil Corp

Gross income under $1,000,000

Stephen L. Rhea, president; John V. Kaiser, exec vp; Tony Filipelli, Ron Peabody, vps.

Phone: (312) 654-3344.

Rubin-Van Slyke, formerly Rubicom Associates, Bannockburn, Ill., reported gross income of $330,230 in 1983 on billings of $2,221,520. In 1982, the agency reported gross income of $276,250 on billings of $1,852,040. Volume in 1983 consisted of $758,000 in media, $556,400 in materials and services and $907,120 in capitalized fees. In 1982, volume consisted of $667,000 in media, $438,000 in materials and services and $747,040 in capitalized fees. Accounts gained: ONEAC, La Marche Mfg., Labsonics, Unison Industries. Lost: None. Billings breakdown: Newspapers 2%, business papers 78%, direct mail 20%. Employes: 8. Top execs: Ronald Rubin, president; Todd Van Slyke, exec vp.

Phone: (312) 295-7700.

Jerome H. Schmelzer & Associates, Cleveland, reported gross income of $177,000 in 1983 on billings of $1,476,510 with net income of $58,000. In 1982, it reported gross income of $202,000 on billings of $1,765,300 with net income of $72,000. Volume in 1983 consisted of $298,000 in media, $158,000 in materials and services and $1,020,510 in capitalized fees. In 1982, volume consisted of $326,000 in media, $172,000 in materials and services and $1,267,300 in capitalized fees. Accounts gained: West Bay Manor Nursing Homes, Colejon Mechanical Corp., Ursuline College, Health Care Review Systems. Lost: Women's Apparel Warehouse. Billings breakdown: Newspapers 22%, magazines 16%, radio 26%, spot tv 11%, outdoor 4%, business papers 9%, direct mail 12%. Employes: 9. Top exec: Jerome H. Schmelzer, president.

Phone: (216) 696-5550.

Scott & Scott Advertising, Evanston, Ill., reported gross income of $40,000 in 1983 on billings of $200,000. In 1982, it reported the same gross income and billings figures. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 40%, magazines 10%, radio 20%, spot tv 20%, business papers 10%. Employes: 2. Top execs: Robert J. Scott, president; Lucy A. Scott, vp.

Phone: (312) 675-4714.

Semel/Kaye & Company, Northbrook, Ill., had estimated gross income of $315,000 in 1983 on billings of $2,100,000. In 1982, it had estimated gross income of $180,000 on billings of $1,200,000. No volume breakout was provided. Accounts gained: Motorola Display Systems, Ryan Insurance Group, CEJN Corp., Psychotechnics, Marcon Division Toshiba. Lost: None. Billings breakdown: Newspapers 1%, magazines 1%, radio 1%, spot tv 1%, outdoor 2%, business papers 40%, point of sale 5%, direct mail 15%, other 34%. Employes: 12. Top execs: Richard L. Kaye, managing partner; Charles E. Semel, partner.

Phone: (312) 564-8860.

Sheffer & Peters, South Bend, Ind., reported gross income of $726,000 in 1983 on billings of $5,609,570. In 1982, it reported gross income of $506,000 on billings of $3,919,800. Volume in 1983 consisted of $370,000 in media, $764,000 in materials and services and $4,475,570 in capitalized fees. In 1982, volume consisted of $350,000 in media, $545,000 in materials and services and $3,024,800 in capitalized fees. Accounts gained: Berkel Inc., Challenge Metal Products, Coachman Realty, East Bank Center, Ridge Co., Union Tool Co., Sally Co. Lost: None. Billings breakdown: Magazines 70%, radio 15%, spot tv 10%, direct mail 5%. Employes: 23. Top execs: Richard D. Sheffer, ceo; Victor E. Peters, president.

Phone: (219) 272-5810.

Skirboll & Garber, Pittsburgh, reported gross income of $481,106 in 1983 on billings of $3,207,816. In 1982, it reported gross income of $248,831 on billings of $1,659,009. Volume in 1983 consisted of $1,663,958 in media, $657,115 in materials and services and $886,743 in capitalized fees. In 1982, volume consisted of $1,007,170 in media, $386,860 in materials and services and $264,979 in capitalized fees. Accounts gained: Dahlkemper's Catalog Showrooms, Buffalo Zone Oldsmobile Dealer Group, Pittsburgh Press/Post Gazette, Grant Oliver Corp., Alco Parking, William Penn Parking, Davis & Mazzotta, Russell Rea & Zappala, Warner Centre, Williams Trebilcock Whitehead, Sarasota Good Olds Guys, Jacksonville Zone Sunshine Olds Network. Lost: Gullivers Miami/Ft. Lauderdale Group. Billings breakdown: Newspapers 20%, magazines 2%, radio 20%, spot tv 50%, outdoor 2%, business papers 2%, other 4%. Employes: 14. Top execs: Stanley Skirboll, president; George Garber, exec vp.

Phone: (412) 471-1093.

Smith, Badofsky & Raffel, Chicago, reported gross income of $915,200 in 1983 on billings of $7,977,257. In 1982, it reported gross income of $1,365,000 on billings of $9,100,000. Volume in 1983 consisted of $3,171,920 in media, $1,044,544 in materials and services and $3,760,793 in capitalized fees. In 1982, volume consisted of $3,195,260 in media, $1,464,167 in materials and services and $4,440,573 in capitalized fees. Accounts gained: *Chicago Sun-Times* (special projects), Lettuce Entertain You Enterprises, Great Lakes Computer Peripherals, Polygram Inc., (special projects). Lost: *Chicago Tribune*. Billings breakdown: Newspapers 24%, magazines 5%, supplements 1%, radio 22%, spot tv 35%, outdoor 1%, transit 2%, business papers 5%, point of sale 1%, direct mail 4%. Employes: 17. Top execs: Robert J. Smith, president; Jack Badofsky, vp-creative director; William D. Raffel, exec vp.

Phone: (312) 661-1500.

Smith & Yehle, Kansas City, Mo., reported gross income of $975,125 in 1983 on billings of $6,504,083. In 1982, it reported gross income of $910,425 on billings of $6,072,535. Volume in 1983 consisted of $2,760,534 in media, $1,684,886 in materials and services and $2,058,663 in capitalized fees. In 1982, volume consisted of $2,732,641 in media, $1,518,134 in materials and services and $1,821,760 in capitalized fees. Accounts gained: Vista International Hotel, Utelcom, Kansas City Kings. Lost: Davis Paint. Billings breakdown: Newspapers 10%, magazines 10%, supplements 1%, radio 25%, spot tv 31%, outdoor 5%, point of sale 1%, direct mail 12%, other 5%. Employes: 20. Top execs: Karl J. Yehle, president; Cotton Smith, chairman; John Rylee, exec vp.

Phone: (816) 842-4900.

Robert Snyder Advertising, Northfield, Ill., reported gross income of $29,700 in 1983 on billings of $168,272. In 1982, it reported gross income of $26,300 on billings of $149,371. Volume in 1983 consisted of $83,500 in media, $74,100 in materials and services and $10,672 in capitalized fees. In 1982, volume consisted of $72,400 in media, $68,300 in materials and services and $8,671 in capitalized fees. Accounts gained: Flexible Steel Lacing Co., Growth Systems Inc. Billings breakdown: Newspapers 5%, magazines 20%, business papers 60%, direct mail 15%. Employes: 1. Top exec: Robert L. Snyder.

Phone: (312) 441-6230.

Starr Advertising, Northville, Mich., reported gross income of $953,025 in 1983 on billings of $6,399,840. In 1982, it reported gross income of $1,085,250 on billings of $7,237,550. Volume in 1983 consisted of $967,000 in media, $810,530 in materials and services and $4,622,310 in capitalized fees. In 1982, volume consisted of $1,150,000 in media, $985,000 in materials and services and $5,102,550 in capitalized fees. Accounts gained: Georgie Boy Motor Homes, Hella Inc., Farmer Peet Meat Products. Lost: Unicolor, Kysor Industrial, Indian Head. Billings breakdown: Newspapers 3%, magazines 43%, radio 5%, spot tv 3%, outdoor 1%, business papers 2%, point of sale 6%, direct mail 14%, other 23%. Employes: 15. Top execs: Henry A. Starr, president; Frank J. Lipford, exec vp, Richard A. Starr, senior vp; Garry V. Williams, vp.

Phone: (313) 348-3900.

Stockinger, Blair & Scott, St. Cloud, Minn., reported gross income of $137,500 in 1983 on billings of $1,550,500. In 1982, it reported gross income of $122,500 on billings of $1,357,000. Volume in 1983 consisted of $450,000 in media, $100,000 in materials and services and $1,000,500 in capitalized fees. In 1982, volume consisted of $400,000 in media, $90,000 in materials and services and $867,100 in capitalized fees. Accounts gained: Zapp National Bank, First National Bank of Little Falls. Lost: Tanner Systems, DCI Inc. Billings breakdown: Newspapers 25%, magazines 50%, radio 10%, outdoor 5%, farm publications 10%. Employes: 5. Top execs: Jeffrey L. Blair, president; Steven C. Scott, vp.

Phone: (612) 251-2140.

Storey Berman & Freer, Chicago, reported gross income of $662,000 in 1983 on billings of $4,414,000. In 1982, it reported gross income of $601,000 on billings of $3,970,670. Volume in 1983 consisted of $2,600,000 in media, $1,080,000 in materials and services and $733,700 in capitalized fees. In 1982, volume consisted of $2,100,000 in media, $1,197,000 in materials and services and $673,670 in capitalized fees. Account gained: International Harvester, truck parts division. Lost: Citizens Bank & Trust, Park Ridge. Billings breakdown: Newspapers 10%, magazines 10%, radio 20%, spot tv 10%, business papers 20%, other 30%. Employes: 10. Top execs: Jane C. Storey, Robert A. Berman, William B. Freer, directors.

Phone: (312) 822-9715.

Strother & Faltis, Dundee, Ill., reported gross income of $705,000 in 1983 on billings of $4,030,000. In 1982, it reported gross income of $486,059 on billings of $2,997,380. Volume in 1983 consisted of $2,418,000 in media, $1,612,000 in materials and services. In 1982, volume consisted of $1,786,000 in media, $1,211,380 in materials and services. Accounts gained: Mark I Greeting Cards, Fesco Plastics Corp., Sybex Computer Books, Duraco Products Lost: None. Billings breakdown: Newspapers 5%, magazines 15%, radio 10%, business papers 60%, point of sale 5%, direct mail 5%. Employes: 20. Top execs: Dennis J. Faltis, president; Bruce A. Strother, exec vp.

Phone: (312) 428-4300.

G. Temple Associates, Southfield, Mich., reported gross income of $808,000 in 1983 on billings of $5,119,000. In 1982, it reported gross income of $674,000 on billings of $4,104,500. Volume in 1983 consisted of $725,000 in media, $72,000 in materials and services and $4,322,000 in capitalized fees. In 1982, volume consisted of $355,000 in media, $61,500 in materials and services and $3,688,000 in capitalized fees. Accounts gained: Devlieg Machine Co., Mero Gamma Inc. Billings breakdown: Magazines 75%, direct mail 25%. Employes: 10. Top exec: G.L. Temple, president.

Phone: (313) 557-5044.

Tepe, Hensler & Westerkamp, Cincinnati, reported gross income of $540,900 and net income of $96,800 in 1983 on billings of $4,049,100. In 1982, it reported gross income of $411,900 and net income of $62,900 on billings of $2,070,000. Volume in 1983 consisted of $1,167,600 in media, $595,000 in materials and services and $2,286,500 in capitalized fees. In 1982, volume consisted of $561,400 in media, $442,100 in materials and services and $1,067,200 in capitalized fees. Accounts gained: Associated Banc Corp., Colorado Aggregate Co., Emerson A. North Hospital, Stearns & Foster Co. (special projects). Billings breakdown: Newspapers 10%, magazines 12%, radio 19%, spot tv 3%, business papers 40%, point of sale 1%, direct mail 2%, other 13%. Employes: 13. Top execs: John Tepe, president-partner; George Hensler, Tom Westerkamp, vps-partners.

Phone: (513) 241-0100.

Ira Thomas Associates, Youngstown, O., reported gross income of $715,033 in 1983 on billings of $5,283,563. In 1982, it reported gross income of $803,938 on billings of $6,153,198. Volume in 1983 consisted of $1,046,920 in media, $535,067 in materials and services and $3,701,576 in capitalized fees. In 1982, volume consisted of $1,836,864 in media, $660,234 in materials and services and $3,656,100 in capitalized fees. Accounts gained: Molded Fiber Glass Co., RMI Co., Chester Hoist. Lost: None. Billings breakdown: Newspapers 8%, radio 3%, business papers 82%, direct mail 5%, other 2%. Employes: 21. Top exec: Ira D. Thomas, president.

Phone: (216) 793-3000.

Total Communications, St. Louis, reported gross income of $256,828 in 1983 on billings of $1,437,030. The agency did not report figures for 1982. Volume in 1983 consisted of $741,651 in media, $224,939 in materials and services and $470,440 in capitalized fees. Accounts gained: Fairmount Park Racetrack. Lost: None. Billings breakdown: Newspapers 20%, magazines 1%, radio 45%, network tv 33% outdoor 1%. Employes: 8. Top exec: William B. Hyland, president-ceo.

Phone: (314) 726-0430.

TRIAD-Terry Robie Industrial Advertising, Toledo, O., reported gross income of $171,860 in 1983 on billings of $941,320. In 1982, it reported gross income of $125,000 on billings of $831,070. Volume in 1983 consisted of $369,900 in media, $64,500 in materials and services and $506,920 in capitalized fees. In 1982, volume consisted of $365,000 in media, $59,000 in materials and services and $406,870 in capitalized fees. Accounts gained: DacorMFG, Dunbar Mfg. Lost: Computer Age. Billings breakdown: Newspapers 5%, magazines 35%, radio 7%, spot tv 3%, outdoor 5%, business papers 35%, point of sale 5%, direct mail 5%. Employes: 5. Top execs: Bob Terry, president-chairman; Jan Robie, exec vp.

Phone: (419) 241-5110.

Tri-State Advertising, Warsaw, Ind., reported gross income of $528,443 in 1983 on billings of $3,671,846. In 1982, it reported gross income of $587,018 on billings of $3,912,934. Volume in 1983 consisted of $1,593,928 in media, $796,718 in materials and services and $1,281,200

Category profiles: Personal computers

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Chiat/Day Hoefer

Announcing
THE TOUCHSCREEN PERSONAL COMPUTER.
The Hewlett-Packard 150

J. Walter Thompson USA

in capitalized fees. In 1982, volume consisted of $1,911,719 in media, $982,294 in materials and services and $1,018,921 in capitalized fees. Accounts gained: Unverferth Mfg., L[illegible]Man Corp., Garrett Tubular Products. Lost: Parker Industries, Wilson-Fiberfill International. Billings breakdown: Newspapers 1%, magazines 5%, business papers 84%, farm publications 3%, direct mail 7%. Employes: 17. Top execs: William L. Kriecker, president; E.T. Robinson, senior vp; J.E. Betchel, vp.

Phone: (219) 267-5178.

John Volk Co., Chicago, reported gross income of $661,033 in 1983 on billings of $4,408,476. In 1982, it reported gross income of $693,725 on billings of $4,627,146. Volume in 1983 consisted of $1,233,689 in media, $475,980 in materials and services and $3,174,787 in capitalized fees. In 1982, volume consisted of $971,699 in media, $508,988 in materials and services and $3,146,459 in capitalized fees. Accounts gained: Moorman Mfg. Co.; National Corn Growers Assn. (trade delegation projects); Beef Industry Council (special projects). Lost: Estech Professional Products. Billings breakdown: Newspapers 7%, radio 12%, business papers 9%, farm publications 72%. Employes: 12. Top execs: John Volk, president; Tom Wright, vp.

Phone: (312) 787-7117.

Southern region

W. Va.
Virginia
Kentucky
N. Carolina
Tennessee
S. Carolina
Oklahoma
Arkansas
Georgia
Miss.
Alabama
Texas
Louisiana
Florida

Adair Associates/Advertising, Atlanta, reported gross income of $996,062 in 1983 on billings of $4,870,863. In 1982, it reported gross income of $903,513 on billings of $4,619,588. Volume in 1983 consisted of $194,696 in media, $2,314,334 in materials and services and $2,361,833 in capitalized fees. In 1982, volume consisted of $139,134 in media, $2,158,807 in materials and services and $2,321,647 in capitalized fees. U.S subsidiary: Bottlers Press. Account gained: Coggins Systems Ltd. Billings breakdown: Newspapers 8%, magazines 23%, radio 11%, spot tv 58%. Employes: 15. Top execs: William M. Adair, president.

Phone: (404) 351-8424.

Adams & Longino Advertising, Greenville, N.C., reported gross income of $198,842 and net income of $63,232 in 1983 on billings of $1,237,649. In 1982, it reported gross income of $107,550 and net income of $19,550 on billings of $796,617. Volume in 1983 consisted of $473,210 in media, $264,663 in materials and services and $499,776 in capitalized fees. In 1982, volume consisted of $341,953 in media, $85,488 in materials and services and $369,176 in capitalized fees. Accounts gained: Knight Energy Systems (Squire Woodstoves), Greene County Development, Cox Trailers, Pentagon Properties, Athletic Clubs Inc. Billings breakdown: Newspapers 10%, magazines 30%, radio 10%, spot tv 5%, outdoor 15%, business papers 25%, point of sale 5%. Employes: 6. Top exec: Frank H. Longino Jr., president.

Phone: (919) 752-1914.

Ad/Image Advertising, Tampa, Fla., reported gross income of $314,899 and net income of $267,664 in 1983 on billings of $1,266,345. No information was provided for 1982. Volume in 1983 consisted of $220,275 in media, $94,625 in materials and services and $951,445 in capitalized fees. Accounts gained: Sunmark Communities, WIQI-FM/101, Mainlands Construction Co., Rosetree Homes, Ybor City Redevelopment Agency. Lost: Fort Brooke S&L, Berkel Industries. Billings breakdown: Newspapers 40%, magazines 5%, radio 20%, spot tv 20%, outdoor 15%. Employes: 9. Top execs: John W. Stokes Jr., chairman; James H. Epstein, president; Marianne A. Moore, exec vp; Ted G. Moore, Rod Caborn, senior vps.

Phone: (813) 877-8660.

Advertising Impact, Memphis, reported gross income of $223,000 in 1983 on billings of $1,487,000. In 1982, it reported gross income of $194,375 on billings of $1,297,000. Volume in 1983 consisted of $784,000 in media, $583,000 in materials and services and $120,000 in capitalized fees. In 1982, volume consisted of $680,000 in media, $517,000 in materials and services and $100,000 in capitalized fees. Accounts gained: Diocese of Memphis, Faith Tank Mfg. Lost: None. Billings breakdown: Business papers 50%, farm publications 2%, other 48%. Employes: 5. Top exec: Jim Wright, president.

Phone: (901) 754-7522.

Advertising & Art Council, Birmingham, Ala., reported an estimated gross income of $242,000 in 1983 on billings of $1,608,790. In 1982, it reported an estimated gross income of $212,000 on billings of $1,425,700. Volume in 1983 consisted of $15,000 in media, $13,000 in materials and services and $1,580,790 in capitalized fees. In 1982, volume consisted of $13,000 in media, $12,000 in materials and services and $1,400,700 in capitalized fees. Accounts gained: Church & Stagg, Woodlawn Community, Immediate Medical Care, Medical Personnel Pool, WEBB. Billings breakdown: Newspapers 10%, magazines 30%, radio 10%, spot tv 10%, direct mail 40%. Employes: 7. Top exec: Ron Council, president.

Phone: (205) 591-5500.

Allen & Mattingly, Atlanta, reported gross income of $845,897 in 1983 on billings of $5,444,958. In 1982, it reported gross income of $552,150 on billings of $3,681,823. Volume in 1983 consisted of $2,340,000 in media, $655,618 in materials and services and $2,449,340 in capitalized fees. In 1982, volume consisted of $1,693,158 in media, $340,504 in materials and services and $1,648,161 in capitalized fees. Accounts gained: Management USA, Financial Services Corp., ReMax Realty, Chattahoochee Bank, John McDonald Pontiac. Lost: Knoxville Hilton Hotel. Billings breakdown: Newspapers 15%, magazines 17%, radio 25%, spot tv 33%, outdoor 7%, direct mail 3%. Employes: 9. Top execs: William B. Allen, president; Marshall Mattingly, exec vp.

Phone: (404) 952-2393.

Norman R. Anderson & Associates, San Antonio, reported gross income of $98,760 in 1983 on estimated capitalized billings of $658,729. The agency works on a fee basis. No figures were reported for 1982. Accounts gained: Video Master Inc., Sand Dollar Pools, Rohde/Weissgarber, Service Title Co. Lost: None. Top execs: Norman Anderson, president; Irene Anderson, vp.

Phone: (512) 822-7536.

Assistance in Marketing, Charleston, W.Va., reported gross income of $12,000 in 1983 on billings of $132,000. The agency did not report figures for 1982. Volume in 1983 consisted of $80,000 in media and $52,000 in materials and services. Accounts gained: None. Lost: None. Billings breakdown: Radio 2%, spot tv 1%, farm publications 97%. Employes: 2. Top exec: D. Ray Hall, president.

Phone: (304) 768-8221.

Barney & Patrick Advertising, Mobile, Ala., reported gross income of $771,169 in 1983 on billings of $5,049,974. The agency did not report figures for 1982. Volume in 1983 consisted of $2,405,192 in media, $198,700 in materials and services and $2,446,082 in capitalized fees. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 18%, magazines 15%, radio 20%, spot tv 30%, outdoor 11%, business papers 6%. Employes: 16. Top execs: McGowin I. Patrick, president; J. Tyler Turner Jr., exec vp.

Phone: (205) 433-0401.

Bedell Inc., Fort Smith, Ark., reported gross income of $700,000 in 1983 on billings of $4,667,000. In 1982, it reported estimated gross income of $636,000 on billings of $4,243,000. Volume was not reported for either year. Accounts gained: 9. Lost: 2. Billings breakdown: Newspapers 10%, magazines 10%, radio 20%, network tv 60%. Employes: 32 in three offices. Top exec: Conaly Bedell, owner.

Phone: (501) 782-8261.

Behrends & Co., High Point, N.C., reported gross income of $906,735 in 1983 on billings of $6,219,288. In 1982, it reported gross income of $952,001 on billings of $6,071,791. Volume in 1983 consisted of $1,008,691 in media, $1,079,219 in materials and services and $4,131,378 in capitalized fees. In 1982, volume consisted of $1,036,888 in media, $817,769 in materials and services and $4,217,134 in capitalized fees. Accounts gained: Singer furniture division, High Point Memorial Hospital, Stedman, D & G Enterprises, Elk River Development Corp., Jamestown Sterling, Radisson Hotel of High Point, Sarreid. Lost: CB&F. Billings breakdown: Newspapers 15%, magazines 10%, supplements 10%, radio 17%, spot tv 15%, outdoor 5%, business papers 22%, direct mail 6%. Employes: 32. Top execs: Richard D. Behrends, president-chairman; Lawrence K. Lathrop, exec vp.

Phone: (919) 882-4151.

Burdette Advertising, Fort Myers, Fla., reported gross income of $244,490 in 1983 on billings of $1,665,867. In 1982, it reported gross income of $300,224 on billings of $2,256,630. Volume in 1983 consisted of $743,647 in media, $157,184 in materials and services and $765,036 in capitalized fees. In 1982, volume consisted of $946,385 in media, $153,020 in materials and services and $1,157,225 in capitalized fees. Accounts gained: MedCenter, G.D. Ritzy's, Meadowbrook Park Retirement Centers, Lite-R-Line. Lost: Royal Palm Square, The Malt Bros. (construction & development), Lee County Bank, Trans Gulf Properties. Billings breakdown: Newspapers 26%, magazines 14%, radio 16%, spot tv 22%, cable tv 3%, outdoor 5%, business papers 8%, other 6%. Employes: 10 in two offices. Top exec: Robert C. Pace II, president.

Phone: (813) 482-2200.

Robert K. Butcher & Associates, Shreveport, La., reported gross income of $436,400 in 1983 on billings of $2,162,200. In 1982, it reported gross income of $437,000 on billings of $2,158,500. Volume in 1983 consisted of $797,900 in media, $531,900 in materials and services and $832,400 in capitalized fees. In 1982, volume consisted of $870,900 in media, $580,600 in materials and services and $707,000 in capitalized fees. Billings breakdown: Newspapers 35%, magazines 9%, radio 7%, spot tv 30%, other 19%. Employes: 15 in two offices. Top exec: Robert K. Butcher, president.

Phone: (318) 221-4113.

The Com/Tech Group, St. Petersburg, Fla., reported gross income of $270,963 in 1983 on billings of $1,630,494. In 1982, it reported gross income of $282,624 on billings of $1,747,911. Volume in 1983 consisted of $228,213 in media, $156,546 in materials and services and $1,245,735 in capitalized fees. In 1982, volume consisted of $217,450 in media, $136,952 in materials and services and $1,393,509 in capitalized fees. Billings breakdown: Business papers 42%, farm publications 1%, other 57%. Employes: 6. Top execs: Robert C. Pierson, president; Robert G. Koehler, vp.

Phone: (813) 321-6500.

Crawford & Associates, Atlanta, had estimated gross income of $180,000 and net income of $38,000 in 1983 on billings of $1,200,000. In 1982, it had estimated gross income of $119,250 and net income of $30,000 on billings of $795,000. Volume in 1983 consisted of $514,000 in media, $327,954 in materials and services and $358,046 in capitalized fees. No volume breakout was provided for 1982. Accounts gained: Abrams Fixture Corp. Billings breakdown: Newspapers 10%, magazines 15%, supplements 10%, radio 5%, spot tv 18%, cable tv 2%, business papers 30%, farm publications 2%, point of sale 5%, direct mail 3%. Employes: 6. Top exec: Harry N. Crawford, president.

Phone: (404) 355-9311.

Crumbley & Associates, Atlanta, had estimated gross income of $735,000 in 1983 on billings of $4,900,000. In 1982, it had estimated gross income of $615,000 on billings of $4,100,000. Volume in 1983 consisted of $3,993,370 in media, $313,000 in materials and services and $593,630 in capitalized fees. In 1982, volume consisted of $3,360,760 in media, $259,000 in materials and services and $480,240 in capitalized fees. Accounts gained: The Banker's Note, Southeastern Federal Savings Bank. Lost: None. Billings breakdown: Newspapers 33%, magazines 2%, radio 31%, spot tv 32%, outdoor 2%. Employes: 14. Top execs: George P. Crumbley Jr., president; Cheryl C. Miles, exec vp; Thomas M. Crumbley, vp.

Phone: (404) 577-7150.

Ross Cummings & Co., Oklahoma City, reported gross income of $115,000 in 1983 on billings of $765,000. In 1982, it reported gross income of $308,000 on billings of $2,056,000. Volume in 1983 consisted of $5,000 in media, $60,000 in materials and services and $700,000 in capitalized fees. In 1982, volume consisted of $461,000 in media, $227,000 in materials and services and $1,368,000 in capitalized fees. Accounts gained: Stonebridge Development Co., Fluid Data Inc., Heritage National Bank. Billings breakdown: Newspapers 5%, other 95%. Employes: 4. Top exec: Ross W. Cummings, president.

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Dally Advertising, Fort Worth, had estimated gross income of $900,000 in 1983 on billings of $6,000,000. In 1982, it had an estimated gross income of $675,000 on billings of $4,500,000. No volume breakout or billings breakdown was provided.
Phone: (817) 332-5299.

Dodson, Craddock & Born, Pensacola, Fla., had estimated gross income of $111,082 in 1983 on billings of $740,550. In 1982, it had estimated gross income of $117,285 on billings of $781,900. Volume in 1983 consisted of $228,000 in media, $79,000 in materials and services and $433,550 in capitalized fees. In 1982, volume consisted of $206,000 in media, $109,000 in materials and services and $466,900 in capitalized fees. The agency did not break down its billings. Employes: 15. Top exec: Frank W. Craddock, president.
Phone: (904) 433-8314.

Dulaney Advertising, Louisville, Ky., reported gross income of $781,000 in 1983 on billings of $5,[illegible]71,340 with net income of $122,000. In 1982, it reported gross income of $554,000 on billings of $4,099,950 with net income of $76,000. Volume in 1983 consisted of $1,265,000 in media, $91,000 in materials and services and $4,015,340 in capitalized fees. In 1982, volume consisted of $812,000 in media, $53,000 in materials and services and $3,234,950 in capitalized fees. Accounts gained: California Waterbeds, Porter Paint, Claiborne Farm, Godfather's Pizza, Kinnear Mfg., Southern Strip Steel. Lost: Brinly Hardy Co., Wakefield Scearce Galleries, Ebonite International. Billings breakdown: Newspapers 35%, magazines 5%, supplements 10%, radio 15%, spot tv 20%, business papers 5%, outdoor 5%, direct mail 5%. Employes: 20. Top exec: W. Dulaney, president.
Phone: (502) 587-1711.

Fraser Advertising, Atlanta, reported gross income of $103,800 in 1983 on billings of $726,000. In 1982, it reported gross income of $77,000 on billings of $512,050. Volume in 1983 consisted of $329,000 in media, $160,000 in materials and services and $237,000 in capitalized fees. In 1982, volume consisted of $320,000 in media, $92,000 in materials and services and $100,050 in capitalized fees. Accounts gained: Grocery Products Distribution Services, Bay City Securities. Billings breakdown: Newspapers 15%, radio 2%, spot tv 40%, business papers 20%, direct mail 6%, other 17%. Employes: 2. Top exec: Neil L. Fraser, president.
Phone: (404) 892-7060.

Fricke 3 Inc., Raleigh, N.C., reported gross income of $307,005 in 1983 on billings of $1,682,648. In 1982, it reported gross income of $346,205 on billings of $1,935,454. Volume in 1983 consisted of $926,325 in media, $503,330 in materials and services and $252,993 in capitalized fees. In 1982, volume consisted of $1,083,285 in media, $645,532 in materials and services and $206,637 in capitalized fees. Accounts gained: General Electric Mortgage Insurance; MacGregor Development. Lost: None. Billings breakdown: Newspapers 15%, magazines 30%, radio 5%, outdoor 20%, business papers 20%, other 10%. Employes: 8. Top exec: Charles H. Fricke III, president.
Phone: (919) 872-0900.

GKD Advertising, Oklahoma City, had estimated gross income of $646,791 in 1983 on billings of $4,311,945. In 1982, it had estimated gross income of $795,161 on billings of $5,201,074. Volume in 1983 consisted of $1,259,110 in media, $921,296 in materials and services and $2,131,539 in capitalized fees. In 1982, volume consisted of $1,510,004 in media, $1,157,804 in materials and services and $2,533,266 in capitalized fees. Accounts gained: AAR Western Skyways, Baer Homes, Command Performance, Southwest Fan, Crosswinds Inns, Crow Development, Gann's Stores, Phoenix Management, Schlotzkys, Memorial Bank, Hill Aero, Leadership Property, Lincoln Property, Bryant Air Conditioning. Lost: Re-Flico, IPEC, Hoskins Aviation. Billings breakdown: Newspapers 19%, magazines 36%, radio 35%, outdoor 5%, farm publications 5%. Employes: 24. Top exec: Donald B. Dennis, president.
Phone: (405) 943-2333.

Groseclose & Poindexter, Roanoke, Va., had gross income of $338,774 in 1983 on billings of $2,152,709. In 1982, it reported gross income of $219,716 on billings of $1,573,156. Volume in 1983 consisted of $1,138,647 in media, $276,087 in materials and services and $737,975 in capitalized fees. In 1982, volume consisted of $761,054 in media, $200,390 in materials and services and $611,712 in capitalized fees. Accounts gained: Dominion Bankshares Corp. Lost: Davidson's, Mr. Formal Wear, Carter & Jones. Billings breakdown: Newspapers 30%, magazines 5%, radio 13%, spot tv 35%, outdoor 15%, direct mail 2%. Employes: 8. Top execs: Dale S. Poindexter, president.
Phone: (703) 989-3318.

Harris, Drury & Associates, Fort Lauderdale, Fla., reported gross income of $354,000 in 1983 on billings of $1,531,015. In 1982, it reported gross income of $154,500 on billings of $688,135. Volume in 1983 consisted of $848,355 in media, $395,850 in materials and services and $286,810 in capitalized fees. In 1982, volume consisted of $248,380 in media, $263,000 in materials and services and $176,755 in capitalized fees. Accounts gained: Adult Communities Total Services, Microtel, Peninsula Federal S&L, Sun-Dan, CIGNA Healthplan of South Florida, Chaparral Boats, Hilton Inn at Inverrary, Two Financial Plaza. Lost: Ocean Club, City National Bank, Traders International, Hollywood Bread. Billings breakdown: Newspapers 26%, magazines 11%, radio 31%, spot tv 21%, outdoor 5%, direct mail 6%. Employes: 14. Top execs: Jack Drury, Stan Harris, John Drury, owners.
Phone: (305) 776-0800.

Hawaiian Tropic Advertising, Ormond Beach, Fla., had estimated gross income of $270,000 in 1983 on billings of $1,800,000. In 1982, it had estimated gross income of $195,000 on billings of $1,300,000. No volume breakout was provided. Billings breakdown: Magazines 60%, radio 15%, spot tv 15%, outdoor 10%. Employes: 5. Top exec: Ron Rice, owner.
Phone: (904) 677-9559.

Hicks & Grayson, Coral Gables, Fla., reported gross income of $418,351 in 1983 on billings of $2,522,000. In 1982, it reported gross income of $378,842 on billings of $2,367,000. No volume breakout was provided. Accounts gained: Sausman Hotel Group, American Diversfied, Security Plastics, Doctors' Hospital, Lyford Cay Club. Lost: Key Biscayne Hotel & Villas, Horizons 2000, Coral Gables Lincoln Mercury. Billings breakdown: Newspapers 20%, magazines 8%, radio 18%, spot tv 35%, cable tv 1%, outdoor 1%, direct mail 2%, other 15%. Employes: 4. Top execs: Donald J. Hicks, president and chairman; Stephen A. Grayson, senior vp.
Phone: (305) 444-7463.

Image Advertising, Roanoke, Va., reported gross income of $258,000 in 1983 on billings of $2,633,980. In 1982, it reported gross income of $215,000 on billings of $2,267,500. Volume in 1983 consisted of $673,000 in media and $1,960,980 in capitalized fees. In 1982, volume consisted of $600,000 in media and $1,667,500 in capitalized fees. Accounts gained: The Bank of Christiansburg. Lost: None. Billings breakdown: Newspapers 28%, magazines 2%, radio 18%, spot tv 22%, cable tv 1%, outdoor 1%, business papers 2%, point of sale 17%, direct mail 5%, other 4%. Employes: 7. Top exec: William H. Tanger III, president.
Phone: (703) 343-3693.

Impressive Advertising, Waynesboro, Va., reported gross income of $54,797 and net income of $14,795 in 1983 on billings of $458,236. In 1982, it reported gross income of $54,586 and net income of $15,339 on billings of $400,439. Volume in 1983 consisted of $260,936 in media, $16,950 in materials and services and $180,350 in capitalized fees. In 1982, volume consisted of $222,861 in media, $15,551 in materials and services and $162,027 in capitalized fees. Billings breakdown: Newspapers 65%, magazines 5%, business papers 15%, farm publications 15%. Employes: 6. Top exec: T.W. Reynolds, president.
Phone: (703) 949-8964.

Jiloty, Shipley & Associates, Holly Hill, Fla., reported gross income of $351,010 in 1983 on billings of $2,363,027. In 1982, it reported gross income of $265,712 on billings of $1,794,598. Volume in 1983 consisted of $807,341 in media, $279,228 in materials and services and $1,276,458 in capitalized fees. In 1982, volume consisted of $544,443 in media, $254,544 in materials and services and $995,611 in capitalized fees. Accounts gained: Kraft Construction, Harbor Breeze condominium, SS&P Associates. Lost: Pelican Bay, Reef at Marathon. Billings breakdown: Newspapers 21%, magazines 25%, radio 10%, spot tv 2%, cable tv 2%, outdoor 10%, business papers 5%, point of sale 5%, direct mail 20%. Employes: 9. Top execs: Michael J. Jiloty, president; G. James Shipley, exec vp; Rick Bosang, vp.
Phone: (904) 677-0673.

Johnston Advertising & Public Relations, Dallas, reported gross income of $152,000 in 1983 on billings of $1,082,000. In 1982, it reported gross income of $163,000 on billings of $1,113,180. Volume in 1983 consisted of $478,000 in media, $157,000 in materials and services and $447,000 in capitalized fees. In 1982, volume consisted of $590,000 in media, $163,000 in materials and services and $360,180 in capitalized fees. Accounts gained: Thermwood Corp., Taco Plaza, Accumation Inc. Lost: None. Billings breakdown: Newspapers 8%, magazines 6%, radio 12%, spot tv 7%, business papers 11%, point of sale 22%, direct mail 34%. Employes: 3. Top execs, Joe Johnston, owner.
Phone: (214) 522-6536.

Mabyn Kean Agency, Baton Rouge, La., reported gross income of $805,197 in 1983 on billings of $1,961,546 In 1982, it reported gross income of $936,433 on billings of $2,267,021. Volume in 1983 consisted of $404,463 in media, $196,793 in materials and services and $1,360,290 in capitalized fees. In 1982, volume consisted of $586,192 in media, $115,569 in materials and services and $1,565,260 in capitalized fees. Accounts gained: Brown-Eagle Corp., Alexander's Sporting Goods, Exxon Refinery, Dental Hygiene Group, Causeway Motors, Lousteau Ford & RV, Capitol Nursing Service, Strokee Enterprises. Lost: The Greater Baton Rouge State Fair. Billings breakdown: Newspapers 10%, magazines 1%, radio 33%, spot tv 42%, cable tv 4%, outdoor 4%, business papers 3%, point of sale 1%, direct mail 2%. Employes: 9. Top exec: Mabyn Kean Shingleton, president.
Phone: (504) 925-8278.

Kelso Associates, Asheville, N.C., reported gross income of $148,000 in 1983 on billings of $800,000. In 1982, it reported gross income of $120,000 on billings of $650,000. Net income was $58,000 in 1983 and $22,000 in 1982. The agency did not break down its volume for either year. Accounts gained: Andersen Chevrolet Olds, WNC Golf Assn., Haywood Co. Chamber of Commerce, Waggie Valley Chamber of Commerce. Lost: Ashville Area Kentucky Fried Chicken, Waltech. Billings breakdown: Newspapers 10%, magazines 30%, radio 25%, spot tv 30%, direct mail 5%. Employes: 5. Top execs: Robert M. Kelso, partner-president; Robert Boeberitz, partner-vp.
Phone: (704) 258-0123.

J.H. Lewis Advertising, Mobile, Ala., reported gross income of $880,918 in 1983 on billings of $6,045,891. In 1982, it reported gross income of $949,440 on billings of $6,469,535. Volume in 1983 consisted of $2,459,722 in media, $365,574 in materials and services and $3,220,595 in capitalized fees. In 1982, volume consisted of $3,113,984 in media, $521,473 in materials and services and $2,834,078 in capitalized fees. Billings breakdown: Newspapers 21%, magazines 29%, radio 6%, spot tv 13%, outdoor 6%, other 25%. Employes: 25. Top exec: John H. Lewis Jr., president.
Phone: (205) 438-2507.

Loeffler Marley Mountjoy, Charlotte, N.C., reported gross income of $928,944 in 1983 on billings of $6,196,056. In 1982, it reported gross income of $846,000 on billings of $5,642,820. No volume breakout was provided. Accounts gained: Branch Banking & Trust, WRAL-TV, Piggly Wiggly Carolina Corp., Greenbax Stamps, Cameron-Brown Co., Winter Place, Southern Coatings, Pee Dee Ceramics, Central Carolina Surgical Eye Associates. Lost: Raintree Corp., Sonoco Products Co. Billings breakdown: Newspapers 17%, magazines 2%, radio 10%, spot tv 50%, outdoor 5%, business papers 10%, point of sale 2%, direct mail 2%, other 2%. Employes: 24. Top execs: William G. Loeffler, president; David E. Marley, James W. Mountjoy, vps.
Phone: (704) 554-7141.

The Marcus Group, Atlanta, reported gross income of $870,500 in 1983 on billings of $5,779,750. In 1982, it reported gross income of $520,600 on billings of $3,472,800. Its net income in 1983 was $52,230 and $32,700 in 1982. In 1983, volume consisted of $4,125,325 in media, $1,014,105 in materials and services and $640,320 in capitalized fees. In 1982, volume consisted of $1,957,870 in media, $988,000 in materials and services and $526,930 in capitalized fees. Accounts gained: Dexter Lock, American Tara Corp., Flexible Package Group. Lost: Micromeritics, Intelligent Systems Corp. Billings breakdown: Newspapers 6%, magazines 66%, business papers 20%, point of sale 4%, other 4%. Employes: 21. Top execs: Charlenne Carl, president; Susan Frazier, exec vp; Roger Vershen, chairman.
Phone: (404) 261-3003.

Harold Miller Marketeer, Miami, had estimated gross income of $471,610 in 1983 on billings of $3,144,070. In 1982, it had estimated gross income of $449,877 on billings of $2,999,180. Volume in 1983 consisted of $406,500 in media, $930,000 in materials and services and $1,807,570 in capitalized fees. In 1982, volume consisted of $399,500 in media, $905,500 in materials and services and $1,694,180 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 5%, supplements 10%, radio 2%, spot tv 5%, outdoor 3%, direct mail 5%, other 60%. Employes: 1. Top exec: Harold Miller, president.
Phone: (305) 944-8442.

John L. Moorehead Advertising, Durham N.C., had estimated gross income of $80,960 in 1983 on billings of $539,735. In 1982, the agency had estimated gross income of $44,809 on billings of $298,732. Volume in 1983 consisted of $192,873 in media, $65,015 in materials and services and $281,847 in capitalized fees. In 1982, the agency's volume consisted of $40,943 in media, $20,471 in materials and services and $237,318 in capitalized fees. Accounts lost: Home S&L Assn. Billings breakdown: Newspapers 30%, business papers 55%, direct mail 15%. Employes: 3. Top exec: John L. Moorhead, president.
Phone: (919) 688-6137.

Moske & Associates, Falls Church, Va., reported gross income of $131,902 in 1983 on billings of $841,796. In 1982, it reported gross income of $88,172 on billings of $574,760. Volume in 1983 consisted of $213,663 in media, $128,894 in materials and services and $499,239 in capitalized fees. In 1982, volume consisted of $171,776 in media, $66,710 in materials and services and $335,874 in capitalized fees. Accounts gained: Graphnet Inc., Young House, Ian Michaels Inc., Arnold Computer Consulting, The Clubhouse. Lost: KDK Enterprises, Ameri-Print. Billings breakdown: Newspapers 22%, magazines 60%, direct mail 18%. Employes: 5. Top exec: Marilyn Tipton Moske, owner.
Phone: (703) 237-0300.

Multiservice Corp., Hartselle, Ala., reported estimated gross income of $25,000 in 1983 on billings of $164,145. The agency did not report for 1982. Volume in 1983 consisted of $124,000 in media, $16,800 in materials and services and $23,345 in capitalized fees. Accounts gained: Ray Campbell (political campaign), Dream Angel Beauty Pageants, ABC Day Care Nursery. Billings breakdown: Newspapers 75%, magazines 15%, radio 10%. Employes: 4. Top exec: Robert E. Johnston Jr., president.
Phone: (205) 773-2082.

Nucifora & Associates, Atlanta, reported an estimated gross income of $203,000 in 1983 on billings of $1,813,120. In 1982, it reported gross income of $124,027 on billings of $1,105,138. Volume in 1983 consisted of $723,243 in media, $271,968 in materials and services and $817,909 in capitalized fees. In 1982, volume consisted of $402,006 in media, $124,843 in materials and services and $576,289 in capitalized fees. Accounts gained: Micromeritics Instrument Corp., Park Place, Strategic Technologies, CW Petroleum & Chemical, GA Medical Plan, Health Dent. Lost: Klopp Enterprises, Beverly Bremer Silver Shop, Catronix Corp. Billings breakdown: Newspapers 30%, magazines 10%, radio 10%, spot tv 5%, business papers 20%, direct mail 5%, other 20%. Employes: 9. Top exec: Alf Nucifora, president.
Phone: (404) 892-9555.

Carolin Paxson Advertising, El Paso, Tex., reported gross income of $531,608 in 1983 on billings of $5,211,059. No information was provided for 1982. Volume in 1983 consisted of $[illegible],333,050 in media, $916,528 in materials and services and $961,481 in capitalized fees. Accounts gained: Re/Max Realtors, Angel's Home Improvement Stores, Handy Dan Home Improvement Centers, Texas National Bank, El Texano Lake Country Club, Sonic Drive-Ins, Mesilla Valley Mall. Lost: Iron Tender Restaurants, Continental National Bank. Billings breakdown: Newspapers 25%, magazines 8%, radio 12%, spot tv 42%, outdoor 3%, business papers 2%, point of sale 2%, direct mail 6%. Employes: 15 in two offices. Top exec: Carolin Paxson, president.
Phone: (915) 778-9351.

Powell & Jones, Charlotte, N.C., had estimated gross income of $285,000 in 1983 on billings of $1,900,000. In 1982, it had estimated gross income of $195,000 on billings of $1,300,000. The agency did not break out volume for either year. Accounts gained: The Future Group, Lakewood Commons, Riverbank Commons, Rex Plastics. Lost: WBT, WBCY. Billings breakdown: Newspapers 15%, magazines 25%, radio 15%, spot tv 10%, outdoor 10%, farm publications 15%, point of sale 5%, direct mail 5%. Employes: 6. Top exec: John A. Powell III, president.
Phone: (704) 376-0933.

Redmond, Amundson & Rice, Virginia Beach, Va., had an estimated gross income of $694,518 in 1983 on billings of $4,630,121. In 1982, it had an estimated gross income of $687,450 on reported billings of $4,583,000. No volume breakout was provided. Bill-

ings breakdown: Newspapers 3%, magazines 2%, radio 22%, spot tv 69%, cable tv 1%, outdoor 1%, transit 1%, direct mail 1%. Employes: 17. Top exec: Russell J. Redmond, president.
Phone: (804) 499-1203.

Shable, Sawyer & Pitluk, Houston, reported gross income of $506,807 in 1983 on billings of $3,379,506. In 1982, it reported gross income of $403,697 on billings of $2,691,984. Volume in 1983 consisted of $1,459,093 in media, $333,633 in materials and services and $1,586,780 in capitalized fees. In 1982, volume consisted of $942,067 in media, $407,453 in materials and services and $1,342,464 in capitalized fees. Billings breakdown: Newspapers 9%, magazines 33%, radio 28%, spot tv 29%, outdoor 1%. Employes: 10. Top exec: James R. Shable, president.
Phone: (713) 869-9200.

Sheehy & Knopf, Louisville, Ky., reported gross income of $560,596 in 1983 on billings of $5,512,172. In 1982, it reported gross income of $328,601 on billings of $3,603,995. Volume in 1983 consisted of $3,162,160 in media, $629,757 in materials and services and $1,159,659 in capitalized fees. In 1982, volume consisted of $1,714,259 in media, $349,303 in materials and services and $1,211,832 in capitalized fees. Accounts gained: Exhibit Management, Morgan Packing Co., NKC Inc., S.R. Wood Inc. Lost: None. Billings breakdown: Newspapers 17%, magazines 14%, supplements 2%, radio 22%, spot tv 34%, cable tv 1%, outdoor 5%, point of sale 2%, other 3%. Employes: 19. Top execs: William B. Sheehy, chairman; Paul R. Knopf, president.
Phone: (502) 897-6411.

Smelkinson, Cerrati & Co., Hilton Head Island, S.C., reported gross income of $631,736 and net income of $207,209 in 1983 on billings of $4,212,796. In 1982, it reported gross income of $491,668 and net income of $106,367 on billings of $3,256,717. Volume in 1983 consisted of $1,118,657 in media, $648,437 in materials and services and $2,445,702 in capitalized fees. In 1982, volume consisted of $561,631 in media, $446,329 in materials and services and $2,248,757 in capitalized fees. Accounts gained: Southern Bank, Lighthouse Software Corp., Colony Reef Club, Marsh Walk Villa, Island Creek Condos. Billings breakdown: Newspapers 30%, magazines 30%, radio 10%, spot tv 5%, outdoor 5%, point of sale 10%, direct mail 10%. Employes: 18. Top exec: Marsha F. Smelkinson, president.
Phone: (803) 785-5038.

Smith & Associates, Charlotte, N.C., had estimated gross income of $450,000 in 1983 on billings of $3,000,000. The agency did not report figures for 1982. No volume breakout was provided. Billings breakdown: Newspapers 20%, magazines 20%, radio 15%, spot tv 20%, outdoor 15%, business papers 5%, direct mail 5%. Employes: 10. Top execs: Oscar Smith, president; Lanny Smith, exec vp.
Phone: (704) 536-1275.

Sorenson/Evans, Dallas, had estimated gross income of $130,350 in 1983 on billings of $869,000. In 1982, it had estimated gross income of $117,060 on billings of $780,400. Volume in 1983 consisted of $388,000 in media, $281,000 in materials and services and $200,000 in capitalized fees. In 1982, volume consisted of $287,000 in media, $360,000 in materials and services and $133,400 in capitalized fees. Accounts gained: Builders Sportswear, Interphase Corp., Fiduciary Trust Co. of the Southwest. Lost: Telpar, Inc. Billings breakdown: Newspapers 8%, magazines 67%, business papers 10%, direct mail 10%, other 5%. Employes: 4. Top exec: Robert N. Sorensen, president.
Phone: (214) 661-8046.

Jerre R. Todd & Associates, Fort Worth, Tex., reported gross income of $622,799 in 1983 on billings of $4,153,511. In 1982, it reported gross income of $796,088 on billings of $5,309,101. Net income was $8,277 in 1983 and $33,811 in 1982. Volume in 1983 consisted of $609,397 in media, $494,130 in materials and services and $3,049,984 in capitalized fees. In 1982, volume consisted of $767,313 in media, $843,713 in materials and services and $3,698,075 in capitalized fees. Accounts gained: Landmark Bank, On-The-Border Restaurants, Leaspak International. Lost: Tronics Marketing Co. Billings breakdown: Newspapers 12%, magazines 37%, radio 20%, outdoor 30%, other 1%. Employes: 16. Top execs: Jerre R. Todd, president; Bill Benge, exec vp; Sue Countryman, senior vp.
Phone: (817) 335-2107.

Umphenour & Martin, Tucker, Ga., and Los Angeles, reported gross income of $905,829 in 1983 on billings of $5,928,708. In 1982, it reported gross income of $833,505 on billings of $5,602,376. Volume in 1983 consisted of $2,032,999 in media, $1,500,305 in materials and services and $2,395,404 in capitalized fees. In 1982, volume consisted of $2,088,476 in media, $1,310,892 in materials and services and $2,203,008 in capitalized fees. Figures include those of subsidiary, Umphenour & Martin, Los Angeles. Accounts gained: Mitchell's Management Corp., Coca-Cola USA (special projects). Lost: None. The agency did not break down its billings. Employes: 15 in two offices. Top execs: Margaret Ann Martin, president; Russell V. Umphenour Jr., chairman.
Phone: (404) 939-6820.

Waddington Advertising, Lubbock, Tex., reported gross income of $675,479 in 1983 on billings of $4,507,327. In 1982, the agency reported gross income of $556,735 on billings of $4,412,720. The agency's volume in 1983 consisted of $2,773,312 in media and $1,734,015 in capitalized fees. In 1982, the agency's volume consisted of $2,614,120 in media and $1,798,600 in capitalized fees. Billings breakdown: Newspapers 48%, radio 8%, spot tv 21%, outdoor 1%, other 22%. Employes: 17. Top execs: John Waddington, president; Carol Williams, exec vp.
Phone: (806) 792-3881.

Western region

Admix Advertising, Salt Lake City, reported gross income of $940,000 in 1983 on estimated billings of $6,269,800. In 1982, it reported gross income of $876,000 on estimated billings of $5,842,920. No volume breakout was provided. Billings breakdown: Newspapers 21%, magazines 12%, radio 20%, spot tv 35%, outdoor 8%, transit 1%, point of sale 2%, direct mail 1%. Employes: 4. Top execs: Gene Yates, president; Jack Stevens, vp.
Phone: (801) 486-1053.

Albright & Price, Lafayette, Cal., reported gross income of $199,120 and net loss of $13,001 in 1983 on billings of $1,246,145. In 1982, it reported gross income of $183,853 and net income of $6,717 on billings of $1,186,362. Volume in 1983 consisted of $51,076 in media, $438,474 in materials and services and $756,595 in capitalized fees. In 1982, volume consisted of $56,982 in media, $410,178 in materials and services and $719,202 in capitalized fees. Accounts gained: Country Inn Tours, North Sail San Francisco. Lost: DeWitt Sails. Billings breakdown: Newspapers 41%, magazines 59%. Employes: 5. Top exec: J. Grant Price, president.
Phone: (415) 284-1694.

Alpine Advertising, Billings, Mont., reported gross income of $798,475 in 1983 on billings of $5,250,000. The agency did not provide figures for 1982. Volume in 1983 consisted of $1,506,500 in media, $75,000 in materials and services and $3,668,500 in capitalized fees. Accounts gained: Ryan's IGA, Barber Transportation, Valley Garden Golf Village, JN Oil, Pickeral Bay. Lost: None. Billings breakdown: Newspapers 12%, magazines 15%, radio 28%, spot tv 30%, outdoor 7%, direct mail 8%. Employes: 18. Top exec: James F. Preste, president.
Phone: (406) 652-1630.

William F. Arens & Associates, La Jolla, Cal., had estimated gross income of $300,000 in 1983 on billings of $2,000,000. The agency reported the same in 1982. No volume breakout was provided. Accounts gained: Frozfruit, MediChek, C.D.I. Lost: Vertaline Mfg., Scripps Clinic & Research Foundation, Mediscan. Billings breakdown: Newspapers 18%, magazines 20%, radio 7%, spot tv 15%, business papers 5%, point of sale 5%, direct mail 10%, other 20%. Employes: 10 in two offices. Top execs: William F. Arens, president; Mel Buxbaum, exec vp.
Phone: (714) 454-0724.

Benefield, Levinger & Associates, Santa Rosa, Cal., reported gross income of $193,579 in 1983 on billings of $1,313,574. In 1982, it reported gross income of $192,578 on billings of $1,314,104. Volume in 1983 consisted of $574,667 in media, $143,569 in materials and services and $595,338 in capitalized fees. In 1982, volume consisted of $584,979 in media, $159,360 in materials and services and $569,765 in capitalized fees. Accounts gained: Sonoma County Convention & Visitors Bureau, Santa Rosa Memorial Hospital. Lost: American City Bank, Fabtek Inc. Billings breakdown: Newspapers 33%, magazines 11%, radio 4%, spot tv 5%, outdoor 4%, business papers 38%, direct mail 5%. Employes: 4. Top exec: James R. Benefield, president.
Phone: (707) 542-6572.

Bulloch & Haggart, Colorado Springs, reported gross income of $816,867 in 1983 on billings of $1,886,009. In 1982, it reported gross income of $713,155 on billings of $1,524,856. Volume in 1983 consisted of $427,702 in media, $200,603 in materials and services and $1,257,704 in capitalized fees. In 1982, volume consisted of $296,602 in media, $273,396 in materials and services and $954,858 in capitalized fees. Accounts gained: Van Schaak & Co., North American Homes, Colorado Springs Home Builders Assn., Teller County Home Builders Assn., Consolidated Growers, Penrose Hospitals, Transwestern Properties, Ray Allen Associates, Colorado Springs Surgical Associates. Lost: David R. Sellon Co., Wignad Corp. Billings breakdown: Newspapers 55%, magazines 21%, radio 6%, spot tv 14%, outdoor 3%, direct mail 1%. Employes: 8. Top execs: Stephen R. Haggart, president; Thomas O. Bulloch, exec vp.
Phone: (303) 635-7576.

Western region
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Wyoming
Nevada
Utah
Colorado
California
Arizona
New Mexico

Cantor Advertising, San Diego, had estimated gross income of $705,000 in 1983 on billings of $4,700,000. In 1982, it had estimated gross income of $390,000 on billings of $2,600,000. No volume breakout was provided. Accounts gained: Ballerina Boutique, Captain Kidds' Seafood Galleys, KCBQ-AM/Q105-FM radio stations, Picnic'N'Chicken, Price Bazaar, Second Sole Athletic Shoes, ShowBiz Pizza Place, Trend Furniture, Z90FM/KIFM 98 radio stations. Lost: Sportsworld, Fashion Conspiracy, Rid-

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out Plastics. Employes: 13. Top exec: Dennis Cantor, president.
Phone: (619) 268-8422.

The Ray Coen Co. Santa Monica, Cal., had estimated gross income of $450,000 in 1983 on billings of $3,000,000. In 1982, it had estimated gross income of $225,000 on billings of $1,500,000. No volume breakout was provided. Accounts gained: Beverly Heritage Hotels, Early California Foods, Saga Corp. restaurant management division. Lost: Alpha-Metrics. Billings breakdown: Newspapers 25%, magazines 45%, radio 5%, outdoor 10%, point of sale 5%, direct mail 5%, other 5%. Employes: 5. Top exec: Raymond L. Coen, president.
Phone: (213) 453-5421.

Darien, Russell, Hill & Dahl, formerly Darien, Russell & Hill, San Jose and Fresno, Cal., reported gross income of $534,939 in 1983 on billings of $4,241,839. In 1982, it reported gross income of $485,372 on billings of $3,498,704. Volume in 1983 consisted of $2,934,103 in media, $373,536 in materials and services and $934,200 in capitalized fees. In 1982, volume consisted of $2,438,191 in media, $211,395 in materials and services and $849,118 in capitalized fees. Billings breakdown: Newspapers 27%, magazines 5%, radio 23%, spot tv 39.5%, cable tv 1%, outdoor 1%, transit 0.5%, business papers 1%, direct mail 2%. Employes: 14. Top execs: Frank Darien Jr., Earle Russell, Danny Hill, Gary Dahl, vps.
Phone: (408) 247-2622.

Dini Advertising, San Francisco, reported gross income of $120,217 in 1983 on billings of $1,663,157. In 1982, it reported gross income of $166,797 on billings of $1,178,825. Volume in 1983 consisted of $560,007 in media, $252,725 in materials and services and $850,425 in capitalized fees. In 1982, volume consisted of $395,979 in media, $185,608 in materials and services and $597,238 in capitalized fees. Accounts gained: Bay Alarm Co., Better Business Bureau (East & North Bay), Cuvaison Winery, Fuller-Le Page Real Estate, General Electric Co., Lily's Restaurant, Schroeter, White & Johnson, Trans Ocean Leasing. Lost: Pacific Rail Service, Italian Lines, Atlanttrafic. Billings breakdown: Newspapers 20%, magazines 15%, radio 20%, spot tv 20%, outdoor 5%, business papers 10%, point of sale 5%, direct mail 5%. Employes: 8. Top execs: Robert L. Dini, president.
Phone: (415) 433-0800.

Drummond Advertising, Los Gatos, Cal., reported gross income of $209,700 in 1983 on billings of $1,530,323. It did not report figures for 1982. Volume in 1983 consisted of $338,000 in media, $198,493 in materials and services and $993,830 in capitalized fees. Accounts gained: By-Video Corp., Opticom Systems. Lost: Softlink Corp. Billings breakdown: Newspapers 5%, magazines 85%, direct mail 5%, point of sale 5%. Employes: 4 in four offices. Top exec: Charles R. Drummond, president.
Phone: (408) 354-3387.

Dunshee & Co., Denver, had estimated gross income of $135,000 in 1983 on billings of $900,000. In 1982, it also had estimated gross income of $135,000 on billings of $900,000. No volume breakout was provided. Top exec: Ross M. Dunshee, president.
Phone: (303) 571-5280.

Elgee Co., Spokane, reported gross income of $114,200 in 1983 on billings of $893,720. In 1982, it reported gross income of $77,000 on billings of $376,000. Volume in 1983 consisted of $320,100 in media, $200,100 in materials and services and $373,520 in capitalized fees. In 1982, volume consisted of $200,000 in media, $110,000 in materials and services and $66,700 in capitalized fees. Billings breakdown: Newspapers 3%, magazines 58%, radio 10%, spot tv 26%, other 3%. Employes: 3. Top exec: Michael J. Elgee, owner.
Phone: (509) 535-0631.

Estey-Hoover, Newport Beach, Cal., reported gross income of $969,342 in 1983 on billings of $6,709,297. In 1982, it reported gross income of $958,186 on billings of $6,503,809. Volume in 1983 consisted of $3,295,762 in media, $902,867 in materials and services and $2,510,668 in capitalized fees. In 1982, volume consisted of $3,263,300 in media, $890,595 in materials and services and $2,349,914 in capitalized fees. Accounts gained: Amber West, Funbus, Magic Island, Standard Communications, California Dental Health Plan. Lost: Golden Rain Foundation, Masterworks Software, Ontel. Billings breakdown: Newspapers 21%, magazines 36%, radio 6%, spot tv 23%, outdoor 1%, direct mail 7%, other 6%. Employes: 20. Top exec: Daniel W. Hoover, chairman-president.
Phone: (714) 549-8651.

Fotheringham & Associates, Salt Lake City, reported gross income of $939,191 in 1983 on billings of $5,592,524. In 1982, it reported gross income of $881,217 on billings of $5,147,214. Volume in 1983 consisted of $1,326,144 in media, $1,205,050 in materials and services and $3,061,330 in capitalized fees. In 1982, volume consisted of $1,194,324 in media, $1,402,271 in materials and services and $2,550,619 in capitalized fees. Accounts gained: American S&L, Jackson Hole Ski Corp., Garff Motor Center. Lost: MountainWest Savings, Union Bank, Interlake Thrift, Winder Dairy, Retirement Inns, Felt Electric, Cambridge Crossing. Billings breakdown: Newspapers 39%, magazines 5%, radio 16%, spot tv 37%, outdoor 2%, direct mail 1%. Employes: 20. Top exec: Robert S. Fotheringham, president.
Phone: (801) 521-2903.

Alan Frank & Associates Inc., Salt Lake City, reported gross income of $263,114 and net income of $17,780 in 1983 on billings of $6,731,389. In 1982, it reported gross income of $279,909 and net income of 18,915 on billings of $7,688,200. Volume in 1983 consisted of $5,815,240 in media, $44,293 in materials and services and $871,856 in capitalized fees. In 1982, volume consisted of $6,713,576 in media, $47,120 in materials and services and $927,504 in capitalized fees. Accounts gained: Fiber Science/EDO Corp., Circle 'J' Club, David Early Tire. Lost: KUTV Inc., Levoy's Image Dynamics. Billings breakdown: Newspapers 45%, radio 5%, spot tv 35%, outdoor 5%, point of sale 1%, direct mail 2%, other 7%. Employes: 20 in two offices. Top exec: Alan F. Frank, president.
Phone: (801) 486-7455.

Gabel Advertising, Colorado Springs, reported gross income of $341,620 in 1983 on billings of $2,548,322. In 1982, it reported gross income of $331,460 on billings of $2,470,474. Volume in 1983 consisted of $1,170,349 in media, $295,579 in materials and services and $1,082,394 in capitalized fees. In 1982, volume consisted of $1,119,462 in media, $273,940 in materials and services and $1,077,072 in capitalized fees. Accounts gained: Kaman Instrumentation, Electro-Mech., Cuchara Valley Resort, Styro-Molders, Smart Development, Wigand Corp. Lost: None. Billings breakdown: Newspapers 32%, magazines 12%, radio 14%, outdoor 3%, direct mail 1%, network tv 38%. Employes: 11. Top exec: Kurt Gabel, president.
Phone: (303) 636-2361.

The Gable Agency, San Diego, reported gross income of $806,478 in 1983 on billings of $5,400,000. In 1982, it reported gross income of $644,184 on billings of $ 4,300,000. Volume in both years was all in media. Accounts gained: Otay International Center, Scripps Clinic and Research Foundation, The Naiman Co., San Diego Tech Center, Energy Factors Inc. Southwestern Cable TV, Torrey Pines Bank. Lost: Sun Savings, Rancho Santa Fe National Bank, Ne-Mo's Bakery. Billings breakdown: Newspapers 19%, magazines 44%, supplements 2%, radio 21%, spot tv 8%, point-of-sale 1%, direct mail 4%, other 1%. Employes: 28. Top execs: Tom Gable, president; Michael W. Sund, exec vp.
Phone: (619) 234-1300.

Gardiner Advertising, Salt Lake City, reported gross income of $484,407 in 1983 on billings of $3,240,405. In 1982, it reported gross income of $446,577 on billings of $3,167,895. Volume in 1983 consisted of $1,172,925 in media, $407,004 in materials and services and $1,660,476 in capitalized fees. In 1982, volume consisted of $1,271,494 in media, $522,884 in materials and services and $1,373,517 in capitalized fees. Accounts gained: General Distributors (Budweiser), Libra Programing. Lost: Family Health Program. Billings breakdown: Newspapers 21.8%, magazines 24.9%, 13.3%, spot tv 34.5%, outdoor 5.5%. Employes: 15. Top exec: Harold Gardiner, president.
Phone: (801) 364-5600.

Grant & Pollack Advertising, Denver, reported gross income of $586,000 and net income of $42,000 on estimated billings of $3,900,000 in 1983. In 1982, it had gross income of $231,000 and net income of $14,000 on estimated billings of $1,540,000. Billings breakdown: Newspapers 20%, magazines 15%, radio 30%, network tv 25%, direct mail 10%. Employes: 40. Top execs: John C. Grant, president-ceo; David T. Golden Jr., Roger A. Lipker, Kathie Sabatini, senior vps.
Phone: (303) 623-1778.

Haddad Lawrence Advertising, Studio City, Cal., reported gross income of $850,000 in 1983 on estimated capitalized billings of $5,669,500. In 1982, it reported gross income of $750,000 on billings of $5,000,000. No volume breakout was provided. Accounts gained: California Tackle, Phelps Dodge Solar Enterprises, Andermac Inc., Sensor Technology, L.A. United School District, six divisions of HTL Industries, IMACS Systems Corp., Apollo Lasers, Blue Chip Computer Systems, Watt Industries. Lost: Ajinomoto. Billings breakdown: Newspapers 30%, magazines 30%, radio 15%, spot tv 10%, direct mail 5%, other 10%. Employes: 20. Top execs: Daniel E. Lawrence, president; B. Haddad, exec vp.
Phone: (818) 508-6100.

Haller Schwarz, Los Angeles, reported gross income of $730,000 in 1983 on billings of $4,870,000. In 1982, it reported gross income of $698,000 on billings of $4,650,000. No break down in volume was provided. Accounts gained: Advanced Matrix Technology Inc., Filon Division, Sohio Chemical, Perfect Software Inc., Personal Systems Technology, We're Here to Help Computer Printer Store. Lost: Burlington Northern Air Freight, P. Leiner Nutritional Products, Luv-it Fashions. No billings breakdown were reported. Employes: 12. Top execs: Henry Schwarz, president; Anthony Haller, senior vp.
Phone: (213) 462-4433.

Hinton & Steel, Seattle, reported gross income of $304,121 in 1983 on billings of $2,665,324. In 1982, it reported gross income of $296,527 on billings of $2,282,692. Volume in 1983 consisted of $807,877 in media, $382,764 in materials and services and $1,474,683 in capitalized fees. In 1982, volume consisted of $489,719 in media, $445,567 in materials and services and $1,347,406 in capitalized fees. Accounts gained: Attachmate Corp., Brock Residence Inns Of Washington, Oregon & Alaska, CompuFair, Metlife Capital Corp., *Seattle Business Journal*. Lost: Sheraton Hotels of Seattle, Billings & Anchorage. Billings breakdown: Newspapers 25%, magazines 10%, radio 20%, spot tv 10%, business papers 20%, other 15%. Employes: 8. Top exec: Dennis Hinton, president.
Phone: (206) 623-0852.

Hunter Barth Advertising, Santa Ana, Cal., reported gross income of $717,200 in 1983 on billings of $4,711,800. In 1982, it reported gross income of $657,000 on billings of $4,334,000. Volume in 1983 consisted of $3,244,000 in media, $523,000 in materials and services and $933,800 in capitalized fees. In 1982, volume consisted of $3,000,000 in media, $420,000 in materials and services and $914,000 in capitalized fees. Accounts gained: Associated Business Products, Complete Business Systems, Donnellon McCarthy Inc., Global Services, Modern Business Systems, National Office Machine Dealers Assn. Lost: Copy Plus, Hoosier Photo, Scot Business Machines, Southern Home Equities. Billings breakdown: Newspapers

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10%, radio 80%, spot tv 5%, direct mail 5%. Employes: 15. Top exec: Werner Paul Barth, president.
Phone: (714) 540-0707.

Ink Well Advertising, St. George, Utah, reported gross income of $114,033 in 1983 on billings of $802,499 with net income of $8,463. In 1982, it reported gross income of $122,677 on billings of $901,541 with net income of $5,798. Volume in 1983 consisted of $218,261 in media, $77,418 in materials and services and $506,820 in capitalized fees. In 1982, volume consisted of $277,559 in media, $84,157 in materials and services and $539,825 in capitalized fees. Accounts gained: Anthony Motors, Arrow Audio, Pizza Factory, Western Independent Bankers, Neilsen's Frozen Yogurt, Horizon Thrift & Loan, Crystal Mountain Resort. Lost: Personal Business Computers. Billings breakdown: Newspapers 35%, magazines 18%, radio 23%, spot tv 20%, outdoor 2%, other 2%. Employes: 5. Top exec: Wallace Brazzeal, president.
Phone: (801) 628-0484.

The Jones Agency, Palm Springs, Cal., reported gross income of $523,765 in 1983 on billings of $3,492,790 with net income of $290,259. In 1982, it reported gross income of $472,2,4 on billings of $3,149,044 with net income of $259,718. Volume in 1983 consisted of $891,087 in media, $557,508 in materials and services and $2,043,995 in capitalized fees. In 1982, volume consisted of $699,984 in media, $548,110 in materials and services and $1,900,950 in capitalized fees. Accounts gained: Hotel Twin Dolphin, Dr. Milauskas (ophthalmology), Palm Springs Marquis, Sheraton Plaza, Pompei Restaurant. Lost: Unique Golf, Holstein Industries. Billings breakdown: Newspapers 25%, magazines 40%, radio 10%, spot tv 5%, outdoor 15%, direct mail 5%. Employes: 14. Top exec: Milton W. Jones, president.
Phone: (714) 325-1437.

Junger-Wellman & Co., Los Angeles, reported gross income of $273,000 and net income of $26,800 in 1983 on billings of $1,790,560. In 1982, it reported gross income of $205,000 and net income of $20,525 on billings of $1,270,400. Volume in 1983 consisted of $300,000 in media, $370,000 in materials and services and $1,120,560 in capitalized fees. In 1982, volume consisted of $185,000 in media, $285,000 in materials and services and $800,400 in capitalized fees. Accounts gained: Metrobank, Greatwest Hospitals, A-M Co. Lost: La Canada/Flintridge Country Club, Urbatec, Spar Development. Billings breakdown: Newspapers 60%, magazines 25%, radio 1%, outdoor 2%, business papers 10%, direct mail 2%. Employes: 8. Top execs: Andrew R. Wellman, chairman; George A. Junger, president.
Phone: (213) 477-8251.

Klein/Richardson, Beverly Hills, reported gross income of $411,000 in 1983 on billings of $2,750,000 with net income of $101,000. In 1982, it reported gross income of $345,000 on billings of $2,300,000 with net income of $69,000. No volume breakout was provided. Accounts gained: Granada Royale Hometels, Aliseo International, The Reading Game, Valley Presbyterian Hospital, Beam Imports. Lost: Hyatt Hotels of Southern California, Mr. & Mrs. 'T'. Billings breakdown: Newspapers 30%, magazines 25%, radio 25%, outdoor 5%, business papers 10%, point of sale 5%. Employes: 8. Top exec: Neil K. Klein, president.
Phone: (213) 652-4450.

Raymond I. Lang Advertising, San Carlos, Cal., reported gross income of $73,400 in 1983 on billings of $490,076. The agency did not report figures for 1982. Volume in 1983 consisted of $40,503 in media, $10,020 in materials and services and $439,553 in capitalized fees. Accounts gained: Cap Snap Seal. Lost: None. Billings breakdown: Newspapers 5%, business papers 95%. Employes: 2. Top exec: Raymond I. Lang, president.
Phone: (415) 595-8800.

Lansdale, Carr & Baum, Irvine, Cal., had estimated gross income of $375,000 in 1983 on billings of about $2,500,000. The agency owns several of its clients but did not include billings to those clients in its report. No volume breakout was provided. Top exec: Phil Lansdale, president.
Phone: (714) 850-0148.

Larson, Bateman & McAllister, Santa Barbara, Cal., reported gross income of $606,967 in 1983 on billings of $5,041,077. In 1982, it reported gross income of $635,131 on billings of $4,895,387. Volume in 1983 consisted of $3,557,980 in media, $468,408 in materials and services and $1,014,689 in capitalized fees. In 1982, volume consisted of $3,751,246 in media, $408,640 in materials and services and $735,501 in capitalized fees. Accounts gained: Host International, Digital Sound Corp., General Research Corp., Pentabs, All Year Assn. of Santa Barbara. Lost: Excel-Mineral, Great American Restaurants, Cox Cable Santa Barbara, Kinko's Graphics, Log Etronics. Billings breakdown: Newspapers 23%, magazines 2%, radio 21%, spot tv 34%, business papers 5%, other 15%. Employes: 16. Top exec: Michael McAllister, president.
Phone: (805) 963-5841.

Steve Lutzker Advertising, Phoenix, Ariz., reported gross income of $649,232 in 1983 on billings of $3,277,372. In 1982, it reported gross income of $508,588 on billings of $2,567,825. Volume in 1983 consisted of $1,160,270 in media, $1,576,242 in materials and services and $540,860 in capitalized fees. In 1982, volume consisted of $1,133,693 in media, $1,234,132 in materials and services and $200,000 in capitalized fees. Accounts gained: Romney Hotels, Aztec Development, Huma-Gro. Lost: Leon's Furniture. Billings breakdown: Newspapers 40%, magazines 5%, radio 20%, spot tv 20%, outdoor 15%. Employes: 20. Top execs: Steve Lutzker, president; E. Richard Roberts, senior vp.
Phone: (602) 252-0031.

MacGibbon & Kobasic, Portland, Ore., and Seattle, reported gross income of $439,300 in 1983 on billings of $2,191,094. In 1982, it reported gross income of $379,900 on billings of $1,729,392. Volume in 1983 consisted of $1,556,444 in media, $634,650 in materials and services. In 1982, volume consisted of $1,205,492 in media, $523,900 in materials and services. Accounts gained: Wagner Mining Equipment, ESCO Corp., Vancouver Federal Savings, ComputerLand, Stephens Engineering. Lost: Rambold Corp. Billings breakdown: Newspapers 15%, magazines 25%, radio 5%, spot tv 50%, farm publications 5%. Employes: 14. Top exec: John I. Kobasic, president.
Phone: (503) 2[illegible].

Marketing Directions, Newport Beach, Cal., reported gross income of $813,373 in 1983 on billings of $5,966,713. In 1982, it reported gross income of $786,713 on billings of $4,412,324. Volume in 1983 consisted of $599,275 in media, $572,615 in materials and services and $4,794,823 in capitalized fees. In 1982, volume consisted of $594,283 in media, $725,382 in materials and services and $3,092,659 in capitalized fees. Accounts gained: Impra Inc., Nellcor Inc., Riverside Community Hospital, Valleylab Inc. Lost: Birtcher Corp. Billings breakdown: Newspapers 8%, magazines 2%, radio 2%, business papers 35%, direct mail 13%, other 40%. Employes: 20. Top execs: Richard L. Lawrence, chairman; Michael B. Cole, president; James J. Lawrence, exec vp..
Phone: (714) 752-6211.

MarketReach Inc., Seattle, reported gross income of $440,121 in 1983 on billings of $2,935,149. In 1982, it reported gross income of $357,932 on billings of $2,387,159. Volume in 1983 consisted of $560,469 in media, $359,153 in materials and services and $2,015,527 in capitalized fees. In 1982, volume consisted of $282,680 in media, $216,576 in materials and services and $1,887,903 in capitalized fees. Accounts gained: Advanced Digital Technology, Mannesmann Tally, Telechoice, Self Regulation Systems, Minicomputer Modeling. Lost: Advanced Technology Laboratories, Advanced Digital Technology, Telechoice Self Regulation Systems. Billings breakdown: Newspapers 4%, magazines 8%, radio 5%, spot tv 1%, business papers 26%, direct mail 30%, other 26%. Employes: 7. Top exec: Gene Davis, president.
Phone: (206) 282-3439.

Robert McKim & Co., Los Angeles, reported estimated gross income of $632,851 in 1983 on billings of $4,219,005. In 1982, it reported gross income of $390,000 on billings of $2,458,600. Volume in 1983 consisted of $702,000 in media, $1,266,192 in materials and services and $2,250,000 in capitalized fees. In 1982, volume consisted of $622,000 in media, $836,100 in materials and services and $1,000,500 in capitalized fees. Accounts gained: Datasoft Inc., Cal Custom, Cannon Safe, Perma Plaque. Lost: Data Assette, Iris. Billings breakdown: Newspapers 10%, magazines 20%, radio 5%, spot tv 25%, business papers 15%, farm publications 5%, point of sale 5%, direct mail 15%. Employes: 12. Top exec: Robert McKim, president.
Phone: (213) 382-2358.

Mills Advertising, Los Angeles, reported gross income of $175,000 in 1983 on billings of $2,100,250. In 1982, it reported gross income of $150,000 on billings of $1,750,250. Volume in 1983 consisted of $1,400,000 in media, $200,000 in materials and services and $500,250 in capitalized fees. In 1982, volume consisted of $1,150,000 in media, $100,000 in materials and services and $500,250 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 75%, radio 10%, direct mail 5%. Employes: 4. Top exec: Erza Millstein, president.
Phone: (213) 604-0777.

Nord Advertising Associates, Salt Lake City, reported gross income of $233,135 in 1983 on billings of $2,200,000. In 1982, it reported gross income of $197,400 on billings of $1,800,000. No volume breakout was provided. Billings breakdown: Newspapers 10%, magazines 2%, supplements 2%, radio 15%, spot tv 60%, outdoor 10%, transit 1%. Employes: 7. Top exec: Lewis Nord, president.
Phone: (801) 521-8383.

Offield & Brower, Los Gatos, Cal., reported gross income of $342,693 in 1983 on billings of $4,617,717. In 1982, it reported gross income of $340,000 on billings of $2,527,395. Volume in 1983 consisted of $1,438,363 in media, $796,109 in materials and services and $2,383,245 in capitalized fees. In 1982, volume consisted of $750,000 in media, $320,000 in materials and services and $1,457,395 in capitalized fees. Accounts gained: Harte-Hanks/*Pennysaver*, Applied Software Technology, Braegen Corp., Iomega Corp., Datamac, Skyway Freight Systems. Lost: BASIS Microcomputer, Momentum Computer Systems, Cushman Electronics, Memorex Corp. Billings breakdown: Newspapers 13%, magazines 55%, radio 14%, outdoor 2%, business papers 2%, point of sale 6%, direct mail 8%. Employes: 10. Top exec: Ernest E. Brower, president.
Phone: (408) 354-0536.

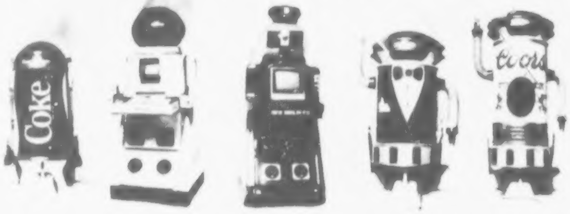
Patchen Brownfeld, Phoenix, reported gross income of $587,000 in 1983 on billings of $5,008,500. In 1982, it reported gross income of $221,000 on billings of $2,320,000. Volume in 1983 consisted of $4,300,000 in media, $255,000 in materials and services and $453,500 in capitalized fees. In 1982, volume consisted of $2,000,000 in media, $120,000 in materials and services and $200,000 in capitalized fees. Accounts gained: Entz-White Deptartment Store, American West Airlines, Great Western Bank. Lost: None. Billings breakdown: Newspapers 20%, magazines 10%, radio 12%, spot tv 24%, outdoor 10%, business papers 10%, point of sale 4%, direct mail 10%. Employes: 15. Top execs: Steve Patchen, president; Fred Brownfeld, exec vp.
Phone: (602) 274-7707.

The Phillips Organization, San Diego, reported gross income of $995,929 in 1983 on billings of $6,642,846. In 1982, it reported gross income of $915,000 on billings of $6,103,050. No volume breakout was provided. Accounts gained: None. Lost: None. Billings breakdown: Newspapers 20%, magazines 15%, radio 10%, spot tv 15%, outdoor 2%, transit 3%, business papers 5%, point of sale 10%, direct mail 10%, other 10%. Employes: 17. Top exec: Robert B. Phillips, president.
Phone: (619) 274-8100.

Pierce & Strain, San Francisco, had estimated gross income of $255,000 in 1983 on billings of $1,700,000. In 1982, it had estimated gross income of $195,000 on billings of $1,300,000. Volume in 1983 consisted of $1,700,000 in media. In 1982, volume consisted of $1,300,000 in media. Billings breakdown: Newspapers 10%, radio 25%, spot tv 5%, outdoor 10%, business papers 10%, farm publications 40%. Employes: 6. Top exec: Jerry E. Pierce, president.
Phone: (415) 392-4092.

Professional Marketing Group, Los Angeles, reported gross income of $337,000 and net income of $15,000 in 1983 on billings of $1,967,200. In 1982, it reported gross income of $355,000 and net income of $2,000 on billings of $1,617,100. Volume in 1983 consisted of $150,000 in media, $750,000 in materials and services and $1,067,200 in capitalized fees. In 1982, volume consisted of $100,000 in media, $650,000 in materials and services and $867,100 in capitalized fees. Accounts gained: Retirement Inns of America, Orchids Paper Co., Time Sports Inc., Cheap Wheels of the Valley, La Familia Restaurants, Maui Mex Foods. Lost: Distributed Logic Corp., ASICS Tiger Corp., Systems Furniture. Billings breakdown: Newspapers 30%, magazines 10%, radio 10%, spot tv 40%, business papers 10%. Employes: 14. Top exec: John Haskell, president.
Phone: (213) 385-9202.

Rahm Advertising & Public Relations, Oakland, Cal, reported gross income of $379,029 in 1983 on billings of $2,509,229. In 1982, it reported gross income of $301,989 on billings of $1,672,206. Volume in 1983 consisted of $763,562 in media, $471,804 in materials and services and $1,273,863 in capitalized fees. In 1982, volume consisted of $517,731 in media, $204,600 in materials and services and $949,875 in capitalized fees. Accounts gained:



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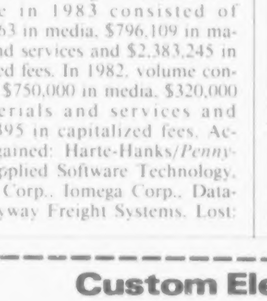

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Dunne Quality Paints, Liberty Radiator & Co., SFO Helicopter Airlines. Billings breakdown: Newspapers 4%, magazines 5%, radio 25%, spot tv 10%, outdoor 12%, business papers 12%, point of sale 25%, direct mail 7%. Employes: 8. Top execs: John Hermansky, president; James C. Resor, exec vp.

Phone: (415) 832-1500.

Rainoldi-Bowles, San Francisco, reported gross income of $670,420 in 1983 on billings of $4,278,207. In 1982, it reported gross income of $673,357 on billings of $4,315,582. Volume in 1983 consisted of $756,211 in media, $1,196,801 in materials and services and $2,325,195 in capitalized fees. In 1982, volume consisted of $791,118 in media, $1,258,505 in materials and services and $2,265,959 in capitalized fees. Accounts gained: Allergenetics Inc., Sparta Instruments, Snowden-Pencer, Oxbridge Inc. and International Diagnostics Technology. Lost: CAS Systems, Metro Pacific Enterprises, Soladex, Coors Biomedical. Billings breakdown: Newspapers 6%, magazines 25%, radio 5%, transit 1%, business papers 4%, point of sale 30%, direct mail 15%, other 14%. Employes: 11. Top exec: Joseph C. Rainoldi, president.

Phone: (415) 974-1830.

Reeds, Farris, Lewis & Maisel, Los Angeles, reported gross income of $974,001 in 1983 on billings of $6,536,567. In 1982, the agency reported gross income of $841,298 on billings of $5,623,269. Volume in 1983 consisted of $1,118,637 in media, $809,800 in materials and services and $4,608,130 in capitalized fees. In 1982, volume consisted of $901,779 in media, $615,431 in materials and services and $4,106,059 in capitalized fees. Accounts gained: Anderson-Barrows Metals Corp., Howe Industries, Mercury Aerospace Fasteners, Microdot Inserts, Microdot Aerospace Fastening Systems, Western Security Bank. Lost: Alston, Covington Technologies, Rinnai Corp., Columbia Mfg., Hwa Tai Enterprises, Viking Industries. Employes: 14. Top execs: Robert A. Reeds and Karl L. Farris, co-presidents.

Phone: (213) 874-2801.

E.H. Rogers & Co., Los Angeles, had estimated gross income of $864,450 in 1983 on billings of $5,763,000. In 1982, it had estimated gross income of $848,250 on billings of $5,655,000. Volume in 1983 consisted of $5,320,000 in media, $443,000 in materials and services. In 1982, volume consisted of $5,220,000 in media, $435,000 in materials and services. Billings breakdown: Newspapers 5%, magazines 20%, radio 35%, outdoor 15%, business papers 20%, direct mail 5%. Employes: 6. Top exec: E. H. Rogers, president.

Phone: (213) 208-5500.

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Schafer Advertising, Tucson, Ariz., had estimated gross income of $56,250 in 1983 on billings of $375,000. In 1982, it had estimated gross income of $63,750 on billings of $425,000. Volume in both years was all in media. Accounts gained: Burr-Brown Research, military products division, Data-Sud Systems. Lost: None. Billings breakdown: Magazines 85%, other 15%. Employes: 2. Top exec: Ray Schafer, president.

Phone: (602) 298-2109.

Len Scholl & Co., Los Angeles, reported gross income of $504,094 in 1983 on billings of $3,360,630. In 1982, it reported gross income of $458,868 on billings of $3,059,123. Volume in 1983 consisted of $1,785,323 in media, $352,282 in materials and services and $1,223,025 in capitalized fees. In 1982, volume consisted of $1,630,432 in media, $319,870 in materials and services and $1,108,821 in capitalized fees. Accounts gained: Big O Tire Dealers of Southern California, California Fertilizer Assn., Celestron International, The Tire Shoppe. Lost: Molycorp. Billings breakdown: Newspapers 24%, magazines 10%, radio 27%, spot tv 25%, outdoor 1%, business papers 2%, farm publications 8%, point of sale 1%, direct mail 2%. Employes: 12. Top exec: Len Scholl, president.

Phone: (213) 930-2515.

Sharp Hartwig, Seattle, had estimated gross income of $879,400 in 1983 on billings of $5,900,000. In 1982, it had estimated gross income of $538,100 on billings of $3,600,000. No volume breakout was provided. Volume includes U.S. subsidiary Response Marketing. Accounts gained: Korry Electronics, Data I/O, Western Star Trucks, Anchor Computer Systems. Lost: Seattle Opera, PACCAR Leasing. Billings breakdown: Newspapers 15%, magazines 10%, radio 10%, spot tv 15%, outdoor 5%, business papers 35%, direct mail 10%. Employes: 24. Top execs: David Sharp, president; Cynthia Hartwig, exec vp; Bill Fritsch, vp.

Phone: (206) 282-6242.

Soderberg & Associates, Seattle, reported gross income of $828,444 and net income of $22,060 in 1983 on billings of $6,546,631. The agency did not report figures for 1982. Volume in 1983 consisted of $2,130,814 in media, $1,199,230 in materials and services and $3,216,587 in capitalized fees. Accounts gained: Scandia Down Corp.; Dilettante Chocalates; Stoddard Hamilton Aircraft; Noel Nuval Processors; Union Bay Sportswear Ltd.; Sadies Food Products. Lost: 20th Century-Fox. Billings breakdown: Newspapers 30%, magazines 1%, radio 33%, spot tv 34%, business papers 2%. Employes: 19. Top exec: P. Stanley Soderberg, president.

Phone: (206) 285-2070.

Walters & Co., La Jolla, Cal., reported gross income of $94,317 in 1983 on billings of $628,832. In 1982, it reported gross income of $102,790 on billings of $685,387. Volume in 1983 consisted of $428,729 in media, $91,675 in materials and services and $108,428 in capitalized fees. In 1982, volume consisted of $313,394 in media, $130,890 in materials and services and $241,103 in capitalized fees. Accounts gained: Dow Theory Letters, Scripps Bank. Billings breakdown: Newspapers 65%, magazines 5%, radio 5%, network tv 10%, other 15%. Employes: 4. Top exec: J. Berk Walters, president.

Phone: (619) 459-4227.

Wank, Williams & Neylan, Menlo Park, Cal., reported gross income of $277,596 in 1983 on billings of $1,896,351. In 1982, it reported gross income of $321,718 on billings of $2,125,278. Volume in 1983 consisted of $560,967 in media, $376,605 in materials and services and $958,779 in capitalized fees. In 1982, volume consisted of $639,464 in media, $422,196 in materials and services and $1,063,618 in capitalized fees. Accounts gained: Trimax Controls Inc., Computer Curriculum Corp., Stellar Systems. Lost: Santa Clara County Transit District. Billings breakdown: Newspapers 25%, magazines 5%, radio 25%, spot tv 10%, outdoor 5%, business papers 30%. Employes: 7. Top execs: Gary T. Williams, president; William F. Neylan, exec vp.

Phone: (415) 323-3183.

Warr, Foote & Ross, Los Altos, Cal., had estimated gross income of $716,799 in 1983 on reported billings of $4,778,664. In 1982, it had estimated gross income of $763,776 on reported billings of $5,091,840. No volume breakout was provided. Accounts gained: Perfect Software, Simpson Extruded Plastics Co., Umpqua Division of Bohemia, Automated Plastic Molding, California Security Bank, Investment Transaction Corp., Mariani Financial Co., Microelectronic Business International. Lost: LSI-Sierra, University of Oregon Athletics. Billings breakdown: Newspapers 1%, radio 1%, spot tv 1%, cable tv 1%, outdoor 1%, business papers 87%, direct mail 8%. Employes: 10 in two offices. Top execs: Robert O. Warr, chairman-ceo; Michael W. Rose, exec vp.

Phone: (415) 941-2820.

Webb & Associates, Lafayette, Cal., had an estimated gross income of $417,393 in 1983 on billings of $2,782,626. In 1982, it had estimated gross income of $363,764 on billings of $2,425,095. Volume in 1983 consisted of $1,197,918 in media, $776,965 in materials and services and $807,743 in capitalized fees. In 1982, volume consisted of $1,220,199 in media, $641,081 in materials and services and $563,815 in capitalized fees. Billings breakdown: Newspapers 35%, radio 10%, spot tv 10%, outdoor 15%, business papers 25%, direct mail 5%. Employes: 14. Top exec: John M. Webb, president.

Phone: (415) 283-1733.

Wendt Advertising, Great Falls, Mont., reported gross income of $615,046 in 1983 on billings of $4,102,356. In 1982, it reported gross income of $776,197 on billings of $5,177,234. Volume in 1983 consisted of $2,268,580 in media, and $1,833,776 in capitalized fees. In 1982, volume consisted of $3,120,876 in media, and $2,056,358 in capitalized fees. Accounts gained: Buttrey Food Stores, Montana Department of Commerce (travel promotion division), Montana Farmer's Union Insurance Co., Cascade Opticians. Lost: American Simmental Assn., Columbus Hospital, Christian Brothers brandy and wines. Billings breakdown: Newspapers 37%, radio 6%, spot tv 22%, outdoor 2%, other 33%. Employes: 18. Top execs: Stanley F. Meyer, president; Robert L. Lindborg, exec vp.

Phone: (406) 452-8581.

Wilson, Frank & Associates, San Diego, reported gross income of $422,880 and net income of $81,335 in 1983 on billings of $3,108,257. In 1982, it reported gross income of $381,084 and net income of $50,220 on billings of $3,007,951. Volume in 1983 consisted of $871,944 in media, $442,204 in materials and services and $1,794,109 in capitalized fees. In 1982, volume consisted of $793,667 in media, $466,158 in materials and services and $1,747,766 in capitalized fees. Accounts gained: Rancho Santa Fe National Bank, Womack Motors, Digital Business Center, Spin Physics, Seapointe Savings. Lost: KSON Radio, Valley Independent Bank, Imperial County Private Industry Council. Billings breakdown: Newspapers 56%, magazines 13%, radio 20%, spot tv 1%, outdoor 2%, business papers 5%, direct mail 1%. Employes: 8. Top exec: Thomas H. Wilson, president.

Phone: (619) 297-3355.

Yuguchi & Krogstad, Los Angeles, reported gross income of $501,635 in 1983 on billings of $3,634,000. No information was provided for 1982. Volume in 1983 consisted of $1,200,000 in media, $1,100,000 in materials and services and $1,334,000 in capitalized fees. Accounts gained: Bell Foods Services. Billings breakdown: Newspapers 46%, magazines 6%, radio 34%, outdoor 14%. Employes: 10. Top exec: Clifford Yuguchi, president.

Phone: (213) 383-6915.

Too late to classify

The following six profiles of agencies with gross income under $1 million were received too late to include in the regional listings.

George Blake & Associates, Sarasota, Fla., had estimated gross income of $112,500 in 1983 on billings of $750,000. In 1982, it had estimated gross income of $96,000 on billings of $640,000. Volume in 1983 consisted of $500,000 in media, $50,000 in materials and services and $200,000 in capitalized fees. In 1982, volume consisted of $400,000 in media, $40,000 in materials and services and $200,000 in capitalized fees. Accounts gained: Sun Broadcasting, Postmasters Inc., United Products Co. Lost: None. Billings breakdown: Newspapers 20%, radio 60%, spot tv 15%, outdoor 5%. Employes: 4. Top exec: George B. Blake, president.

Phone: (813) 755-8637.

Eagle Advertising Corp., New Rochelle, N.Y., reported gross income of $335,000 in 1983 on billings of $3,866,000. In 1982, it reported gross income of $268,000 on billings of $3,342,000. Volume in 1983 consisted of $1,850,000 in media, $83,000 in materials and services and $1,933,000 in capitalized fees. In 1982, volume consisted of $1,600,000 in media, $71,000 in materials and services and $1,671,000 in capitalized fees. Billings breakdown: Newspapers 10%, magazines 80%, point of sale 5%, direct mail 5%. Employes: 3. Top execs: James B. Cowen, president.

Phone: (914) 235-5332.

Emery Advertising, El Paso, Tex., had estimated gross income of $545,025 in 1983 on billings of $3,633,500. In 1982, it had estimated gross income of $485,025 on billings of $3,233,500. Volume in 1983 consisted of $2,700,000 in media, $600,000 in materials and services and $333,500 in capitalized fees. In 1982, volume consisted of $2,500,000 in media, $400,000 in materials and services and $333,500 in capitalized fees. Accounts gained: Larry Mahan's Cowboy Collection, Hyer Boot Co., Larry Mahan's Retail Stores, The S.O.D. Co., American Furniture Co., Union Furniture Co., Voila Sportswear, Texas National Bank, Patricia Raynal Cosmetics, Harvey Development, Magic Landing Theme Park. Lost: El Paso National Bank. Billings breakdown: Newspapers 22%, magazines 10%, radio 25%, spot tv 25%, cable tv 2%, outdoor 5%, business papers 5%, point of sale 3%, direct mail 3%. Employes: 15. Top exec: Tom Emery, president.

Phone: (915) 532-3636.

Jackson/Ridey & Co., Cincinnati, had estimated gross income of $961,608 in 1983 on billings of $6,410,723. In 1982, it had estimated gross income of $881,461 on billings of $5,876,413. Volume in 1983 consisted of $4,212,301 in media, $196,401 in materials and services and $2,002,021 in capitalized fees. In 1982, volume consisted of $3,800,502 in media, $151,320 in materials and services and $1,924,591 in capitalized fees. Top exec: Ron Jackson, chairman.

Phone: (513) 621-8440.

Karsh & Hagan, Englewood, Colo., reported gross income of $1,668,596 and net income of $49,581 in 1983 on billings of $15,333,261. In 1982, it reported gross income of $883,147 and net income of $28,744 on billings of $8,437,096. Volume in 1983 consisted of $3,260,484 in media, $1,936,571 in materials and services and $10,136,206 in capitalized fees. In 1982, volume consisted of $2,453,216 in media, $635,387 in materials and services and $5,348,493 in capitalized fees. Accounts gained: Jones Intercable, Childrens World, Apogee Robotics, Communications World International, Gaylord Systems Division, Mastercraft Industries, Rocky Mountain Bankcard Systems. Lost: Language Resources, Idex Microsystems, Money Mart, Resort Time Shares, Vail Associates. Billings breakdown: Newspapers 20%, magazines 10%, supplements 4%, radio 24%, spot tv 38%, outdoor 2%. Employes: 44. Top exec: Philip H. Karsh, president.

Phone: (303) 770-8088.

Sheldon Fredericks Advertising, New York, reported gross income of $532,000 in 1983 on billings of $5,275,000, with net income of $96,000. In 1982, it reported gross income of $511,000 on billings of $4,988,000, with net income of $88,000. Volume in 1983 consisted of $3,162,000 in media, $901,000 in materials and services and $1,212,000 in capitalized fees. In 1982, volume consisted of $2,981,000 in media, $885,000 in materials and services and $1,152,000 in capitalized fees. Billings breakdown: Newspapers 37%, magazines 15%, radio 8%, network tv 13%, spot tv 13%, direct mail 14%. Employes: 16. Top exec: Frederick A. Schwartz, president.

Phone: (212) 867-0110.

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Advertising Age

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$1.25 a copy; $52 a year | The International Newspaper of Marketing • In Two Sections, Section 1. | April 2, 1984

Shell introduces its new gold standard gasoline: SU 2000™ Super Unleaded

All gasolines are not alike. SU 2000's formula is so unique it's patented. And SU 2000 also has high octane. It's among the highest octane premium unleaded gasolines available. (Note: SU 2000 is never blended with methanol, a low-priced alcohol some suppliers use as an octane booster.)

- So unique it's patented
- High octane
- Reduces intake deposits
- Never blended with methanol

SU 2000 helps keep your engine clean mile after mile. It is designed to reduce critical intake deposits that may be causing engine knock. In fact, the longer you use SU 2000, the better it can be for your engine.

For truly gold standard performance, get new SU 2000 Super Unleaded. In the black and gold pump at the Shell station nearest you.

The longer you use it, the better it can be for your engine.

It's a gas

Shell Oil Co., Houston, begins advertising today for SU 2000 and RU 2000 unleaded gasolines. Color magazine ads and tv spots are via Ogilvy & Mather/Houston. *(See story on Page 10.)*

New analgesic lures J&J, Bristol-Myers

By NANCY GIGES

Bristol-Myers and Johnson & Johnson are moving ahead with ibuprofen pain relievers, although approval for over-the-counter sale of the new nonaspirin analgesic appears to be snarled in red tape at the Food & Drug Administration.

Two other marketers, American Home Products and Upjohn Co., have been prepared since last August. But Upjohn, primarily a prescription drug marketer, apparently decided against competing head-to-head with the proprietary drug giants by naming Bristol exclusive distributor of its otc ibuprofen, called Nuprin.

While ibuprofen has been effective at prescription dosages in treating arthritis, it will compete in the general analgesic market as an otc drug.

According to a recent prospectus of Elan PLC, an Irish company, J&J went to Elan's U.S. subsidiary in Gainesville, Ga., to develop a sustained-release dosage form of the product. Of these major drug companies, J&J would be the only one that would be prevented from introducing a product until May, 1985, because of patent restrictions. But a sustained-release product to be taken once or twice a day would provide a product improvement over other proposed brands.

Ibuprofen, with manufacturer sales of $250 million, is the nation's largest-selling prescription remedy for arthritis. Most sales come from Upjohn's Motrin brand sold under license by the worldwide patent holder, Boots Co. When Boots realized that otc approval might be considered, it also licensed American Home Products to sell an otc version, named Advil.

Both AHP and Upjohn have appeared before an FDA advisory panel to urge approval for otc sale of a 200mg dosage formula, about

(Continued on Page 60)

GOP picks 'Tuesday Team'

By PAT SLOAN
and RICHARD L. GORDON

Pennsylvania Avenue handed down its decision to Madison Avenue last week: Ketchum Advertising/U.S. is the loser and, as expected, an ad hoc advertising group, to be called "The Tuesday Team," is the winner of the $25 million-to-$30 million Ronald Reagan/George Bush 1984 re-election ad campaign.

The ad hoc group, as reported earlier, will be directed by James D. Travis, president-chief operating officer of Della Femina, Travisano & Partners (AA, March 26). Mr. Travis will take a nine-month leave of absence from the agency to assume the presidency of "The Tuesday Team." The group will be based in New York and is now searching for office space.

Termed an "all-star" collection of advertising talent, the group will also include Walter A. Carey, senior vp-chief operating officer of Leber Katz Partners, who will serve as exec vp and chief operating officer, and Sig Rogich, president of R&R Advertising, Reno and Las Vegas, Nev., who will be a director of the corporation.

Mr. Rogich, a veteran of more than 300 political races in the West, has also been an advisor to Nevada Sen. Paul Laxalt, general chairman of Reagan-Bush '84. Roger Ailes, president of Ailes Communications and widely regarded as one of the top political media consultants in the country, will serve as a consultant.

A three-member advisory committee—consisting of Phil Dusenberry, vice-chairman and exec creative

(Continued on Page 62)

Final ad burst for New York primary: Page 62

ABC, CBS in daytime summer tiff

By DIANE MERMIGAS

The battle for daytime ratings and demographics between ABC and CBS will escalate into a full-fledged war this summer, complete with new promotional blitzes.

There's no official word out of either camp yet as to specifics, although the new promotional campaigns will probably be launched next June in all dayparts, including prime time.

CBS' campaign will be designed to take advantage of its current first-place ratings momentum in daytime and the fact that ABC will be forfeiting much of its popular daytime schedule July 28 through Aug. 12, when the network telecasts live summer Olympics events from Los Angeles.

The new campaign from ABC, which recently was unseated as the undisputed daytime leader, will be designed to retain normal viewership for abbreviated versions of its hourlong weekday soap operas. They will air daily in two-hour

(Continued on Page 58)

last minute news

McDonald's readies french toast morsel

Oak Brook, Ill.—McDonald's Corp. is readying a new breakfast item for national rollout in time to receive heavy advertising support during the Summer Olympics, sources report. Tentatively called Maple McCrisp, the item is said to be deep-fried french toast morsels for dipping in maple syrup. McDonald's agency is Leo Burnett USA, Chicago.

RCA introducing $1,295 vcr with remote control

New York—RCA introduced a new $1,295 model videocassette recorder that can be programed a full year ahead of time and also is capable of total programing by remote control. The company, via Leo Burnett USA, Chicago, plans a major advertising and merchandising campaign on behalf of the new vcr. Also, RCA on March 30 revised its vcr industry projections to sharply higher levels. Stephen S. Stepnes, division vp-marketing, RCA Consumer Electronics, now is forecasting 6.7 million vcr unit sales for the industry in '84, 2.2 million more than the projection of three months ago. He said consumers will spend $4.5 billion in 1984 for vcrs, nearly $2 billion more than in 1983.

Reynolds says Century almost nationwide

Winston-Salem, N.C.—R.J. Reynolds Tobacco Co. said that because of continuing action by state legislatures, Century, its 25-per-pack economy cigaret, will be available soon to consumers in nearly 99% of the country. Since the brand was introduced in 33 states in July, 10 additional states have revised laws to allow its sale. The agency is Tatham-Laird & Kudner. In addition, Reynolds is introducing its Sterling Special Blend premium cigaret nationwide today.

(Continued on Page 8)

Kelly award winner — Page 57

Coming attraction: Films by credit card

By ROBERT RAISSMAN

Fans of the automatic teller machine soon may be able to do their button-pushing at the movies, using their credit cards to pick a flick, then buy a ticket against their account.

Chits for popcorn, candy, soft drinks or other munchies also will be available by just punching a few buttons. Starting this month, Kansas City, Mo.-based AMC Entertainment will begin testing a machine called "The Agent" in one of its multiple-screen theaters in Dallas. AMC is a wholly owned subsidiary of American Multi Cinema.

The machine, similar to an ATM, will enable moviegoers to insert one of three as-yet-undisclosed major credit cards into machines at their local theater and punch in a code to see what movies are playing. The machine also will display the time the picture is scheduled to begin and the seat availability for performances, according to Ron D. Leslie, exec-vp, AMC.

The moviegoer next punches in the chosen movie and out pops a ticket. The price of the ticket is credited to the purchaser's credit card account. The service doesn't stop there. Patrons can then punch in another code and receive a chit for popcorn, candy, soft drinks or other concessions. Those coupons can be redeemed at the show.

Mr. Leslie added that AMC is beginning talks with banks which are interested in adding the ATM function to "The Agent." In essence, a consumer will be able to charge a movie and food—and make a cash withdrawal or deposit before strolling in to see a flick.

The test will last for three months, he said. "Of course it will help us sell tickets but it will definitely provide added convenience to our customers," he said. "It will take people off lines at night. When our

(Continued on Page 58)

3 books take their last byte

By STUART J. ELLIOTT

NEW YORK—Is the long-predicted shakeout in computer magazines about to get under way?

That's what observers of the field are asking after news that *Software Supermarket*, *Sync* and *Teaching, Learning & Computing* are folding.

While some contend the disappearance of these books means the much-heralded shakeout has begun, others say a number of failures are inevitable, given the category's enormous growth.

Software Supermarket, from Amos Press, Sidney, O., will fold with its fifth issue, dated May. "Competition on the newsstand was just too great," said publisher Wayne Lawrence. Circulation for the monthly never reached its projected 63,300.

Sync, the largest of the three magazines (circulation 64,000), will cease publishing with its March/April issue. The every-other-monthly, aimed at users of the now-discontinued Timex Sinclair computer, debuted in 1981 and was sold to Ziff-Davis Publishing Co. a year later. A spokesman said the folding comes because "there won't be any growth or advancement in the market."

The comment points out a problem: As the shakeout continues among the computer manufacturers, it is bound to have its impact on publishers who put out magazines that are machine-specific.

Placentia, Cal.-based Seldon Publishing ceased publishing *Teaching, Learning & Computing* with its March issue. The monthly, which debuted last November, hoped for a circulation of 60,000, but achieved only a third of that.#

Elliott, Morgens inducted into AAF Advertising Hall of Fame

New inductees into the American Advertising Federation Advertising Hall of Fame include John (Jock) Elliott Jr. (left in left photo), former chairman of Ogilvy & Mather, and Howard J. Morgens (left in right photo), chairman emeritus of Procter & Gamble. They received citations and trophys from AAF's Bart Cummings, chairman emeritus of Compton Advertising. *(Story on Page 64.)*

Burger King in expansion shift

By SCOTT HUME

Organizational changes announced last week have set the stage for Burger King Corp. to develop additional restaurant concepts.

Chairman-chief executive officer J. Jeffrey Campbell said in a statement that the shifts in lines of command and personnel reassignments would provide him "a greater opportunity to concentrate on our long-term strategy of expansion and diversification."

Mr. Campbell was out of the country last week, but a company spokesman explained that parent company Pillsbury has given Burger King management the go-ahead to consider alternative restaurant concepts.

Such a venture most likely would represent acquisition of one or more existing fast-service restaurant chains, he said, although original restaurant concepts remain a possibility.

The spokesman also said Burger King probably would not be interested in developing a chain with a "beef-intensive" menu, preferring instead to explore fish, chicken or pizza concepts.

Pillsbury, which owns the Totino's and Fox Deluxe lines of frozen pizza, would represent a substantial resource for a Burger King-owned pizza venture and

(Continued on Page 60)

'Beef's' bubble still expanding

DUBLIN, O.—Appearing next week at a checkout counter and candy display near you will be "Where's the beef?" bubble gum, marketed by Philadelphia's Fleer Corp.

Wrapped in foil like a takeout burger, each two-color (bun and beef) piece of bubble gum comes with a sticker bearing one of nine different phrases (such as "I don't think there's anyone back there" or "Watch your beef").

Counter displays bear the now-famous face of Clara Peller, the elderly actress in Wendy's commercials.

The bubble gum is just one of dozens of products about to appear bearing Wendy's advertising slogan and/or "celebrity presenter." Their success could change how companies and agencies look at advertising campaigns.

"I can't explain why 'Where's the beef?' is so popular or what makes it licensable," said Michael Stone, president of Hamilton Projects, New York, Wendy's exclusive licensing agent, "but after this I think a lot of agencies are going to be thinking about licensing possibilities. They really haven't been tuned to the potential before,

(Continued on Page 60)

highlights

Monday, April 2, 1984

The Federal Trade Commission's Reagan majority moved ahead decisively last week to establish its narrower concept of "deception" as the benchmark for advertising law. The decision ditches the deception standard relied on by FTC for more than 40 years. *See Page 6.*

Shell Oil Co. today will introduce its first new gasolines since its super unleaded in 1975—unleaded SU 2000 and RU 2000—in a national ad campaign that boasts the new gasoline is "so unique it's patented." *See Page 10.*

Procter & Gamble is producing three cable tv series on spartan budgets. The largest advertiser of tv shows has invested only $4 million of its $560 million-plus in tv media expenditures in the programs. *See Page 12.*

The difference between General Motors' new C-body Cadillac, Oldsmobile 98 Regency and Buick Electra is in the marketing more than the design. *See Page 54.*

Media General has filed a lawsuit against William B. Tanner, who responds that all charges are false. *See Page 61.*

CORPORATE CLOSEUP

Circle K Corp., once a little-noticed convenience store, has positioned itself to challenge Southland Corp.'s 7-Eleven. With Karl Eller, a flamboyant businessman, at the helm, Circle K hopes to outdo its mammoth rival by providing more and better services. *See Page 4.*

INTERNATIONAL

Joe Sedelmaier, the director of popular deadpan U.S. commercials, is hitting European tv screens for the first time, with a Mobil spot in France and an Avis commercial in the U.K. *See Page 36.*

Newsweek, in the boldest step yet by a U.S. weekly to penetrate the Japanese media scene, is negotiating with a Suntory subsidiary to publish a Japanese-language edition of the magazine. *See Page 36.*

PepsiCo will begin a new international campaign for Pepsi-Cola that will run with minimal changes in each market, beginning this month in Spain. *See Page 39.*

VIDEOTECH

"Cable-ready" tv sets have spurred lawsuits in Wisconsin, Pennsylvania and Kentucky. Consumers are finding the "cable compatible" sets aren't necessarily ready for cable reception. *See Page 44.*

Although not yet on the market, 8mm video already is having a disruptive impact on the home video industry. *See Page 45.*

MAGAZINE

The ADVERTISING AGE Best Commercials of 1983 were chosen from more than 1,700 entries and represent the finest—in the AA editors' view—in tv advertising during the last year. *See Page M-4.*

Marketing to Women: Neither superwoman nor housewife are labels with universal meaning for marketers; thus they have to alter their traditional approaches to reach this segmented and elusive market. *See Page M-9.*

Yes, Mrs. Field of cookie fame does exist. She's only 27 years old and oversees a $30 million business that she began by giving away cookies on a California street. *See Page M-20.*

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Agencies grab direct marketers

By GAY JERVEY

NEW YORK—Much as it was with pr shops a decade ago, the trend toward large advertising agencies acquiring independent direct-marketing companies has intensified.

The competition is expected to only stiffen as the roster of the remaining large independents thins.

Last week, two of the nation's largest independent direct-marketing companies were swallowed up by top advertising agencies when SSC&B and Needham, Harper & Steers reached agreements to acquire Frank Vos Co. and the DR Group, respectively.

In announcing the Vos deal, SSC&B chairman-chief executive officer Ken Robbins said, "There is no question about the importance of the fast-growing direct-marketing field. Its application is fundamental to the way advertising is evolving."

In its internal announcement, DR Group told of having been approached by a number of agencies—no surprise in that the company is the oldest remaining independent and had 1983 billings of some $25.5 million.

Indeed, agencies with already strong direct-marketing capabili-

(Continued on Page 60)

Working Woman caters to the career-minded

By Neal Hirschfeld

Carol A. Taber, 39, loves to ride horseback, water ski and cook gourmet meals. She reads biographies and recently completed a massive tome on Winston Churchill by William Manchester. She enjoys traveling and wouldn't mind visiting Russia someday. She's tall, articulate, stylish.

She also happens to be the publisher of *Working Woman* magazine, promoted to that spot last November. And she's been given much of the credit for the magazine's growth in advertising and revenues.

Despite a period of internal turmoil several years ago, *Working Woman* has kept pace with the growing sophistication, responsibilities and earning power of career-minded women.

Ms. Taber joined *Working Woman* as advertising director in August, 1979, at a time when the magazine was going through a change of ownership, as well as a shakeup of editorial and sales staffs. Since then, the circulation rate base has increased from 300,000-plus to more than 600,000. By September, 1984, it is expected to reach 700,000. The number of advertising pages jumped from 358 in 1979 to 1,185 last year. The magazine is projecting more than 1,300 ad pages for 1984. Ad revenues mushroomed from less than $1 million in 1978 to billings of more than $14 million in 1983.

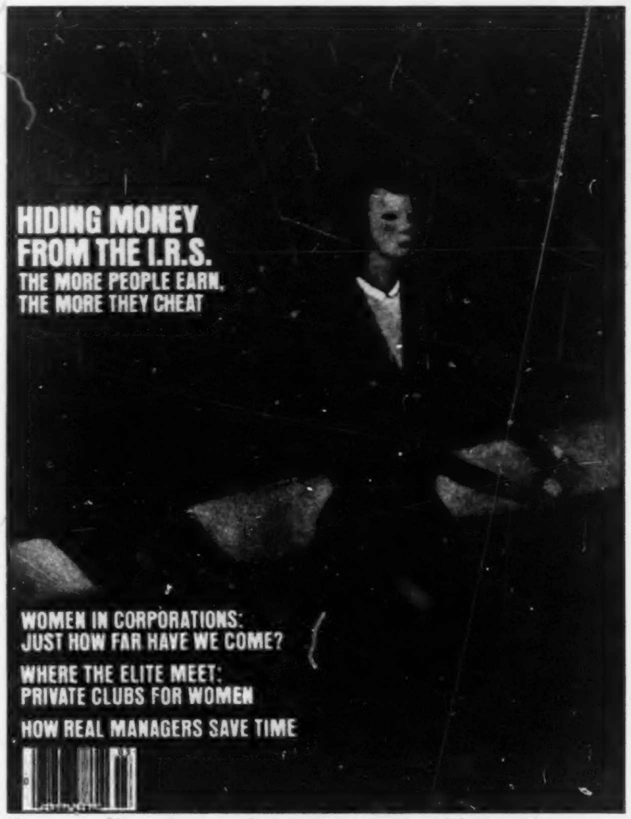
"To have this kind of success for a young, entrepreneurial company run by women [65 of the company's 70 employes are women], the adrenalin runs very high," says Ms. Taber. Characterizing her own move from advertising sales to publisher as a shift from a "tactical" position to a "strategic" one, Ms. Taber says, "It's a different hat. I'm on another learning curve."

Since *Working Woman* made its debut in the fall of 1976, its focus has narrowed dramatically. At first, says Ms. Taber, it directed its appeal more loosely, to all women who worked. Now, she believes, "We're going after women in management, the cream of the crop.

"It's yesterday's news to talk about 'working women.' What marketers are looking for today are career-oriented women. The way marketers have always spoken to men, they've spoken out to the chief executive. Now they're doing the same thing with women. Now you have a segmented market. It's no longer one big amorphous mass of working women."

One measure of the change in focus has been the magazine's cover. Five or six years ago, it might have been "a traditional women's magazine thing," says Ms. Taber. A case in point was the October, 1978, cover and its photo of dewy-eyed model Lauren Hutton being beautified by a makeup expert. Now, emulating business magazines, *Working Woman* favors "concept covers," such as the March, 1984, cover with its eerie, Giorgio De Chirico-like illustration for a story on tax cheats. The first concept cover, in November, 1982, resulted in a doubling of the newsstand sales, Ms. Taber says.

The increased targeting of career women has taken other forms in the magazine. "Five years ago, we would have run a column on how to invest $1,000," says Ms. Taber. "Now, we run stories on full-scale financial planning, buying homes, making more sophisticated financial investments." In appealing to a more sophisticated readership, the magazine has opened its pages to expert writers in various fields, and they are not necessarily women.


HIDING MONEY FROM THE I.R.S.
THE MORE PEOPLE EARN, THE MORE THEY CHEAT
WOMEN IN CORPORATIONS: JUST HOW FAR HAVE WE COME?
WHERE THE ELITE MEET: PRIVATE CLUBS FOR WOMEN
HOW REAL MANAGERS SAVE TIME

Working Woman ***is using concept cover illustrations as a departure from the "traditional woman's magazine thing."***

There has also been an upscale turn in the magazine's advertising. Office equipment, cosmetics and fashion accounts—in that order—are the three largest advertising categories, but the magazine is also drawing ads from the luxury car category—Cadillac and BMW are two examples—liquor marketers and investment funds.

Although women have made strides in controlling their own images in the marketing process, Ms. Taber believes, they still have a long way to go. "There used to be mountains," she says. "Now there are hills." Most responsive to the changing roles of career women, she believes, have been the auto makers and investment companies. "They are depicting women in real-life situations—'good dreams,' not scenes dripping in unattainable fantasies."

According to the Simmons Market Research Bureau, *Working Woman* ranked first among 29 magazines in a study of the concentration of women readers in the 25-to-49 age group with individual earned incomes of $15,000 or more. It ranked second only to *Business Week* in a survey of women readers in the same age group who consider themselves careerists. And it came in third, behind *Money* and *Psychology Today*, in a survey of women in the 25-to-49 group who consider themselves professional/managerial types.

A 1983 subscriber profile by the magazine's own marketing department showed that 45% of the readers were between 18 and 34 years old, 43% were 35 to 49 and another 12% were 50 or older. The study also indicated that more than 89% had either attended college, or graduated, 95% were employed fulltime and 88% were in professional/managerial positions. The study further showed that 64% of the readers had an individual earned income of $20,000 or more while another 29% had an individual earned income of $30,000 or more. Nearly 65% had household incomes of $30,000 or more; 47% had incomes of $40,000 or more.

Working Woman recently changed editors, when Ann Smith replaced Gay Bryant at the helm. Ms. Smith previously had been executive editor of *Glamour*, where she directed a survey on working women.

Asked to size up the competition, Ms. Taber mentions *Self*, *Ms.*, *New Woman* and *Working Mother*, but says that "*Savvy* is closest to us editorially." However, she says that *Working Woman's* editorial formula of 70% business-related articles and 30% life style-related articles (fashion, beauty, nutrition, health) distinguishes it from *Savvy*, which, she says, does not offer as much of the latter. Ms. Taber believes the business-life style mix is essential for career women who must cope with a "time crunch" and prefer to read one magazine that caters to all their needs. *Working Woman* has roughly twice the average subscription circulation of *Savvy*.

Ms. Taber joined **Working Woman** ***sensing a "communication void in this area."***

In response, *Savvy*'s director of public relations, Beth Greer, characterizes *Savvy* as a "business magazine that happens to be edited for women rather than a women's magazine with business and career articles." She also says that *Savvy* is geared more toward executive women who already have attained a certain level of expertise and success, while *Working Woman* appeals to career women at all levels. "*Savvy* takes a more sophisticated approach," Ms. Greer maintains.

For *Working Woman*, the target audience is the emerging career woman—the woman who, in Ms. Taber's words, is "head and shoulders" above employed but noncareer women and men when it comes to buying cars, cameras and telephone-answering machies, playing tennis and jogging, opening IRAs and Keough accounts and acquiring corporate stock, according to the Simmons data.

It might be said that Ms. Taber's success has paralleled the strides of her readership. Before entering publishing, she was a systems analyst. She held the position of sales manager at Media Networks, a media service company, then joined the *Ladies' Home Journal* as national manager of the *Prime Showcase* edition of the magazine. She was then promoted to New York advertising manager of the *Journal*. She is a member of the American Academy of Women Achievers and her biography appears in "Who's Who of American Women."

Not a bad set of credentials for a working woman.

Neal Hirschfeld is a New York-based free lance writer.

Women who work

Newsweek early this year conducted a national telephone survey of working women; 713 interviews were completed. Among the findings of the survey:

- Forty-eight per cent of all working women are under 35.
- Half (51%) have at least some college education and 30% are college graduates or better.
- Fifty-seven per cent of all working women earn less than $15,000 per year.
- Most (57%) have low expectations about their chances for promotion.

Distribution of respondents by age

	Total %
21 to 24 years	16
25 to 34 years	32
35 to 44 years	26
45 to 54 years	15
55 to 65 years	11
Average (median)	36 years

Occupation of respondents

	Total %
Executives, managers & administrators	14
Professional/technical (total)	28
Nurses	7
Teachers	10
Other professional/technical	11
Administrative support workers (including clerical)	34
Blue collar occupations	11
Service occupations	8
All other	5

Distribution of respondents by personal income

	Total %
Less than $5,000	10
$5,000 to $9,999	21
$10,000 to $14,999	26
$15,000 to $19,999	20
$20,000 to $24,000	13
$25,000 to $29,000	5
$30,000 to $39,000	4
$40,000 or more	1
Average (median)	$13,000

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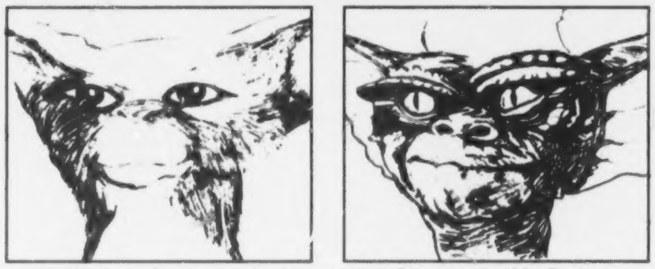
'Gremlins' looms as market-buster

By JAMES P. FORKAN



Kindly Gremlins turn evil when wet (r.). Sketches by Mr. Forkan.

What must stay away from light and water and *never* be fed after midnight?

Only a select few know the answer now, but in about two months millions of youngsters and adults will also know that's the description of the title characters in "Gremlins," the motion picture produced by Steven Spielberg that's due June 12.

At that time, it may also be clear that "Gremlins" will be this season's "E.T.," a blockbuster movie with enormous implications for merchandise spinoffs.

As usual, Mr. Spielberg has stamped his creation "top secret," warning Warner Bros., the distributor, and the 50 companies that plan tie-ins not to sell products or leak word about the film's story line. Nor can they talk about the characters.

(When making "Close Encounters of the Third Kind," Mr. Spielberg had Columbia Pictures Merchandising bar licensees from releasing any products featuring the aliens till the film hit theaters. And while working on Universal Pictures' "E.T.," he used the innocuous working title, "A Boy's Life," to defer attention.)

At the Toy Fair in February, the "Gremlins" toy licensees kept tight security on related merchandise, barring all but major retail buyers from special "Gremlins" display areas and coaching their representatives not to tell the press about the movie.

Despite the veil of secrecy, Advertising Age has since learned some details about the potentially popular characters. Based on reports from various sources, the following picture of the movie and related merchandise emerges.

Officials at LJN Toys, the major licensee, called the movie "heartwarming" and "action-packed," qualities that characterized "E.T."

" 'Gremlins' is the story of little creatures that never get wet, must stay out of bright light and must never, *never* eat after midnight," said Jack Friedman, president of LJN Toys, which also is the major licensee for two other potential blockbuster movies, "Indiana Jones & the Temple of Doom" and "Dune." "Whenever any of these things happen to the creatures, the real adventure begins," he added.

Water causes Gremlins to alter their appearance, multiply and kill, while bright light can kill them. In some forms, Gremlins are known as Mogwais. The box in the "Gremlins" logo is what the creature is kept in when a family buys

(Continued on Page 82)

Nestle, Hills coffee deal good news, bad news

By GAY JERVEY
and JENNIFER PENDLETON

In moving to acquire Hills Bros., the San Francisco-based coffee marketer, Nestle Co. will realize a long-contemplated dream—that of entering the ground roast arena in the U.S.

Nestle's action also suggests a determination to shore up the company's listless coffee operation. It's a move that could send shivers down the spines of the small regional roasters—MJB, Butter-Nut, Maryland Club, Luzianne and others—already battling coffee giants Procter & Gamble and General Foods.

"It's only going to get harder for the smaller companies and private labels," said Robert Cummins, a securities analyst with Wertheim & Co., New York. "Never before in the coffee business have so few companies commanded such large share figures."

The comment and reaction follow Nestle's announcement last week that it had acquired an option to buy all Hill Bros. stock. Nestle, whose current coffee brands—none ground roast—are Nescafe, Tasters Choice and Sunrise, would exercise the option in early 1985.

While the acquisition brightens Nestle's coffee prospects, West Coast sources say the proposal has come just in time for Hills Bros. Not only has Hills Bros. suffered from eroding U.S. coffee consumption, but the company also has been unable to cross swords successfully with P&G and GF, which together command more than 60% of the total U.S. coffee business.

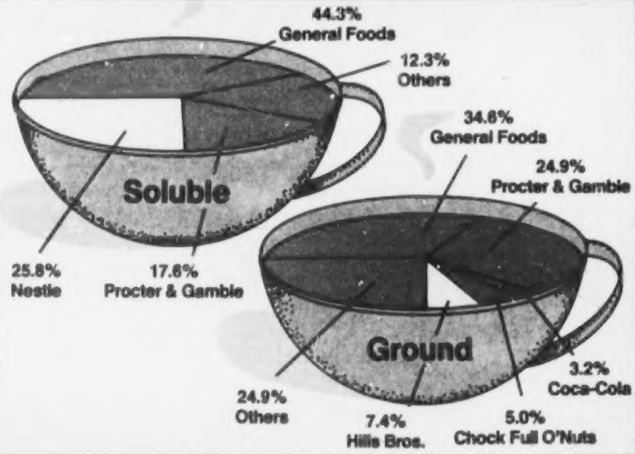
Consider the following ad spending figures: Hills Bros. spent less than $500,000 for the first nine months of 1983, compared with nearly $50 million for GF's coffee brands and about $30 million for P&G's Folger's and High Point brands. For the same period, Nestle spent about $20 million on its three brands, according to Leading National Advertisers.

Despite increasingly high ad budgets, however, Nestle has been unable to shake sales sluggishness among some of its U.S. operations. As such, the com-

(Continued on Page 82)

Coffee market shares by category

Nestle and Hills Bros. occupy significant positions in separate segments of the market—soluble for Nestle and ground roast for Hills Bros. Although Hills Bros.' national share in ground roast is small, it leads in retail sales in selected West Coast and Midwest cities. *Source: John C. Maxwell Jr., Lehman Bros. Kuhn Loeb Research. Chart by Amy Palmer.*



CBS wins season; nets curb share loss

By DIANE MERMIGAS

The networks' prime time rankings for the 1983-84 tv season, which ended April 15, haven't really altered from a year ago. But substantial change in day-to-day competition promises to affect dramatically the horse race next fall.

Final averages for the season, which will be available from A.C. Nielsen Co. this week, are expected to show CBS doubling its last-season lead over ABC to nearly one full ratings point. Five-tenths of a ratings point separated the two networks at the end of the 1982-83 season. NBC again will come in third.

It is the fifth consecutive season CBS has led the prime time ratings.

As of late last week, CBS averaged an 18.1 rating, 28.4 share in prime time for the season. ABC averaged 17.3/27.1 and NBC 15/23.5.

CBS won 19 of the season's 28 weeks and tied once with ABC. ABC won seven weeks and NBC one. CBS also was expected to dominate the season's 29th and final week, ending April 15.

This season the networks, perhaps by their rigorously competitive counterprograming, were able to arrest the erosion of their combined share of audience. The networks on the average attracted 79% of all U.S. tv households in prime time compared to 81% during the previous season.

The networks' combined prime time rating this season has been 50.3 compared to 51 in 1982-83.

ABC's "Hotel" is the only new series premiered last fall that has

(Continued on Page 81)

last minute news

Fahlgren, Howard Swink holding merger talks

Cincinnati—Fahlgren & Ferriss and Howard Swink Advertising, Marion, O., are involved in merger discussions that would result in an $85 million agency called Fahlgren & Swink.

Canon USA gets set to introduce video recorder

Lake Success, N.Y.—Canon USA will introduce its first videocassette recorder to the trade in June and plans to have it on the market by fall. Tv spots, created by Grey Advertising, will feature California Angels pitcher Tommy John and his family. No budget has been set.

NAACP stops McDonald's boycott during talks

Los Angeles—The Los Angeles NAACP Friday said it was suspending its boycott of McDonald's as a "show of good faith" while talks continue between them. The announcement came after a meeting between local NAACP president John McDonald, Los Angeles Mayor Tom Bradley and McDonald's president Michael Quinlan. *(See earlier story, Page 2.)*

Thomas rolling out French Bakery croissants

Totowa, N.J.—S.B. Thomas is introducing Thomas original French Bakery croissants in Syracuse and Hartford. They come two to a 4-oz. carton and retail for $1.39 for butter flavor and $1.49 for chocolate and almond. Tv and print, by Dancer Fitzgerald Sample, support. Copy notes, "Thomas croissants are about as French as our muffins are English."

(Continued on Page 8)

Roman Meal names two new shops

By JENNIFER PENDLETON

Roman Meal Co., preparing its first major expansion into the grocery products business, has named two additional agencies to its roster.

The family-owned, Tacoma, Wash.-based bread marketer appointed DYR, Los Angeles, to handle undisclosed new products for the grocery products division and Livingston & Co., Seattle, for hot cereals. Cole & Weber continues as agency for Roman Meal's bakery products division.

The appointments mark the first time Roman Meal has assigned agencies specificially for its grocery products division and reflects the seriousness with which the

(Continued on Page 80)

New Alamo Basic keys on price

Alpo entry targets Chow

By JANET NEIMAN

Alpo Petfoods is facing mixed reaction from the retail trade as it introduces new Alamo Basic dry dog food, apparently targeted at Ralston Purina's Dog Chow.

The Allentown, Pa.-based company, a unit of GrandMet USA (formerly Liggett Group), is entering the new product into selected East Coast markets, including Baltimore and North and South Carolina, Virginia and West Virginia.

Alamo Basic is priced between private label and generic dry dog foods and premium-quality products. But as a branded product priced to undercut Purina Dog Chow, Alamo Basic appears to be aimed most directly at that brand, the leader nationally.

Alpo, said one source, "wants to get some more [of the] Ralston Purina business."

Alamo Basic will go unadvertised except for some newspaper and in-pack couponing.

But retail buyers in the Baltimore market say that, for various reasons, they don't plan to take on the product, which they see as being most competitive with private labels.

They cite such problems as the need for heavier trade deals and stronger advertising and the lack of consumer demand for another low-price dog food.

"Why would you pick up something priced higher than the private-label brand and maybe take away business from yourself?" asks one Baltimore buyer.

In more rural areas, including the Virginia markets, however, Alamo Basic is said to be having more success.

"In the more metropolitan areas," explained one southeastern source, "people tend to have smaller dogs that stay inside, and they want to feed them premium dog food rather than basic dog food.

"The only difference between Alamo Basic and Alpo Dry is in the flavoring and the protein content," he said.

In his own market, he expects Alamo Basic's business to come from both consumers who have used private-label brands and those who have used Purina Dog

(Continued on Page 81)

P&G picks Pepper for U.S. products

By NANCY GIGES

In a realignment of top management, Procter & Gamble has named John E. Pepper Jr., 45, exec vp with responsibility for all U.S. consumer products except pharmaceuticals.

Formerly group vp in charge of European operations in Brussels, Mr. Pepper is now considered a strong contender to one day succeed president-chief executive officer John G. Smale.

In other moves, Thomas Laco has been promoted to vice-chairman from exec vp.

He will be responsible for staff functions, pharmaceuticals and foodservice operations. He had been responsible for all P&G business in the U.S.

Edwin L. Artzt, head of international, also has been promoted to vice-chairman from exec vp.

Messrs. Laco and Artzt's vice-chairmen positions are newly created, filling the previously singular vice-chairman slot that has remained vacant for several years, a P&G spokesman said. Owen

(Continued on Page 80)

It's a good time for the great taste
McDonald's

Picking up the beat

McDonald's new advertising campaign (AA, Feb. 20) is being called "more contemporary and upbeat" by agency Leo Burnett USA. Ads begin running June 18. *(See story, Page 80.)*

NAACP chapter steps into McDonald's dispute

By SCOTT HUME

The already-heated dispute between McDonald's Corp. and a dissident black Los Angeles franchisee got hotter last week as the local chapter of National Assn. for the Advancement of Colored People took the operator's side and announced a "selective buying campaign" against the fast-food giant.

Additionally, the franchisee, Charles Griffis, filed a second suit against Oak Brook, Ill.-based McDonald's, charging the company with libel and seeking $70 million in compensatory and punitive damages.

He also has hired a black advertising agency, International Communication & Advertising Network, Gardena, Cal., to create a separate ad campaign for his stores.

An "open letter" advertisement signed by NAACP chapter president John McDonald appeared last week in Los Angeles dailies, announcing the action and calling on McDonald's president Michael Quinlan to address the issues "in good faith."

Donald Fields, economic development director for the Los Angeles NAACP, said the organization planned to picket McDonald's restaurants in that city and urge minorities not to patronize them. Black-owned McDonald's would be exempted from the action, Mr. Fields said.

Reginald Webb, McDonald's regional vp for Southern California, who is black, last week said he was "incredulous" that the NAACP "would take such drastic action given our long-term track record" in affirmative action.

The campaign has been launched, Mr. Fields said, because of "allegations from many black owner/operators across the country that McDonald's is highly discriminatory in hiring executives, awarding franchises and purchasing food and supplies."

Although Mr. Griffis has made similar charges in his legal battle with McDonald's, Mr. Fields said the NAACP's action results from what he characterized as "a national pattern" of alleged discrimi-

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highlights

Monday, April 16, 1983

The National Advertising Division of the Council of Better Business Bureaus last month took a case involving Sony Corp. of America to the National Advertising Review Board, a court of last resolve used only when an advertiser and NAD fail to reach an agreement. *See Page 6.*

General Foods' planned purchase of the western division of Oroweat Foods, owned by Continental Grain, will give GF a broader base in fresh-baked goods. *See Page 10.*

George Will explores the world of the yumpies in the Viewpoint section. *See Page 18.*

Restaurant chains are revising menus and competitive strategies in an effort to keep pace with the aging of their target market. *See Page 37.*

CORPORATE CLOSEUP

Granada TV Rental Ltd., which started as a chain of movie theaters after World War I, is betting that Americans will rent tv sets and video hardware just as they rent cars, apartments and houses. *See Page 4.*

INTERNATIONAL

Mars Inc. and Hershey Chocolate Co., and some non-U.S. companies, are preparing a major push into the hard-to-penetrate Japanese confectionery market, the second-largest in the world next to the U.S. *See Page 46.*

Sweden, for the American marketer, can be a land of strange contradictions. Nudity and sexual permissiveness are common, but drinking is frowned on. Swedes are obsessed with U.S. products and life styles, but scorn American-style politics. *See Page 46.*

Haagen-Dazs, Pillsbury Co.'s premium ice cream brand, is targeting the Far East as a major growth area in a new international push. Last year the company opened two outlets in Singapore and plans to open two more in Hong Kong and one in Taiwan this year. *See Page 48.*

VIDEOTECH

"MacNeil/Lehrer News-Hour" will get a more aggressive marketing campaign when AT&T, the program's sole sponsor, launches a $3 million advertising drive in late May. *See Page 52.*

NBC-TV may be using interactive tv weekly in prime time next fall. Brandon Tartikoff, president of NBC Entertainment, says NBC is attempting to be on the leading edge of the recent trend of using two-way tv. *See Page 56.*

MAGAZINE

The craft of advertising flourishes far from Madison and Michigan Avenues as evidenced by the Dodge City, Kan., and Lexington, Ky. agencies profiled in the first of a three-part series. *See Page M-4.*

Direct Marketing: Clearly, it's the hot medium of the 1980s. The industry has shown great progress, technological advance, success in reaching targeted markets and a pervasive use by marketers of all types of products and services. *See Page M-9.*

The Chilean advertising industry has its share of ups and downs—reflecting the odd state of business apparent throughout the region. *See Page M-67.*

Cover photo by M.S. Rezny.

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IPG's Wilen to be scout on barter

By STEWART ALTER

New York—In his new position as senior vp-development and professional services at Interpublic Group of Cos., Arthur E. Wilen will oversee Interpublic's possible involvement in a barter operation and its potential acquisition of a public relations company.

Mr. Wilen, who had been exec vp-media director at Marschalk Co., one of the Interpublic agencies, will take his new position May 1. He will be "exploring all kinds of opportunities," said Peter Dailey, Interpublic vice-chairman. "Barter is one, public relations is another, acquisitions is a third, new market segments is a fourth."

Mr. Wilen's function at IPG is not entirely new, Mr. Dailey added, noting that Donald M. Casey had similar responsibilities before joining Young & Rubicam last January as director of business development-worldwide.

Mr. Dailey said Mr. Wilen's general business experience, as much as his media directing role, explains his new job. Before joining Marschalk, Mr. Wilen was president of U.S. operations for Canada Dry.

Interpublic currently has no sep-

(Continued on Page 81)

Direct marketers outline goals, troubles

Boosting image, product development among priorities

What does the direct marketing industry view as its key challenges and opportunities in the coming year? How do direct marketers feel they are going to cope with the pressing issues? Some of the answers are revealed in the first Direct Marketing Assn.-sponsored trend survey of members. Robert Kaden, president of Goldring & Co., Chicago, analyzed survey results for a recent DMA executive conference. Following are highlights of what Mr. Kaden calls "a benchmark of member attitudes" that will provide "a roadmap of opportunities and problems facing direct marketers."

> **"They seem to have been more concerned with selling unique products or just generating response."**

The industry seems generally to be expecting an improved economic picture in the coming year. More than one-third of the 700 respondents to the DMA survey believe a brighter economic outlook will be extremely important to the growth of their business in the next 12 months. And almost 80% felt that the economy would be extremely or very important. "It's interesting," Mr. Kaden says, that the periodical direct marketers had a much more optimistic outlook than those in the financial fields.

Supporting the bright economic outlook, Mr. Kaden notes, "less than 20% thought that interest rates or a rise in inflation would be an extremely important problem" affecting their business.

Yet, the service companies—mailing services, computer services, printers, the envelope and paper manufacturing people—and nonprofit or fundraising executives are much more concerned about interest rates and inflation than business-to-business marketers.

One finding that surprised Mr. Kaden was the degree to which direct marketers seem concerned about image. The survey indicated that fully half thought developing an image that differentiates them from the competition would be extremely important to their business in the coming months.

"I think this is just absolutely amazing considering direct marketers in the past haven't been too concerned with image and differentiating themselves," Mr. Kaden says. "They seem to have been more concerned with selling unique products or just generating response."

He speculates that "as more and more competition develops for the consumer's direct dollar" marketers are becoming more concerned about the way consumers see them.

In light of other findings, however, Mr. Kaden wonders how direct marketers think they are going to effectively accomplish image shifts or bolstering.

The survey showed that only 1% "indicate that using radio, tv or even general print media to support direct marketing efforts are important opportunities in the coming year."

Says Mr. Kaden, "If these image-building media aren't important, I wonder how [direct marketers] see themselves building an image and differentiating" themselves. He feels direct marketers "may be kidding" themselves if they feel more traditional direct methods of communicating with customers will help them quickly develop a differentiating image. "If image is important, as an industry we better start asking ourselves how we can make general media economical for us to use," he advises.

And if image is a concern, the kinds of products and services they will have to offer is seen as a major challenge to continued growth.

The ability to develop profitable new products and new services in the next 12 months was especially of concern among business-to-business, financial and noncatalog direct marketers.

Aligned with this, Mr. Kaden reports, almost one-third of those responding to the survey see the ability to develop new consumer benefits and services that differentiate them from competition as an extremely important problem. And more than two-thirds acknowledge this is either extremely important or very important.

Similarly, the development of new and unique creative formats for direct mail pieces rates high as a concern. Almost 30% saw this as a major challenge, particularly those in periodicals, fund raising and financial services.

Again, Mr. Kaden feels that direct marketers may not be taking the steps needed in the area of product development. "You would think that with such emphasis placed on developing new products, new services, and new creative formats" that the industry "would turn to consumer research to help determine what customers want," he says, adding that "unfortunately this does not seem to be a technique that [direct marketers] feel can help develop those new services and new products."

He reports that only about 15% feel there is an important opportunity in using attitude and behavior research methods to determine better ways of serving present customers or in using consumer attitude and behavior methods for new product development.

"The financial services people are looking more to attitudinal research to help them in this regard," Mr. Kaden says, "but as an industry, we seem to be saying: 'We want to develop new services; we want to develop new products, but as yet we don't really see attitudinal research as that helpful.' "

And from Mr. Kaden's point of view this failure to look at these types of research methods is a mistake. He feels direct marketers *should* start talking to customers "and looking at the situation from their standpoint. In other words, adapt a more consumer goods companies' approach in looking for new products and services."

If direct marketers are still wary of consumer-type research tools, more traditional research methods "such as using customer data segmentation techniques for better targeting, using customer demographics, and using geo-demographics segmentation" are in favor.

While almost 25% of DMA members surveyed believe geo-demographic methods are extremely important, "it really is the financial people who are emphasizing geo-demographics. The book and the record people, for instance, do not see geo-demographics as a major opportunity for growth in the next 12 months," Mr. Kaden says.

A substantial number also feel it is extremely important to pretest prior to rolling out. It seems the use of pre-testing, which is a traditional direct marketing technique, is continuing to be viewed as important.

(Continued on Page M-64)

The top 25 direct marketers
Sales volume generated through direct marketing

Company	Sales volume ($ millions) 1983	1982
Sears Merchandise Group	$2,092.0	$1,886.6
J.C. Penney	1,652.0	1,537.0
Montgomery Ward (Mobil Corp.)*	1,190.0	1,145.0
Colonial Penn Group	615.0	548.0
Spiegel Inc.	512.0	395.0
Fingerhut & Figi's (American Can Co.)	512.0	400.0
Time Inc. (magazines only)	385.0	320.0
Franklin Mint (Warner Communications)	378.0	410.0
New Process Co.	268.0	235.0
McGraw Hill Inc.	254.0	215.0
Columbia House (CBS)	220.0	200.0
Hanover House Industries (Horn & Hardart Co.)	215.0	140.0
L.L. Bean Inc.	205.0	192.0
American Express (TRS Co./merchandise sales only)	180.0	150.0
Herrschners, Brookstone, Jos. A. Bank Clothiers (Quaker Oats Co.)	152.0	120.0
Avon Direct Products	144.0	121.0
Grolier Inc.	135.0	147.0
AT&T Communications	120.0	100.0
Jackson & Perkins, Harry & David's, Bear Creek (Bear Creek Corp.)	111.0	110.4
Wausau Insurance Co.	110.0	—
RCA Direct Marketing	110.0	100.0
World Book Encyclopedia (Scott & Fetzer Co.)	105.0	100.0
New England Business Service	103.0	91.6
Spencer Gifts (MCA Inc.)	101.5	85.0
Amba Marketing Systems (The MacDonalds Co.)	100.0	70.0

Source: DMA research department. Based on figures provided by participating companies surveyed Dec. 1983 to Feb. 1984.
*Includes Signature Financial/Marketing Services direct marketing sales.

How they sell directly
Total estimated direct advertising expenditures (1977-1983)

(in $ millions)

	1983	1982	1981	1980	1979	1978	1977
Coupons	**182.1**	127.1	94.6	84.2	72.0	61.0	84.0
Direct mail	**12,692.2**	11,359.4	10,566.7	9,998.7	8,876.7	7,298.2	6,966.7
Consumer magazines	**188.7**	167.0	150.0	135.0	123.0	99.8	86.2
Business magazines	**73.9**	66.0	59.0	53.0	47.0	49.4	49.4
Newspapers	**80.5**	70.6	73.0	60.6	54.4	58.0	42.8
Newspaper preprints	**2,850.0**	2,500.0	2,288.5	2,032.4	1,779.5	1,390.0	1,086.0
Telephone	**13,608.3**	12,935.6	11,467.0	9,845.0	8,555.6	8,555.6	7,699.0
Television	**386.5**	339.0	295.0	253.0	217.0	265.0	340.7
Radio	**37.0**	33.0	29.0	26.0	23.0	N/A	N/A
Total	**30,099.2**	**27,597.7**	**25,022.8**	**22,487.9**	**19,748.2**	**17,777.0**	**16,354.8**

Source: Direct Marketing Assn.

Note: Creative costs not included in any of the above figures.

Seeking creativity among the teaser envelopes

Direct ad makers find some future inspirations in the past

By M. Howard Gelfand

Direct response advertising's only living legend is taking refuge from the New York City winter at a bruised and battered Holiday Inn in West Palm Beach, Fla. John Caples is 84 now, and his back is bent from a nasty fall. A cane supports him as he looks across the street to the Atlantic Ocean.

But his gray-blue eyes are clear and so is his memory as he remembers the day, more than 55 years ago, when the former phone company engineer turned adman wrote the lines that etched his name in the annals of advertising immortality:

They Laughed
When I Sat Down
At the Piano
But When I Started to Play!

Advertising has created many a star since that day when the 27-year-old Mr. Caples struck gold.

When Mr. Caples wrote his legendary piece, direct marketing wasn't quite so exacting a science.

"Where's The Beef?" has replaced "Do You Make These Mistakes in English?" as the most familiar commercial question, and Michael Jackson has supplanted the Doublemint Twins as the most omniscient singer of what used to be called a jingle.

But the stars strut their stuff in the blinding spotlight of general advertising, a medium that seems to be producing hits the way McDonald's, or at least Wendy's, produces hamburgers.

Direct response advertising, meanwhile, remains an obscure science, a science that hasn't produced a big name since that long past time when Mr. Caples was the hottest thing going and Max Sackheim was writing ads for the Sherwin Cody School of English.

When Mr. Caples wrote his legendary piece, the medium wasn't quite so exacting a science. Sweepstakes and the computer lay ahead; in their place was the freer, narrative style of writing that most closely mimicked fiction. This sort of advertisement set scenes, employed dialog and often required the writer to assume a persona:

Instantly a tense silence fell on the guests. The laughter died on their lips as if by magic. I played through the first bars of Liszt's important Liebestraume. I heard gasps of amazement. My friends sat breathless—spellbound.

I played on and as I played I forgot the place around me. I forgot the hour, the place, the breathless listeners. The little world I lived in seemed to fade—seemed to grow dim—unreal. Only the music was real. Only the music and the visions it brought me . . .

ANNOUNCING A STARTLING NEW WAY TO DETECT CYSTIC FIBROSIS BY ROUTINE EXAMINATION INSTEAD OF BY AUTOPSY.
WITH THE MERIDIONIC OF INDICATOR YOU CAN SCREEN FOR CYSTIC FIBROSIS WHILE THERE'S STILL TIME TO DO SOMETHING ABOUT IT.

Following some of the effective design techniques used in general print advertising, this direct mail piece differs in that it arrived in a 2-ft.-long unmarked black envelope—complete with coupon.

Some 1,600 miles from Mr. Caples' current winter hideaway, there's someone with a theory about the dearth of creativity in direct advertising now. If you had to pick a likely candidate to inherit Mr. Caples' crown, Rod Kilpatrick might be your man. He's young enough—29—and, like Mr. Caples, he got into the direct marketing side of advertising because that's the only side that would have him. Like Mr. Caples, he made his mark quickly, and now is a copywriter at Fallon McElligott Rice in Minneapolis.

But if Mr. Kilpatrick represents the future of direct response advertising, he does so with a reverence for the past.

"That ad," he says of Mr. Caples' classic, "was a brilliant ad for any age. Direct marketing has been in a downslide ever since."

As Mr. Kilpatrick sees it, that downslide—that utter absence of creativity—is the major reason that direct response advertisers are clouded by obscurity.

"Today," he says, "a copywriter would write: 'Now Learn How to Play the Piano in Your Own Home.' "

But there does seem to be a growing emphasis on creativity. Maybe it's just talk at this point, but many direct response advertisers claim that the burgeoning use of the medium has created an influx of clients and professionals who insist upon the same standards that are applied to general advertising.

All this interest in creativity may or may not have enhanced the medium, but it *has* produced an award—the Maxwell Sackheim Award.

While another advertising award is not exactly enough to stop the earth from orbiting these days, awards for direct advertising are another thing.

There are only a couple of awards shows for the direct marketing crowd. And so it was news last year when the Sackheim Award was added to the Caples Show as the crown jewel for the most original advertising in di-

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M. Howard Gelfand is an Advertising Age *correspondent in Minneapolis and a frequent contributor to Magazine.*

Mail campaign gives client a lift

The Rise Inc. campaign is a sterling example of effective direct response advertising. But not necessarily because it won an award.

The people at the Minneapolis company that employs handicapped people for bindery work know that only too well.

In 1977, a group of ad people who worked for various Twin Cities agencies offered to put together a campaign for Rise on a volunteer basis. What came out of the project won two Andy Awards.

The only problem was that the campaign never existed, except on paper and tape. In fact, the volunteers' efforts left Rise with such an ugly hangover that the company was reluctant to accept Bozell & Jacobs' similar offer.

Rise public relations manager Beth DePoint recalls that the volunteers "went on the premise that we were a poor group of handicapped people and please help us because we need the work. It was so demeaning and it was the complete antithesis of what we wanted the public to view us as."

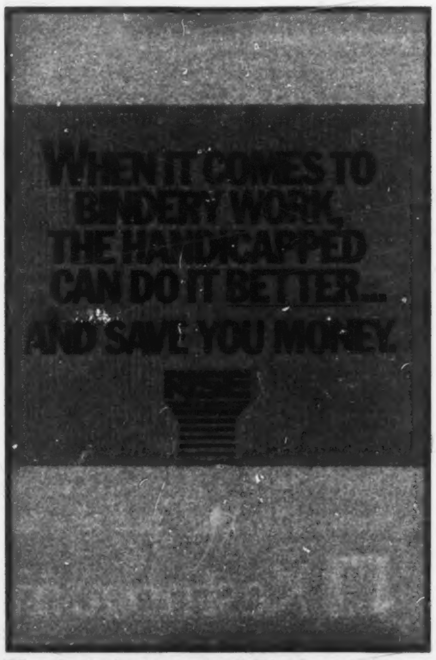
Even worse, it would have cost Rise more than $100,000 to implement the campaign—an unrealistic expense for a company with a total annual operating budget of only about $1 million.

"It made me wary when Bozell approached us," says Ms. DePoint. "I'd been stung before. But they were so enthused and impressed with what was going on here that I thought we'd give it a shot. And as it went along they were so on target with the thing we wanted to project that I can't remember ever having to ask them to change a word."

The approach chosen by writer Rod Kilpatrick and art director Julie Vanatta was actually a bit sly—almost like a politician who says, "I'm running on the issues, not on the fact that my opponent was once convicted of tax evasion."

By stressing that Rise wasn't trying to get work because many of its employes are handicapped, the campaign reminded potential clients that they *were* handicapped.

Rise "suggested we completely sidestep the issue of them being handicapped," says Mr. Kilpatrick. "It seemed to me that they had to address the whole matter of them being handicapped. They had to be proud of it, but they had to get the people to notice their substantial work."


WHEN IT COMES TO BINDERY WORK, THE HANDICAPPED CAN DO IT BETTER... AND SAVE YOU MONEY.
RISE

The fact that most of Rise's employes are handicapped was presented as an asset rather than a liability.

And so the result was a campaign that pleased different people for different reasons. The Caples Award committee was impressed by the creativity. The Rise people were impressed by the honesty of the image.

And the targets of the mailing? The fact that six of the 105 who originally got the package hired Rise indicates the campaign worked.

Dave Olson, who runs a print shop in St. Paul, got the package the other day and quickly asked Rise to bid on a project.

"It was very informative," says Mr. Olson. "It really caught our eye. It actually shows you what they do. I'd never seen a piece like this before, one that has this much work put into showing what they do."

The way Mr. Olson tells it, his interest was piqued by pragmatics, not creativity. But, then, creativity isn't supposed to hit people over the head. When it does, it's called pretension.

—*M.H.G.*

Brokers making lists and checking them twice

While interviewing a source for this story, Ms. Norris received a second telephone call through her "call waiting" feature. She put her source on hold, only to be interrupted by a local builder who wanted to congratulate her and her husband on the purchase of their first home. "We can offer you remodeling inside or out," the cheerful voice told her.

In answer to her question, the caller explained he had gotten his sales lead from the voter's registration list of new additions in her precinct. After explaining she was not now in the market for remodeling, Ms. Norris returned to her story on solicitation by lists and phone.

By Eileen Norris

So, you say you have a pink flamingo tattoo to sell and you think the readers of *Dirt Rider* magazine might be interested? Maybe you want to reach a bunch linked simply as "gamblers from Atlantic City" because you know they would love the tabletop slot machine your company is peddling?

Or, perhaps your company has a miniature solid gold egg that could be a dandy paperweight for the high-ticket buyers at Neiman-Marcus or the 25,000 reported millionaires in the U.S. who subscribe to *The Robb Report*. Where *do* you go?

To the experts, my friends. No feat is too big (or strange) an order for the mailing list business, which has logged a lot of names and addresses since its unremarkable debut in 1872. That was the year a fellow named Aaron Montgomery Ward mailed out a one-page catalog to a list of midwestern farmers. Today, Montgomery Ward & Co., now a giant retailer and mail-order cataloger, is one of the few businesses that steadfastly refuses to rent out its customer mailing list.

But mailings lists are big, big business. Like Hollywood stars with agents, mailing lists have managers and brokers to see that their "star" is rented out on a steady basis. Companies are even starting to count on their rental lists as operating income, not the little splash of petty cash formerly tripped over at the end of the fiscal year.

In the last five years, the mailing list business has become increasingly sophisticated, computerized and targeted. One list broker contends that the "right" mailing list accounts for 60% of the sale. The actual item being offered is only 30% on the importance scale, and the copy in the message only a mere 10% of the sell.

Are you looking for the owner of this slipper?
Neiman Marcus
CALL TOLL FREE
AMERICAN LIST COUNSEL, INC

Targeting the right audience, such as the proven mail order buyers touted in this ad from American List Counsel, is becoming more important.

"Lists *can* be extremely reliable, depending on the work that's put into them," says Marcia Cinamon, president of Cinamon Associates, a direct mail/reponse company and list broker in Brookline, Mass. "But you have to go beyond what is available," she points out. "You have to be a good detective, and creative."

Because list cards detailing what is available for rent go to all of the 100 or so estimated list broker companies in the country—they are the middlemen between the list owner and the mailer—any company using a broker should expect much more than just getting a list of the available lists, experts say.

"No one broker or list manager has an edge over the other," says Steve Millard, president of the Peterborough, N.H., company bearing his name. "We all have access to the same mailing lists. The big thing is knowing what 'selects' to look for in the list. Over the years, a list broker will accumulate facts and experience that the client just won't have. The client may know what lists are available for a particular mailing, but I know what list or lists will probably work," he says.

A list broker's job is to cull through information to get at the client's audience profile and then came up with recommendations for a particular mailing, says Ralph Stevens, chairman of the newly formed Mailing List Users & Suppliers Assn. (ML/USA) and president of Woodruff-Stevens & Associates, a list management company in New York.

"It's a whole art and science," he says. "And you just don't try one list. A list broker should come up with 15 to 20 lists, each of which will have its own dynamics. A large-scale mailer may want to try 30 different lists or test each list by sending out to 10,000 or so on each one."

> **"A large-scale mailer may want to try 30 different lists or test each list by sending out to 10,000 or so on each one."**

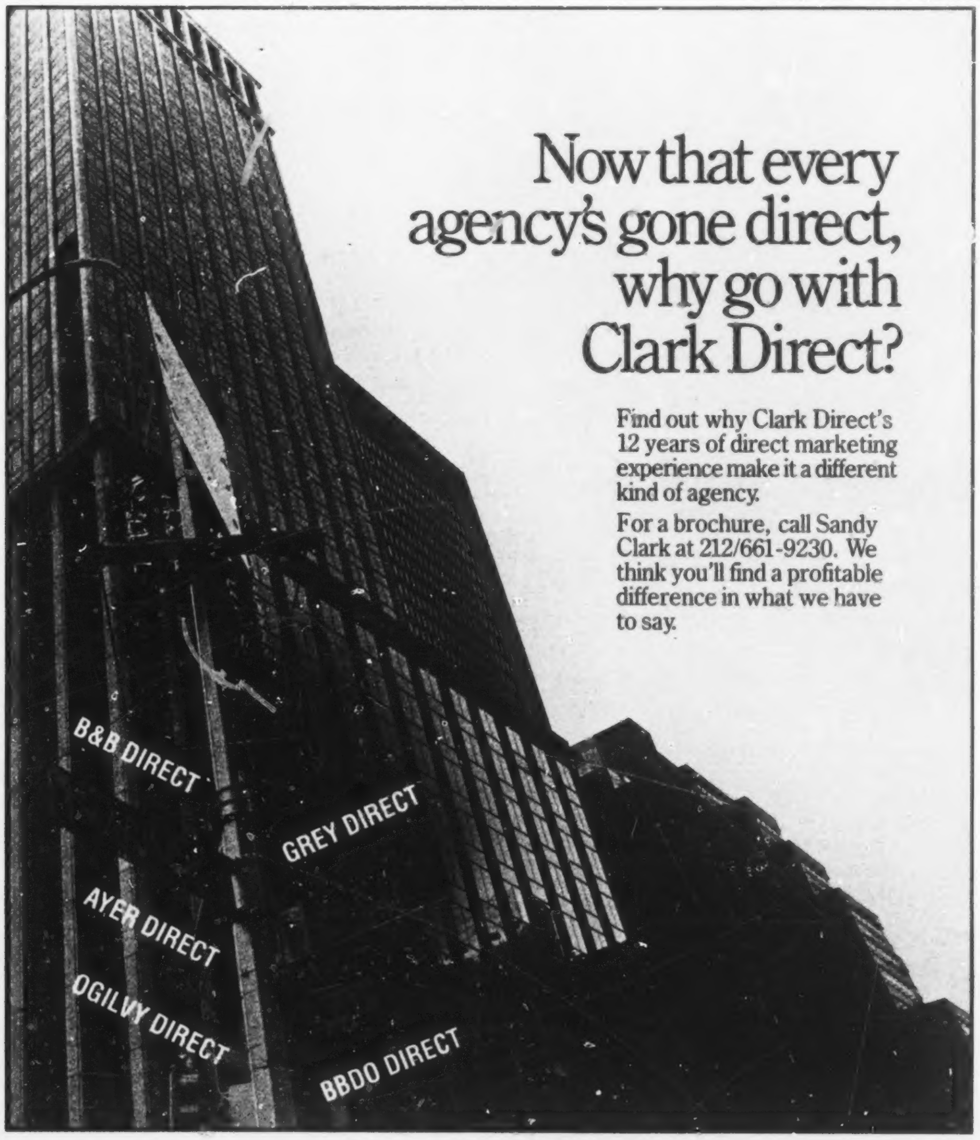
A business or organization wanting to rent a list should ask the list broker or manager when the list was compiled and tested, when it was maintained and what kind of performance rate it has, Ms. Cinamon says. "With a direct response list for mail order, one would want to know if those customers ever bought through the mail before, how much was spent and what products were purchased," she says.

Targeting the right audience and customer is becoming increasingly important as rising mailing costs and intense competition force marketers to zero in on their most likely prospects much more precisely, says Jack Oldstein, president of Dependable Lists, New York.

"With the average mailing piece costing more than 25¢, it's simply not cost-effective to prospect broadly without extensive research, consultation, testing and analysis," he insists. A list broker should be able to come up with a mailing list that closely resembles the profile of the audience the mailer is attempting to reach, Mr. Oldstein says.

"A mediocre mailing package sent to an excellent list will generally prove more profitable than an excellent mailing package sent to a mediocre list," says Mr. Oldstein. "But the best bet is a combination strong offer

Eileen Norris is a Chicago area free lance writer and frequent contributor to Magazine.



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404-351-9850 (inside Ga.)
Toll Free 800-241-1062

and strong list," he adds.

With all this seeming attention to list planning, why do so many consumers have stories to tell about being on the receiving end of inappropriate mailings? Those in the business don't seem overly concerned by this issue and tend to view it more as "rare exception" than common occurrence.

Speaking from a broker's perspective, Mr. Oldstein says, "If a piece of mail is supposed to go to 'new mothers' and it goes to single people, the mailer will be furious! Remember, the mailer has a stake in finding the proper audience. The mailer would be out on the street corner selling apples if he sent pieces to the wrong audience. And the consumer wouldn't get mail from that company any more because it would be out of business."

But, misdirected mail is a reality, Mr. Oldstein admits. Sometimes, he says, consumers are to blame.

"For example," he says, "somebody wants to give a donation to Ronald Reagan so they send in a letter and call the donor 'Sam' something or other. That's their dog's name. Well, another company buys the fundraiser's list and sends out a 'Dear Sam' letter and it goes on and on. Each piece of mail costs about 45¢ to print and mail, so nobody in this business wants to mail to the wrong person."

"If a piece of mail is supposed to go to 'new mothers' and goes to single people, the mailer will be furious."

Occasionally, a name will go astray or a mailer will send to the wrong prospect, agrees Ralph Stevens of the ML/USA. "But, it's no more than a couple per cent of the time," he claims. "The more generic the product the mailer is trying to sell, the more chance there is that it will go to a broad—and possibly wrong—audience," he says.

There are usually some pretty specific reasons why mail goes to the wrong person, Ms. Cinamon says.

"A mailer, for example, will know that 90% of a particular list includes married couples, so they address the piece to 'Mr. and Mrs.,' taking the chance that a small percentage will not be married. Then, they hear from a fellow who calls and says, 'I'm not married and never went to be married—I'm gay.' "

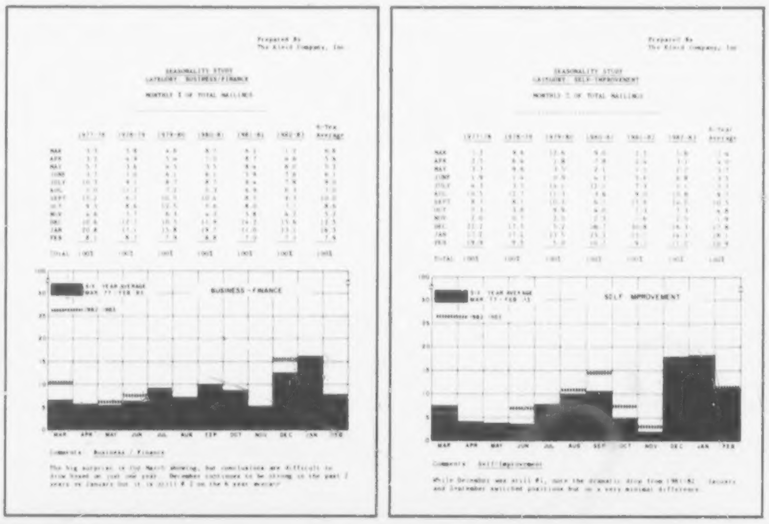
The other way the public gets misdirected mail, she says, is when consumers fail to try to correct mislabeled mail. For example, she says, "We'll hear from a woman who says, 'Don't you know my husband is dead?' But what happens is the woman leaves his name in the telephone directory because she's afraid to live alone or she still contributes to his college alumni association, in his name, because she doesn't want to stop receiving the newsletter or magazine they send. The computer doesn't know this man is dead."

Waste, she contends, is truly the exception. "The other reality is that some lists are just cleaner than others," she says.

The Popcorn Factory, a Lake Forest, Ill., mailer that sends out 3 million to 5 million catalogs every year, hears from a few people who want to be dropped from its lists, says Nancy Hensel, general manager, but she adds, "We've never had hate letters from people who despise popcorn or anything like that. If

(Continued on Page M-38)

Kleid Co. has put its databank to work figuring seasonal trends in direct mail, including studying consumers interested in self-improvement and business/finance.



When it comes to paper, if you want more to weigh less...

THINK LIGHTER

Thinking light about paper is not a new idea. The search for high-performance, lightweight coated printing paper started over 30 years ago. The rising costs of postage and distribution for mass circulation magazines made finding such an alternative an economic necessity.

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Others have also cashed in on the lightweight technology. Catalog and direct mail merchandisers, directory publishers, producers of mass circulation newspaper inserts have all been part of the movement to think lighter about paper. And why not? Lighter weight paper equals lower paper costs and lower shipping and postage bills. With big increases expected in 2nd and 3rd class mail, it pays even more to think lighter. For you, those savings can mean more circulation reaching more people and creating more opportunities for sales.

Today the market has shifted and supplies are tight. And it's not easy to get all the paper you want. It will take time for supplies to ease and St. Regis is planning for future capacity. In the meantime, thinking lighter is our long-term strategy and it might be a good idea for you, too.

ST REGIS
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DM News is the only direct marketing publication with an audited circulation.

The hottest area of advertising and marketing is direct marketing - targeted marketing that produces a measurable response. From catalogs and direct mail to print, telephone and television, direct marketing is moving all kinds of goods and services: magazine subscriptions, computers, hotels and travel, home furnishings, cosmetics, financial services and everything in between. DM News, the only newspaper of direct marketing, has this field covered.

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What recession?
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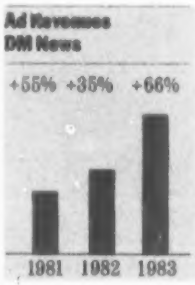

DM News readers buy.
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Lincolnwood, IL 60646
(312)679-1100

Los Angeles:
Jonathan Hartman
The Pattis Group
1800 North Highland Ave.
Hollywood, CA 90038
(213)462-2700

Lists

(Continued from Page M-35)

someone asks to get off our mailing list, we clean their name out of our file."

The Chef's Catalog, a Northbrook, Ill., mail-order catalog operation selling professional restaurant equipment for the home chef, never has had any complaints from consumers about receiving a catalog says Marshall Marcovitz, president.

"If people are interested, they will order. If they're not, they won't order or call to complain," he says. The Chef's Catalog goes out to 5 million cooks every year.

Mailers and brokers alike agree that careful selection is the key to effective mailings. By selecting the right list of direct response names, an offer can be mailed to people who have by some action revealed an associated interest, says Rose Harper, president of Kleid Co., a leading New York list broker.

"Today, we have to supplement our demographics with something more—life style," she explains.

"We need to have a much clearer picture of who our customer is. We go about getting this information by using techniques that will zero in on the who, what, where, when, why and how of our markets and target our mailings accordingly," says Ms. Harper, who has been using a computerized databank to help get at the answers.

Kleid even has put its databank to work to figure out the seasonal trends in direct mail and, for instance, what month or season consumers interested in self-improvement or business/finance are most likely to buy by mail.

"For example, to sell toys, the lists selected should reveal the presence of children in the family because these response names have bought juvenile books, publications and/or 'parent' products. Lacking the presence of children in the home, a mailer might luck out one in 15 or 20 tries—and that's expensive. Today's typical mailing represents an investment of about, on average, $275 per thousand names. On a test of 5,000 names, that is $1,375," Ms. Harper says.

The cost of buying a rental list averages about $30 to $40 per 1,000 names, but the price can climb up to $125 per 1,000 names for those hard-to-get, likely-to-buy prospects. The mailer pays for the costs of mailing, but the list owner actually pays the list broker 20% commission on the transaction, which helps explain why it's profitable for brokers and managers to recycle lists to various mailers.

There is even evidence today that companies are starting to count on the income that is generated from renting lists.

Says Don Rappaport, chairman of the American List Counsel, a Princeton, N.J., company, "When I started in this business several years ago, list rentals were found income; now it's part of the operating income for many companies."

> **"In this world, nothing is perfect, so you try to reach as many as you can and try to use the best lists."**

There is also an increasing interest in mailing lists on the part of advertising agencies, sources say. But while Mr. Rappaport sees shift in emphasis "from creating the package to who it is reaching," he doesn't think "ad agencies use list brokers and the selection process enough."

Agencies almost are being forced to use mailing lists as a form of media for their clients, Mr. Oldstein says. "They are using lists because their accounts are asking, 'What about direct mail?' "

But part of the reason for not depending on mailing lists is because the good lists are overused, counters Phil May, vp-general manager at Cramer-Krasselt/Direct in Chicago. But he concedes: "In this world, nothing is perfect, so you try to reach as many as you can and try to use the best lists."

The biggest problem for direct marketing agencies that want to use business-to-business lists is that they are just not accurate, contends Gail Chrystal, president of the Chrystal Direct Marketing Group in Arlington Heights, Ill.

"If I had a 'wish list,' I'd wish business lists could be more ac-

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curate and I would be the one to figure out how to do that," she says. "Business lists just are not as segmentable as consumer lists and the information tends to be wrong, what with the high rate of companies going out of business.

"There is a high rate of mail that gets returned or is undeliverable," says Ms. Chrystal.

According to Ms. Cinamon: "You have to calculate in the undeliverable rate. I recommend taking 15% right off the top in a mailing and basing the response rate on 85%. It's also important to look at the product that is being promoted geographically. Lists have to be tested for representative states."

While mailing lists may not be the panacea brokers might like to think, they *are* being used more and more by advertising agencies.

Ms. Chrystal says she uses "a list broker because it takes a lot of work to get the right list and it doesn't cost me any more than if I went directly to the list owner. I may know the top 10 lists," she says, "but I need someone to tell me which ones will work and take responsibility for that decision."

One large area of growth for mailing lists has been with telemarketing companies, which can find out "within an hour's time" just how good a mailing list really is, says Eugene Kordahl, president of the American Telemarketing Assn. and president of National Telemarketing, Randolph, N.J.

"We interact and talk with lists. Our lists tend to be better than nontelephone lists because they are current and accurate."

"We interact and talk with lists," he says, explaining that telemarketers have a dialog with a list, while mailers are engaged in a monolog. "Our lists tend to be better than nontelephone lists because they are current and accurate," Mr. Kordahl says.

The industry is growing at a break-neck speed, which is why the Mailing List Users & Suppliers Assn. formed in September, 1983. "Our members are people who use mailing lists to earn their livelihood," says Mr. Stevens, chairman of the 75-member association.

One of the first items the association discussed at an early meeting was the issue of the Internal Revenue Service's use of mailing lists to "flush out individuals who are not paying their taxes," Mr. Stevens says.

Although a formal stand hasn't been taken by the group, it is clear that the ML/USA believes it is wrong for lists compiled for marketing, fundraising or other commercial purposes to be used by the government or law enforcement agencies as tools of coercion or compliance.

"The Privacy Protection Study Commission of 1975 concluded that the mailing list industry is in the business of supplying audiences rather than information on individuals. We believe that using lists to obtain information on specific individuals is clearly in conflict with the safeguards espoused by the U.S. Constitution and is a violation of privacy," Mr. Stevens says.

"We are not policemen; nor are we moral guardians. However we feel that the list industry and the entire direct mail business will be the ultimate victims unless we assume responsibility for the people whose names we rent," Mr. Stevens says.

Direct mail volume (pieces)

In 1983, there was a 10.7% increase in the volume of direct mail sent. In 1982, 40.4 billion pieces were mailed. In 1983, that number rose to 44.7 billion pieces.

Categories

When you break down the direct mail volume by categories, you find that 11.5% of that was first class mail generated by direct marketing. Not surprisingly, 3rd class mail comprised 68%, with 30.4 billion pieces. And non-profit generated 20.4% of the total.

Source. Kobs & Brady Advertising, Chicago.

Besides the IRS issue, the association also plans to tackle other issues that it considers important, including a mailing list legislative watch, the formation of suggested standards and keeping on top of legal issues. Security is another major concern for mail list users and suppliers, says Mr. Rappaport of American List Council.

Because 99% of list rentals are for one-time use only, list owners and managers take extra precautions to ensure that mailing lists are not stolen.

Most list brokers or managers will seed decoy names in a list and have an employe who tracks those "seeds" to make sure no one is stealing a list or using it more than the one-time rental agreement authorizes, Mr. Rappaport says.

"For many companies, the mailing list is its most valuable asset." ■

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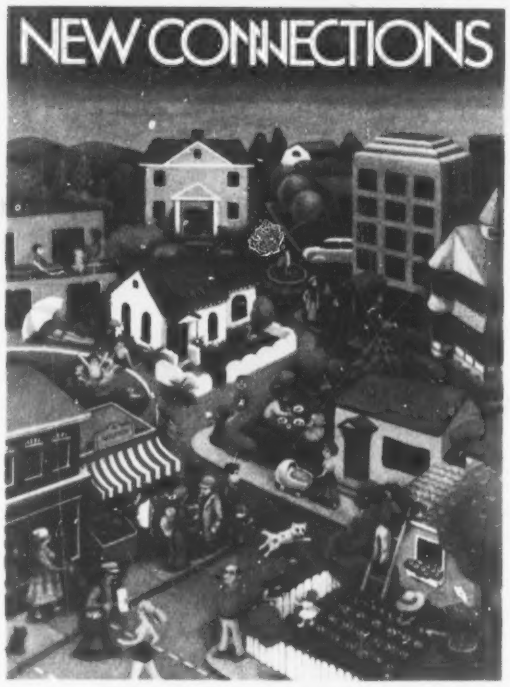

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Goals

(Continued from Page M-10)

"With all the talk about telemarketing," Mr. Kaden says, "it would seem that the use of telemarketing to produce additional sales would be a major opportunity." But the 28% that felt telemarketing will be extremely important in the next 12 months belied the results he expected.

It's the business marketers and executives in financial fields who plan a greater use of telemarketing, the survey indicates. The catalog people see less value in telemarketing in the coming 12 months than the industry as a whole. Mr. Kaden surmises that "apparently, the more limited the market, the more marketers see an opportunity for telemarketing to make an impact.

"There seems little doubt," he continues, "that the use of advanced computer technology for database management is viewed by the industry as either an extremely or very important factor in 1984. If this trend holds, there is going to be tremendous competition for good computer people, and finding qualified people to assist in the database management field is going to be a problem for us as an industry."

Among other key findings:

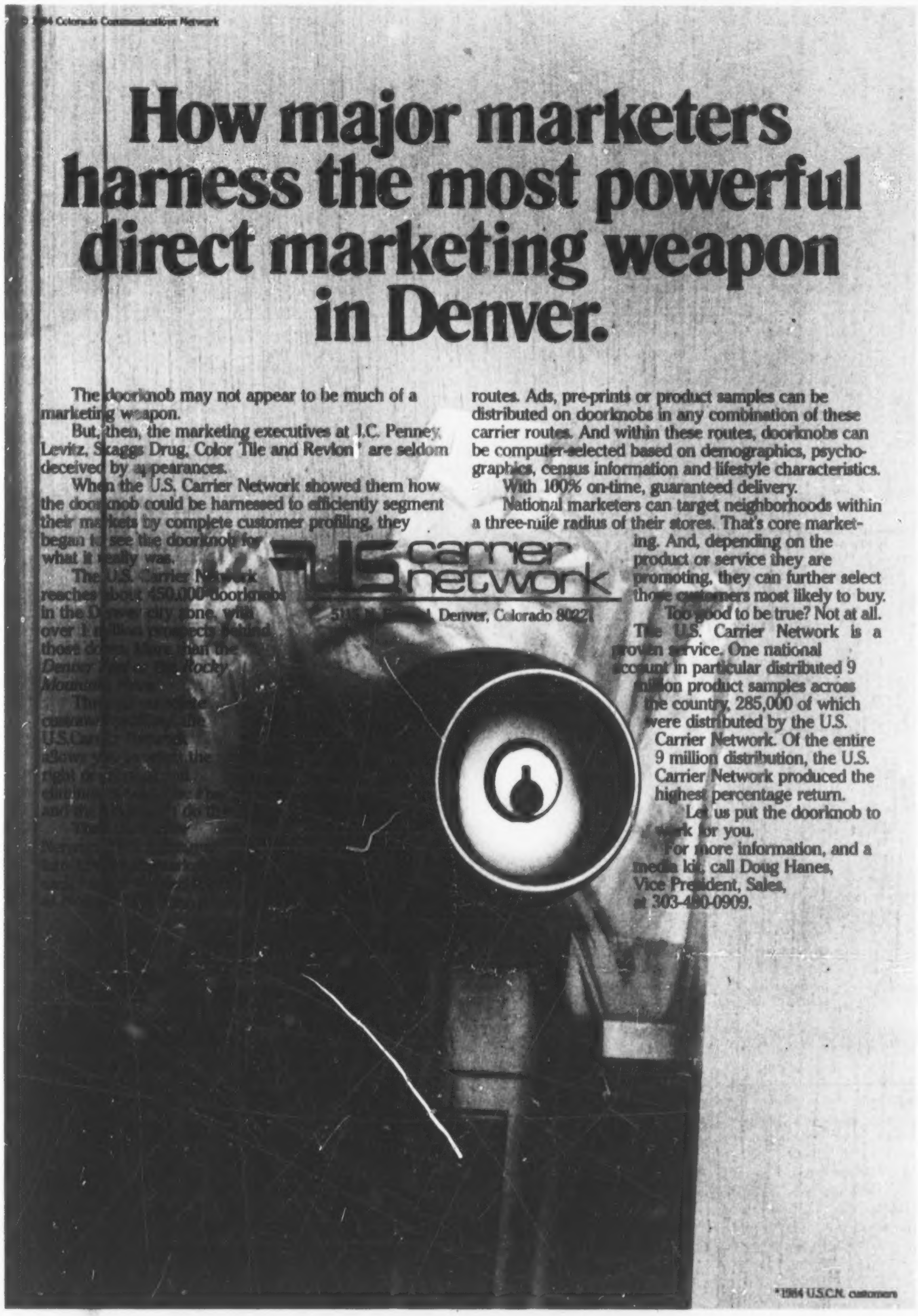
- Only 1% believe teletext will be of extreme importance in the next 12 months, and only 3% view electronic mail that way.
- Only 4% are planning to emphasize in-house direct marketing programs to train new talent, a finding Mr. Kaden finds discouraging. And only a small percentage are looking to direct marketing courses at colleges to provide better talent.

> **"The more limited the market, the more marketers see an opportunity for telemarketing to make an impact."**

- Getting a greater share of business from retail is seen as an extremely important opportunity *only* in the catalog business.

Comments Mr. Kaden, "I wonder as a group if we're not underestimating retail as a competitive factor, particularly in the latter part of the 1980s as an industry matures."

- Postage costs are a key worry for about 56% of respondents. Costs in general in such areas as printing and paper, as well as mailing efficiencies and better delivery systems are concerns.
- Strategic planning rated as of extreme importance to 43%, a finding Mr. Kaden thinks is very interesting. "We seem to be saying that as we grow more and more sophisticated and more mature, let's act more like sophisticated marketers."



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How major marketers harness the most powerful direct marketing weapon in Denver.

The doorknob may not appear to be much of a marketing weapon.

But, then, the marketing executives at J.C. Penney, Levitz, Skaggs Drug, Color Tile and Revlon* are seldom deceived by appearances.

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U.S. carrier network
5115 [illegible], Denver, Colorado 80221

*1984 U.S.C.N. customers

Creativity

(Continued from Page M-11)

rect marketing.

And there may be something symbolic in the fact that the first writer to win the award—Mr. Kilpatrick—represents a bridge from the free wheeling days of Caples and Sackheim to the modern era.

Mr. Kilpatrick, who was going to be "an honest-to-God legitimate writer." wound up starting his career at a small Chicago mail order agency after deciding he didn't want to "spend a lifetime being poor but proud."

After moving on to Calhoun's Collectors Society in Minneapolis, he hit the big time—Bozell & Jacobs in Minneapolis. It was there that Mr. Kilpatrick teamed with art director Julie Vanatta for a direct mail campaign on behalf of Rise Inc., a Minneapolis company employing handicapped employes for its bindery work. This was the campaign that would win the Sackheim Award.

> **"That was really one person addressing another person . . . which we can do in direct marketing because it's so personal a medium."**

Like general advertising, the Rise campaign started out with an eye-catching headline—in this case a sticker affixed to a manila envelope that says: "*Some say the handicapped do as good a job as anyone. Nonsense.*"

A letter and brochure inside are wrapped in a binder that carries the promise: "*When it comes to bindery work, the handicapped can do it* better . . . *and save you money.*"

The brochure is a booklet done by Rise, showing examples of Rise's capability. Pages contain, among other things, labels, drilled holes, hand-folded corners, saddle stitching and glued attachments.

Mr. Kilpatrick's letter, carrying the signature of Rise's marketing vp, adopts the executive's persona in tackling the issue of using handicapped employes.

Dear Friend:

At Rise, my loftiest ambition is to make you forget who we are.

That may sound like a rather strange statement coming from a vice president of marketing. But maybe this story will explain what I mean.

A while back I was taking one of our long-standing clients—the operations manager for a major Twin Cities corporation—on a tour of Rise's facilities. (It was the same tour, in fact, that I'd *like to take you on.) I walked him through the assembly area, where we'd handled numerous jobs that were beyond the capacity of his own staff.*

We passed by the packaging division, where we'd saved the day more than once by tackling rush jobs on impossibly short notice.

Finally we paused in the bindery area, where we'd done things with paper that other binderies had said couldn't be done.

When the tour was over, he had only one comment. "It's kind of funny, Rick—but after all the jobs you've done for us, I'd totally forgotten that you work with the handicapped."

Of the 105 people who received the mailing, 10 responded. Six eventually hired Rise.

Emily Soell, president of Rapp & Collins in New York and one of the judges of the Caples awards, says the Rise campaign is an example of how creativity can make a difference in direct advertising.

"It was pure creativity to me," she says. "It was the words that did the trick. Because it wasn't a big fancy thing. The power of words work tremendously. And that was really one person addressing another person in the most meaningful way, which we can do in direct marketing because it's so personal a medium."

Of course, no one is denying that this new push for "creativity" will ever replace the old standbys—the starbursts, the You-may-already-be-a-winner, words like "Free!" and "Now!"

As a wider variety of major corporations begin to use direct marketing, it is becoming more than just a tool for instant response.

But as a wider variety of major corporations begin to use direct marketing, the medium is becoming more than just a tool for instant response. Says Ms. Soell: "When Chase Manhattan banks come to us with a project, they might say, 'We would like it to work, but if you have to make us look shlocky and project an image that we can't buy, we'd rather that it didn't work quite so well.' "

Still, there are plenty of professionals who believe that the medium has a long, long way to go. Says Tom Owens, the chairman of the judging committee for the Caples Awards: "I see islands of creativity but there's no mainstream movement [toward creativity] that I can see."

Mr. Owens, who is creative director of Publishers Clearing House, says: "I don't see any indication that creativity is taking over as a major force. You look at a DMA (Direct Marketing Assn.) meeting. If anybody gets up to speak about creativity, no matter how erudite the presentation, the first question that's always asked is, 'How do you get people to open your envelopes?' "

Still, appeals to basic instincts notwithstanding, advocates of the craft contend that the sudden legitimacy of direct response advertising, coupled with the eroding borders between direct response and general advertising, have wrought dramatic change.

"Ultimately, the superior creative product cuts through the advertising clutter, whether it's direct response or general advertising."

"The major improvement in direct marketing has come largely from the fact that what was once perceived as a business of technology and techniques has come back to what it really is: A business of, like all advertising, creativity," says Jerry Reitman, the president of Scali, McCabe, Sloves Direct Response.

"It's ultimately the superior creative product which cuts through the advertising clutter, whether it's direct response or general advertising," he says.

If anyone doubts the improved image of the medium, he need only observe the frenzy with which general agencies are getting into the action. Grey Advertising, for example, set up its Grey Direct Response unit four years ago with two people. Now there are 90, and billings of nearly $40 million. Ray Beauchamp, the creative director of the division, is among those who believe that the big agencies will elevate creativity.

"In the next couple of years I think you'll see a whole lot of breakthroughs in direct response because the field is getting filled up and the only way there's going to be a difference between direct response agencies is in creativity," says Mr. Beauchamp.

Mr. Kilpatrick is more outspoken: "The people who have been attracted to the field have for the most part been hacks. You either had the marketing people writing the ads and doing the layout because 'Anybody can do direct response advertising,' or there were writers and art directors who have not been good enough to do—quote—real advertising. We're just getting to the point where some of the most talented people are getting into the field."

Mr. Kilpatrick traces much of his own growth to his move to Bozell & Jacobs, where, he says, "I was exposed on a daily basis to some superb creative work. I realized that there wasn't a need for it to be shlocky—that the same people who could be influenced by brilliant creative work in broadcast or print advertising could be influenced by direct marketing advertising. I realized that it's no different just because there's a coupon at the end of an ad. Humans are humans and it's the same motivational button that needs to be pushed."

A mailing done recently by Mr. Kilpatrick and art director Nancy Rice at Fallon McElligott is an example of direct advertising that differs little from general print advertising.

The headline, over a pair of doors labeled "Morgue," says: "Announcing a startling new way to detect cystic fibrosis by routine examination. Instead of by autopsy." Where the piece did differ from print advertising is that it arrived in an unmarked black envelope that was nearly two feet high. And, of course, there was a coupon for those who wanted to attend a seminar introducing the product. That coupon got a response rate of 30%.

But not everyone believes the principles of general advertising enhance the art of direct response. Many direct response advertising veterans feel their craft is doing the positive influencing.

Mr. Caples himself, for 50 years a BBDO vp, says: "The big agencies gradually made a discovery: With direct response you can learn a lot of principles of advertising that can be applied to general advertising."

Indeed, Andi Emerson, one of the founders of the Direct Marketing Creative Guild, says the increasing role of the big agencies necessitated the guild. "It was my perceived need and that of hundreds of other people to help free the direct marketer from the encroaching sameness being superimposed on us by the advent of the general agency into the direct response business," she says.

Ms. Emerson and other veterans of direct response are wary of general advertising's soft sell approach—an approach they see creeping into direct response. Direct marketing people talk of the joy of measurement. Real talent, they'll tell you, is a 15% response rate.

"There's only one way to keep score," says Herschell Gordon Lewis, a direct advertising veteran who writes direct response copy in his Fort Lauderdale home.

"In other areas you can survive without the talent to force communication. But there's no court of appeal here. Your product either sold or it didn't," he says.

Mr. Lewis was one of those general advertising types him-

(Continued on Page M-66)

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The agencies

Based on estimated U.S. gross billings

Agency	Billings (in $ millions) 1983	1982
Wunderman, Ricotta & Kline	$124.2	$114.8
Ogilvy & Mather Direct Response	95.0	68.0
The Direct Marketing Group	65.7	53.3
Stone & Adler	55.8	53.1
Rapp & Collins	50.2	36.7
Kobs & Brady Advertising	44.3	25.8
Chapman Direct Marketing	41.5	32.0
Direct Marketing Agency	40.0	37.0
Grey Direct	39.6	21.7
Smith/Hemmings/Gosden	37.7	26.9
Soskin/Thompson Associates	36.6	25.7
Ayer Direct	29.0	24.8
The DR Group	25.5	20.0
MARCOA Direct Advertising	24.6	20.0
The Frank Vos Co.	22.3	21.8
Barry Blau & Partners	21.4	18.8
BBDO Direct	21.0	15.0
Compton Direct Marketing (Fairfax)	19.0	18.0
B&B Direct	18.8	17.2
McCaffrey and McCall Direct Marketing	10.0	5.0
FCB/Direct Marketing	6.7	2.9
Clark Direct	4.0	2.7
DFS Direct	3.7	—
Muldoon Direct	3.2	—
Ketchum Direct	15.0	12.0
Scali, McCabe, Sloves Direct Response	11.0	—
Cramer-Krasselt/Direct	6.8	3.9
WOL Advertising Associates	4.8	4.1

Source: DMA research department

Note: This list represents only those agencies who responded to a DMA request, made in 1984, for their full-year 1982 and 1983 billings. All figures were supplied by the individual agencies, which were asked to include only space and broadcast billings, billings for materials and services provided by organizations outside the agency, and capitalized agency fees.

Creativity

(Continued from Page M-65)

self once. He did a lot of broadcast work in Chicago. But then his biggest account went belly up and he opened up a little shop in suburban Highland Park and picked up his first direct business. The account was collector's plates.

"I didn't know what a collector's plate was," Mr. Lewis recalls, "but I trooped out to the company and wrote the copy and I got paid! I said, 'How long has this been going on?' "

That was 1974. Now, says Mr. Lewis, "I'm sitting here at my word processor, looking at my pool and spa, and I can't imagine doing anything else."

Mr. Lewis' success, like that of many old-school practitioners, rests on many of the traditional rules of direct response advertising. "Fear, exclusivity, guilt and greed," he says. "Those are the great motivators in direct response advertising."

But like Mr. Caples before him, he has the ability to assume the role, paint the scene, and sell the product—all at once. His brochure for Calhoun's "exclusive Theatre des Saisons" collectors plates—only 5,000 sets of the four plates were made—was written over the signature of porcelain manufacturer Frederick Haviland:

I shall tell you the story of the artist Bracquemond and how he came to paint the "Theatre of the Seasons"—four works of art representing Printemps (Spring), Ete (Summer) Automne (Autumn), and Hiver (Winter).

I shall tell you why only five thousand of each will be produced, and no more; and why, when those five thousand Haviland plates have been made, Felix Bracquemond's original art once again will be placed within the walls of the Haviland Museum and not again removed.

And I shall tell you why, in a lifetime that has spanned more than four-score years, for the first time I personally am adding my signature as an actual part of the backstamp of a limited edition porcelain plate, and why I shall not do so again.

The plates quickly sold out, at $100 apiece.

For the creative writer, the charm of a direct mailing is its length. "There are a lot of writers in general advertising who are brilliant creative thinkers but they view the body copy as something you throw out," says Mr. Kilpatrick. "But we've got to cover every base. We have to try to anticipate every question."

The narrative form favored by many direct response writers is as old as advertising, but as the medium evolves a shocking new technique is popping up: Humor.

> **"A lot of writers in general advertising, who are brilliant creative thinkers, view the body copy as something you throw out."**

It's a technique that the pioneers frowned upon. In his book *How to Make Your Advertising Make Money*, Mr. Caples warns: "Avoid humor. What is funny to one person is not funny to millions of others. Copy should sell—not just entertain. Remember, there is not one funny line in the two most influential books ever written—the Bible and the Sears, Roebuck catalog."

Mr. Caples might not approve of a mailing recently done by Rapp & Collins for Chase Manhattan Bank.

It's a pamphlet with the headline: "Chase knows what you've been waiting for." The pamphlet, folded like an accordion, gets bigger and bigger as its unfolded. Finally you see a whimsical picture of a man gliding past one of those long ropes that banks use to herd in the customers. There's no one else in line.

Even direct mail advertising, it seems, can be fun. ■

Coming

Magazine, which next appears Thursday, April 26, when ADVERTISING AGE begins publishing twice weekly, will regularly be a part of the midweek edition. The special report will focus on the Business Press.

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Ad pages in farm publications for 3 months, 1984-83

First-quarter figures for U.S. and Canadian publications reporting to Advertising Age

	Pages Jan.-Mar. 1984	Pages Jan.-Mar. 1983
Canadian		
Country Guide		
Eastern Edition B	147.5	142.0
National Edition B	290.8	268.5
Western Edition B	185.7	174.4
Le Bulletin des Agriculteurs	238.1	208.2
Total Group	**862.1**	**793.1**
% change	+8.7%	
Dairy & livestock		
Beef Magazine A	222.2	230.3
Beefweek B	172.7	120.3
The Cattleman	353.0	367.9
Dairy Herd Management	147.9	175.7
Drovers Journal (52X) A	416.3	265.0
Farm Progress Hog Producer	26.8	37.4
Feedlot Management	72.8	81.5
Florida Cattleman	237.2	222.0
Hoards Dairyman (23X) A	255.9	259.7
Hog Farm Management	120.1	154.4
National Hog Farmer	237.0	273.4
Pig American	68.4	76.4
Southern Beef Producer (8X)	42.3	27.5
Southern Hog Producer (6X) B	10.8	11.0
Sunbelt Dairyman (6X)	10.5	9.3
Dairy	100.1	93.8
Western Livestock Journal Weekly		
Central Edition	[illegible]	119.7
Western Edition	106.3	115.3
Western Livestock Reporter/Montwyo News (52X)	—	—
Total Group	**2,715.3**	**2,640.6**
% change	+2.8%	
Fruit & vegetable		
American Fruit Grower	165.7	154.7
American Vegetable Grower	126.0	129.6
Citrus & Vegetable	153.7	124.8
The Citrus Industry	121.2	9[illegible].8
The Grower	114.9	70.4
Total Group	**681.5**	**577.3**
% change	+18.0%	
General farm publications		
American Agriculturist	135.7	114.0
California Farmer (21X) A	231.5	259.0
Farm Futures A	131.5	126.8
Farm Industry News (10X)	2[illegible]6.6	146.6
Farm Journal (14X)	333.9	300.8
Florida Grower & Rancher	49.[illegible]	60.1
Farmer-Stockman Unit		
Oklahoma Farmer-Stockman	43.2	39.9
Texas Farmer-Stockman	43.4	37.8
Harvest Publishing Unit		
Kansas Farmer (21X)	272.6	255.0
Michigan Farmer (21X)	217.3	247.9
Missouri Ruralist (21X)	275.4	302.6
Ohio Farmer (21X)	295.4	361.1
Pennsylvania Farmer (21X)	217.5	243.8
High Plains Journal		
Eastern Kansas (52X)	602.3	597.1
Colorado	573.5	562.7
Nebraska	578.0	548.3
Oklahoma Texas	587.9	583.8
Western Kansas	633.4	628.8
Irrigation Age (10X) A	100.1	62.3
Kentucky Farmer	110.8	110.8
Lancaster Farming (52X)	1,440.8	1,379.0
Midwest Farm Paper Unit (24X)		
The Farmer	445.5	478.6
Nebraska Farmer	536.0	530.2
Prarie Farmer A	436.5	468.7
Indiana Edition	424.6	443.2
Wallaces Farmer (24X) A	448.3	474.6
Wisconsin Agriculturist (24X)	351.9	349.1
Pecan South (6X)	32.0	32.0
Progressive Farmer A	248.6	233.0
Specialized Agricultural Publications		
Flue Cured Tobacco Farmer	64.9	81.3
Peanut Farmer (8X)	42.7	45.0
Successful Farming A	302.5	294.8
Tennessee Farmer	59.5	62.2
Wyoming Stockman-Farmer	83.0	88.3
Western Unit Farm Magazines		
Arizona Farmer-Ranchman	64.3	77.[illegible]
Colorado Rancher & Farmer	181.9	148.[illegible]
Northwest Unit Farm Magazines (24X)		
Idaho Farmer-Stockman	238.9	258.1
Montana Farmer-Stockman	340.7	320.6
Oregon Farmer Stockman	179.8	192.1
Utah Farmer-Stockman	154.0	174.6
Washington Farmer Stockman	189.1	200.2
Total Group	**11,804.4**	**11,921.4**
% change	−0.9%	
Poultry		
Broiler Industry	144.8	153.3
Poultry Digest	43.6	56.0
Poultry Tribune	79.2	83.9
Poultry Times C	105.7	151.4
Poultry & Egg Mktg	51.0	56.0
Total Group	**424.3**	**500.6**
% change	−15.2%	

(X) Represents the number of times published each year; publications are monthly unless otherwise specified. A. Sectional linage included but prorated to circulation of regional editions. B. 1983 figures are comprised of a combination of 30-in. and 80-in. pages; 1984 figures are comprised of only 30-in. pages. C. 1983 figure reflects four regional editions; 1984 reflects national edition and two regional inserts.

Farmers reaping benefits of high tech

By WENDY KIMBRELL

The trappings of high technology—computers, telemarketing and the worship of efficiency—may be the farm lore of the rest of the century.

Speakers brought home that message at the recent National Agri-Marketing Conference in Kansas City. The farm and farm suppliers of the future, they said, will have to depend on the culture of technology to better market their products.

Don Edson, vp-administration, Federal intermediate Credit Bank, Wichita, Kan., said that farmers will begin to need more knowledge of computers and technology.

As commercial farmers become more efficient in management practices, they will look to outside groups and organizations for assistance.

"Many people are hoping for a return to 'the good old days' when farming was a way of life," Mr. Edson told the conference's 500 attendees, "but the future doesn't seem to hold this kind of agriculture in its crystal ball."

One development of technology, telemarketing, already is beginning to make a distinguished name for itself in the farm industry.

Paul Brower, vp-communications at Gold Kist, a farm supplies marketer based in Atlanta, said telemarketing, as well as direct marketing, are vital because the role of mass media for agrimarketers is changing.

Twenty years ago, he said, there were 10 million farms in the U.S. Today, there are 2.43 million.

Forty per cent of those farms provide 90% of the nation's produce by dollar value, and it is that 40% to which marketers gear their advertising. Both telemarketing and direct marketing efficiently can target this group.

Roger Bullet, director of sales at Hesston Corp., a farm equipment marketer in Hesston, Kan., explained the benefits telemarketing has provided his company.

"Before we implemented a telemarketing department into our operations, our field salespeople were spending the majority of their time with the dealers that were generating the most sales," he said. "The low-volume dealer wasn't getting anything more than a once-a-month visit from his field rep, and that was primarily just to audit his inventory."

Mr. Buller said the program helps not only in increasing support to low-volume dealers, but also will improve asset management and reduce overhead.

All of these modern marketing techniques will be played out against fundamental changes in the nation's agricultural structure, according to Mr. Edson.

Citing a study conducted by a committee of the Production Credit Assn., he said the number of small, private farmers will begin to increase by the end of the century, while the number of large, commercial farmers will decline.

However, the number of commercial farmers with a stronghold in the industry will get larger, Mr. Edson said.

In addition, the trend of migration to urban areas reversed in the 1970s, he said. Today, more people are moving to rural areas and setting up productive styles of life. Rural areas in general will begin to demand more community services.

"They aren't going to be the kind of sleepy communities we think of now when we think of small towns," Mr. Edson said.

As technology introduces new production techniques and increased management ability to farmers, their ability to increase their production with the same amount of resources will be enhanced.

Although in the past increased product yield has proved detrimental to prices for farmers, trends show that by the year 2000, farmers will be able to put a tighter control on supply and demand, according to the study.#

'New you' beauty pageant

(Continued from Page 3)

tivewear" rather than swimsuits. The tv finalists will be tracked periodically from the outset to see how they lost weight. A video capsule of each contestant's progress will be produced, and some will be used during the tv special.

Mr. Gutwirth hopes to book a major singer as the pageant entertainment plus celebrities as presenters and judges.

Marketers of diet soft drinks and low-cal foods are being approached as possible pageant sponsors. Mr. Gutwirth also is making presentations to cosmetics, fashion and automotive companies, and is lining up "an official airline."

Mizlou will sell 10 national minutes, while the stations will have eight local commercial minutes.

Mr. Gutwirth, a former director of special projects and marketing for ABC-TV who recently shed considerable weight himself, plans to publish a tie-in diet book.

Looking ahead to the 1986 pageant, Mr. Gutwirth said "The New You" may accept international contestants and include women 30 to 50 years old, and men as well.#

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Housewares push new features

By WENDY KIMBRELL

CHICAGO—Marketers at the 80th National Housewares Manufacturers Assn. exhibition here last week focused an array of new-product introductions upon a common philosophy: Consumers are willing to pay more for products with value-added features.

The aura of excitement prevailing among buyers at the show was led by small electric appliance marketers offering combination-product sets and extra amenities.

"There are so many marketers in the housewares industry offering new products, the only way to survive is to offer preemptive features offering additional value," said Carol Hubregson, marketing communications specialist at General Electric Co.'s housewares business division.

Kevin O'Malley, director of marketing programs at Allegheny International's Sunbeam Appliance Co., said, "Everything we see in consumer research says that consumers want value and they will pay more for value-added features."

Bissell's new Carpet Machine Plus, a new carpet cleaner, features an attachable upholstery cleaning head as an added convenience. "We've doubled the uses of the product for the consumer," said Jack Hughes, vp-sales. "The more uses you can give them, the more justification there is for them to own it."

The new cleaner, priced at about $160, is scheduled for distribution Sept. 15, supported by a dealer co-op tv campaign produced by Chickering & Associates, Grand Rapids.

Panasonic introduced an all-new Wet/Dry battery-operated, immersible women's shaver, as well as three extensions to its existing Mr. Whisk line of men's wet/dry shavers.

A tv campaign for the men's line will begin in November, with a 30-second spot themed "We often even amaze ourselves." Grant-Tandy Ltd., Toronto, produced the spot, and Ted Bates Advertising/New York, will handle.

Among the products debuted by North American Philips' Norelco consumer products division, in the largest collection of new-product introductions in the company's history, was a new six-item Travel Care Collection, featuring a fabric steamer, a dual-voltage spray iron and a selection of adapter plugs. The items—all compact—are sold individually, but come in a collection series for added convenience. The line is scheduled for fall.

"We think the customer is looking for unification as well as upscale features," said J. Richard Gonzales, vp-advertising. "Instead of just stressing individual products, we are stressing product lines."

Mr. Gonzales said the Travel Care Collection will be supported by a print campaign. He said the ad theme will be "For where ever you travel, home or away."

Mr. Gonzales also said Norelco will introduce five additional travel products at the October housewares show. McCaffrey & McCall, New York, handles all advertising for Norelco.

Norelco also showed its new nine-piece Satin Collection, a personal-care product line featuring a removable, washable intake filter on hair dryers and compact collection packaging, along with its Man Care Collection, a line of men's personal-grooming products.

Other new products with value-added features Norelco introduced at the show were its three new women's cordless electric razors; three new drip coffee makers featuring space-saving amenities; a rechargeable hand-held can opener, and a new Clean Up Machine that converts into a rechargeable flashlight.

Some marketers followed the lead of others that already have proven consumer demand for more features.

Scovill Inc.'s Hamilton-Beach division, for example, added 19 new products with value-added features to its small electric appliances lines, including three new under-cabinet coffee makers and an under-cabinet can opener. Those products will compete with GE's under-cabinet line, originally introduced in 1982. Its new Quik-Cup beverage maker that heats 12 ozs. of water in 90 seconds, will compete with Sunbeam's successful Hot Shot.

HB also showed such value-added items as a cordless electric knife; a new Popaire 5 gourmet corn popper, and four new blenders, including seven and 14-speed models with glass or shatter-proof containers.

Tom Albani, recently appointed group vp at Black & Decker's housewares group and formerly general manager at GE's housewares unit, said GE is concentrating on marketing and selling value, rather than just hardware.

"I have tried to be true to having no more fads or gimmicks in the products GE offers by placing more emphasis upon value," he said.

GE introduced 12 new appliances, including a travel dryer with an adjustable "telescopic" handle; a Soft 'n Curl Dry/Mist Curling Iron that helps prevent damage to the hair, and a slimline electric knife.

Adding hardware to new products, however, is not the only way to enhance their value.

Regina Co. introduced the new Regina Steemer Carpet Cleaner that consolidates all necessary cleaning functions into one compact unit for added convenience.

The item, with a suggested retail price of about $80, will be supported by a national tv campaign featuring two 30-second tv spots themed "Clean your carpets a whole new way," scheduled to be launched this fall. Grey-North here handles.

■ Libbey Glass, a Toledo-based marketer of table glassware, introduced a two-year "no-chip warranty" to guarantee its glassware against rim chippage when purchased at retail.

"Our research indicates that a consumer will be willing to pay more for a warranty," said Raymond Balbach, retail marketing manager.

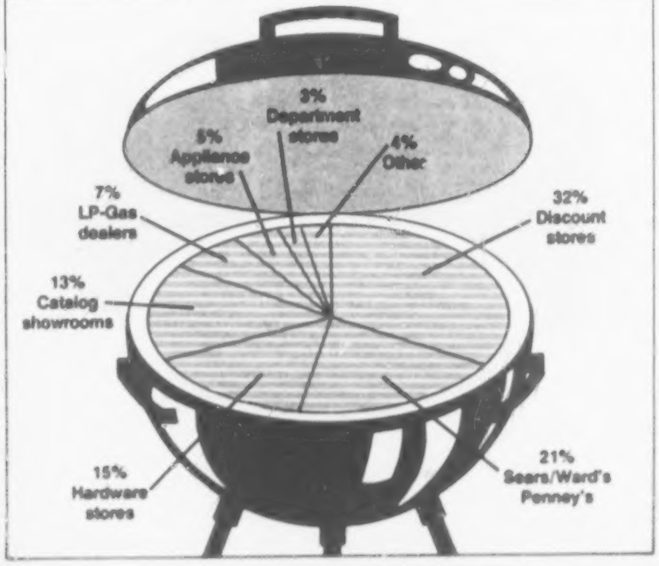
For Farberware, value-added products are replacing rebate offers, according to a company spokesman. "We're building to enhance the item," he said. "When consumers see a rebate offer, they say to themselves, 'Gee, that's a nice deal, but I'll never send it in.'"

Instead, Farberware's new Mixer—the company's first entry into the standup mixer category—includes a stainless steel mixing bowl in its suggested retail price of $250. As a separate accessory, the bowl is sold to retailers for $30.#

Chicago reporter Janet Neiman also contributed to this story.

Barbecue grill sales by outlet

When it's time to buy a charcoal grill, consumers usually head to discount stores or large-volume retailers to make their purchase. And, more often than not, they buy the grill in April. Total sales topped $345 million in 1983, a 23.7% jump from 1981, when sales tallied $279 million. ***Source: Radio Advertising Bureau and*** **Merchandising.** ***Chart by Amy Palmer.***



West Bend decides to buy Precor

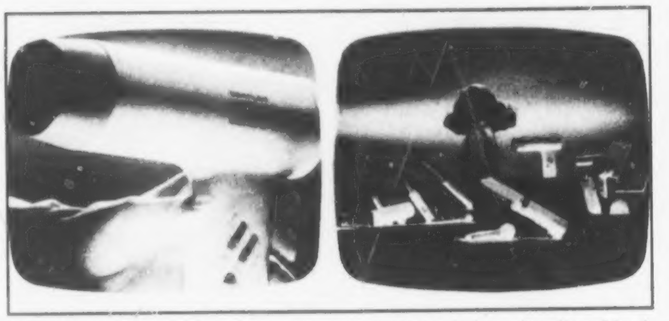
WEST BEND, WIS.—West Bend Co. has agreed in principle to acquire Redmond, Wash.-based Precor Inc., a marketer of exercise equipment, as part of its "strategic plan to develop a major presence in the fitness industry."

Precor markets rowing and running machines and exercise bicycles through specialty stores. Under the terms of the agreement, Precor will be run as an autonomous division of West Bend.

The current Precor staff will be maintained, and the company also will keep its own distribution networks.

West Bend entered the exercise equipment business last year (AA, Aug. 15), when it introduced the Total Gym exercise system.

New products the company was introducing at the National Housewares Manufacturers Assn. exposition last week included three sports stopwatches, a jogmeter and a pedometer.#



North American Philips Corp.'s Norelco division is boosting its ad budget 23% this year to $30 million. Norelco's new Satin Collection will be advertised with the slogan "So advanced, you'll never look back." Futuristic spots feature space suit-like fashions. A print campaign will support. McCaffrey & McCall, New York, handles all ads for Norelco.

Irons hot, heat up show

CHICAGO—Exemplary of the housewares trend toward value-added products was the hottest category at the show: Irons.

Dart & Kraft's West Bend Co. boldly entered the iron category with the debut of the FreeStyle cordless iron. Its heat supply comes from a separate 1,400-watt power rest base. The iron has a temperature light that alerts the user when the iron is at the desired temperature, as well as SilverStone coating and self-cleaning capabilities.

The product, priced at about $50, is scheduled for distribution in the fall, and will be supported with a tv and print campaign beginning in mid-November. Cramer-Krasselt, Milwaukee, handles.

Both GE and Allegheny International's Sunbeam Co. showed their automatic shut-off irons and travel iron/garment steamer combinations.

Sunbeam's electronic Monitor iron, which narrowly beat GE's Automatic Shut-Off iron to retail introduction earlier this year (AA, Feb. 20), will be priced at $67; GE's is priced at about $60. The GE product features an audible signal that beeps when the temperature selected by the user has been reached and when the iron has not been moved in 10 minutes.

Sunbeam's travel/garment steamer item, with dual voltage for international travel, carries a suggested retail price of about $27; GE's new Small Wonder travel iron/steamer comes with a storage pouch, an adapter plug for overseas traveling and a suggested retail price of $32.

Both companies also introduced additions to their light-weight iron lines, including a compact light-weight model from Sunbeam.

Print and tv, via BBDO, will support the new GE introductions in the fall.

Sunbeam plans to advertise only its Monitor iron, with a print campaign beginning next month. Burton-Campbell, Atlanta, handles Sunbeam.

Wesray Corp.'s Proctor-Silex unit did not introduce a new iron at the show, but Joseph T. Ianna, director of marketing, said the company hopes to have a new iron, probably a travel model, available in October.#—*W.K.*

Personal computer glut slowing sales

By BOB MARICH

LOS ANGELES—Though the personal computer market anticipates sharply increasing sales in 1984, there were signs at the Comdex trade show here of trouble on the horizon.

Personal computer retailers experienced soft sales in January and February, coming off a robust fourth quarter in 1983. Supply is growing so fast it may outstrip demand.

"We think everybody is glutted with inventory right now," Jack White, vp-sales at Columbia Data Products, told a press breakfast. Early indications are that volume perked up in March, he added. Columbia markets computers compatible with IBM's personal computer, which has the widest selection of available software.

Future Computing, the Richardson, Tex., computer-market research company, estimates personal computer sales in 1984 will reach $12.1 billion, a 57% gain over 1983. The 1984 sales break out to $9.4 billion for the office market and $2.7 billion for the home market.

Only IBM's personal computers (except the PCjr introduced in January) and Apple Computer's new Macintosh are selling out at retail, according to several sources.

In software, the high inventory also appears to be a problem.

William L. Coggshall, president of Software Access International, a software-market research company, told a seminar that a recent software convention was a dud because of excessive inventory.

IBM, finding its PCjr isn't selling out like the rest of its personal computer line, tried an intense 10-day ad blitz this month reaching outside traditional computer media, such as *Better Homes & Gardens*.

An IBM spokesman said PCjr advertising alone will match its over-all computer spending in 1983. Leading National Advertisers put that figure at about $26 million. Lord, Geller, Federico, Einstein is the agency.

Price-cutting later this year is widely predicted:

- New companies, mostly offering computers compatible with software of IBM's operating system, are crowding the market.
- IBM is expected to lower prices of its personal computer line to close the gap with IBM-compatible computers offered by other companies.

Computer company profits may suffer in the process, although production economies may ease the squeeze.

Richard Matlack, president of InfoCorp, a market researcher, predicted that in three or four years IBM will stop selling personal computers through outside retailers. He explained by then IBM "will have enough IBM product centers to cover the country directly."#

Nestle

(Continued from Page 1)

pany recently has turned to acquisition as an answer: The agreement with Hills Bros. follows two other recent purchases designed to strengthen the company's product lines in North America, an area estimated to make up 18% of worldwide business for Swiss-based Nestle.

Nestle recently completed its purchase of Chicago's Ward Johnson Co., which gave it six new candy brands. In addition, Nestle bought Canadian-based Goodhost Foods Co., a foodservice concern and marketer of ground roast coffee.

These acquisitions came as Nestle attempted to reinvigorate the performance of its U.S. coffee operations by improving existing brands.

With much hoopla, it reformulated Taster's Choice and Sunrise, giving both new packaging, flavors and bigger ad budgets.

Longtime Nestle watchers agree, however, that the Hills Bros. move indicates Nestle's acknowledgment that profitability—indeed, ultimate survival—in the U.S. coffee market requires a ground roast entry, not just new and improved instant products.

Although Hills Bros. is far from a giant marketer—it has 7.4% of the 1983 ground business, compared with 31.6% for General Foods and [illegible]4.[illegible]% for Procter & Gamble—its brand has a solid, slowly mounting franchise, particularly among upper-income, middle-aged women who covet its quality-taste image.

"This is a very smart acquisition for Nestle," said Jack Salzman of Smith, Barney, Harris, Upham in New York. "Hills Bros. has a very fine reputation, and acquisition was probably the best way for Nestle to get into the ground business.

"It's not that the technology [for making ground coffee] is esoteric, but because coffee is such a high-profile, commodity-type business, you can argue that it's smarter to buy a good brand, rather than to try to develop a new ground."

For its part, Nestle's share of the instant coffee business has declined consistently since it peaked in 1979 at 33.5%, according to figures compiled by John Maxwell, a beverages analyst with Lehman Bros. Kuhn Loeb.

Furthermore, according to one well-placed source, during the middle to late 1970s, Nestle became seduced by soluble coffee growth rates and badly misjudged that category's momentum.

In recent years, the growth of soluble coffee, which includes freeze-dried varieties, has slowed. Consumers have turned more and more to ground roast as a means of saving money.

At the same time, ground roast's popularity has grown with the development of Mr. Coffee and other such taste and time-saving coffee makers.

Both Hills Bros. and Nestle executives stress that the Hills Bros. name, staff and marketing team will remain intact once Nestle exercises its option to buy in early 1985.

However, it is not clear whether Nestle will opt to use Hills Bros. plants to manufacture ground versions of any of its key existing brands—Nescafe, Taster's Choice and Sunrise—or develop a new ground entry with a new name.

Nestle will also probably support several forays Hills Bros. has made into new markets, particularly its Hills Bros. tea bag, currently in test-market.

In a move that startled many observers, Nestle recently moved into Dallas with its own tea bag, previously in a limited test that reportedly was disappointing at best.

In addition, Hills Bros. has been experimenting with a hot cocoa mix (AA, Oct. 3) and an aspartame-sweetened version of its instant flavored-coffee line (AA, March 26). The company has also expanded into retailing, with the opening of Hills Bros. Imported Coffee Exchange, a gourmet coffee cafe in a San Mateo, Cal., shopping mall (AA, Oct. 17). The cafe is a prototype that Hills Bros. has been evaluating for possible further duplication and expansion.

Nestle is bound to back Hills Bros. with substantial distribution and marketing clout. One of the first items on the agenda, analysts predict, will be a commitment to smooth out Hills Bros.' distribution, which is national by definition but strong only in certain Midwest and West Coast pockets.

Hills Bros. president Ned Dean, one of the five investors who bought the company only four months ago from its Brazilian-based parent of eight years, Corersucar, said the company is evaluating its advertising and promotional program, but declined to be specific. He said Wells, Rich, Greene/West, Los Angeles, would continue as Hills Bros. agency.#

Overseas tourism effort revived

WASHINGTON—The government's overseas tourism ad program is scheduled to be revived this year, but the size of the assignment is still uncertain.

Some estimates say the revived campaign will be in the $2 million range. However, this depends partly on a fight now under way in the House appropriations committee to prevent this year's tourism agency operating budget from being reduced from $12 million to the $8.6 million recommended by President Reagan.

Travel agency witnesses who appeared before the committee last week stressed the recent decline in foreign visitors to the U.S.

Officials of the Travel and Tourism Administration, a Department of Commerce agency, say they are willing to divert funds from other activities to get back into advertising this year, but their plans will have to be scaled down if Congress doesn't respond to the drive to keep the current agency funding.

For almost 20 years, the scope of the overseas tourism program varied widely. It was terminated by Carter administration budget-cutters in 1979. At that time it had shrunk to $2 million in six markets, with four agencies sharing the account.

Notice has already been published that the selection process for a new agency is under way, and prospective bidders have been advised to request a solicitation package from the special projects division of the Office of Procurement, Department of Commerce.

Agencies on the account when it folded in 1979 were Young & Rubicam (Mexico, Japan and the U.K.); Baker/Lovick Ltd., Toronto (Canada); J. Walter Thompson Co. (France), and Slesina-Bates (Germany).#

Ayer favored for Army bid

WASHINGTON—While there is still the possibility of a dark horse, N W Ayer seems to be home free to be renewed as agency for the $75 million Army recruiting account.

In response to recommendations from the American Assn. of Advertising Agencies, the Army has tried to make the account more attractive by offering a five-year contract package, instead of three years as in the past. But it does not appear this inducement has made a difference.

Only three other agencies showed up for the bidders' briefing meeting last month. On the eve of the April 20 deadline for bidders, none has stepped forward to record its intention of making a serious challenge.

Dancer Fitzgerald Sample, the only challenger when the account was reviewed in 1981, has said that even though it attended the briefing it will not compete this time. NH&S/USA's Washington office, which has the National Guard account, was also at the briefing, but has opted to pursue the $10 million-plus Navy account held by Ted Bates Advertising.

Young & Rubicam, which has been a contender in the past, created the impression last week that it does not feel comfortable with what it learned at the briefing. Y&R also abstained in 1981.

Though officially "undecided" about its intentions, Y&R said it has analyzed the Army's compensation system and informed the Army that the reason no one had competed for its account, despite its size, is because only the incumbent has an incentive to compete. The Army account reportedly supports more than 100 Ayer staffers.

Ayer has had renewals every three years since 1967. In the mid-1970s there were charges of favoritism, but Ayer was cleared by the Defense and Justice Departments.

The Army retained consultants to review its selection process, but was embarrassed when DFS was the only challenger in 1981.#

Ford/Europe: JWT not shaky

DUESSELDORF—Ford Motor Co. has denied that its Ford of Europe account, assigned to J. Walter Thompson Co., might be vulnerable following the surprise departure of chairman Edward J. Blanch from Ford of Europe two weeks ago.

Last summer, the bulk of the $45 million Ford of Europe account was considered ripe for a move to Ogilvy & Mather International, but Ford stuck with JWT.

The year before, JWT moved a high-powered team from Frankfurt to London to work more closely with Ford of Europe headquarters, and some sources said that helped save the account.

Young & Rubicam is also known to be interested in the account. After losing the Talbot-Peugeot business two years ago, the agency is open for an international car account.

Sources said the fate of the account could now depend on who is appointed to replace Mr. Blanch, who is retiring.

After Mr. Blanch's departure was announced, Ford of Europe president James A. Capolongo was named to coordinate all Ford of Europe operations, but the post of chairman remains vacant.

Some sources speculated that Daniel Gouedeviert, Ford of Europe's chief executive officer in Germany, might fill the vacancy, but others disagreed.#

Gremlin licensees sign up

Licensing Corp. of America, a Warner Communications unit, is planning "Gremlins" merchandise boutiques in retail outlets for the back-to-school and pre-Christmas seasons.

But that's just for starters. The following is a list of licensees for "Gremlin" products:

BACK-TO-SCHOOL

ADI: Pencil cases, rulers, book covers and memo pads.

Aladdin Industries: Lunchboxes.

Licensing Corp. of America: Merchandise boutiques.

Al Nyman & Sons: School bags.

TOYS, GAMES, CHILDREN'S ITEMS

Atari Inc.: Videogames, coin-operated games and computer games.

Wallace Berrie Inc.: Dolls.

Coleco Industries: Inflatable pool toys and ride-on vehicles.

Colorforms: "Gremlins" in its Lazer Blazers line of holographic stickers.

Ben Cooper Inc.: Halloween costumes.

Disneyland/Buena Vista Records: Records and storybooks.

International Games: Card game based on the movie's story line.

LJN Toys: "Gremlins" collectibles, windup toys, figures and play sets.

Nelsonic Industries: Clocks and watches.

Western Publishing Co.: Children's books, coloring and activity books, board games, puzzles and a one-issue comics book.

(General Mills' Kenner Products is said to be interested, but LCA's list thus far does not include it.)

APPAREL

Bates Nitewear: Girls' sleepwear.

BBC International: Footwear.

Lee Belt

Mayfair

McCall's Pattern Co.

Union Underwear Co.: Men's and boys' t-shirts, jersey and Underoos.

PRINT

Avon Books: Novel.

Ira Friedman Inc.: Souvenir magazine (distributor Kable News Co. said it will hit newsstands and theaters on June 12, to coincide with the film's bow, although there are hints that date may be advanced to June 8).

OTHERS

Bibb Co.: Pillowcases, sheets and curtains.

Hallmark Cards: Greeting cards, party goods and adult posters.

Sheaffer Eaton Textron: Refillable Kaleidoscope ball-point pens.

Topps Chewing Gum: Trading cards and stickers.

Turtle Wax: Air fresheners.#

Making of a market-buster

(Continued from Page 1)

it as a pet.

A pop-up promotional piece prepared by Warner Communications' Licensing Corp. of America confirms these peculiar characteristics. The piece features the box from which the creature appears and says that Gremlins shouldn't be fed after midnight, no matter how much they plead. This would make them "dangerous," the popup says.

The main hero of the small creatures, according to some sources, is Gizmo, described as "lovable," "warm" and "wonderful."

Gizmo will star among the Softies plush doll line produced by Hasbro Industries, which had omitted "Gremlins" product shots from its 1984 toy catalog.

Still other sources described "Gremlins" as small animal-like Jekyll & Hyde creatures—gray and cute when good, but green, carnivorous monsters when evil. These sources say that in appearance the two versions of these characters contain elements of the E.T. being, Ewok and Yoda from "Star Wars" and Oscar the Grouch from "Sesame Street."

Officials at Licensing Corp. of America are keeping mum about the movie. Len Reiter, director of marketing, declined to confirm or deny whether Gizmo is in fact a "Gremlins" character.

But Mr. Reiter did say that 50 companies have been signed up for tie-ins, 40 in licensed merchandise and 10 in promotional linkups. The total stood at 30 near the start of the year.

The 10 companies planning promotional links with "Gremlins" will spend about $20 million to advertise their various sweepstakes and other promos, he estimated. These will include Procter & Gamble, Scott Paper Co. and Ray-O-Vac, which also has licensed "Gremlins" for use on flashlights and other lighting devices.

All told, "Gremlins" shapes up as the strongest new film in the number of tie-in commitments, the pursuit of which actually began about a year ago, sources said. Most of the products are targeted to the youth market in the mode of "E.T." and "Star Wars."

Mr. Reiter would not discuss the royalty fee arrangement for "Gremlins" beyond saying it is near the industry norm (generally 5% to 6% of sales). Some sources recalled that Mr. Spielberg had sought an "outrageous" 15% on "E.T." product once that emerged as a blockbuster.#

View-Master ties to video

PORTLAND, ORE.—View-Master International Group has licensed material from Michael Jackson's "Thriller," believed to be the first music video to inspire product tie-ins.

The company's Talking View-Master reel set will feature 21 3-D stills from "Thriller," plus about seven minutes from the sound track, according to Arnold Thaler, president, View-Master.

The company's 1984 line, also including scenes from the "Gremlins" and "Dune" films, will get tv support.

Meanwhile, Vestron Video, Stamford, Conn., said its "Making Michael Jackson's 'Thriller'" has topped 225,000 videocassette copies sold (and $7 million-plus in revenues).#

Shop now Wunderman West

LOS ANGELES—Young & Rubicam Direct's office here has changed its name to Wunderman West, a move meant to strengthen its ties to sister Wunderman, Ricotta & Kline, the world's largest direct-response agency.

This isn't the first time the Los Angeles-based agency has made such a switch. After opening in 1981 as Wunderman, Ricotta & Kline/West, the then-small office of the New York-based agency opted to change its name to reflect its relationship to its better-known parent, Y&R.

"Two years ago it made sense to link our name with Y&R, which has a strong presence in the West," explains senior vp-managing director Clare N. Thain. "But things change."

The agency's billings have now increased to a healthy $19 million-plus.

Having established a name in its own right, Mr. Thain argues, the agency now wants to position itself at the forefront of the direct-marketing industry.#

C2710-1 4/24/84

Foreign agency income report: Begins on Page 57

Advertising Age

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$1.25 a copy; $52 a year *The International Newspaper of Marketing* *April 23, 1984*

Ad Age moves to twice weekly

Buy one, get one free.

Double your pleasure, double your fun.

Transcending those familiar sales pitches, this week ADVERTISING AGE enters a new era by doubling its frequency and, at age 54 years and three months, becomes a twice-a-week newspaper. The process of dividing AA's many features between a Monday edition and a Thursday edition means that AA will now be able to carry more and later-breaking news stories than ever. With the torrent of business, marketing and advertising news steadily increasing, the new Thursday edition that makes its debut April 26 becomes the vehicle that enables us to deliver four more pages of news from all corners of the U.S. and correspondents around the world. As AA becomes more essential and urgent, the Thursday news package, with a heightened emphasis on important regional news, will accompany the popular Magazine and special report sections. It all starts this week.

Upfront buys hit early; news, daytime hottest

By CRAIG REISS

NEW YORK—The upfront network selling season will be fast and furious this year, breaking as early as late May instead of the traditional early July timing.

Daytime and news dayparts are expected to move before prime time for the first time in memory.

That is the conclusion from a random survey of advertisers and ad agencies, which also predicted that increases in cost-per-thousand rates for network upfront prime time will come in no higher than 10% and probably in the high single-digit percentages.

That anticipated increase is lower than network rate increases during the past three years.

These sources, none of whom would speak for attribution, noted several factors that will help hold the line on network pricing for the 1984-85 broadcast season. The most obvious was the absence next season of Olympics and political convention coverage that helped shrink network inventories last February and will do the same this summer.

As happens every four years, these events tip the scales of supply and demand.

Also, the advertisers said the huge sums of ad dollars committed to the Olympics this year will not necessarily be re-expressed as regular network spending next season. As a result, total available revenues may drop as inventory increases.

Furthermore, the increased in-

(Continued on Page 116)

Gillette diverts ad dollars to syndication

By GAY JERVEY

ANDOVER, MASS.—In reaction to ever-increasing network tv costs, Gillette Co. plans to continue siphoning funds earmarked for that medium elsewhere, with syndication emerging as a key resource for the consumer products giant.

News of this direction surfaced during an interview of a top Gillette executive following the company's annual meeting here last week. The remarks, by Thomas Ryan, vp-advertising services, Gillette North America, followed comments by Milton Glass, Gillette vp-treasurer, in response to a question posed during a meeting of securities analysts following the annual meeting.

"This [the spiraling cost of network tv] is a big problem for us, one that we're trying hard to solve," Mr. Glass said. "We're looking more into print, cable and doing a lot of research and experimentation. Gillette is in the forefront of a movement to examine these issues carefully."

In elaborating on Gillette's fears, Mr. Ryan said: "There is a general concern among many large advertisers who have separately talked to the networks. A number of us are exploring other advertising [avenues]."

One of the avenues Gillette and other major advertisers explored over the past year is having several advertisers combine to be backers of syndicated packages offered by the major Hollywood studios and other production companies.

According to a source who attended advertiser meetings with the studios several packages were offered, but none worked. The advertisers could never reach an agreement on

(Continued on Page 116)

A new ad campaign from the leader aims to separate it from the pack of "look-alikes."

Moosehead charges ahead

By GAY JERVEY

NEW YORK—Although the Canadian woods seemingly are crowded with Moosehead look-alikes, All Brand Importers' concern about their possible impact on the brand's dizzying U.S. success is not so great that it would risk tampering with marketing and advertising strategies.

As the U.S. importer of Moosehead, All Brand is furthering the Moosehead juggernaut by kicking off a $6 million multimedia campaign that represents a 20% budget increase over 1983.

The campaign by Bloom Agency will continue to stress Moosehead's family-run heritage, rather than confront what it calls its "look-alike" lager competitors—Miller Brewing's Calgary, Van Munching & Co.'s Grizzly and the smaller Yukon Gold, Trapper Canadian and Nordic Wolf brands.

"To some extent, they're all 'look-alikes,'" said Paul Lohmeyer, president of All Brand, a Nabisco Brands subsidiary. "The

(Continued on Page 115)

NEWSPAPER
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DC2001*CONGL1 FMJF M
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WASHINGTON DC 20014
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Shulton's UltraSwim opens haircare lane

By PAT SLOAN

American Cyanamid's Shulton division will dive into the $2 billion-plus haircare market next month with UltraSwim anti-chlorine treatment products, a line that could open up a free lane for the company in the highly competitive market.

Shulton will support its entry, which includes soap, shampoo and conditioner, with the equivalent of an annualized rate of $8 million in print, tv and radio. Additionally, there will be nearly 200 million cents-off coupons distributed through newspapers and magazines.

Magazine ads break in May; network and cable tv, plus network radio spots, will begin with the Summer Olympics in July.

UltraSwim's positioning is neatly defined in ad copy from Ted Bates Advertising/New York, which says, "Swimming is good for you. Bad for your hair." That's followed by the UltraSwim solution:

(Continued on Page 118)

last minute news

Miller rolls Best beer with 'old time' campaign

MILWAUKEE—Miller Brewing Co. this week backs the national rollout of its Milwaukee's Best economy-price beer (AA, Feb. 13) witha tv and print campaign themed "Old time quality, old time price." Network tv spots break April 28 on USFL, NBA playoff and Pro Bowler Tourtelecasts. Ads say the beer is a product of A. Gettleman Brewing, Milwaukee, which Miller purchased in 1961. Backer & Spielvogel, New York, is the agency.

Nabisco's Baby Ruth applies for Culture Club tie

NEW YORK—Nabisco is negotiating for a tie-in with Culture Club, the rock group starring Boy George. The deal reportedly would involve a tour sponsorship by Nabisco's Baby Ruth candy bar. Ed Griles vp-development at Ohlmeyer Communications, an affiliate of Nabisco said, "There are discussions going on to that effect."

(Continued on Page 8)

Women's segment reborn

Gillette struts its Satin Legs

By PAT SLOAN

Women's shave creams may have flopped many years ago, but health & beauty aids marketers apparently believe their time is now.

In fact, industry executives are forecasting a $60 million to $80 million retail market by 1985.

According to trade sources, Gillette Co., a major player in men's shave creams, has completed its concept tests for a new entry called Satin Legs (AA, March 5) and is preparing a national introduction heralded by a substantial sampling program.

A spokesman for the Boston-based company declined comment.

Additionally, Elizabeth, N.J.-based drug wholesaler Selby Drug Co. recently set up a new division called House of Degas to introduce a number of pharmaceuticals and health & beauty aids. The first of these, says director of marketing Frank Schmitt, is a moisturizing shave cream named Peau de Soie.

Peau de Soie is now completing a national rollout but its distribution is still somewhat spotty. Mr. Schmitt states that it is getting into more stores on the West Coast and in the Midwest than in the Northeast. The company is acting to shore up distribution in that region, however, and has just taken on a new broker.

The main competition of these new products comes from White Laboratories' Soft Shave.

Introduced several years ago, the product can be credited with reviving interest in the category, which Mr. Schmitt believes failed in the 1970s because the original products were poorly packaged and there was no advertising. "Plus, I think the idea was just a little before its time," he adds, noting that he was in retail management with the Walgreen's drug chain when Clairol introduced Ultra Smooth, S.C. Johnson & Son brought out Crazy Legs and Helene Curtis tried Shiny Shins—all failures.

These three marketers are not among those Mr. Schmitt says are now interested in the category. But in addition to Gillette, he said, the

(Continued on Page 118)

Introducing LA brand from Anheuser-Busch.
Here's why it's not just another beer:
A premium pilsner beer with one slight difference.
Why a beer with only half the alcohol?
Now you have a real beer choice. Anytime.
All the taste of our regular beers
with only half the alcohol.
How we take out half the alcohol and leave in all the taste.
LA. A whole new brand of beer enjoyment from Anheuser-Busch.
For the way you live today.
For the way you live today, LA.

'Light' all over again

Despite legal disputes over the use of the term "LA," beer marketers are going ahead with introductions of their low-alcohol brands, including Anheuser-Busch, which is testing its version in 12 cities. *(See story, Page 115.)*

Advertisers cool to fall USFL plan

By ROBERT RAISSMAN

While some U.S. Football League owners are anxious to meet the National Football League head-on in fall 1987, advertisers are skeptical, claiming the strategy offers them little and will only add to the glut of fall sports programing on tv.

In its present form, the USFL offers advertisers live professional football in spring, when sports programing is restricted to college and some pro basketball, as well as golf. Moving it to the fall, advertisers say, would take away a major reason for using it as an ad vehicle.

"We would have to take a real hard look at how we would perceive an additional sports franchise in the fall," said Duane Kell, senior vp-director of broadcast media, Campbell-Ewald, the agency for several major sports advertisers, including Chevrolet. "It might be an either-or decision. We wouldn't preclude it if it went to the fall, but it probably would be a coin flip over USFL versus something else based on price and performance."

Another executive was a bit more direct in assessing the situation. "We think there is plenty of Sunday football to choose from right now," he said. "I have a feeling that everybody is going to lose because it will just add to the proliferation of football in the fall."

While the USFL has received respectable ratings and attendance figures and has recruited the cream of the crop of college football players going pro, it now seems to face some problems.

A few players have announced intentions to make a reverse jump back to the NFL, and there is a perception that talk of the schedule move to fall, spearheaded by New Jersey Generals owner Donald Trump, has not been well thought out.

And Steve Young of the Los Angeles Express, football's highest-paid player, was quoted last week as predicting the NFL would eventually pick up four or five strong USFL teams, effectively crippling the new league. Later, Mr. Young apologized for the "negative" tone of the comments.

Still, the USFL owners are serious. Sources said that if a vote were taken several weeks ago, 12 of the 18 owners would have voted in favor of the switch.

But among the unanswered questions: When does

(Continued on Page 120)

RCA corporate goes to Needham

By STEWART ALTER

New York—RCA Corp., intending to reenter the corporate advertising arena, has switched ad agencies. The account, which had been dormant at Ted Bates Advertising/New York for a couple of years, has been moved to Needham, Harper & Steers/USA.

The decision to revive the corporation's image advertising is unrelated to RCA's announcement two weeks ago that it no longer would market videodisc players, said Thomas B. Ross, senior vp-corporate affairs. Neither does it reflect any unhappiness with Bates, he said.

"We have new management and they've been developing new strategies for the corporation. As part of that, they felt there was need," Mr. Ross said.

That new management includes Robert Frederick, who joined as president 18 months ago, and Thornton Bradshaw, chairman for about three years. Under Mr. Bradshaw, RCA has refocused its growth on its three main business segments—electronics, communications and entertainment.

Advertising is not likely to begin before fall, said Mr. Ross. He would not discuss budget plans or the scope of the campaign. While it definitely will include business publications as an initial effort, Mr. Ross said there was no decision on whether to expand to a large-scale tv campaign.#

highlights

Monday, April 23, 1984

Fuji Photo Film Co. will continue its battle against Eastman Kodak next month, when it launches the largest ad campaign in the company's history. *See Page 6.*

Adolph Coors Co. moved its superpremium Herman Joseph's brand into test in the Southeast with new packaging and advertising. *See Page 10.*

Prescription drug ads on tv are more effective than magazine ads in conveying product and risk information, according to the Food & Drug Administration's test of consumer advertising. *See Page 37.*

General Motors Overseas Distribution Corp. is off and running in its maiden attempt to market non-U.S.-made vehicles overseas. *See Page 44.*

CORPORATE CLOSEUP

Tree Top, the nation's leading apple processor, knows well that the market is no longer as bright as it used to be. But this grower cooperative has begun to take steps it hopes will bring bottom-line results more characteristic of the Red Delicious apple—large and sweet. *See Page 4.*

INTERNATIONAL

U.S. consumer magazine publishers have a gleam in their eyes these days when they talk about foreign markets. As profitability in the U.S. has dwindled, many publishers that for years refused to license their magazines overseas now are doing an about-face. *See Page 55.*

Playboy Enterprises, struggling with a faltering flagship publication in the U.S., is turning to foreign markets for help. The company is talking with nine publishing groups in the U.K. about licensing *Playboy* for the first time in Britain. *See Page 55.*

At a special meeting of the International Advertising Assn. held earlier this month in New York, the people who shape the images of European heads of state expressed their belief that President Reagan is mismanaging his image in the U.S. *See Page 56.*

VIDEOTECH

Based on sketchy descriptions of series pilots that the networks are developing for the fall, a report by FCB Telecom issued last week deduces that the networks' new series, rather than gambling on innovation, will take their cues from what has worked in prime time during the 1983-84 season. *See Page 88.*

Miniseries will be the focal point of prime time combat by the networks during the May sweeps. *See Page 93.*

COMING THURSDAY IN Magazine

The marketing phenomenon pervades our lives. It has become an expected part of American life and an expensive one—as shown by the expenditures of the 100 leading national advertisers in 1982 as reported by Advertising Age: $17.1 billion.

Business Press: This specialized segment of the publishing world is going strong after a slack year in 1983. It's gaining readers, advertising pages and financial success. *In special report.*

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Rubbermaid into toys via Little Tikes

By JANET NEIMAN

Rubbermaid Inc. is hoping its consumer plastics business will mature through the acquisition of Little Tikes, a national marketer of durable-plastic toys.

Rubbermaid, the $436 million marketer of plastic housewares and shelf and decorative coverings, said last week it agreed to purchase the Macedonia, O.-based Little Tikes for an undisclosed amount.

Little Tikes, a privately held company with $43 million in sales last year, markets traditional molded-plastic toys for preschoolers. Its indoor items include ride-on and pull toys and blocks; its outdoor line includes swimming pools and swing sets.

The company's principal competitors are marketers of high-quality, traditional toys, including Quaker Oats' Fisher-Price line and Milton Bradley Co.'s Playskool.

The acquisition represents Rubbermaid's first move into a non-housewares-related consumer business. But its entry into the toy industry might have been on the burner for a long time.

More than two years ago, Rubbermaid executives said infant toys

(Continued on Page 120)

D'Arcy's London office caught in Libyan storm

London—The London office of D'Arcy MacManus Masius was caught in the crossfire of last week's clash between the Libyan embassy here and British police.

D'Arcy's offices were evacuated when the embassy, located next door to the agency, was taken under siege.

The incident began the morning of April 17 when Libyan demonstrators marched outside the embassy on St. James Square. Shots suddenly rang out from the embassy, killing a policewoman and injuring several demonstrators. Libyan embassy personnel then barricaded themselves inside, leading to a standoff with police.

As of late last week, the D'Arcy offices were being used by Scotland Yard's crack anti-terrorist unit as operational headquarters.

DMM employes used a fire drill procedure that had been practiced in the past and vacated the premises in 45 minutes.

The various agency departments—media buying and planning, creative and the tv department—all found haven with client companies, art studios and tv studios. Part of the staff was moved to DMM's subsidiary office of Marshall Advertising. Those not needed were asked to stay home.

According to Alan Clark, managing director of DMM, the agency

(Continued on Page 119)

Treasury unit splits with Ad Council

Ad bond is broken

By DAVID SNYDER

Washington—After 42 years as the Advertising Council's premiere public service ad client, the Treasury Department's U.S. Savings Bond division is severing the relationship and is looking for its own agency.

Although the division will maintain its status as a public service advertiser, Treasury officials who guide the savings bond ad campaign believe they will get better results if they pay their own agency to produce the campaign and place the materials.

Although the Ad Council provides free ad agency services, this year's campaign, under the slogan "Take stock in America," is projected to cost Treasury $979,000, mostly in production costs. The total also includes a 9.5% fee for Ad Council overhead.

Treasury officials plan to announce the availability of the account immediately, select an agency by September and have a new campaign in place by December. The account is expected to be priced in the same magnitude as this year's Ad Council effort.

John Benson, account supervisor for Leo Burnett USA, Chicago, Ad Council volunteer agency on the account, has indicated that his agency will not compete.

Treasury officials said changing needs for a changing product, at a time when there is greater competition for a shrinking amount of public service time, influenced their decision. As they describe it, they are selling a product that requires seasonal access to a specific market—workers signing up for payroll savings. This requires better control over the placing of ads than they can get through the Ad Council.

Ad Council president Robert Keim said last week he shares Treasury's belief that an independent agency will be better equipped to handle a savings bonds advertising plan aimed at a more aggressive and product-oriented sales effort.

"We have graduated from the Ad Council," said Jim Gianfagna, director of public communications for the U.S. Savings Bond division, who noted that the demand for savings bonds has increased since

(Continued on Page 113)

No losers in Gaines deal

By NANCY GIGES

The sale of the Gaines pet food business to Anderson, Clayton & Co. by General Foods is a sweet deal all the way around.

The two food companies have announced an agreement in principle in which Anderson, Clayton will purchase and keep intact the $300 million pet food business. Terms were not disclosed.

The deal fulfills corporate objectives of both companies: GF's aim to focus on larger or higher growth-oriented businesses and Anderson, Clayton's desire to expand its food franchise.

The business will continue to be headquartered in Harrison, N.Y., led by current top management. Ralph J. Cobb, GF vp and president of the pet food division, will continue to head the division for Anderson, Clayton.

Marketing manager Robert Pizzuti recently was reassigned to GF's newly acquired Ronzoni pasta and Italian foods business, but the position will be filled soon, a GF spokesman said.

The deal allows GF to focus its resources and efforts on other opportunities, including Ronzoni, Oscar Mayer processed meats, diet beverages and the expansion of Entenmann's baked goods (AA, April 16).

GF chairman James Ferguson noted, "Because of the investments of human and financial resources which will be required to support our expanded product portfolio, we see difficulty in supporting Gaines to the full extent it needs and deserves so it can remain competitive and grow in the pet food business."

As for Houston-based Anderson, Clayton, that company has been trying to expand in the food business for 10 years and has failed several times to purchase other operations.

Last year, it made a tender offer to buy Norton Simon Inc., which accepted a competing offer from Esmark Inc. The company was especially interested in NSI's Hunt-Wesson Foods subsidiary. Earlier, Anderson, Clayton tried and failed to buy Gerber Products and Stokely-Van Camp.

Anderson, Clayton's food operations include Chiffon margarine and Seven Seas salad dressing. Pet foods under the names Gaines, Cycle, Gravy Train and Top Choice will become Anderson, Clayton's largest consumer-products business. The company also has an an-

(Continued on Page 113)

world news roundup

Milan—**McCann-Erickson Italia** won the $2.5 million Agusta Helicopter Co. account from J. Walter Thompson Co.

Tokyo—**Newsweek** is expected to decide by this summer whether to publish a Japanese-language edition of the news magazine, according to *Newsweek* sources (AA, April 2).

Sydney—**The Federation** of Australian Commercial Television Stations rejected only 372 of 18,637 tv spots last year, the lowest number in recent years. Spots were rejected if they tried to influence children, if they displayed unsafe driving behavior or if they were in bad taste.

Duesseldorf—**Team/BBDO Group** has lost the $2 million account of Robert Bosch Inc. household appliances to Brauch, Hube & Partner of Munich.

Toronto—**Molson Breweries** is planning to brew Germany's Lowenbrau beer, a leading Canadian import, in Canada under a licensing agreement with the German brewer. No launch date has been set, but a news conference was scheduled for later this week to announce the plans.

London—**Spar**, the British supermarket chain, will launch a $2.5 million campaign via Grandfield Rork Collins to combat the U.K. entry of

(Continued on Page 55)

Top brands, logos provide marketers 'license' to deal

By JAMES P. FORKAN

New York—More and more major marketers have been finding a major new revenue source for their most popular brands, logos and highly familiar advertising characters: Licensing.

By means of what industry executives label "trademark licensing" or "corporate licensing," these companies have broadened their reach in terms of shelf space and media exposure while generating sometimes considerable profits.

On the other end of the transaction, various toy companies and others involved in selling lunch boxes, apparel, books and more can latch onto a property already highly visible and well liked, thanks to decades of hefty, multimillion-dollar tv and print ad campaigns.

Jerry Alpert, president, Licensed Ventures International, corporate licensing agent for Kellogg Co., Nabisco Brands and Campbell Soup Co., saw those and other marketers benefiting from the licensed-merchandise boom.

Total retail sales of licensed products should top $30 billion this year, he estimated, compared with $4 billion in 1978.

According to "Licensing Letter," the toy business alone accounted for about $5.3 billion in licensed product sales last year—which amounts to roughly half the toy industry's total retail sales volume of $10 billion in 1983 (AA, Feb. 13). Toy industry executives expect at least to equal those levels in '84.

Kellogg, Mr. Alpert estimated, stands to realize $30 million in profits this year alone from the li-

(Continued on Page 120)

Eastman Kodak is putting its name on a Fisher-Price product.

Lawyers' tv ad spending

Hyatt Legal Services' spending on tv advertising is more than triple that of its closest competitor. The spending drops off quickly, with the third through tenth ranked firms spending less than $600,000. ***Source: Television Bureau of Advertising compilation from Broadcast Advertisers Reports data.***

Service	Market	1983	1982	Change
Hyatt Legal Services	Multi-markets	$3,090,000	$2,280,000	+ 36%
Jacoby & Meyers	Multi-markets	823,200	1,710,000	− 52%
Larry H. Parker Law Office	Long Beach, Cal.	562,200	283,800	+ 98%
Norton Frickey & Associates	Denver, Colorado Springs	556,400	307,900	+ 81%
David Grey, Attorney	Los Angeles, San Diego	472,800	282,600	+ 67%
Saiontz & Kirk Lawyers	Baltimore	395,000	159,700	+147%
Levine & Jarvis Legal Clinic	Phoenix	370,500	95,200	+289%
Harvey L. Walner Attorney	Chicago	289,200	—	—
Consumer Services Organization	Chicago	287,300	350,800	− 18%
Ronald M. Sharrow, Attorney	Baltimore	246,600	193,300	+ 27%

Ads: A case of contention

The husky convict is escorted down a desolate hallway into a room where he is strapped into an electric chair. Asked if he has any last words, the man wrinkles his face and bleats, "I should have called a legal clinic." The switch is thrown, the lights dim and there on the dying man's broad chest, little bulbs light up with the telephone number to Ken Hur's Legal Clinic.

—Ken Hur's newest commercial,
still in production

By TERESA H. BARKER

For critical colleagues who thought lawyer Ken Hur's first commercial was, as one said, "absolutely the most deplorable example of lawyer advertising you can

(Continued on Page 119)

Lawyers seen easing tv use

By MAURINE CHRISTOPHER

New York—Just as lawyers become one of the fastest-growing contingents in tv advertising, high costs and the saturated marketplace may begin to slow the trend.

A spot sampling of the top 20 lawyer advertisers found that most are still enthusiastic about tv as a means of getting their story across to potential customers, particularly low and middle-income people.

But especially if inexpensive radio commercials prove effective at gaining new business, tv advertising may lose some ground.

At the same time, the pioneers of lawyer advertising, who moved into tv as soon as the U.S. Supreme

(Continued on Page 103)

Olympic tie fuels Fuji's assault on Kodak

By GAY JERVEY

NEW YORK—Fuji Photo Film Co. will continue its battle against Eastman Kodak next month, when it launches the largest ad campaign in the company's history—one that emphasizes Fuji's role as an official sponsor of the 1984 Summer Olympics (AA, April 9).

The effort, which represents an increase of some 20% over Fuji's 1983 budget, is sure to raise the temperature of the already hot U.S. film market.

Over the last few years, Fuji—a name as synonymous with amateur photography in Japan as Kodak is here—has mounted its challenge to Kodak on these shores, where the Rochester-based company has commanded an overwhelming 85% to 90% market share.

Kodak has shown no signs of giving ground. To the contrary, Kodak this year inaugurated the most expensive film campaign ever as a means of reminding consumers that moments can last forever—but only on film.

Themed "Because time goes by," the effort shows vignettes of reunions of war veterans, black jazz musicians and baseball players.

For its part, Fuji's new campaign, which starts May 14, will run nationally and primarily involve tv and radio. Print ads will be limited to *Sports Illustrated's* Olympic preview issue and the official Olympic handbook distributed at the games.

Carl Yanowitz, Fuji's advertising director, declined to reveal ad budgets, but Fuji is expected to spend $7 million during the rest of 1984.

Fuji's new campaign carries a two-pronged message. In addition to stressing the acknowledged color quality and realistic renditions of its HR film line, the company hopes to further America's awareness of its Olympics sponsorship.

Fuji's impending tv effort stars former Olympic athlete Ann Meyers and contains a voiceover highlighting Fuji's sponsorship.

The new spot follows the basic creative tack of Fuji's 1983 campaign, which was tagged "Breakthrough" and showed water skiers flying through a giant Fuji picture of a boat.

That campaign ran in 35 to 40 markets, Mr. Yanowitz said.

In the ad with Ms. Meyers, the former basketball star is shown careening down a narrow San Francisco street on a bicycle. Wait—isn't that a street car she's plowing through? Not to worry, it's only a blowup of a Fuji print.

In addition to tv, the company is running a radio campaign with a similar message. They also feature several former Olympic greats: Jim Ryun, a silver medalist in the 1968 Mexico City games, and the youngest runner ever to break the four-minute mile; swimmer Don Schollander, who won four gold medals in the 1964 Tokyo summer games, and, of course, Ms. Meyers.

Analysts agree that Fuji has a product worth touting. Most industry executives and photographers describe Fuji film as equal to Eastman Kodak's. Some give Fuji higher marks for consistency.

No doubt, Fuji's green film boxes have been gaining a presence here. Since the fight for market share gained steam in 1981—when Fuji waved some $7 million before Olympic organizers and snared the official sponsorship away from Kodak—analysts estimate that Fuji has more than tripled its film sales and increased its market share from near zero to some 7% to 8%.

But the question remains whether these gains have come at the expense of Kodak or other, far more vulnerable, film marketers such as Agfa-Gevaert and 3M.

With some 70%-plus of the Japanese film market, Fuji will continue to look abroad for sales. Even if Fuji is just nibbling at the edges here, Kodak will continue to take notice, and its executives are expected to stress Fuji's competition at the company's annual meeting next month.#

URNAL/SENTINEL

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*Source: 1983 Scarborough National Newspaper Audience Study.

Trane ads pitching comfort

LA CROSSE, WIS.—Trane Co., marketer of heating and air-conditioning products, will spread the theme "Comfort's coming" nationwide with the debut of two 30-second tv spots this week.

The campaign will be the first in 18 months for Trane's consumer products division since the company purchased General Electric's central air conditioning department in September, 1982.

Trane's goal is to increase consumer-product brand awareness, supported by this multi-million-dollar network tv buy.

One spot features a fleet of 18-wheelers, boldly flagging the Trane logo, traveling on a state highway. The other spot focuses on a fleet of the company's smaller delivery vehicles that arrive in a small American town. Both carry the same jingle and the theme "Comfort's coming."

The spots will run for six weeks, when the company will launch a follow-up campaign, probably with more tv spots, according to Jean Bell, Trane advertising manager. Further details were not disclosed.

A dealer co-op campaign, including print, radio and outdoor, will support the new campaign. Budget was not disclosed.

Campbell-Mithun, Minneapolis, handles.#

corrections & clarifications

- Australian police charged Austin Begg, founder of Begg Dow Priday, with conspiring to defraud a former client, not the agency (AA, April 16, P. 50).
- The production company for Greyhound Lines' "Knock, knock" spot, created by Bozell & Jacobs, and Holly Farms Poultry's "What about taste" spot, created by Grey Advertising, featured in the ADVERTISING AGE Best Commercials of 1983, is Coast Productions (AA, April 2, P. M-44).
- In the Agency Profile issue (AA, March 28, P. 70), it was incorrectly stated that Newmark, Posner & Mitchell neither gained nor lost accounts in 1983. In fact, the agency did not submit information regarding account activity.
- Rock Music Trivia is being sold by Pressman Toy Corp., New York, under license from Playtoy Industries of Canada (AA, March 26, P. 52).#

Magazine licensing boom

Who licenses foreign editions

Publication	Nations where edition is licensed	Circulation
Cosmopolitan	Australia, Brazil, Britain, France, Germany, Greece, Italy, Japan, Latin America, Netherlands, South Africa, Denmark*, Sweden*, Norway*	2,270,000
Playboy	Australia, Brazil, France, Germany, Italy, Japan, Mexico, Netherlands, Spain, Hong Kong*	1,700,000
Penthouse	Australia, Germany, Japan, Spain, U.K.	1,200,000
Reader's Digest	Colombia, Greece, Korea, India, Middle East	660,000
Good Housekeeping	Australia, Japan, Latin America	606,568
Scientific American	China, France, Germany, Italy, Japan, Spain, U.S.S.R.	349,626
Science Digest	Australia, Denmark, Italy, Norway, Sweden	250,000
Harper's Bazaar	France, Italy, Latin America, Australia*, Germany*	248,048
Popular Mechanics	Latin America	177,100
Inc.	Japan	NA
High Technology	Japan	NA
Rolling Stone	Japan*, Germany*, U.K.*	—
American Health	Japan*, Germany*, Latin America*	—

**Countries where licensing agreements are in planning, under consideration or in negotiation.*

Source: Advertising Age

An increasing number of U.S. consumer magazines are licensing editions to tap overseas markets.

Overseas licensing growing

By DENNIS CHASE

NEW YORK—U.S. consumer magazine publishers have a gleam in their eyes these days when they talk about foreign markets.

As profitability in the U.S. has dwindled, many publishers who for years refused to license their magazines overseas now are doing an about-face.

Others, more experienced in licensing, no longer are ignoring regions of the world—such as the Far East—that seem difficult to penetrate.

"We're getting 50% more requests for information about licensing than six months ago," says Lee Hall, head of the new Playboy International Publishers Service, a 1-year-old magazine licensing consultancy.

In the past several months, *Working Woman, Newsweek, Harper's, American Health, Rolling Stone* and others have begun looking at licensing editions outside the U.S.

Publications with long licensing histories, such as *Cosmopolitan* and *Playboy*, are about to approve their first licensed Chinese-language editions in

(Continued on Page 56)

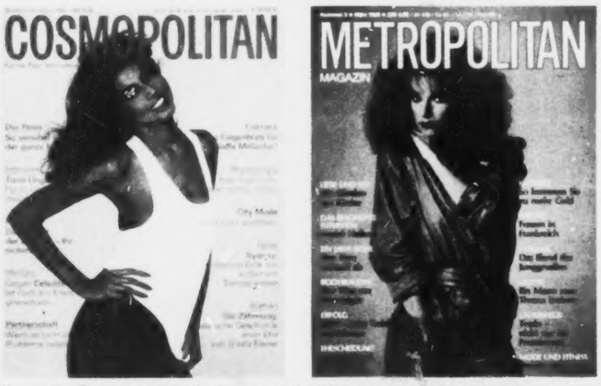
'Cosmo' wins copycat fight in W. Germany

By KEVIN COTE

WEST BERLIN—Upstart German publisher Alfons Czerny of A.C. Verlag thinks he has an answer to William Shakespeare's question "What's in a name?"

Last month, Mr. Czerny changed the name of his *Metropolitan* mag-

(Continued on Page 56)



Hearst's *Cosmopolitan* in Germany battles copycat *Metropolitan*.

Playboy looking for U.K. licensee

By ANGELA CHATBURN and DENNIS CHASE

LONDON—Playboy Enterprises, struggling with a faltering flagship publication in the U.S., is turning to foreign markets for help.

The company is talking with nine U.K. publishing groups about licensing *Playboy* for the first time in Britain, the scene of a gambling scandal several years ago that resulted in the company losing its highly profitable casino license.

Playboy considered publishing in Britain then, but backed off after the scandal.

If it goes into the U.K., *Playboy* will be gambling it can create a new upmarket niche in one of the raciest downmarkets for men's magazines in the world, where all the leading publications look like *Hustler* in the U.S.

That environment has caused even archrival *Penthouse* publisher Bob Guccione to retreat. Last year he partly abandoned Britain, where *Penthouse* was born in 1965. He licensed the *Penthouse* name in the U.K. to Sightline Publications because it could not compete with its racier rivals.

"It will only work if we can break out of that environment and change the minds of upmarket advertisers who are now leery of all men's magazines," said Lee Hall, senior vp-international publishing for Playboy Enterprises.

The other drawback is that magazine distribution in the U.K. is dominated by "news agents" who bunch all men's magazines together on the top shelf of their magazine racks.

"We'd want to be on the front counter with the prestige magazines," said Mr. Hall.

Until last month, *Mayfair*, the leading U.K. men's magazine with a 350,000 circulation, was the only such publication distributed by W.H. Smith, Britain's leading news agent. Now *Penthouse* has been accepted by the agent.

Mr. Hall is interested in Britain despite the problems because he sees ads geared to males in science magazines that would look to *Playboy* instead.

"The British male is changing very fast," he says. "They're a far cry from the days when they all wore bowler hats." However, others disagree.

Adrain Walker, *Mayfair* ad director, says that if *Playboy* comes to Britain "it would be with a fairly sophisticated product, and I don't see that sort of product getting the sales."#

Philip Morris may sue BAT in Brazil

By LAUREL WENTZ

SAO PAULO—Philip Morris Inc. might take legal action against British American Tobacco in a dispute over an alleged "copycat" brand in the low-tar cigaret market, sources said.

BAT's Souza Cruz recently began test-marketing Free cigarets, a brand with similar packaging and identical tar and nicotine content to PM's Galaxy brand, which accounts for 60% of the new low-tar, low-nicotine segment.

Stung, PM promptly arranged for a local court to seize samples of Free to be scrutinized for a possible future lawsuit and asked CONAR, the Brazilian advertising self-regulatory body, to suspend Free's test-market advertising.

After a CONAR hearing in Sao Paulo on April 12, CONAR postponed its decision and the two cigaret giants were attempting to arrange an out-of-court settlement.

"We were obliged to do this," PM vp Antonio Texeira da Silva said of his company's action against BAT. "Since Souza Cruz copied our package, we took an attitude of defending our property."

Both Free and Galaxy packs feature a red-and-blue stripe on a white background and a gold heraldic emblem. According to BAT spokesman Francisco Crestana, the 10 top brands—accounting for 75% of the market—all use basically the same colors and no one has objected until now.

"Philip Morris has done much worse than we did and we never thought it was illegal or went after them," Mr. Crestana said.

If the packages are similar, the prices are not. Souza Cruz is selling its brand cheaper—50¢ for the 90mm size, compared with 67¢ for PM's Galaxy.

Souza Cruz advertising for Free also irks Philip Morris.

While Galaxy is always advertised as "The intelligent decision," the Free ads aired in test markets say, "You don't have to be intelligent to choose lower tar and nicotine. It's a question of good sense and paying to find out," (a reference to the lower price). Standard, Ogilvy & Mather handles the Free campaign.

Souza Cruz' market dominance is such that the only segment it has failed to dominate is the low-tar and low-nicotine area, which accounts for only 3.65% of all cigaret sales. Two heavily ad-supported BAT brands in the segment—Advance and Columbia Ultra Lights—have flopped.

Over-all, BAT has 79% of a cigaret market that has shrunk by 9.4% since 1980 to 129.2 billion cigarets last year.#

Third World drug ad code proposal stalled by U.S.

By JOHN PARRY

GENEVA—The U.S. and other Western nations have beaten back an attempt by Third World countries to involve the U.N. Conference on Trade and Development in the policing of pharmaceutical advertising.

At UNCTAD's board meeting earlier this month, a group of more than 100 developing countries proposed a resolution calling for UNCTAD to begin debating criticism of the International Federation of Pharmaceutical Manufacturers' in-house code of conduct, which critics say is too soft.

The primary criticism of the code comes from several consumer groups that want all pharmaceutical advertising banned, except at point-of-purchase (AA, March 5).

The board decided to defer consideration of the proposal until the fall session after the U.S. delegation and other Western nations argued that the proposal was both unnecessary and wasteful.

The question of a code of conduct for pharmaceutical manufacturers in the field of advertising in the Third World has been under discussion at the U.N.'s World Health Organization for many years and is a featured item on the agenda of the World Health Organization Assembly here in May.

A lack of definitive action by WHO prompted some Third World countries to try to switch the debate to UNCTAD, where they have a built-in voting majority.

The U.S. and other Western countries have argued that there is no need for an international code, similar to the one adopted by WHO on infant formula in 1980.

Gordon Streeb, head of the U.S. delegation to UNCTAD and a deputy assistant secretary of state, has argued that because UNCTAD's primary purpose is aiding the economic development of the Third World, the body should not get involved in matters which do not concern it.

Mr. Streeb also said the U.S. feels that WHO does an adequate job in the field.#

world news roundup

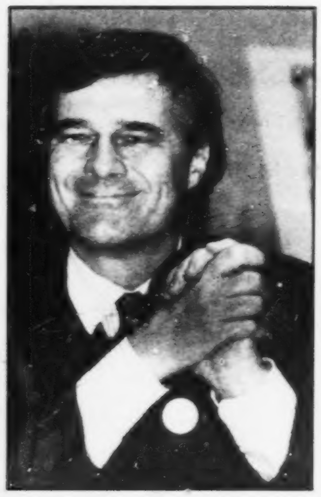
(Continued from Page 3)

Convenient Food Mart this fall (AA, March 19). More than 300 Spar stores already have converted to late-night operations.

SYDNEY—**Union Carbide Corp.** has moved its $2 million home products account to SSC&B:Lintas from Leo Burnett Co.

MADRID—**S.C. Johnson & Son** has dropped Delvico/DFS from its $1.2 million wax account. No replacement has been named.

MELBOURNE—**Monahan Dayman Adams** subsidiary MDA Mattingly has won $17 million in new business from Myer Emporium retailers, adding to its $11 million Myer account in two Australian states. Ted Bates' subsidiary George Patterson and Market Force lost out.



"Politicians are not traveling circuses; they influence human life more than a pack of cigarets."

— Coordt von Mannstein

"We told Mitterrand that France had abandoned the age of having and had entered the age of being."

— Jacques Seguela

European admen think Reagan mismanages his campaign image

By DENNIS CHASE

'84

Marketing the Candidates

New York—The people who shape the images of European heads of state believe President Ronald Reagan is mismanaging his image in the U.S.

Jacques Seguela, president of Roux Seguela Cayzac & Goudard in France and French President Francois Mitterrand's advisor, said, "He is making a terrible mistake. He is agitating people. He should run the same campaign that we ran for Francois Mitterrand, whom we called *'la force tranquille'* [the calming force]. All the people in the U.S. are upset. The contrary of upset is *force tranquille*. Ronald Reagan can be *force tranquille*."

Mr. Seguela, the enfant terrible of French advertising, eschews political affiliations and says the same advice he gave to upset Socialist victor Mr. Mitterrand in 1981 applies to the right-wing campaign of President Reagan.

President Reagan should confine most of his public comments to home and family issues, said Mr. Seguela, in contrast to Democratic presidential candidate Gary Hart, who "is a contrarian. . .All the talk about new ideas. You don't become President that way."

As for President Reagan, the first thing Mr. Seguela would advise him to do is change what he wears.

The President's wardrobe, he said, should feature more pastel colors and more cowboy hats.

"He is the U.S. cowboy, and he should be that all the time, with his wife on the ranch," says Mr. Seguela, who convinced Mr. Mitterrand to change tailors and wear "softer" clothing.

West German Chancellor Helmut Kohl's image maker, Coordt von Mannstein, says Mr. Reagan should contrive to be viewed as the underdog.

Chancellor Kohl, in his surprise victory last year, "liked nothing better than to go down in the polls so he could fight his way back," said Mr. von Mannstein, chairman of von Mannstein Gruppe advertising.

Unlike President Mitterrand, Chancellor Kohl refused to change his appearance, such as his hair style, in his successful election campaign, says Mr. von Mannstein.

However, Chancellor Kohl did allow his advisors to blow up his campaign posters to gigantic proportions, to emphasize his nickname, "The Black Giant."

"Our strategy was to make everything about him the greatest, and to give him the image of a winner," Mr. von Mannstein told a special International Advertising Assn. meeting held earlier this month.#

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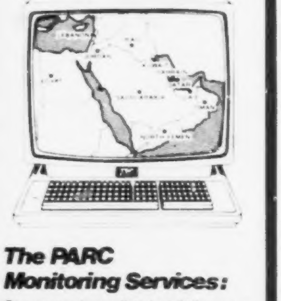

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French say okay to fm radio spots

By PHIL HILL

Paris—The recent announcement by French President Francois Mitterrand that local radio stations on the fm band would be able to carry advertising will have a dramatic effect on ad agencies here, sources say (AA, April 9).

In making the announcement, Mr. Mitterrand said he hoped the change would help bail out France's financially ailing radio industry.

Many of the 900 stations in France have been living a hand-to-mouth existence for the last two years, deprived of legal advertising and forced to make under-the-table deals with advertisers.

Weeks before the announcement, some agencies, including Roux Seguela Cayzac & Goudard and Havas Conseil, had set up organizations known as ad *regies* to represent groups of radio stations and help find advertisers.

According to Jacques Hebert, vp, Lintas:Paris, local radio stations will initially attract local businesses and ads aimed at young people for such products as movies, American beer and blue jeans.

Mr. Mitterrand is believed to have been influenced by advice from Jacques Seguela, who ran the president's election campaign in May, 1981, and by his communications advisor, Claude Marti, a former TBWA executive and former president of the French Assn. of Advertising Agencies.#

International briefs

P&G hoping for new market with Top Job

Schwalbach, Germany—Procter & Gamble Co. is hoping to create a new market that could reach $40 million with its new laundry "booster" sheet that is called Top Job.

The new product, which is dropped in washing machines to improve the cleaning properties of detergents, was launched two weeks ago in Germany in a $5 million campaign via Benton & Bowles, Frankfurt (AA, April 9).

The launch was limited to Germany, but the product is being test-marketed in France, Austria and Switzerland as a prelude to a rollout all over Europe. It is produced in the U.K. and the package has labeling in English, French, German and Italian.

The product does not exist in the U.S. and the campaign claims the dissolvable sheets get laundry as clean as if it had been boiled. Many German housewives boil their laundry because they are not convinced that washing machines get clothes clean enough.#

Anti-smokers seek commercial status

Sydney—An antismoking group known for defacing outdoor tobacco advertising in Australia and New Zealand wants to register its name as a business.

But the group, known as BUGA UP (Billboard Utilizing Graffitists Against Unhealthy Promotions), has met opposition from the New South Wales Corporate Affairs Commission.

The commission has refused to process the group's application, ruling that its name is "offensive to the public" and "suggestive of an illegal activity."

BUGA UP says it will try again.#

Speculation rife over post-1997 Hong Kong

Hong Kong—Ever since Jardine, Matheson & Co., Hong Kong's most venerable trading company, decided to transfer its legal offices from this British Crown colony to Bermuda, rumors have been flying that other major companies might follow suit.

The talk is precipitated by concern over Britain's ability to secure an agreement with China over Hong Kong's capitalist future when the U.K.'s territorial lease expires in 1997.

Lately, the *Asian Wall Street Journal* has been mentioned as a possible candidate to move its printing operations, but newspaper executives have denied such plans.

Managing editor Mike Malloy said there was "absolutely no truth" to the rumors. He speculated that the talk was fueled by speculation about the *Journal's* recent $4 million investment in new printing, communications and office equipment was made in anticipation of a move.

"The equipment is being installed in Hong Kong," Mr. Malloy said. "It is not going into Singapore."#

'Cosmo'

(Continued from Page 55)

azine to *Metropolis* after rival *Cosmopolitan* took him to court complaining of the similarity in the two titles.

The name change came after a Swiss court banned distribution of the March *Metropolitan* in Switzerland, but not before the controversy created valuable free publicity for Mr. Czerny's 4-month-old magazine.

The "copycat" problem represents one of the pitfalls awaiting U.S. magazine publishers who are considering licensing their publications overseas.

So far, that hasn't daunted *Cosmopolitan*, with 24 foreign licensed editions in nine languages, from forging ahead internationally.

Since its arrival in Germany in 1980, *Cosmopolitan* has become well established here. Most agree the Hearst Corp. publication appeared on the market as values were changing among German women and that its editorial formula coincided with their reevaluation of their societal roles.

Since then, paid circulation has climbed to 400,000, with a quarter of those readers gained last year. In addition, ad pages in 1983 more than doubled compared with 1982, for a total of 760 pages.

Up against the might of the Hearst Corp., along with Attika Verlag, the Zurich-based publisher of *Cosmopolitan*, Mr. Czerny decided to switch rather than fight.

Mr. Czerny acknowledged there was a strong similarity between *Metropolitan* and *Cosmo* in the first three issues, and that he actually hoped for a fight to generate publicity.

Now he says he's out to corner a part of the market that he believes has become disenchanted with his competitor.

"With the new title, we want to move away from *Cosmopolitan*," he says. "Not out of fear, but because we have discovered there is a very large target group that wants a magazine that is not as sexist and feminist as *Cosmopolitan*."

Sources in the editorial offices of *Cosmopolitan* say *Metropolitan's* appearance initially fooled some *Cosmo* readers.

Before the name change, $346,000 was spent on promoting early issues of *Metropolitan*. But Mr. Czerny says the ad budget was not wasted because the new title only slightly alters the magazine's cover appearance.

He also claims a paid circulation of more than 200,000, a figure that will be audited by Germany's circulation authority next month.

Agency sources agree the market is ripe for alternatives to the classic women's titles.#

Licensing

(Continued from Page 55)

Hong Kong and other locations in the Far East, the fastest growing economic region in the world. It's also the gateway to China, the biggest prize.

A licensee operates much as a restaurant franchisee does: He agrees to pay a royalty for use of a name and concept and is subject to controls by the U.S. publisher, who independently checks whether the standards are being met.

Licensees use some local content, but devote most editorial space to stories from the U.S. edition. But even these stories are often "localized" by editors in those countries.

"In Latin America an unmarried woman usually lives at home," says Dick Deems, a longtime licensing expert with Hearst Corp. "Obviously, *Cosmopolitan* would have to be adapted for those markets."

Publishers are finding that the difficulty in making sure a foreign licensee maintains the reputation and quality of a U.S. publication is far outweighed by the easy royalties and prospect of offering international advertisers worldwide coverage.

The return on investment (royalty income divided by operating expenses) can be as much as 80%, sources say. A U.S. publisher pays only for monitoring the publication and for additional rights to republish original material. He pays no local editorial expenses.

A five-year contract between *Playboy* and a foreign licensee can bring in as much as several million dollars a year, Mr. Hall says.

With *Playboy's* U.S. circulation and advertising revenue dropping, the publication's sales of 1.7 million a month with its nine foreign editions are increasingly important to Playboy Enterprises.

Now the biggest opportunity facing these publishers is appealing to advertisers who want to run campaigns worldwide.

While *Time* and *Newsweek*, which publish wholly-owned foreign editions with virtually identical editorial content, have picked up many of these ads, so far agencies and advertisers generally have resisted similar arrangements with licensed publications for two reasons. First, they don't want to preempt their local branches from making that decision and, second, advertisers don't want their ads appearing with unfamiliar editorial material.#

Illustration: Yvette M. Haden

FOREIGN AGENCY INCOME REPORT

Strong U.S. dollar cuts back growth

By DENNIS CHASE

The advertising industry's worldwide gross income grew sharply last year, but not when translated into the measuring stick used by U.S. agencies: Greenbacks.

According to Advertising Age's annual Foreign Agency Income Survey of 895 agencies in 76 countries, gross income for all agencies grew 13%, to $4.16 billion. That compares with 1982's $3.69 billion, restated at 1983 exchange rates.

"Our international billings, which were up 5% in U.S. dollars, would have been up 15% if the effect of the exchange rate was removed," said Steven Kahler, executive vp for finance and administration, BBDO International.

This year's increase—stated in U.S. dollars—also falls short of last year's 27% growth.

Japan's Dentsu held onto its No. 1 worldwide ranking, with $437.7 million in gross income. But its lead over second-place Young & Rubicam fell slightly to a margin of $23.7 million, compared with $26.3 million last year. Both Dentsu's and Y&R's gross income grew by about 9% last year.

In the only change among the top ten agencies, Saatchi & Saatchi Compton Worldwide leapfrogged Leo Burnett Co. into eighth place, with $253.3 million in gross income last year. The agency grew about 36%, and only strong 21% BBDO growth kept the Saatchi brothers from leaping two places.

Grey Advertising, which grew 24% in gross income last year, moved up two places into 13th place in this year's rankings.

In major international markets, growth in gross income—stated in U.S. dollars—was strongest in Germany (up 20%), France (19%), Britain (18%) and South Africa (17%). That compares with a U.S. growth of 10.7% (AA, March 28).

(Contined on Page 58)

Agencies' growth cut back

(Continued from Page 57)

In an AD AGE questionnaire that accompanied this year's survey, agencies were asked what markets are expected to show the best growth rates this year.

Most agencies worldwide believe that computer hardware and software will grow the fastest. European agencies also mention financial services, and many French agencies add cosmetics.

In answer to the question "What is the major problem facing the advertising industry in your country?" British agencies generally cited commission cutting and the growing power of retailers.

French agencies cited increased government control, lack of commercial tv time, nationalization and unemployment. Several mentioned the "de-motivation of entrepreneurs."

German agencies are also concerned about commission cutting, partly spurred by the growing competition of media independents. One agency cited union demands for a 35-hour week.

The few Japanese agencies that volunteered answers to the question generally cited proposed taxes on advertising as their first concern. A new ad tax was the main concern of South African agencies.

In Australia, growing government control was the main issue. In particular, agencies cited the increasingly aggressive Australian Broadcasting Tribunal, which is like the U.S. Federal Communications Commission.

One significant change from previous years: Inflation has receded as an issue except in one region—Latin America.#

This survey was compiled by Ilse Cermak, International department, ADVERTISING AGE.

TOP 15 AGENCY WORLD GROUPS

Figures are given in millions ($).

	Agency	Gross income	Billings
1.	Interpublic Group of Cos.[1]	$620.4	$4.14 bill.
2.	JWT Group[2]	479.2	3.20 bill.
3.	Dentsu Inc.	437.7	3.21 bill.
4.	Young & Rubicam	414.0	2.76 bill.
5.	Ted Bates Worldwide	388.0	2.59 bill.
6.	Ogilvy & Mather Intl.	345.8	2.36 bill.
7.	BBDO Intl.	289.0	1.95 bill.
8.	Saatchi & Saatchi Compton	253.3	1.71 bill.
9.	Foote, Cone & Belding[3]	229.4	1.55 bill.
10.	Leo Burnett Co.	216.5	1.48 bill.
11.	Grey Advertising	183.5	1.22 bill.
12.	D'Arcy MacManus Masius	181.1	1.21 bill.
13.	Hakuhodo Intl.	180.2	1.35 bill.
14.	Univas Network[4]	175.0	1.13 bill.
15.	Benton & Bowles	144.3	1.00 bill.

[1] **Interpublic Group of Cos.** a holding company for McCann-Erickson Worldwide, SSC&B Lintas, Marschalk Campbell-Ewald & Dailey Intl. Group. [2] **JWT Group** a holding company whose principal subsidiary is J. Walter Thompson Co. [3] **Foote, Cone & Belding** includes figures for NCK Intl. now part of FCB. [4] **Univas Network** includes the EUROCOM Group and 6 affiliated agencies.

Source: compiled by ADVERTISING AGE.

Notes to individual agency listings

ARGENTINA

Advertisers Asociados is part of Saatchi & Saatchi Compton Worldwide.

Cicero/Ted Bates Publicidad billings are AA estimates.

Lautrec Publicidad part of DFS Intl.

Ortiz, Scopesi y Cia. part of Ogilvy & Mather Intl.

David Ratto affiliated with BBDO Intl.

Young & Rubicam de Argentina billings are AA estimates.

AUSTRALIA

Angus Goldfinch Stagoll is part of Fortune Communication Holdings. The office opened in 1983.

The Campaign Palace's gross income figures for 1983 and 1982 are AA estimates.

Clemenger Australia part of BBDO Intl. Figures include data for agency Magnus Nankervis & Curl, also part of BBDO Intl.

D'Arcy MacManus Masius also has offices in Adelaide, Brisbane, Melbourne and Perth.

Dancer Fitzgerald Sample Australia office opened in 1983. Fortune Communication Holdings holds 50% equity in DFS Australia.

Forbes Macfie Hansen gross income figures for 1983 and 1982 are AA estimates.

Hammond Advertising part of Fortune Communication Holdings.

Hayes Cowcher-Dailey Ltd. part of the Interpublic Group of Cos.

Meridian Advertising part of Ogilvy & Mather Intl.

Mojo Australia part of D'Arcy MacManus Masius

Monahan Dayman Adams Group consists of MDA Mattingly, Monahan Jayman Adams (NSW), MDA (VIC), MDA (WA), MDA Direct, MDA Yardley Logan, MDA Lovitt Ashwood, Chandler Hambleton Mier and Foster Nunn Loveder.

George Patterson part of Ted Bates Worldwide.

Pope & Kiernan & Black part of Kenyon & Eckhardt Intl.

Saatchi & Saatchi Compton, formerly Gough Waterhouse.

Scali, McCabe, Sloves part of Ogilvy & Mather Intl.

Schofield Sherbon Baker part of Fortune Communication Holdings.

The Weston Co. part of Fortune Communication Holdings.

Young & Rubicam does not report billings. Figures are AA estimates. Y&R Australia reports consolidated gross income for Y&R, Burson-Marsteller and Young & Rubicam Coudrey (formerly Coudrey Dailey) which merged December, 1983, with Y&R.

AUSTRIA

Die Sieber Werbungsgesellschaft affiliated with Saatchi & Saatchi Compton Worldwide.

Dorland Advertising part of DFS Intl.

Dr. Kossdorff & Partner part of the Needham, Harper & Steers network.

MMS-Werbeagentur gross income estimated by AA.

Team Werbeagentur part of BBDO Intl.

Young & Rubicam does not report billings. Figures are AA estimates.

BELGIUM

KHD Ogilvy & Mather billings are AA estimates.

MarkCom S.A. affiliated with Saatchi & Saatchi Compton Worldwide.

Marsteller International S.A. billings figures for 1983 and 1982 are AA estimates.

Partner part of Saatchi & Saatchi Compton Worldwide

Ted Bates S.A. 1983 figures include those of S.A. Coerten, which is responsible in part for the substantial increase in gross income and billings from 1982 to 1983.

VVL/BBDO was founded in September, 1983.

Young & Rubicam Belgium does not report billings. Figures are AA estimates. Y&R Belgium gross income is a consolidation of Y&R, Wunderman, Ricotta & Kline, Marsteller, Burson-Marsteller and nine months of Cato Yasumura & Behaghel, which was sold in October, 1983.

BRAZIL

Alcantara Machado, Periscinoto also has offices in Brasilia.

CBBA-Castelo Branco e Associados Propaganda purchased in March 1984 GFM/Propeg, Salvador.

Denison S/A part of Ted Bates Worldwide.

Duailibi, Petit, Zaragoza Propaganda offices in Rio de Janeiro, Brasilia and Porto Alegre.

GTM&C is affiliated with Kenyon & Eckhardt.

Norton Publicidade affiliated with the Univas agency network. Gross income figures for 1983 are agency estimates.

Oliveira, Murgel Comunicacao associated with Kenyon & Eckhardt Intl.

Publicidade Siboney is associated with NCK, an international network in Latin America which merged into Foote, Cone & Belding Intl. Jan., 1984.

Salles/Inter-Americana de Publicidade is affiliated with Benton & Bowles Intl.

SGB Publicidade e Promocoes is part of Saatchi & Saatchi Compton Worldwide.

Standard, Ogilvy & Mather Publicidade also has offices in Recife and Porto Alegre.

Unidade Inter-Americana is part of the Salles/Inter-Americana group, which has a 43.2% interest in Unidade. Salles, in turn, is affiliated with Benton & Bowles Intl.

Young & Rubicam do Brasil does not report billings. Figures are AA estimates. Y&R Brasil reports consolidated gross income for Cato Johnson & Burson-Marsteller.

BRITAIN

Bastable Dailey gross income estimated by AA.

Boase Massimi Pollitt in late 1983 bought back its minority interest held by Univas, Paris.

Butler Dennis Garland & Partners Ltd. part of Kenyon & Eckhardt Intl.

Colman RSCG & Partners associated with Roux, Seguela, Cayzac & Goudard group in France.

Dorland Advertising became part of Dorland/DFS Intl., a pan-European consortium based in London March,

(Continued on Page 75)

WORLD'S TOP 50 AD AGENCIES IN 1983

Figures, shown here in millions ($), are based on total equity interest in foreign shops.

	Agency	Gross income	Billings
1.	Dentsu	$437.7	$3.21 bill.
2.	Young & Rubicam[1]	414.0	2.76 bill.
3.	Ted Bates Worldwide[2]	388.0	2.59 bill.
4.	J. Walter Thompson Co.[3]	378.4	2.52 bill.
5.	Ogilvy & Mather [4]	345.8	2.36 bill.
6.	McCann-Erickson Worldwide	298.8	1.99 bill.
7.	BBDO Intl.[5]	289.0	1.95 bill.
8.	Saatchi & Saatchi Compton Worldwide[6]	253.3	1.71 bill.
9.	Leo Burnett Co.	216.5	1.49 bill.
10.	Foote, Cone & Belding[7]	208.4	1.41 bill.
11.	Doyle Dane Bernbach[8]	199.0	1.32 bill.
12.	SSC&B:Lintas	197.1	1.32 bill.
13.	Grey Advertising	183.5	1.22 bill.
14.	D'Arcy MacManus Masius	181.1	1.21 bill.
15.	Hakuhodo Intl.	180.2	1.35 bill.
16.	Benton & Bowles	144.3	1.00 bill.
17.	Marschalk Campbell-Ewald	133.0	886.8
18.	EUROCOM/Univas	125.2	852.3
19.	Dancer Fitzgerald Sample	113.1	726.1
20.	‡Marsteller Inc.	99.6	664.1
21.	N W Ayer Inc.	97.4	650.0
22.	Needham, Harper & Steers	94.2	631.9
23.	Wells, Rich, Greene	92.7	608.5
24.	‡William Esty Co.	84.8	565.0
25.	Publicis Intermarco-Farner	82.1	553.8
26.	Bozell & Jacobs	74.4	557.0
27.	Kenyon & Eckhardt	60.5	392.2
28.	Daiko Advertising	59.8	472.4
29.	Ketchum Communications	55.2	368.3
30.	Cunningham & Walsh	52.7	366.0
31.	‡Compton Advertising	50.8	360.3
32.	Tokyu Advertising	50.5	391.6
33.	Dai-Ichi Kikaku	49.2	349.7
34.	Backer & Spielvogel	45.0	300.0
35.	HBM/Creamer Inc.	43.5	290.9
36.	‡Campbell-Mithun	42.8	285.3
37.	Yomiko Advertising	39.1	239.7
38.	MPM Propaganda	37.6	150.4
39.	Geers Gross	37.0	250.0
40.	Alcantara Machado, Periscinoto Comunicacoes	36.4	145.6
41.	Roux Seguela Cayzac & Goudard[9]	35.6	237.3
42.	‡Scali, McCabe, Sloves	35.1	230.8
43.	TBWA	35.0	237.2
44.	Ross Roy Inc.	34.1	227.0
45.	Della Femina, Travisano & Partners	30.8	205.0
46.	‡Belier Group	30.1	201.0
47.	Asahi Kokoku-sha Co.	30.0	194.0
48.	Laurence, Charles & Free	29.3	195.0
49.	Leber Katz Partners	29.2	251.0
50.	Tatham-Laird & Kudner	27.0	224.0

Included in figures: [1] **Young & Rubicam:** Hutchins/Y&R; Sive Associates; Y&R/Zemp; Creswell, Munsell, Fultz & Zirbel; Rives, Smith, Baldwin & Carlberg; Marsteller Inc. (incl. Marsteller Advertising and Burson-Marsteller); Cato Johnson; CYB; Y&R Special Markets; Chapman Direct Marketing; Stone & Adler, Sudler & Hennessey; Wunderman, Ricotta & Kline; DYR (joint venture with Dentsu, Japan). [2] **Ted Bates Worldwide:** William Esty Co.; AC&R Advertising; Campbell-Mithun; Diener/Hauser/Bates; McDonald & Little; Sawdon & Bess; Stern Walters/Earle Ludgin. [3] **J. Walter Thompson Co.:** Brouillard Communications, J. Walter Thompson USA; Thompson Recruitment Advertising. [4] **Ogilvy & Mather:** Ogilvy & Mather Partners; Ogilvy & Mather Direct Response; Ogilvy & Mather PR; Ogilvy & Mather Special Markets; Sussman & Sugar; Ogilvy & Mather Hawaii; Scali, McCabe, Sloves; Euramerica Translations; Cole & Weber; A. Eicoff & Co.; Dudley-Anderson-Yutzy. [5] **BBDO Intl.:** BBDO Direct, BDA/BBDO; Blair Advertising; GM DuBois Corp.; Caravetta Allen Kimbrough/BBDO; Frank J. Corbett Inc.; Franklin Spier Inc.; Lavey/Wolff/Swift; MARCOA Direct; Quinn & Johnson/BBDO; RC Communications; TELERx Marketing; Tracy-Locke/BBDO; Waring & LaRosa. [6] **Saatchi & Saatchi Compton Worldwide:** Compton Advertising; Cadwell Davis Partners; Rumrill-Hoyt; Klemtner Advertising; Mayo Infurna Design; Fairfax Advertising; Hoffman, York & Compton. [7] **Foote, Cone & Belding:** Wahlstrom & Co.; Lewis, Gilman & Kynett; Albert Frank-Guenther Law; Deutsch, Shea & Evans; Carl Byoir Associates. [8] **Doyle Dane Bernbach:** Milici/Valenti Advertising; Cargill Wilson & Acree; DDB Group Two; Fletcher/Mayo Associates; Bernard Hodes Advertising; Rapp & Collins; Barickman Advertising; Kallir, Philips, Ross; ECOM; Director's Studio. [9] **Roux Seguela Cayzac & Goudard Group:** Includes agencies in the U.K., Germany, Spain, Belgium, Switzerland, Netherlands, Italy and Ivory Coast.

‡Agency's financial data also included in parent company's totals on this chart. See footnotes for agency ownership.

Source: compiled by ADVERTISING AGE.

ARGENTINA

Exchange rate: 0.0850 peso

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
J. Walter Thompson Argentina	Buenos Aires	2,588.5	4,519.2	N/A	14,069.6	23,756.9	Ps30,098.6	Ps165,524.9	135	122	11.0	1
Gowland Publicidad	Buenos Aires	2,149.1	590.9	N/A	8,596.7	2,462.2	25,284.0	101,137.0	75	96	22.0	1
Casares, Grey & Asociados	Buenos Aires	2,068.3	1,820.0	N/A	7,970 0	13,875.0	24,333.0	93,767.0	70	79	- 11.0	1
Ricardo de Luca Publicidad	Buenos Aires	2,059.8	2,771.4	N/A	15,430.0	13,731.8	24,120.0	160,800.0	107	107	0.0	1
David Ratto S.A.	Buenos Aires	1,955.0	2,521.0	N/A	9,299.0	10,471.0	23,000.0	109,400.0	75	67	12.0	1
Ortiz Scopesi/Ogilvy & Mather	Buenos Aires	1,520.8	2,466.9	N/A	8,551.7	14,608.7	17,891.4	100,608.7	94	86	9.0	1
Lautrec Publicidad	Buenos Aires	1,509.8	1,637.4	N/A	5,957.7	7,829.0	17,761.8	70,091.0	71	55	29.0	1
Solanas Ayer	Buenos Aires	1,224.0	1,215.0	N/A	6,919.0	6,709.0	14,398.0	81,406.0	N/A	N/A	N/A	1
McCann-Erickson S.A. de Publicidad	Buenos Aires	1,001.0	865.0	N/A	6,677.0	5,770.0	11,772.0	78,519.0	50	36	39.0	1
Pragma/FCB	Buenos Aires	944.6	1,586.0	N/A	6,300.0	10,578.6	11,113.3	74,125.5	62	58	7.0	1
Lintas Limitada S.A.	Buenos Aires	884.0	1,440.0	N/A	7,577.0	10,198.0	10,396.0	89,144.0	46	39	18.0	1
Leo Burnett-Sagarra	Buenos Aires	675.0	973.0	N/A	4,502.0	6,488.0	7,940.0	52,960.0	47	31	52.0	1
Young & Rubicam de Argentina	Buenos Aires	513.0	1,625.0	N/A	3,422.0	10,838.0	6,033.0	40,258.8	26	33	21.0	1
Cicero/Ted Bates Publicidad	Buenos Aires	501.2	377.9	N/A	3,698.5	1,660.4	5,896.0	49,408.0	40	31	29.0	1
Johnson/Benton & Bowles	Buenos Aires	494.2	602.8	N/A	2,909.1	2,741.6	5,814.0	34,225.0	33	18	83.0	1
The Advertisers Asociados	Buenos Aires	312.0	289.8	N/A	1,327.2	1,931.9	3,670.2	15,614.5	30	20	50.0	1

* With Argentinian agencies, AA altered its procedure of determining an agency's "real growth" (applying 1983 exchange rate to 1982 returns) because it primarily shows the impact of inflation in that economy. Dollar figures for 1982 are based on the average annual exchange rate for that year.

AUSTRALIA

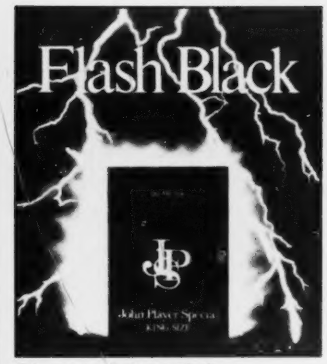
Exchange rate: 0.9085 A dollar

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
George Patterson	Sydney	28,000.0	25,000.0	12.0	182,000.0	165,000.0	A$31,000.0	A$200,000.0	420	430	- 2.0	4
Clemenger Australia	Melbourne	24,205.3	22,675.9	7.0	161,449.3	151,248.2	26,643.1	177,709.7	472	430	10.0	12
D'Arcy MacManus Masius	Sydney	16,952.8	15,065.5	13.0	114,394.9	100,067.8	18,660.2	125,916.2	317	350	- 9.0	5
Monahan Dayman Adams Group	Melbourne	16,385.4	11,914.9	38.0	102,408.4	74,468.3	18,035.6	112,722.6	332	242	37.0	14
Ogilvy & Mather (Australia)	Melbourne	14,860.0	12,108.5	23.0	99,111.9	80,764.7	16,356.0	109,094.0	358	320	12.0	9
USP Needham Australia	Sydney/Melbourne	14,324.3	12,776.2	12.0	95,574.2	83,582.0	15,767.0	105,200.0	257	240	7.0	5
McCann-Erickson (Australia)	Sydney	13,285.0	12,015.0	11.0	88,611.0	80,140.0	14,622.0	97,529.0	293	265	11.0	N/A
Leo Burnett Ltd.	Sydney	11,457.1	10,944.7	5.0	76,418.5	72,819.0	12,611.0	84,115.0	277	296	- 6.0	6
Fortune Communication Holdings	Sydney	10,902.0	8,585.3	27.0	68,137.5	45,425.0	12,000.0	75,000.0	215	165	30.0	5
J. Walter Thompson Australia	Sydney	9,261.7	8,177.0	13.0	62,635.5	54,545.1	10,194.5	68,943.4	194	191	2.0	3
Young & Rubicam Ltd.	Sydney	7,635.0	6,245.0	22.0	50,924.3	41,653.4	8,390.0	56,053.1	130	129	0.8	4
Foote, Cone & Belding Australia	Sydney	6,651.5	5,978.0	11.0	44,365.7	39,873.4	7,321.4	48,834.1	101	104	- 3.0	3
Lintas (Australia)	Sydney	5,342.0	5,373.0	- 1.0	40,562.0	35,001.0	5,880.0	44,647.0	99	107	0.7	3
Schofield Sherbon Baker Ltd.	Sydney	5,000.0	4,270.0	17.0	31,800.0	25,438.0	5,500.0	35,000.0	105	84	25.0	4
Connaghan & May Ayer	Sydney	4,255.0	3,612.3	18.0	24,706.7	22,319.9	4,683.5	27,195.0	66	65	0.2	2
Saatchi & Saatchi Compton	Melbourne/Sydney	4,048.3	2,375.8	70.0	27,315.0	13,501.5	4,456.0	30,066.0	35	34	0.3	2
Mojo Australia	Sydney	3,833.0	2,665.1	44.0	25,249.9	17,489.7	4 219.0	27,793.0	N/A	N/A	N/A	1
Doyle Dane Bernbach/Berry Currie	Sydney	3,739.4	3,090.0	21.0	21,827.0	18,691.0	4,116.0	24,025.0	78	77	1.0	4
Forbes Macfie Hansen	Sydney	3,338.7	1,976.0	83.0	22,258.3	13,173.3	3,389.4	24,500.0	41	40	3.0	N/A
Hertz Walpole Campbell-Ewald	Sydney	2,507.0	2,607.0	- 4.0	16,722.0	17,389.0	2,759.0	18,403.0	27	34	- 21.0	N/A
Grey & Murray Evans Advertising	Sydney	2,366.1	1,537.5	54.0	15,782.0	10,255.4	2,604.4	17,371.5	45	50	- 10.0	1
The Campaign Palace	Sydney	2,295.0	1,635.3	40.0	15,300.0	10,902.0	2,526.1	18,000.0	38	N/A	N/A	2
Buchanan Bullpitt & Grey	Sydney	2,291.6	1,640.8	40.0	15,285.0	10,943.8	2,522.4	16,824.4	37	31	19.0	1
Pope & Kiernan & Black	Sydney	1,973.8	1,972.2	0.1	13,301.6	12,646.6	2,172.6	14,641.2	29	44	- 34.0	1
Hayes Cowcher-Dailey Ltd.	Melbourne	1,916.0	1,640.8	17.0	10,424.0	9,188.6	2,109.0	11,474.0	36	33	9.0	2
Dancer Fitzgerald Sample Australia	Sydney	1,520.0	N/A	N/A	9,990.0	N/A	1,670.0	11,000.0	28	N/A	N/A	2
The Weston Co.	Sydney	1,462.7	1,158.3	26.0	9,993.5	6,486.7	1,610.0	11,000.0	29	19	53.0	1
Harris Robinson Courtenay	Sydney	1,453.1	1,269.7	14.0	9,620.4	7,935.0	1,599.4	10,589.3	32	35	- 9.0	1
Meridian Advertising (Australia)	Melbourne	1,449.0	500.1	190.0	9,664.9	3,335.7	1,595.0	10,638.3	25	22	14.0	2
Yared Perry Paton	Melbourne	1,329.1	787.7	69.0	7,851.3	4,922.3	1,463.0	8,642.0	24	17	41.0	2
Hammond Advertising	Sydney	1,226.5	763.1	61.0	7,270.0	4,088.3	1,350.0	8,000.0	27	18	50.0	2
Moffatt Sharp Advertising	Melbourne	1,102.1	1,026.0	7.0	5,466.0	5,253.6	1,213.1	6,016.5	26	26	0.0	1
Scali, McCabe, Sloves	Melbourne	1,081.0	427.0	153.0	6,360.0	2,725.0	1,190.0	7,000.0	17	13	31.0	1
Angus Goldfinch Stagoll Advertising	Melbourne	386.1	N/A	N/A	2,271.2	N/A	425.0	2,500.0	10	N/A	N/A	2

AUSTRIA

Exchange rate: 0.0568 schilling

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Lintas Werbeagentur	Vienna	2,490.4	2,221.7	12.0	18,392.5	15,832.8	Sch43,844.2	Sch323,812.0	42	40	5.0	1
McCann-Erickson	Vienna	2,333.0	2,041.0	14.0	15,561.0	13,613.0	41,059.0	273,864.0	44	41	7.0	N/A
GGK Wien	Vienna	1,880.0	1,721.0	9.0	12,553.0	11,474.0	33,100.0	221,000.0	31	25	24.0	1
Demner & Merlicek	Vienna	1,677.3	1,295.0	30.0	11,189.6	8,690.4	29,530.0	197,000.0	29	23	26.0	1
J.Walter Thompson	Vienna	1,626.0	1,461.0	11.0	10,837.0	9,742.0	28,619.0	190,802.0	39	38	3.0	1
MMS-Werbeagentur	Linz	1,607.0	1,431.0	12.0	11,246.0	9,997.0	28,300.0	198,000.0	26	28	- 7.0	1
Ogilvy & Mather Wien	Vienna	1,320.1	1,051.8	26.0	9,676.9	7,990.1	23,241.4	170,367.8	30	24	25.0	1
Team Werbeagentur	Vienna	1,289.4	959.9	34.0	8,576.8	6,418.4	22,700.0	151,000.0	20	17	18.0	1
Werbeagentur Wirz	Vienna	1,280.0	971.3	32.0	10,530.0	8,150.8	22,600.0	185,300.0	15	14	7.0	1
Hager Gesellschaft	Vienna	1,250.0	1,210.0	3.0	11,920.0	11,070.0	22,100.0	210,000.0	25		- 7.0	1
Werbetechnisches Studio	Vienna	1,204.2	1,170.0	3.0	8,236.0	8,009.0	21,200.0	145,000.0	26	25	4.0	1
Dr. Puttner & Bates	Vienna	1,158.0	726.0	60.0	7,724.0	4,845.0	20,400.0	136,400.0	18	12	50.0	1
Young & Rubicam	Vienna	1,137.0	977.0	16.0	7,584.0	6,517.0	20,023.0	133,521.1	24	23	4.0	
R.W. Eggert	Vienna	983.0	875.0	12.0	5,629.0	5,101.0	17,300.0	99,100.0	14	14	0.0	1
D'Arcy MacManus Masius	Vienna	976.0	986.3	- 1.0	6,599.0	6,525.0	17,190.0	116,170.0	20	20	0.0	1
Die Sieber Werbungsgesellschaft	Vienna	967.4	835.0	16.0	9,121.6	9,071.0	17,032.0	160,591.2	25	23	9.0	1
Dorland Advertising	Vienna	937.2	886.0	6.0	5,452.8	4,373.6	16,500.0	96,000.0	10	10	0.0	1
NCK/Austria	Vienna	935.0	1,046.9	- 11.0	6,240.0	6,979.4	16,460.0	122,876.0	N/A	N/A	N/A	N/A
Weinberger Werbehaus	Vienna	903.0	903.0	N/A	6,248.0	5,964.0	15,900.0	110,000.0	18	19	- 5.0	1
Intermarco-Farner Werbeagentur	Vienna	843.5	765.7	10.0	7,015.0	6,049.0	14,850.0	123,500.0	20	19	5.0	1
Grey Austria	Vienna	653.2	608.6	7.0	5,793.6	4,941.6	11,500.0	102,000.0	17	16	6.0	1
Dr. Kossdorff & Partner	Vienna	375.0	N/A	N/A	2,500.0	N/A	6,602.1	44,015.0	8	N/A	N/A	1
Campbell-Ewald Werbeagentur	Vienna	63.0	59.0	7.0	420.0	394.0	1,114.0	7,430.0	1	1	0.0	N/A



Sharps Advertising
London, England

One toy continues to be a runaway success.
LEGO

Harris Robinson Courtenay Advertising
Sydney, Australia

Passe uma Kaiser na cara.
Kaiser
A CERVEJA
Prove o puro sabor da cerveja.

MPM Propaganda
Sao Paulo, Brazil

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (FOREIGN CURRENCY)	Billings 1983 (FOREIGN CURRENCY)	Employes 1983	Employes 1982	Per cent change	offices
BAHRAIN	**Exchange rate: 2.65 dinar**											
Madco Bahrain	Bahrain	627.0	618.0	1.0	2,800.0	2,600.0	Bdin236.6	Bdin1,056.7	N/A	N/A	N/A	1
BARBADOS	**Exchange rate: 0.4980 B dollar**											
Corbin Compton Ltd.	Bridgetown	1,247.7	1,093.3	14.0	7,671.1	7,087.2	B$2,505.5	B$15,403.9	43	46	– 7.0	3
Smith & Oxley Advertising	Belleville	482.9	301.8	60.0	2,418.4	2,315.2	969.7	4,856.0	22	19	16.0	1
BELGIUM	**Exchange rate: 0.0201 franc**											
Young & Rubicam Belgium	Brussels	6,210.0	5,207.0	19.0	41,421.0	34,731.0	BF308,948.0	BF2.06 bill.	102	124	– 18.0	4
McCann-Erickson S.A.	Brussels	4,756.0	4,144.0	15.0	31,723.0	27,640.0	236,596.0	1.60 bill.	113	100	13.0	1
HHD Ogilvy & Mather	Brussels	4,572.2	4,146.5	10.0	30,500.0	27,600.0	227,470.7	1.50 bill.	99	101	– 2.0	N/A
Lintas:Brussels	Brussels	4,112.0	3,581.0	15.0	27,424.0	23,887.0	204,558.0	1.36 bill.	77	73	5.0	1
Benton & Bowles S.A.	Brussels	3,652.0	3,147.0	16.0	24,359.0	20,990.0	181,700.0	1.21 bill.	85	83	2.0	1
Ted Bates S.A.	Brussels	3,028.0	1,156.0	N/A	14,501.7	8,137.0	150,651.0	721,476.0	63	60	5.0	2
J. Walter Thompson S.A.	Brussels	3,018.0	2,661.2	13.0	20,120.1	17,745.5	150,150.0	1.00 bill.	52	56	– 7.0	1
Troost Campbell-Ewald S.A.	Brussels	2,986.0	2,257.0	32.0	19,917.0	15,054.0	148,524.0	990,655.0	60	51	18.0	1
Dechy Univas S.A.	Brussels	2,954.7	2,923.0	1.0	19,707.8	19,488.0	147,000.0	980,490.0	64	63	2.0	
D'Arcy MacManus Masius	Brussels	2,909.5	2,446.0	19.0	19,406.0	16,250.0	144,752.0	965,494.0	62	55	13.0	1
VVL/BBDO	Brussels	2,750.3	N/A	N/A	18,335.5	N/A	136,832.0	912,214.0	56	N/A	N/A	1
Marsteller International S.A.	Brussels	2,462.0	2,174.0	13.0	16,422.0	14,501.0	122,488.0	817,015.0	53	51	4.0	1
Impact-FCB Belgium	Brussels	2,365.0	1,723.0	37.0	15,780.0	11,492.0	117,662.0	785,068.0	49	46	6.0	1
S.A. Intermarco-Farner	Brussels	2,340.0	1,850.0	26.0	15,601.0	12,342.8	116,364.0	776,145.0	50	46	9.0	1
Doyle Dane Bernbach S.A.	Brussels	1,949.0	1,625.0	20.0	13,000.0	10,834.0	96,948.0	647,000.0	35	33	6.0	1
Grey Belgium	Brussels	1,943.7	1,732.6	12.0	12,965.0	11,557.5	96,700.0	645,000.0	44	42	5.0	1
LVH & Partners	Brussels	1,325.2	1,029.7	29.0	9,008.0	7,644.5	65,928.5	448,161.5	31	26	19.0	1
Partner S.A.	Brussels	1,295.8	824.1	57.0	8,643.0	5,497.4	64,468.0	430,000.0	45	35	29.0	1
NCK/Belgium	Brussels	900.0	1,506.8	– 40.0	6,000.0	10,045.5	44,775.0	298,500.0	N/A	N/A	N/A	N/A
Leo Burnett S.A.	Brussels	678.0	650.0	4.0	4,525.0	4,338.0	33,750.0	225,113.0	15	15	0.0	1
MarkCom S.A.	Brussels	672.4	606.3	11.0	4,484.7	3,372.8	33,451.0	223,117.0	17	17	0.0	1
TBWA Belgium	Brussels	663.3	657.0	1.0	4,362.0	4,380.0	33,000.0	217,000.0	15	16	– 6.0	1
Trema & Partners	Brussels	512.1	524.6	– 2.0	3,417.0	3,497.4	25,480.0	170,000.0	14	16	– 13.0	1
Moussault Ayer	Antwerp	503.6	581.5	– 13.0	3,358.8	3,878.7	25,052.8	167,102.3	14	13	8.0	1
BERMUDA	**Exchange rate: 1.00 B dollars**											
Advertising Associates-Compton	Hamilton	1,365.2	1,085.9	26.0	2,644.3	5,272.1	1,365.2	2,644.3	19	22	– 14.0	1
BOLIVIA	**Exchange rate: 0.00954 peso**											
J. Walter Thompson & Asociados	La Paz	76.3	40.9	87.0	448.4	232.6	Ps8,001.3	Ps47,022.7	10	8	25.0	1
BRAZIL	**Exchange rate: 0.002576 cruzeiro**											
MPM Propaganda	Sao Paulo	37,609.6	36,801.1	N/A	150,438.4	147,204.4	Cr14.60 bill.	Cr58.40 bill.	904	920	– 1.7	14
Alcantara Machado, Periscinoto Comunicacoes	Sao Paulo/Rio	36,396.3	35,167.0	N/A	145,585.2	152,727.8	14.10 bill.	56.50 bill.	467	453	3.0	3
Salles/Inter-Americana de Publicidade	Sao Paulo	25,249.0	26,536.0	N/A	100,996.0	106,143.0	9.80 bill.	39.20 bill.	487	504	– 3.0	3
J. Walter Thompson Publicidade	Sao Paulo	21,818.7	17,209.6	N/A	145,530.9	114,788.2	8.50 bill.	56.50 bill.	371	369	0.5	2
Duailibi, Petit, Zaragoza	Sao Paulo	20,608.0	21,285.9	N/A	82,432.0	85,143.6	8.00 bill.	32.00 bill.	351	349	0.6	4
Norton Publicidade	Sao Paulo	19,320.0	20,502.0	N/A	77,280.0	82,008.0	7.50 bill.	30.00 bill.	354	420	– 16.0	8
McCann-Erickson Publicidade	Sao Paulo	19,224.0	17,091.0	N/A	128,124.0	113,997.0	7.50 bill.	49.80 bill.	336	303	11.0	N/A
Denison Propaganda	Sao Paulo	15,456.0	18,090.0	N/A	61,824.0	72,360.0	6.00 bill.	24.00 bill.	317	320	– 0.9	3
Standard Ogilvy & Mather	Sao Paulo/Rio	10,828.0	10,655.8	N/A	40,951.0	39,986.0	4.20 bill.	15.90 bill.	321	306	5.0	4
CBBA-Castelo Branco e Associados	Sao Paulo/Rio	7,213.0	7,537.0	N/A	32,200.0	34,974.0	2.80 bill.	12.50 bill.	202	236	– 14.0	3
SSC&B:Lintas Brasil	Sao Paulo/Rio	6,877.0	8,596.0	N/A	28,140.0	36,206.0	2.70 bill.	10.90 bill.	185	191	– 3.0	2
Young & Rubicam do Brasil	Sao Paulo	6,261.0	4,498.4	N/A	41,761.0	27,725.0	2.40 bill.	16.20 bill.	129	104	24.0	2
Lage Stabel/BBDO	Sao Paulo	6,020.1	5,845.5	N/A	21,380.8	21,744.1	2.30 bill.	8.30 bill.	85	87	– 2.0	2

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 FOREIGN CURRENCY	Billings 1983 FOREIGN CURRENCY	Employes 1983	Employes 1982	Per cent change	offices
SGB Publicidade e Promocoes	Rio de Janeiro	5,090.2	5,306.0	N/A	19,577.6	21,225.0	2.00 bill.	7.60 bill.	162	153	6.0	5
Gang S/A	Sao Paulo	4,959.0	6,633.0	N/A	12,364.8	18,693.0	1.90 bill.	4.80 bill.	155	185	– 16.0	2
Proeme Campbell-Ewald	Sao Paulo	4,514.0	4,524.0	N/A	30,108.0	30,175.0	1.80 bill.	11.70 bill.	130	132	– 1.5	N/A
Unidade Inter-Americana	Sao Paulo	3,980.7	3,862.0	N/A	15,922.9	11,653.0	1.60 bill.	6.20 bill.	N/A	N/A	N/A	N/A
JMM Publicidade	Rio de Janeiro	3,499.3	3,593.9	N/A	17,496.2	17,969.4	1.40 bill.	6.80 bill.	115	101	14.0	3
Publicidade Siboney	Sao Paulo	3,174.1	1,025.3	N/A	21,160.7	16,000.0	1.20 bill.	8.20 bill.	N/A	N/A	N/A	1
Leo Burnett Co.	Sao Paulo	2,491.0	2,491.0	N/A	16,616.0	16,612.0	967,074.0	6.50 bill.	70	59	19.0	1
Esquire	Rio/Sao Paulo	1,782.5	1,421.0	N/A	7,058.2	7,477.0	692,000.0	2.70 bill.	56	48	17.0	2
Caio Domingues e Associados Publicidade	Rio de Janeiro	1,763.0	3,015.0	N/A	9,559.0	14,273.0	684,267.0	3.70 bill.	61	91	– 33.0	2
Oliveira, Murgel Comunicacao	Rio de Janeiro	1,579.0	2,110.5	N/A	5,409.6	7,236.0	613,000.0	2.10 bill.	25	23	9.0	1
GTM&C	Sao Paulo	1,517.4	1,421.5	N/A	8,891.1	8,263.6	589,045.0	3.50 bill.	48	38	26.0	1
GGK	Sao Paulo	1,404.0	1,046.0	N/A	9,364.0	6,978.2	545,000.0	3.60 bill.	30	30	0.0	1
Novagencia de Propaganda	Sao Paulo	1,138.6	5,748.7	N/A	3,946.4	22,890.0	442,000.0	1.50 bill.	74	90	– 18.0	1
Universal & Grey Publicidade	Rio de Janeiro	626.0	663.3	N/A	4,175.2	4,665.4	243,000.0	1.60 bill.	39	31	26.0	2
BRITAIN												**Exchange rate: 1.5421 pounds**
Saatchi & Saatchi Group U.K.	London	73,904.0	54,781.6	87.0	492,693.3	364,958.0	£47,924.3	£319,495.1	1096	1123	– 2.0	11
J. Walter Thompson Group	London	34,206.9	29,680.8	15.0	237,175.0	204,945.1	22,182.0	153,800.0	663	648	2.0	2
D'Arcy MacManus Masius	London	28,177.3	25,620.5	10.0	238,384.0	188,593.0	18,272.0	154,584.0	540	619	– 13.0	2
Young & Rubicam Holdings	London	23,151.5	17,371.8	33.0	154,210.0	115,711.0	15,013.0	100,000.0	469	457	3.0	3
Charles Barker Group	London	23,100.0	19,600.0	18.0	151,100.0	130,500.0	15,000.0	98,000.0	600	605	– 1.0	10
McCann Group	London	21,947.2	19,836.0	11.0	146,386.0	132,306.0	14,232.0	94,927.0	414	430	– 4.0	N/A
Ted Bates Holdings	London	20,356.0	19,241.0	6.0	124,021.0	122,945.0	13,200.0	80,423.0	329	362	– 9.0	4
Ogilvy & Mather	London	20,254.4	17,197.3	18.0	131,029.6	112,317.6	13,134.3	84,968.3	324	298	9.0	N/A
Foote, Cone & Belding	London	17,828.0	14,892.0	20.0	118,914.0	99,330.0	11,561.0	77,112.0	448	327	37.0	4
Allen, Brady & Marsh	London	17,755.7	15,061.5	18.0	118,371.6	100,410.0	11,514.6	76,760.0	349	347	0.5	1
Royds Advertising Group	London	17,734.4	16,504.7	7.0	118,288.3	110,086.4	11,500.2	76,706.0	520	515	1.0	12
IMAA/Rex Stewart & Associates	London	14,300.0	10,720.0	33.0	74,020.0	64,770.0	9,270.0	48,000.0	589	550	7.0	19
Boase Massimi Pollitt	London	14,226.0	11,126.0	27.0	94,839.0	74,175.0	9,225.0	61,500.0	189	175	8.0	1
Collett Dickenson Pearce	London	13,983.2	12,174.9	15.0	97,312.4	85,341.5	9,067.6	63,103.8	220	225	– 2.0	N/A
Geers Gross Advertising	London	13,900.0	10,973.3	27.0	85,000.0	72,483.2	9,014.2	55,122.5	335	290	16.0	3
Leo Burnett Co.	London	12,374.0	12,203.0	1.0	82,533.0	81,392.0	8,024.0	53,520.0	245	235	4.0	1
Dorland Advertising	London	12,038.7	11,157.1	8.0	93,142.8	83,273.4	7,806.7	60,400.0	275	265	4.0	1
Davidson Pearce	London	11,874.0	8,080.0	47.0	84,815.0	60,342.0	7,700.0	55,000.0	199	168	18.0	1
Lowe Howard-Spink Campbell-Ewald	London	11,596.6	12,953.6	– 10.0	81,765.2	N/A	7,520.0	53,022.0	148	149	– 0.6	1
Doyle Dane Bernbach	London	11,575.0	7,865.0	47.0	68,039.0	52,431.0	7,506.0	44,121.0	231	174	33.0	3
Benton & Bowles Holdings	London	10,380.0	10,250.0	1.0	88,820.0	79,740.0	6,730.0	57,600.0	260	258	1.0	1
Grey Advertising	London	10,300.0	8,200.0	26.0	71,900.0	57,400.0	6,700.0	46,600.0	147	138	7.0	2
Grandfield Rork Collins	London	9,670.0	5,740.0	68.0	64,520.0	38,260.0	6,270.0	41,830.0	250	143	75.0	7
SSC&B:Lintas	London	7,965.0	8,031.0	– 1.0	57,327.0	55,920.0	5,165.0	37,175.0	164	166	– 1.0	4
McCormick Intermarco-Farner U.K.	London	7,556.0	6,477.0	17.0	50,890.0	43,333.0	4,900.0	33,000.0	158	155	2.0	4
Wight Collins Rutherford Scott	London	6,816.1	4,906.9	39.0	50,118.3	36,085.1	4,420.0	32,500.0	100	65	54.0	1
Sharps Advertising	London	6,320.0	6,170.0	2.0	39,920.0	36,360.0	4,100.0	25,890.0	120	120	0.0	1
KMP Partnership	London	6,192.3	4,934.7	25.0	42,099.3	36,085.2	4,015.9	27,300.0	92	87	N/A	1
The Leagas Delaney Partnership	London	5,860.0	4,163.7	41.0	43,950.0	30,687.8	3,800.0	28,500.0	70	50	40.0	2
Marsteller Ltd.	London	5,670.0	5,233.0	8.0	37,819.0	34,904.0	3,677.0	24,524.0	123	115	7.0	N/A
TBWA Great Britain	London	5,413.0	5,414.0	N/A	36,100.0	36,114.0	3,510.0	23,410.0	70	78	– 10.0	1
Butler Dennis Garland & Partners	London	4,695.7	4,618.6	2.0	32,229.9	30,379.4	3,045.0	20,900.0	76	76	0.0	1
Colman RSCG & Partners	London	4,680.0	3,680.0	28.0	31,000.0	24,700.0	3,030.0	20,100.0	65	64	2.0	1
Abbott Mead Vickers/SMS	London	4,629.5	4,110.5	13.0	24,263.0	19,110.9	3,002.1	17,791.2	86	85	1.0	1
Reeves Robertshaw Needham	London	4,626.0	3,855.0	20.0	26,216.0	21,281.0	3,000.0	17,000.0	60	55	9.0	1
Michael Bungey & Partners/DFS Holdings	London	4,317.9	5,474.5	– 21.0	34,547.8	36,697.3	2,800.0	22,500.0	100	80	25.0	1
LansdownEuro Ltd.	London	3,892.0	2,918.0	33.0	25,960.0	19,463.0	2,524.0	16,835.0	65	95	– 32.0	1
David Williams & Ketchum	London	3,855.5	4,573.1	– 16.0	25,703.8	30,487.6	2,500.2	16,668.0	69	86	– 25.0	1
Kirkwood & Partners	London	3,762.7	4,578.5	– 18.0	22,621.1	29,508.1	2,440.0	14,669.0	46	84	– 45.0	1
Harrison Advertising (International)	London	3,298.8	2,429.9	36.0	21,284.1	15,401.1	2,139.1	13,802.0	70	42	67.0	1
Chetwynd Haddons	London	3,221.4	2,954.7	9.0	22,600.0	21,000.0	2,089.0	14,650.0	82	75	9.0	1
Hedger Mitchell Stark/GGK	London	3,007.1	N/A	N/A	20,001.0	N/A	1,950.0	12,970.0	30	N/A	N/A	1
Moxon Dolphin & Kerby	London	2,606.0	2,462.7	6.0	8,077.0	6,183.8	1,690.0	5,237.9	N/A	55	N/A	1
NCK/London	London	2,400.0	4,977.7	– 52.0	16,000.0	33,185.1	1,556.4	10,376.0	N/A	N/A	N/A	N/A
Nicklin Advertising	London	2,347.5	2,012.4	17.0	15,650.0	13,416.0	1,522.5	10,150.0	41	42	– 2.0	2
Fletcher Shelton Delaney	London	2,293.0	2,168.2	1.0	16,178.0	15,277.6	1,487.0	10,491.4	N/A	N/A	N/A	N/A
Bastable Dailey	London	1,700.0	1,851.0	– 9.0	11,257.0	[illegible]	1,102.4	7,300.0	52	47	11.0	N/A
Ogilvy & Mather (Scotland)	London	1,501.7	1,337.8	12.0	7,695.6	6,526.4	974.4	4,990.4	40	39	3.0	1
Ogilvy & Mather Direct Response	London	1,490.7	1,242.8	20.0	9,942.6	8,223.6	966.6	6,447.5	37	35	6.0	N/A
SSC&B:Lintas Overseas	London	1,155.0	1,125.7	3.0	9,840.1	9,505.5	749.0	6,381.0	27	26	4.0	1
CANADA												**Exchange rate: 0.8133 C dollar**
J. Walter Thompson	Toronto	18,242.0	16,272.0	12.0	121,617.0	108,532.0	C$22,430.0	C$149,535.0	377	376	0.3	4
Foster Advertising	Toronto	16,326.0	15,867.0	3.0	108,893.0	105,834.0	20,073.6	133,890.6	N/A	N/A	N/A	6
McKim Advertising	Toronto	15,940.0	14,644.0	9.0	142,327.5	122,727.0	19,600.0	175,000.0	376	349	8.0	6
Ogilvy & Mather (Canada)	Toronto	12,539.0	11,507.0	9.0	83,640.0	76,582.0	15,418.0	102,840.0	230	227	1.0	3
Young & Rubicam Ltd.	Toronto	9,990.0	8,097.0	23.0	66,360.0	53,800.0	12,283.0	81,600.0	211	188	12.0	3
Hayhurst Advertising	Toronto	9,100.0	9,100.0	N/A	73,197.0	68,317.0	11,200.0	90,000.0	192	205	– 6.0	3
Ronalds-Reynolds & Co.	Toronto	8,783.6	8,011.0	10.0	58,557.6	55,341.0	10,800.0	72,000.0	N/A	209	N/A	3
McCann-Erickson	Toronto	8,491.0	7,159.0	19.0	56,635.0	47,751.0	10,440.0	69,635.0	181	169	7.0	N/A
Cossette Communication-Marketing	Montreal	7,500.9	6,140.0	22.0	50,005.8	40,933.0	9,222.8	61,485.0	170	140	21.0	3

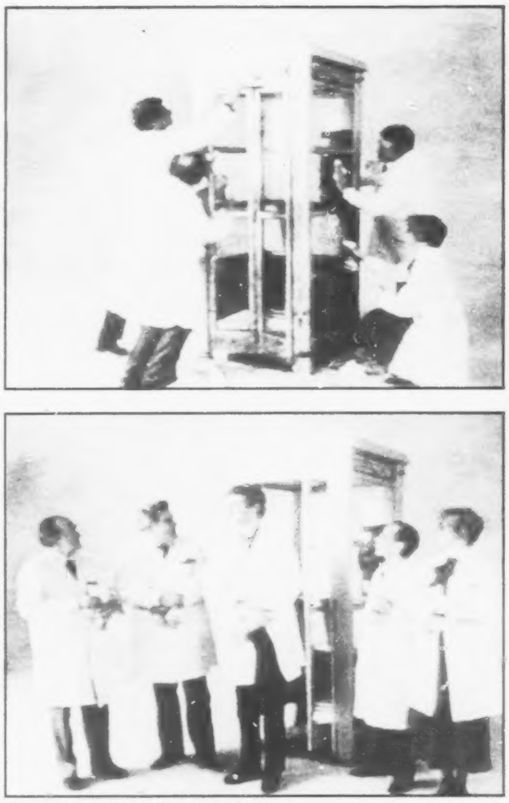
* With Brazilian agencies, AA altered its procedure of determining an agency's "real growth" (applying 1983 exchange rate to 1982 returns) because it primarily shows the impact of inflation in that economy. Dollar figures for 1982 are based on the average annual exchange rate for that year.

FOREIGN AGENCY INCOME

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (FOREIGN CURRENCY)	Billings 1983 (FOREIGN CURRENCY)	Employes 1983	Employes 1982	Per cent change	offices
Leo Burnett Co.	Toronto	7,443.0	6,407.0	16.0	49,647.0	42,736.0	9,152.0	61,044.0	141	138	2.0	2
Grey Advertising	Montreal	5,007.0	4,388.6	14.0	33,399.0	29,271.5	6,156.8	41,066.0	100	111	−10.0	2
Ted Bates	Toronto	4,973.0	4,096.0	21.0	31,268.0	28,686.0	6,115.0	38,446.0	122	118	3.0	2
Foote, Cone & Belding	Toronto	3,748.2	3,387.9	11.0	25,000.6	22,597.6	4,608.7	30,739.7	86	83	4.0	2
Goodis-Wolf	Toronto	3,420.0	N/A	N/A	22,900.0	N/A	4,200.0	28,100.0	43	N/A	N/A	2
Carder Gray Advertising	Toronto	3,375.2	N/A	N/A	22,613.8	N/A	4,150.0	27,805.0	47	N/A	N/A	1
NCK/Canada	Toronto	3,000.0	3,607.1	−17.0	22,000.0	24,047.7	3,688.8	27,051.2	N/A	N/A	N/A	N/A
Scali, McCabe, Sloves Canada	Toronto	2,759.0	2,894.0	−5.0	20,457.0	20,083.0	3,392.9	25,152.4	50	54	−7.0	2
Needham, Harper & Steers of Canada	Toronto	2,720.0	2,286.0	19.0	20,089.0	16,616.0	3,344.0	24,701.0	54	44	23.0	2
Doyle Dane Bernbach	Toronto	2,280.0	1,930.0	18.0	15,204.0	12,835.0	2,804.0	18,693.0	43	38	13.0	1
Kert Advertising Ltd.	Toronto	2,236.6	2,114.6	6.0	18,299.3	16,428.7	2,750.0	22,500.0	46	46	0.0	4
Ambrose, Carr, DeForest & Linton	Toronto	2,223.6	1,813.0	23.0	14,826.5	12,091.0	2,734.0	18,230.0	40	38	5.0	1
Enterprise Advertising Associates	Toronto	2,198.0	2,176.0	1.0	14,656.0	14,511.0	2,703.0	18,020.0	27	33	−18.0	1
Benton & Bowles Canada	Toronto	2,110.5	1,728.3	22.0	19,888.2	16,452.8	2,595.0	24,453.8	46	39	18.0	1
D'Arcy MacManus Masius	Toronto	1,553.0	1,553.0	N/A	10,353.0	10,358.0	1,910.0	12,730.0	40	33	21.0	1
Leveille, Benton & Bowles	Montreal	1,375.3	1,204.0	14.0	9,014.3	7,798.4	1,691.0	11,083.6	32	31	3.0	1
SSC&B:Lintas	Toronto	1,339.0	1,163.5	15.0	8,931.0	7,760.3	1,646.4	10,981.2	30	32	−6.0	1
Base Brown & Partners	Toronto	976.0	1,049.2	−7.0	6,506.4	6,994.4	1,200.0	8,000.0	20	22	−9.0	1
Campbell-Ewald (Canada)	Toronto	849.0	424.0	100.0	5,663.0	2,828.0	1,044.0	6,963.0	11	10	10.0	N/A
Publim Inc.	Quebec City	793.0	618.4	28.0	6,099.8	4,850.0	975.0	7,500.0	26	16	63.0	1
Grey Ronalds Smith	Toronto	719.0	N/A	N/A	4,795.7	N/A	884.0	5,896.6	30	N/A	N/A	2
Bleau, DuPerrey, Giguere & Associes	Quebec City	153.1	167.9	−9.0	734.8	815.4	188.3	914.5	5	5	0.0	1
CHILE												**Exchange rate: 0.0219 peso**
J. Walter Thompson Chilena	Santiago	4,066.4	3,911.0	4.0	27,110.5	26,074.5	Ps185,679.0	Ps1.24 bill.	90	90	0.0	1
SSC&B:Lintas (Chile)	Santiago	2,590.0	2,210.0	17.0	17,269.0	14,735.0	118,276.0	788,507.0	65	70	−7.0	1
Publiart/BBDO	Santiago	1,748.1	1,820.0	−4.0	11,660.1	11,319.9	79,824.0	532,426.0	39	38	3.0	1
McCann-Erickson SA de Publicidad	Santiago	1,693.0	1,499.0	13.0	11,292.0	9,998.0	77,304.0	515,618.0	51	55	−7.0	N/A
Promoplan	Santiago	1,645.5	2,198.7	−25.0	10,975.5	14,658.2	75,137.0	501,163.6	34	35	−3.0	1
Azocar, Morrison, Walker	Santiago	1,604.7	1,371.1	17.0	10,636.9	8,786.7	73,275.9	485,702.8	28	26	8.0	1
Grey Chile	Santiago	1,245.9	1,297.8	−4.0	8,310.4	8,656.1	56,892.2	379,471.0	47	45	4.0	1
Unitros Chile	Santiago	1,226.4	1,129.0	9.0	8,180.1	7,774.5	56,000.0	373,520.0	46	38	21.0	1
Publicitaria Epoca/Ted Bates	Santiago	811.5	865.3	−6.0	5,412.8	5,771.4	37,055.1	247,157.7	22	23	−4.0	1
Sertec Inter-Americana	Santiago	790.6	691.6	14.0	5,273.2	4,612.9	36,100.0	240,787.0	21	20	5.0	1
Israel & de Bianchi	Santiago	761.9	679.4	12.0	5,073.9	4,533.3	34,790.0	231,675.0	27	26	4.0	1
Young & Rubicam de Chile	Santiago	743.0	632.0	18.0	4,956.0	4,215.0	33,925.0	226,300.9	24	21	14.0	1
Matte & Mendez/Compton Chile	Santiago	626.3	691.6	−9.0	4,177.4	4,613.0	28,597.9	190,747.8	28	22	27.0	1
Hermosilla, Zegers y Cia.	Santiago	558.5	323.0	73.0	3,725.0	2,155.0	25,500.0	170,085.0	18	18	0.0	1
Leo Burnett Co.	Santiago	542.0	455.0	19.0	3,615.0	3,032.0	24,750.0	165,083.0	26	18	44.0	1
Baumlis Publicidad	Santiago	164.0	147.8	11.0	1,093.7	985.7	7,487.6	49,942.2	10	12	−20.0	1
CHINA												**Exchange rate: 0.1429 HK**
McCann-Erickson Jardine	Beijing	216.8	138.5	57.0	1,441.0	920.0	HK$1,517.0	HK$10,118.0	4	4	0.0	N/A
COLOMBIA												**Exchange rate: 0.0134 peso**
Leo Burnett Colombiana	Bogota	3,894.0	2,768.0	41.0	25,969.5	18,460.0	Ps290,558.0	Ps1.94 bill.	129	129	0.0	1
McCann-Erickson Group	Bogota	2,634.0	2,163.0	22.0	17,569.0	14,427.0	196,520.0	1.31 bill.	113	108	5.0	N/A
Atenas/BBDO	Bogota	2,173.7	1,770.8	23.0	12,076.1	8,432.6	162,216.0	901,200.0	93	81	15.0	N/A
Puma Compton	Bogota	2,103.0	1,621.7	30.0	9,559.2	6,774.2	156,943.0	713,376.0	65	61	7.0	2
Centrum Publicitario	Cali	1,742.0	1,206.0	44.0	8,710.0	6,030.0	130,000.0	650,000.0	85	83	2.0	2
Contacto Publicidad	Cali	1,319.0	1,025.0	29.0	8,777.0	6,833.9	98,500.0	655,000.0	69	67	3.0	2
Jaime Uribe	Medellin	1,097.5	844.2	30.0	7,316.4	5,628.0	81,903.1	546,000.0	43	40	8.0	1
P.P.& A.	Bogota	294.5	233.1	26.0	1,416.0	1,108.9	21,979.4	105,670.0	42	39	8.0	1
COSTA RICA												**Exchange rate: 0.0250 colon**
McCann-Erickson Centroamericana	San Jose	511.0	287.0	78.0	3,408.0	1,914.0	C20,440.0	C136,335.0	35	42	−17.0	N/A
Publicidad Siboney	San Jose	229.4	156.3	47.0	1,529.4	1,041.7	9,176.0	61,176.0	N/A	N/A	N/A	1
APCU de Costa Rica	San Jose	94.0	52.5	79.0	625.0	350.0	3,760.0	25,000.0	14	13	8.0	1
CURACAO												**Exchange rate: 0.5560 florin**
R.J. Dovale Advertising	Willemstad	282.0	246.3	14.0	1,840.8	1,660.1	FL507.1	FL3,310.9	15	12	25.0	1
CYPRUS												**Exchange rate: 1.95 C pound**
Impact/BBDO	Nicosia	3,200.0	3,000.0	7.0	25,000.0	20,000.0	C£17.1,641.0	C£10,922.6	110	104	6.0	5
DENMARK												**Exchange rate: 0.1119 kroner**
Ted Bates A/S	Copenhagen	4,275.0	3,885.2	10.0	27,141.0	26.455.0	DKr38,201.0	DKr242,544.0	91	87	5.0	1
scan-ad reklamebureau a/s	Aarhus	2,232.4	1,996.3	12.0	9,323.5	8,577.1	19,950.0	83,320.0	88	74	19.0	5
Thomas Bergsoe AS	Copenhagen	2,193.0	1,589.0	38.0	29,051.0	21,604.0	19,600.0	259,612.0	50	45	11.0	1
Ogilvy & Mather Gruppen	Copenhagen	2,065.3	1,851.3	12.0	15,279.6	13,934.9	18,457.0	136,547.0	56	53	6.0	2
Henriksen & Sieling/BBDO	Copenhagen	1,993.4	1,586.5	26.0	14,186.0	10,783.4	17,814.0	126,772.0	43	35	23.0	2
Gutenberghus Reklamebureau	Copenhagen	1,967.0	1,796.7	9.0	13,572.4	11,374.1	17,578.0	121,290.0	53	51	4.0	1
Young & Rubicam	Copenhagen	1,916.0	1,402.0	37.0	12,780.0	9,351.0	17,129.0	114,209.7	46	38	21.0	1
Lintas Reklamebureau	Copenhagen	1,778.0	1,629.0	9.0	12,533.0	10,950.0	15,891.0	111,989.0	41	47	−13.0	2
Lyre & Valbo Reklamebureau	Copenhagen	1,265.0	870.7	45.0	8,229.0	5,565.0	11,307.0	73,534.0	32	31	3.0	1
D'Arcy MacManus Masius	Copenhagen	1,213.0	1,070.0	13.0	8,951.0	7,945.0	10,837.0	79,988.0	34	35	−3.0	1
Intermarco-Farner ProMedia	Copenhagen	1,181.0	1,049.1	13.0	7,870.0	6,994.0	10,550.0	70,331.0	24	23	4.0	1
Leo Burnett Co.	Copenhagen	1,091.0	1,000.0	9.0	7,277.0	6,669.0	9,750.0	65,033.0	24	25	−4.0	1

Bate-Bate chocolate
Bate Bate
Savory

J. Walter Thompson Chilena
Santiago, Chile

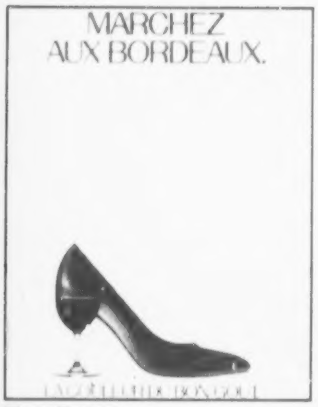


Carder Gray Advertising
Toronto, Canada

OXFORD
Oxford Chocolate Bits
MINT
100g

Weber & Sorensen
Aarhus, Denmark

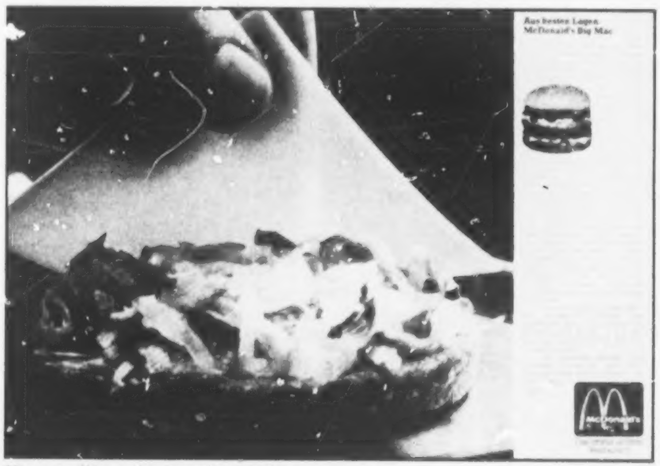
Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 FOREIGN CURRENCY	Billings 1983 FOREIGN CURRENCY	Employes 1983	Employes 1982	Per cent change	offices
Lockey/NCK Denmark	Copenhagen	1,050.0	978.3	7.0	7,000.0	6,521.8	9,383.4	62,556.2	N/A	N/A	N/A	N/A
J. Walter Thompson Co.	Copenhagen	1,027.3	877.9	17.0	7,373.6	6,678.0	9,180.6	65,894.7	22	19	16.0	1
DEA/Grey Reklamebureau	Copenhagen	981.1	730.5	34.0	6,544.1	4,902.2	8,768.0	58,482.0	17	16	6.0	N/A
Bergenholz & Arnesen	Copenhagen	939.2	858.9	9.0	9,285.2	6,586.3	8,393.0	82,978.0	26	23	13.0	1
NP/Grey	Egaa-Aarhus	923.0	N/A	N/A	6,156.0	N/A	8,248.0	55,014.0	16	N/A	N/A	1
Egeberg & Vinding Advertising	Copenhagen	857.0	724.2	18.0	4,827.0	4,159.3	7,658.7	43,137.0	21	22	– 4.0	1
McCann-Erickson	Copenhagen	772.0	676.0	14.0	5,149.0	4,509.0	6,895.0	45,990.0	23	23	0.0	N/A
Innovation Compton	Copenhagen	717.3	296.1	142.0	6,449.5	4,043.2	6,410.0	57,636.0	21	15	40.0	1
Gorm Larsen Benton & Bowles	Copenhagen	690.9	660.8	5.0	5,341.8	4,656.6	6,174.0	47,737.2	18	17	6.0	N/A
Weber & Sorensen	Aarhus	644.7	671.3	– 4.0	4,121.8	4,220.9	5,761.0	36,835.0	23	24	– 4.0	1
Ipsen & Parmo	Copenhagen	637.0	609.2	5.0	N/A	2,181.2	5,692.0	N/A	11	10	10.0	1
Inter-Media Denmark	Copenhagen	617.0	N/A	N/A	16,188.0	N/A	5,514.1	144,672.2	N/A	N/A	N/A	1
Foote, Cone & Belding	Copenhagen	452.8	381.6	19.0	3,020.1	2,545.5	4,046.3	26,989.1	13	13	0.0	1
a-reklame a/s	Silkeborg	401.7	330.8	21.0	2,678.1	2,205.3	4,017.9	2,956.2	21	21	0.0	1
Ervaco Kobenhavn A/S	Copenhagen	319.0	231.6	38.0	2,128.0	1,544.2	2,850.8	19,017.1	7	7	0.0	1
DOMINICAN REPUBLIC												**Exchange rate: 1.00 dollar**
Young & Rubicam Damaris	Santo Domingo	2,224.0	1,464.0	52.0	14,834.0	9,765.0	2,224.0	14,834.0	96	71	35.0	1
McCann-Erickson	Santo Domingo	585.0	224.0	161.0	3,902.0	1,494.0	585.0	3,902.0	16	9	78.0	N/A
Publicidad Siboney	Santo Domingo	377.2	225.0	68.0	2,514.4	1,500.0	377.2	2,514.4	N/A	N/A	N/A	1
Leo Burnett Co.	Santo Domingo	252.0	N/A	N/A	1,681.0	N/A	252.0	1,681.0	12	N/A	N/A	1
DUBAI												**Exchange rate: 0.2730 dirham**
Madco Dubai	Dubai	960.0	890.0	8.0	4,200.0	3,700.0	3,516.5	15,384.6	N/A	N/A	N/A	1
Lintas:Middle East	Dubai	890.0	736.0	21.0	4,365.0	3,903.0	Dir3,260.0	Dir15,988.0	17	18	– 6.0	1
ECUADOR												**Exchange rate: 0.0247 sucre**
Organizaciones Norlop	Guayaquil	1,815.5	1,405.4	29.0	9,820.7	7,376.2	S73,500.0	S397,600.0	90	84	7.0	2
McCann-Erickson (Ecuador)	Guayaquil	1,031.1	874.0	18.0	6,877.0	5,830.0	41,745.0	278,439.0	43	54	– 20.0	N/A
Publicidad Artefilme	Guayaquil	650.8	547.8	19.0	4,338.5	2,217.9	26,347.1	175,647.8	N/A	N/A	N/A	1
Veritas Publicitaria	Guayaquil	620.7	557.9	11.0	4,438.3	3,721.1	25,130.1	179,687.1	38	36	6.0	1
EGYPT												**Exchange rate: 1.4295 pound**
Societe Egyptienne de Publicite	Cairo	9,154.9	6,634.0	38.0	19,682.9	14,263.0	E£6,404.2	E£13,769.1	276	270	2.0	4
Americana Advertising	Guiza	1,026.0	N/A	N/A	7,663.8	N/A	717.8	5,361.2	73	51	– 43	1
Advertising & Marketing Assn., Leo Burnett	Cairo	334.5	306.0	9.0	2,231.0	2,040.0	234.0	1,561.0	N/A	N/A	N/A	1
EL SALVADOR												**Exchange rate: 0.4000 colon**
McCann-Erickson (El Salvador)	San Salvador	373.0	404.0	– 8.0	2,488.0	2,695.0	C934.0	C6,230.0	20	29	– 31.0	N/A
APCU de El Salvador	San Salvador	225.0	185.4	21.0	1,500.0	1,236.0	562.5	3,750.0	8	8	0.0	1



Ted Bates
Paris, France

Jamais sur la bouche sauf avec certaines.
moi la Renault

Publicis Conseil
Paris, France



Heye, Needham & Partner
Unterhaching, Germany

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
FINLAND												**Exchange rate: 0.1822 markka**
Oy Liikemainonta-McCann AB	Helsinki	5,157.0	3,873.0	33.0	34,397.0	25,833.0	Fmk28,302.0	Fmk188,774.0	104	97	7.0	N/A
Mainosyhtyma Oy	Helsinki	4,141.0	3,679.0	13.0	33,449 0	29,902.0	22,730.0	183,586.0	150	133	13.0	4
Turkama & Kumppanit Oy Mainostomisto	Helsinki	3,735.1	3,140.7	19.0	24,401.8	21,643.8	20,500.0	133,928.7	93	86	8.0	1
Oy Sek AB	Helsinki	3,701.9	3,320.4	12.0	32,754.5	31,187.5	20,318.0	179,772.4	103	101	2.0	1
Markkinointi Viherjuuri Oy	Helsinki	3,451.0	2,667.0	29.0	22,470.0	17,516.0	18,942.0	123,328.0	79	72	10.0	2
Oy Mainos Taucher Reklam	Helsinki	3,443.0	3,066.2	12.0	26,072.8	22,841.8	18,900.0	143,100.0	117	116	0.9	2
Finnad-Bates Advertising	Helsinki	2,951.6	2,475.4	19.0	19,687.4	16,510.6	16,200.0	108,054.0	78	69	13.0	5
Erva-Latvala Oy	Helsinki	2,751.2	2,369.0	16.0	21,355.7	19,423.6	15,100.0	117,210.0	90	87	4.0	2
Lintas Oy	Helsinki	2,513.0	2,379.0	6.0	17,766.0	16,726.0	13,795.0	97,511.0	64	61	5.0	1
Tehomainos Oy	Helsinki	2,438.0	2,214.0	10.0	12,190.0	11,072.0	13,379.7	66,899.0	69	66	5.0	1
MK-mainos oy	Helsinki	1,882.0	1,676.0	12.0	21,229.0	18,597.0	10,329.0	116,513.0	70	67	4.0	
Oy AC-Mainos AB	Helsinki	1,644.7	1,694.5	– 3.0	12,911.2	12,454.8	9,027.0	70,863.0	57	58	– 2.0	1
Creator Oy	Helsinki	1,603.4	925.2	73.0	13,938.2	6,574.3	8,800.0	76,499.5	20	20	0.0	N/A
Suomen Ilmotuskeskus Oy Ilmo	Helsinki	1,592.6	1,157.8	38.0	10,985.8	9,345.0	8,741.0	60,295.5	39	40	– 3.0	1
Ogilvy & Mather Oy	Helsinki	1,342.3	1,179.7	14.0	10,490.2	8,530.5	7,367.4	57,575.0	42	42	0.0	1
Oy Interplan AB	Helsinki	1,270.5	1,100.9	15.0	10,617.5	8,756.5	6,974.5	58,274.0	44	37	19.0	1
Oy Valotorni AB	Helsinki	1,217.0	1,049.7	16.0	10,085.2	9,015.9	6,679.6	55,352.6	36	34	6.0	N/A
Juniormainos Oy	Helsinki	1,200.0	1,000.0	20.0	8,750.0	8,020.0	6,500.0	48,000.0	43	38	13.0	1
Markkinointi Topitorma Oy	Helsinki	1,184.0	820.0	44.0	8,293.0	5,746.0	6,500.0	45,513.0	33	32	3.0	1
Oy Ervaco Ab	Helsinki	1,164.0	953.8	22.0	7,764.0	6,358.8	6,388.0	42,608.8	28	28	0.0	1
Kauppamainos Oy	Helsinki	1,111.4	911.0	22.0	9,709.0	7,306.2	6,100.0	53,300.0	24	21	14.0	1
Mainostoimisto LSM Oy	Turku	963.0	777.0	24.0	6,707.0	5,169.0	5,286.0	36,811.0	28	30	– 7.0	1
Lahti-Mainos Oy	Lahti	779.6	599.8	30.0	5,892.2	4,049.3	4,279.0	32,339.0	29	25	16.0	1
Reklamainos Oy	Helsinki	674.1	718.6	– 6.0	5,921.6	6,009.7	3,700.0	32,500.0	N/A	N/A	N/A	N/A
D'Arcy MacManus Masius	Helsinki	664.0	602.0	10.0	4,426.0	4,016.0	3,642.0	24,292.0	17	18	– 6.0	1
Oy Goodwill	Helsinki	386.0	278.9	38.0	2,866.0	1,985.8	2,118.0	15,731.0	9	8	13.0	1
FRANCE												**Exchange rate: 0.1360 franc**
Publicis Conseil	Paris	37,221.0	32,190.0	16.0	253,676.0	209,498.0	FF273,688.0	FF1.87 bill.	776	741	5.0	11
Havas Conseil Groupe	Paris	26,484.0	24,085.6	10.0	176,575.6	160,779.2	194,735.0	1.3 bill.	565	622	– 9.0	N/A
Roux Seguela Cayzac & Goudard	Paris	23,120.0	19,584.0	18.0	153,992.8	130 628.0	170,000.0	1.13 bill.	N/A	N/A	N/A	11
Young & Rubicam France	Paris	18,038.0	15,458.0	17.0	120.313.0	103,105.0	132,579.0	884,654.0	468	435	8.0	16
Lintas: Paris	Paris	14,162.8	11,693.8	21.0	96,528.9	80,736.9	104,138.0	709,771.0	198	189	5.0	4
Doyle Dane Bernbach & Peyrot Paternot Garnier	Paris	13,712.0	9,146.0	50.0	91,463.0	61,003.0	100,820.0	672,534.0	247	168	47.0	2
Belier Conseil	Paris	12,440.0	9,588.0	30.0	82,975.0	66,640.0	91,470.1	610,106.9	N/A	N/A	N/A	1
ECOM/Univas	Paris	11,429 4	8,921.6	28.0	76,234.0	59,507.0	84,040.0	560,500.0	193	168	15.0	1
Dupuy-Compton & Associes	Paris	8,891.7	6,868.0	30.0	61,322.0	48,010.0	65,380.0	450,900.0	150	142	6.0	4
McCann-Erickson Group	Paris	8,440.0	7,245.0	17.0	56,295.0	48,324.0	62,058.0	413,927.0	138	151	– 9.0	N/A
Futurs Groupe	Neuilly	8,160.0	5,916.0	38.0	54,400.0	39,440.0	60,000.0	400,000.0	170	123	38.0	N/A
Feldman Calleux Associes	Paris	7,402.0	6,079.0	22.0	49,368.0	40,549.0	54,423.0	363,001.0	106	105	1.0	5
Ogilvy & Mather	Paris	7,049.2	5,346.7	32.0	48,960.0	40,800.0	51,832.7	360,000.0	118	104	14.0	N/A
Homsy Delafosse & Associes	Paris	6,922.4	5,657.6	22.0	53,094.4	43,329.6	50,900.0	390,400.0	44	44	0.0	1
Ted Bates	Paris	6,816.3	6,179.0	10.0	N/A	N/A	50,120.0	N/A	149	149	0.0	4
Crehalet, Foliot, Recherches et Publicite	Paris	6,664.0	5,508.0	21.0	44,472.0	36,720.0	49,000.0	327,000.0	80	72	11.0	N/A
Intermarco-Conseil	Neuilly	6,270.0	6,155.0	2.0	41,820.0	41,056.0	46,100.0	307,490.0	144	147	– 2.0	1
J. Walter Thompson	Paris	6,256.0	5,304.0	18.0	45,152.0	39,440.0	46,000.0	332,000.0	100	92	9.0	1
TBWA France	Paris	6,242.0	5,874.0	6.0	40,936.0	39,182.0	45,900.0	301,000.0	99	88	13.0	1
Impact-FCB	Paris	5,914.0	6,269.0	– 6.0	39,444.0	41,813.0	43,483.0	290,032.0	119	139	– 15.0	1
Bazaine DFS	Paris	5,168.0	4,624.0	12.0	35,360.0	31,280.0	38,000.0	260.000.0	97	93	4.0	1

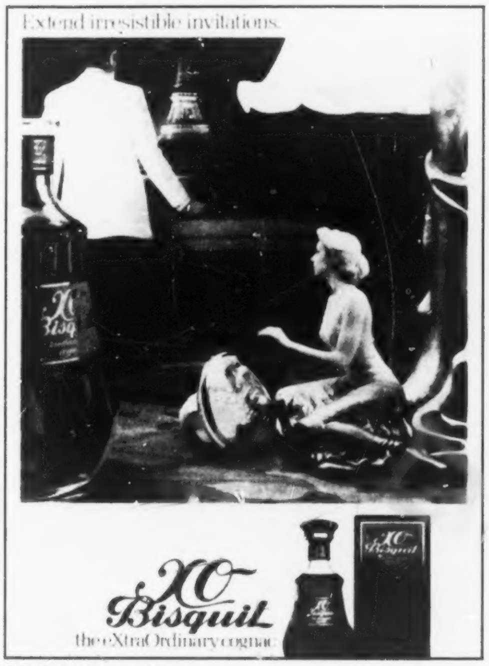
Agency	City	Gross income ($000)		Per cent	Billings ($000)		Gross income	Billings	Employes		Per cent	
		1983	1982	change	1983	1982	1983	1983	1983	1982	change	offices
							FOREIGN CURRENCY					
Grey	Paris	5,120.3	5,158.8	– 0.7	34,152.3	34,409.1	37,649.1	251,119.7	90	90	0.0	1
Synergie K.E.	Paris	5,018.4	4,160.0	21.0	40,800.0	34,000.0	36,900.0	300,000.0	102	87	17.0	1
Createurs Conseil	Neuilly	4,300.0	4,000.0	8.0	41,000.0	38,000.0	32,000.0	300,000.0	60	65	– 8.0	1
Alice	Paris	4,117.0	3,293.2	25.0	27,460.0	21,717.3	30,271.9	201,910.6	N/A	N/A	N/A	1
D'Arcy MacManus Masius	Paris	3,651.0	2,938.0	24.0	24,341.0	19,584.0	26,846.0	178,988.0	68	50	36.0	1
CLM/BBDO	Paris	3,205.4	2,514.0	28.0	21,352.0	16,769.0	23,569.0	157,000.0	61	57	7.0	1
Euro Advertising Lyon	Lyon	3,101.0	2,719.0	11.0	20,684.0	18,136.0	22,800.0	152,076.0	56	75	– 25.0	1
Fusion	Paris	2,951.0	2,420.8	22.0	19,684.5	16,146.7	21,700.0	144,739.0	81	76	7.0	1
Maime Arnodin, Fayolle, International Associes	Paris	2,856.0	2,580.6	11.0	19,053.6	17,217.6	21,000.0	140,100.0	48	44	9.0	1
M.A.O.	Paris	2,652.0	2,230.4	19.0	20,332.0	17,108.8	19,500.0	149,500.0	37	34	9.0	1
GGK International	Paris	2,414.0	381.0	534.0	16,100.0	2,500.0	17,750.0	118,382.0	20	5	300.0	2
Taurus	Paris	2,386.0	2,136.1	12.0	15,915.0	14,952.9	17,544.0	117,021.4	N/A	N/A	N/A	1
Marsteller International	Paris	2,321.0	1,615.0	44.0	15,481.0	10,772.0	17,066.0	113,831.0	58	52	12.0	N/A
Leo Burnett Co.	Paris	2,246.0	2,478.0	– 9.0	14,982.0	16,530.0	16,516.0	110,162.0	57	51	12.0	1
Publi-Est	Metz	1,972.0	1,732.5	14.0	13,153.2	11,555.8	14,500.0	96,715.0	58	53	9.0	1
Unicom	Cesson Sevigne	1,972.0	1,564.0	26.0	13,153.2	10,431.9	14,500.0	96,715.0	60	44	36.0	3
Ogilvy, Defrenois Direct	Paris	1,812.0	1,037.0	75.0	12,089.0	6,919.0	13,327.0	88,891.0	27	16	69.0	1
Benton & Bowles Publicite	Paris	1,757.0	1,632.0	8.0	11,720.0	10,887.0	12,920.0	86,176.0	31	31	0.0	1
EDIP	Paris	1,715.1	1,557.9	10.0	11,433.4	10,386.2	12,611.0	84,069.0	27	29	– 7.0	1
Uniconseil	Lyon	1,700.0	1,550.4	10.0	11,339.0	10,341.2	12,500.0	83,375.0	43	42	2.0	1
CPV Paris	Paris	1,496.0	1,319.2	13.0	11,152.0	9,792.0	11,000.0	82,000.0	26	24	8.0	1
Eldorado	Paris	1,387.2	1,088.0	28.0	10,336.0	7,888.0	10,200.0	76,000.0	21	20	5.0	1
Dassas Jaglin Walhain Needham	Paris	1,325.0	1,020.0	30.0	8,840.0	6,800.0	9,750.0	65,000.0	18	14	29.0	1
D 10	Latresne	1,224.0	965.6	27.0	8,164.1	6,440.6	9,000.0	60,030.0	40	34	18.0	2
INF.14	Neuilly	1,190.0	1,068.1	11.0	7,937.0	7,476.4	8,750.0	58,360.0	N/A	N/A	N/A	1
GMC Ayer, Brains Ayer	Paris	1,128.8	805.8	40.0	7,529.4	5,372.0	8,300.0	55,361.0	N/A	18	N/A	1
Campbell-Ewald Group	Paris	1,061.0	1,346.0	– 21.0	7,077.0	8,978.0	7,803.0	52,046.0	27	31	– 13.0	N/A
OPF Univas	Paris	991.4	864.0	15.0	5,508.0	4,284.0	7,290.0	40,500.0	22	19	16.0	1
Novation	Marseille	843.2	897.6	– 6.0	5,624.1	5,987.0	6,200.0	41,354.0	24	23	4.0	N/A
Compar	Neuilly	843.0	519.2	62.0	5,657.0	3,549.6	6,198.4	41,600.0	13	11	18.0	1
Stratege	Lyon	802.0	809.9	– 1.0	5,349.0	5,429.3	5,897.0	39,330.7	N/A	N/A	N/A	1
Campagnes	Lyon	516.8	299.2	73.0	3,447.1	1,995.7	3,800.0	25,346.0	9	6	50.0	N/A
Optima	Marseille	442.0	427.9	3.0	2,948.1	2,853.8	3,250.0	21,677.5	10	N/A	N/A	N/A
Domino Ketchum	Paris	286.6	231.2	24.0	2,008.0	1,557.7	2,107.7	14,765.0	N/A	8	N/A	1
Agency A	Paris	142.8	61.2	133.0	952.0	408.0	1,050.0	7,000.0	23	9	156.0	1
GERMANY												**Exchange rate: 0.3998 mark**
Lintas	Hamburg	25,900.0	27,100.0	– 4.4	172,700.0	180,400.0	DM64,800.0	DM431,800.0	445	472	– 6.0	4
Team/BBDO Group	Duesseldorf	24,458.0	22,562.0	8.0	163,134.0	150,485.0	61,175.0	408,038.0	385	369	4.0	6
J. Walter Thompson	Frankfurt	23,195.8	19,974.9	16.0	150,027.1	131,221.6	58,018.5	375,255.3	394	366	8.0	8
McCann-Erickson Group	Frankfurt	22,256.0	22,376.0	– 0.5	148,448.0	149,248.0	55,668.0	371,306.0	411	435	– 6.0	N/A
Young & Rubicam	Frankfurt	15,082.0	14,000.0	8.0	100,597.0	93,380.0	37,705.0	251,619.0	270	273	– 1.0	5
Grey Duesseldorf	Duesseldorf	13,901.0	13,895.0	0.1	92,673.0	92,634.0	34,770.0	231,800.0	220	230	– 4.0	3
Ogilvy & Mather Group	Frankfurt	13,800.0	12,200.0	13.0	92,200.0	81,400.0	34,600.0	230,600.0	249	238	5.0	5
D'Arcy MacManus Masius	Frkft/Hamburg	11,120.0	9,728	14.0	74,168.0	64,885.0	27,814.0	185,514.0	215	208	3.0	2
Doyle Dane Bernbach	Duesseldorf	11,104.0	10,688.0	4.0	74,064.0	71,290.0	27,774.0	185,253.0	223	199	12.0	2
William Wilkens Werbeagentur	Hamburg	10,415.0	9,929.0	5.0	69,470.0	66,225.0	26,051.0	173,762.0	161	172	– 6.0	3
RW Eggert Werbeagentur	Duesseldorf	9,794.7	9,075.5	8.0	65,330.5	60,409.8	24,499.0	163,408.0	175	161	9.0	1
GGK Duesseldorf Werbeagentur	Duesseldorf	9,515.0	9,235.0	3.0	63,368.0	61,609.0	23,800.0	158,500.0	149	147	1.0	2
Konsell Partners	Frankfurt	8,550.0	8,250.0	4.0	63,500.0	55,150.0	21,386.0	158,830.0	56	54	4.0	1
Compton Germany	Frankfurt	8,460.0	7,916.0	7.0	56,400.0	52,774.0	21,150.0	141,000.0	134	128	5.0	2
Troost Campbell-Ewald	Duesseldorf	8,432.0	8,955.0	– 6.0	56,241.0	59,730.0	21,091.0	140,677.0	177	174	2.0	N/A
Luerzer, Conrad & Leo Burnett	Frankfurt	8,251.0	7,479.0	10.0	55,034.0	49,888.0	20,638.0	137,655.0	134	132	2.0	1
Intermarco-Farner Werbeagenturen	Frankfurt	7,942.0	7,870.0	0.09	52,974.0	52,494.0	19,865.0	132,500.0	143	143	0.0	5
Heye, Needham & Partner	Unterhaching	6,660.0	6,060.0	10.0	44,418.0	40,420.0	16,660.0	111,100.0	110	110	0.0	3
Ted Bates Werbeagentur	Frankfurt	6,632.0	6,262.0	6.0	44,235.0	41,771.0	16,588.0	110,642.0	117	120	– 3.0	1
Foote, Cone & Belding Germany	Frankfurt	6,295.5	7,158.1	– 12.0	41,990.7	47,744.7	15,746.5	105,029.4	124	146	– 15.0	5
Benton & Bowles Werbeagentur	Frankfurt	6,011.0	7,401.0	– 19.0	40,093.0	49,375.0	15,036.0	100,290.0	125	161	– 22.0	1
Baums, Mang und Zimmermann	Duesseldorf	5,557.0	5,117.0	9.0	37,101.0	34,303.0	13,900.0	92,800.0	74	70	6.0	1
TBWA Germany	Frankfurt	5,417.0	4,755.0	14.0	36,622.0	31,715.0	13,549.0	91,600.0	79	79	– 1.0	N/A
Scholz & Friends	Hamburg	5,237.0	4,564.0	15.0	34,933.0	30,424.0	13,100.0	87,377.0	65	53	23.0	1
Von Mannstein Gruppe	Solingen	4,987.0	4,495.0	11.0	33,263.0	29,985.0	12,474.0	83,200.0	67	62	8.0	3
Spiess & Ermisch Werbeagentur	Duesseldorf	4,674.0	4,000.0	17.0	31,184.0	26,510.0	11,690.0	78,000.0	63	56	13.0	1
Copartner Ayer Werbeagentur	Hamburg	4,321.4	4,090.0	6.0	28,825.6	27,280.0	10,809.0	72,100.0	80	78	3.0	2
DFS&R Advertising	Dsldrf/Munich	4,080.0	3,748.1	9.0	27,199.9	24,987.5	10,200.5	68,034.0	78	82	– 5.0	2
Westag Werbeagentur	Cologne	3,982.0	3,902.0	2.0	26,559.0	26,546.7	9,960.0	66,430.0	79	76	4.0	1
M.P.W. Univas	Duesseldorf	3,800.0	3,200.0	19.0	41,600.0	33,200.0	9,500.0	104,000.0	80	70	14.0	1
Hildmann Simon Rempen & Schmitz	Duesseldorf	3,106.3	3,016.1	3.0	22,389.0	21,189.0	7,769.6	56,000.0	44	45	– 2.0	1
Marsteller International	Frankfurt	2,511.0	2,284.0	10.0	16,748.0	15,234.0	6,281.0	41,891.0	46	43	7.0	1
Durana Ketchum Werbeagentur	Frankfurt	2,123.0	2,243.0	– 5.0	14,153.0	14,951.3	5,310.0	35,400.0	26	34	– 24.0	1
E&P Erdmann & Partner	Duesseldorf	2,076.9	2,170.0	– 4.0	13,853.1	14,473.0	5,194.9	34,650.0	29	31	– 7.0	1
Die Werbe Euro Advertising	Duesseldorf	2,040.0	2,244.0	– 9.0	13,607.0	14,967.0	5,103.0	34,037.0	44	42	5.0	1
IMAA/Die Gilde Werbeagentur	Hamburg	1,991.0	1,974.2	0.9	13,280.0	13,168.0	4,980.0	33,217.0	24	29	– 17.0	1
Schoen Werbeagentur	Duesseldorf	1,079.5	999.5	8.0	7,196.4	6,676.7	2,700.0	18,000.0	11	10	10.0	1
Kastner & Partner	Frankfurt	607.0	50.0	1,114.0	4,048.0	331.0	1,518.0	10,125.0	12	5	140.0	1
Wirz & Hafner Werbeberatung	Frankfurt	500.0	250.0	100.0	3,490.0	2,280.0	1,250.0	8,750.0	9	5	80.0	4
Kenyon & Eckhardt	Duesseldorf	179.9	237.0	– 24.0	1,097.0	1,600.0	450.0	2,744.2	3	3	0.0	1
GHANA												**Exchange rate: 0.3640 cedi**
Lintas Ghana Ltd.	Accra	568.0	343.0	66.0	3,581.0	2,174.0	1,562.0	9,841.0	29	20	45.0	1

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (FOREIGN CURRENCY)	Billings 1983 (FOREIGN CURRENCY)	Employes 1983	Employes 1982	Per cent change	offices
GREECE								**Exchange rate: 0.0120 drachma**				
Spot/Thompson Advertising	Athens	1,632.0	1,512.0	8.0	12,600.0	10,800.0	Dr136,000.0	Dr1.05 bill.	51	51	0.0	1
Ikon/DD/BBDO	Athens	1,218.5	585.6	108.0	8,351.8	3,906.3	101,540.1	688,965.1	60	35	71.0	1
Euro-Advertising	Athens	948.0	860.4	10.0	6,800.0	5,760.0	79,000.0	567,000.0	49	49	0.0	1
Ted Bates	Athens	883.8	507.6	74.0	5,592.0	3,049.2	73,650.0	466,000.0	50	26	92.0	1
Adel-Compton	Athens	876.0	687.6	27.0	5,976.0	4,563.6	73,000.0	498,000.0	36	35	3.0	1
Alector Advertising	Athens	864.0	819.0	5.0	6,480.0	5.976.0	72,000.0	540,000.0	42	42	0.0	1
Olympic Advertising	Athens	762.0	571.0	33.0	5,082.5	3,808.5	63,500.0	423,545.0	30	35	– 14.0	1
Gnomi/FCB	Athens	728.0	576.3	26.0	4,855.6	3,844.2	60,664.0	404,632.0	43	48	– 10.0	1
SSC&B:Lintas (Hellas)	Athens	679.7	627.0	8.0	4,240.3	3,666.0	56,644.7	353,335.3	25	30	– 17.0	1
J.N. Leoussis Advertising	Athens	624.0	N/A	N/A	4,200.0	N/A	52,000.0	350,000.0	28	24	17.0	1
Producta Univas	Athens	575.7	N/A	N/A	3,840.0	N/A	47,976.0	320,000.0	N/A	N/A	N/A	1
McCann-Erickson (Hellas)	Athens	563.0	428.0	32.0	3,755.0	2,855.0	46,872.0	312,636.0	31	29	7.0	N/A
Leo Burnett Advertising	Athens	532.4	563.0	– 5.0	3,551.0	3,755.0	44,370.0	295,948.0	34	44	– 23.0	N/A
Lamda Alpha Advertising	Athens	480.3	486.8	– 1.0	3,316.1	3,289.1	40,021.5	276,341.7	N/A	N/A	N/A	3
Echo Advertising	Athens	461.0	438.0	6.0	3,331.7	3,144.0	38,420.0	281,000.0	28	26	8.0	2
D'Arcy MacManus Masius Ergon	Athens	302.9	325.2	– 7.0	2,136.0	2,059.0	25,240.0	178,000.0	22	22	0.0	1
IN Ltd.	Athens	276.0	N/A	N/A	2,656.9	N/A	23,000.0	221,410.0	28	N/A	N/A	1
Victory Advertising	Athens	273.6	264.0	3.0	2,028.0	1,824.0	22,800.0	169,000.0	22	22	0.0	1
Epsilon Epsilon	Athens	196.9	172.6	14.0	1,530.8	1,578.0	16,412.0	127,563.0	15	14	7.0	1
Geo Advertising	Athens	188.7	122.5	54.0	1,765.1	884.3	15,725.0	147,094.0	15	11	36.0	1
Sigma	Athens	181.2	177.6	2.0	1,208.6	1,184.8	15,100.0	100,717.0	16	17	– 6.0	1
Giad Advertising	Athens	127.7	99.2	29.0	916.4	760.9	10,640.8	76,369.4	17	17	0.0	1
GUATEMALA								**Exchange rate: 1.00 dollar**				
APCU Thompson Asociados	Guatemala City	800.0	721.0	11.0	5,330.0	4,800.0	800.0	5,330.0	42	42	0.0	1
Publicidad McCann-Erickson	Guatemala City	741.0	986.0	– 25.0	4,942.0	6,577.0	741.0	4,942.0	29	41	– 29.0	N/A
Publicidad Siboney	Guatemala City	399.3	375.0	6.0	2,662.3	2,500.0	399.3	2,662.3	N/A	N/A	N/A	1
Publicmerca S.A.	Guatemala City	340.0	262.0	30.0	2,115.0	1,500.0	340.0	2,115.0	21	20	5.0	1
HONDURAS								**Exchange rate: 0.5000 lempira**				
McCann-Erickson Centroamericana (Honduras)	Tegucigalpa	270.0	275.0	– 2.0	1,801.0	1,834.0	L539.0	L549.0	17	14	21.0	N/A
APCU de Honduras	Tegucigalpa	225.0	145.6	55.0	1,500.0	970.0	450.0	3,000.0	13	12	8.0	1.0
HONG KONG								**Exchange rate: 0.1429 HK dollar**				
Leo Burnett Ltd.	Hong Kong	3,265.0	2,930.0	11.0	21,777.0	19,546.0	HK$22,848.0	HK$152,396.0	120	120	0.0	1
Young & Rubicam (HK)	Hong Kong	3,077.0	2,959.0	4.0	20,524.0	19,737.0	21,539.0	143,627.0	117	114	3.0	2
Ogilvy & Mather	Hong Kong	3,022.8	2,145.1	41.0	20,162.4	14,307.9	21,153.6	141,094.5	98	83	15.0	1
Ted Bates	Hong Kong	2,600.0	2,140.0	21.0	17,200.0	14,300.0	18,000.0	120,000.0	88	88	0.0	1
Ling-McCann-Erickson	Hong Kong	2,232.0	1,826.0	22.0	14,887.0	12,179.0	15,615.0	104,152.0	94	95	– 1.0	N/A
Far East Advertising Group	Hong Kong	1,742.0	1,643.0	6.0	10,495.0	9,744.0	12,187.0	73,442.0	108	110	– 2.0	3
Tse, Needham & Standard Advertising	Hong Kong	1,397.0	1,008.0	39.0	9,319.0	6,721.0	9,777.0	65,213.0	58	56	4.0	1
Meridian Advertising	Hong Kong	1,110.9	1,227.3	– 9.0	7,409.8	7,210.6	7,774.1	51,853.3	28	35	– 20.0	N/A
J. Walter Thompson Co.	Hong Kong	1,040.5	920.3	13.0	6,939.8	6,138.2	7,281.0	48,564.0	49	52	– 6.0	1
People & Grey Advertising	Hong Kong	1,030.9	954.4	8.0	6,876.0	6,366.0	7,214.0	48,117.4	40	38	5.0	1
Doyle Dane Bernbach	Hong Kong	1,015.0	800.0	27.0	6,767.0	5,331.0	7,100.0	47,350.0	44	50	– 12.0	1
Kenyon & Eckhardt	Hong Kong	865.3	929.7	– 7.0	5,771.8	6,201.0	6,055.6	40,390.6	51	53	– 4.0	1
Far East-Ketchum Advertising	Hong Kong	789.4	854.8	– 8.0	5,262.6	4,910.7	5,950.0	36,827.0	30	28	7.0	1
Foote, Cone & Belding	Hong Kong	783.7	761.7	3.0	5,227.0	5,080.7	5,484.0	36,578.0	38	33	15.0	1
BBDO Hong Kong	Hong Kong	667.7	660.2	1.0	4,527.1	4,430.1	4,672.4	31,680.3	32	27	19.0	1
D'Arcy MacManus Masius	Hong Kong	651.2	537.3	22.0	4,633.0	3,772.7	4,557.0	32,426.0	38	38	0.0	1
Wong Lam Ayer	Hong Kong	620.6	641.2	– 3.0	3,980.8	4,274.6	4,343.2	27,857.3	32	30	7.0	1
Results Ltd.	Hong Kong	547.3	416.2	32.0	3,650.4	2,776.3	3,829.9	25,545.5	24	18	33.0	1
SSC&B:Lintas	Hong Kong	514.0	195.0	164.0	3,455.0	1,302.0	3,596.0	24,175.0	19	17	12.0	1
Saatchi & Saatchi Compton	Hong Kong	510.9	562.4	– 9.0	3,296.4	2,793.5	3,575.5	23,067.5	32	39	– 18.0	1
Chuo Senko Advertising	Hong Kong	450.0	570.6	– 21.0	3,035.5	3,797.2	3,149.1	21,242.0	19	20	– 5.0	1
Dailey & Associates	Hong Kong	450.0	322.0	40.0	3,001.0	2,144.0	3,149.0	21,000.0	28	25	12.0	1
Synergie Communications	Hong Kong	87.0	N/A	N/A	580.0	N/A	608.8	4,058.8	10	N/A	N/A	1
ICELAND								**Exchange rate: 0.1429 kroner**				
Olafur Stephensen Advertising	Reykjavik	555.5	240.3	131.0	863.4	398.3	IKr16,398.6	IKr25,488.2	24	19	26.0	2
INDIA								**Exchange rate: 0.0997 rupee**				
Hindustan Thompson Associates	Bombay	4,164.5	4,126.6	1.0	27,444.5	27,191.8	Rs41,770.0	Rs275,270.9	633	624	1.0	5
Lintas India Ltd.	Bombay	3,233.0	2,341.0	38.0	21,566.0	15,617.0	32,431.0	216,314.0	215	199	8.0	4
Clarion Advertising	Calcutta	2,891.7	2,394.2	21.0	19,287.6	15,969.6	29,004.0	193,456.7	532	504	6.0	6
Ogilvy Benson & Mather	Bombay	1,875.0	1,494.0	26.0	12,507.0	9,967.0	18,810.0	125,494.0	283	266	6.0	5
Chaitra Advertising	Bombay	1,650.0	1,150.0	43.0	11,050.0	9,320.0	16,600.0	110,800.0	193	196	– 0.2	4
Advertising & Sales Promotion Co.	New Delhi	1,571.6	1,341.1	17.0	8,574.2	7,228.3	15,763.0	86,000.0	284	262	8.0	7
Ulka Advertising	Bombay	1,354.1	1,234.0	10.0	8,973.0	6,730.0	13,500.0	90,000.0	237	208	14.0	4
Jaisons Advertising	Bombay	1,125.7	978.9	15.0	7,096.3	6,160.0	11,291.3	71,176.5	148	103	44.0	7
Shilpi Advertising	Bombay	984.8	688.5	43.0	6,449.6	4,717.7	9,878.0	64,690.0	142	132	8.0	5
Grant Kenyon & Eckhardt	Bombay	921.4	878.9	5.0	6,142.6	5,859.5	9,241.6	61,610.7	143	144	– 0.7	5
National Advertising Service	Bombay	398.8	319.0	25.0	2,742.2	2,268.5	4,000.0	27,600.0	68	65	5.0	4
Newfields Advertising	New Delhi	382.0	346.9	10.0	2,544.3	2,313.0	3,828.0	25,520.0	75	72	4.0	5
Adverts Ltd.	Bombay	112.2	80.2	40.0	747.8	154.4	1,125.0	7,500.0	28	28	0.0	1

Not all the perfumes and colognes of the world can't prevent the odour of sweat. And all of us sweat at least half a litre every day. What we need is a deodorant. To kill odour-causing bacteria and keep us fresh all day. Cinthol talc does — just that.

Godrej
CINTHOL
DEODORANT LUXURY TOILET POWDER
Cinthol
luxury toilet powder

Chaitra Advertising
Bombay, India


Extend irresistible invitations.

BBDO Hong Kong
Hong Kong

ΔΥΣΚΟΛΟΙ ΚΑΙΡΟΙ.
Η ΠΩΛΗΣΗ ΟΣΟ ΠΑΕΙ
ΣΑΣ ΓΙΝΕΤΑΙ ΠΟΝΟΚΕΦΑΛΟΣ

ΡΕΤΣΙΝΑ
ΚΟΥΡΤΑΚΗ

Ikon/DD/BBDO
Athens, Greece

May-Tal Associated Advertising Services Ltd.
Tel Aviv, Israel

INDONESIA

Exchange rate: 0.0012 rupiah

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
P.T.Citra-Lintas Indonesia	Jakarta	1,630.0	1,440.0	13.0	10,872.0	9,605.0	Rup1.4 bill.	Rup9.1 bill.	65	N/A	N/A	1
P.T. Bates Kencana Indah	Jakarta	1,200.0	N/A	N/A	8,400.0	N/A	1.0 bill.	7.0 bill.	54	N/A	N/A	1
P.T. Perwanal Dimamika Mulya Mandiri	Jakarta	325.0	202.0	61.0	2,034.4	1,282.8	270,993.0	1.7 bill.	N/A	N/A	N/A	1
UMM-Thompson	Jakarta	217.0	295.1	26.0	1,250.5	1,265.8	180,851.0	1.1 bill.	27	25	8.0	1

IRELAND

Exchange rate: 1.287 pound

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
McConnells Advertising	Dublin	2,338.9	2,137.5	9.0	15,592.4	14,249.8	I£1,817.3	I£12,115.3	86	90	– 4.0	2
Wilson Hartnell Advertising & Marketing	Dublin	1,709.2	1,662.6	3.0	9,606.3	9,334.6	1,328.0	7,464.1	63	66	– 5.0	1
Bell Advertising	Dublin	1,294.0	1,354.7	4.0	7,262.5	7,719.4	1,005.5	5,643.0	46	51	– 10.0	2
Brian Cronin & Associates	Dublin	1,221.2	1,159.5	5.0	8,141.6	7,729.7	949.9	6,326.0	25	24	4.0	1
O'Keeffes	Dublin	1,200.0	1,068.3	12.0	6,932.7	6,171.9	932.4	5,386.7	28	26	8.0	2
Doherty Advertising	Dublin	751.1	573.4	31.0	8,548.3	6,525.2	583.6	6,642.0	N/A	24	N/A	1
Padbury Advertising	Dublin	269.2	188.9	43.0	4,452.1	3,124.3	209.2	3,459.3	N/A	14	N/A	1

ISRAEL

Exchange rate: 0.0237 shekel

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Ariely Advertising	Tel Aviv	2,700.0	N/A	N/A	15,000.0	N/A	Sh113,923.8	Sh632,911.4	55	N/A	N/A	N/A
Wimmer, Jacobsohn, Tamir Advertising	Tel Aviv	2,100.0	N/A	N/A	10,000.0	N/A	88,608.0	590,717.3	48	N/A	N/A	N/A
Ovnat, Karmon, Shifrin & Naaman Ltd.	Tel Aviv	1,500.0	N/A	N/A	10,000.0	N/A	63,291.1	421,941.0	45	N/A	N/A	N/A
Pelled Advertising & Pr.	Tel Aviv	1,050.0	952.9	N/A	6,450.0	8,966.5	44,304.0	272,151.9	42	36	17.0	1
May-Tal Associated Advertising Services Ltd.	Tel Aviv	1,031.0	750.0	N/A	6,873.0	5,000.0	43,502.0	290,000.0	35	31	13.0	1
Aylon Advertising Ltd.	Tel Aviv	622.0	640.0	N/A	4,146.7	4,266.7	26,244.7	174,966.0	32	30	7.0	1

* With Israeli agencies, AA altered its procedure of determining an agency's "real growth" (applying 1983 exchange rate to 1982 returns) because it primarily shows the impact of inflation in that economy. Dollar figures for 1982 are based on the average annual exchange rate for that year.

ITALY

Exchange rate: 0.000677 lire

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
McCann-Erickson Italiana	Milan	13,978.0	10,795.0	30.0	93,233.0	72,003.0	IL20.65 bill.	IL137.72 bill.	236	215	10.0	N/A
J. Walter Thompson Italia	Milan	10,458.4	8,815.4	19.0	73,771.1	62,176.2	15.45 bill.	108.97 bill.	176	167	5.0	2
Young & Rubicam Italia	Milan	8,060.0	6,567.0	23.0	54,000.0	43,802.0	11.90 bill.	79.76 bill.	124	119	4.0	2
Armando Testa	Turin	8,056.0	7,298.0	10.0	54,566.0	48,683.0	11.90 bill.	80.60 bill.	166	156	6.0	3
Foote, Cone & Belding	Milan	7,737.2	6,288.6	23.0	51,606.9	41,945.1	11.42 bill.	76.23 bill.	162	147	10.0	2
Italia/BBDO	Milan	7,718.0	5,382.0	43.0	51,452.0	35,881.0	11.40 bill.	76.00 bill.	97	65	49.0	6
ATA Univas	Milan	7,577.0	6,082.0	25.0	50,403.0	40,573.0	11.16 bill.	74.45 bill.	107	83	29.0	3
SSC&B:Lintas	Milan	6,051.6	4,590.1	30.0	43,416.3	32,850.6	8.94 bill.	64.13 bill.	113	108	5.0	1
TBWA Italy	Milan	6,032.0	4,934.0	22.0	43,328.0	32,908.0	8.90 bill.	64.00 bill.	104	102	2.0	1
Benton & Bowles Italy	Milan	4,282.0	2,422.3	77.0	28,561.1	16,156.6	6.33 bill.	42.19 bill.	99	66	50.0	3
Milano & Grey	Milan	4,265.1	3,278.7	30.0	30,771.0	23,457.4	6.30 bill.	45.45 bill.	72	66	9.0	2
Saatchi & Saatchi Compton Italia	Milan/Rome	4,133.1	2,996.0	38.0	27,555.0	19,971.0	6.10 bill.	40.7 bill.	75	70	7.0	2
Consumer Benefit Communication	Milan	3,894.1	2,768.9	41.0	25,963.0	18,448.3	5.75 bill.	38.35 bill.	62	45	38.0	2
Leader Pubblicita & Marketing	Florence	3,182.0	2,708.0	18.0	19,836.0	16,857.0	4.70 bill.	29.30 bill.	58	60	– 3.0	2
Livraghi, Ogilvy & Mather	Milan	3,087.3	1,957.3	58.0	20,311.4	13,059.4	4.60 bill.	30.00 bill.	71	51	39.0	2
D'Arcy MacManus Masius	Milan	2,989.8	2,466.8	21.0	19,941.6	16,453.0	4.42 bill.	29.46 bill.	49	49	0.0	2
CPV, Kenyon & Eckhardt Italiana	Milan	2,819.7	2,299.1	23.0	19,565.3	17,398.9	4.17 bill.	28.90 bill.	60	58	4.0	2
Publinter Ayer	Milan	2,810.0	2,600.0	8.0	19,770.0	15,910.0	4.16 bill.	29.20 bill.	61	N/A	N/A	2
MAC S.p.A.	Milan	2,772.8	2,458.0	13.0	19,879.9	16,235.0	4.10 bill.	29.33 bill.	36	36	0.0	2
B Communications	Milan	2,512.4	1,551.0	62.0	19,792.6	12,925.2	3.70 bill.	29.24 bill.	41	41	0.0	1

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Troost Campbell-Ewald	Milan	2,498.0	1,929.0	20.0	16,662.0	12,866.0	3.69 bill.	24.61 bill.	43	43	0.0	N/A
P&T Pubblicita & Marketing	Milan	2,466.2	N/A	N/A	15,149.7	N/A	3.60 bill.	22.38 bill.	50	N/A	N/A	1
Leo Burnett Co.	Milan	2,218.0	1,164.0	91.0	14,793.0	7,764.0	3.28 bill.	21.85 bill.	47	39	21.0	1
INTHA Univas	Turin	2,085.0	1,474.0	42.0	15,097.0	8,699.0	3.08 bill.	22.30 bill.	40	38	5.0	2
Ted Bates & Co.	Milan	1,966.0	1,256.0	57.0	14,466.0	9,571.0	2.90 bill.	21.37 bill.	34	28	21.0	1
NCK/Italy	Milan	1,725.0	2,911.1	– 41.0	11,500.0	19,178.9	2.50 bill.	16.99 bill.	N/A	N/A	N/A	N/A
Intermarco-Farner Italia	Milan	1,347.0	1,126.0	20.0	8,986.0	6,759.0	2.00 bill.	9.98 bill.	23	25	– 8.0	1
Doyle Dane Bernbach Italia	Milan	1,301.0	984.0	32.0	8,672.0	6,562.0	1.90 bill.	12.80 bill.	21	21	N/A	1
Euro Advertising	Bologna	1,190.0	1,007.0	18.0	7,937.0	6,717.0	1.76 bill.	11.73 bill.	33	31	7.0	2
GGK Milano	Milan	844.0	999.0	– 8.0	5,619.0	6,635.0	1.25 bill.	8.30 bill.	10	14	– 29.0	1
Pubbli Dan Wirz	Milan	724.0	712.0	17.0	5,080.0	4,800.0	1.10 bill.	7.50 bill.	19	16	19.0	4
DFS Dorland Italia	Milan	697.3	339.8	106.0	4,649.0	2,347.1	1.00 bill.	6.87 bill.	30	27	11.0	2
Roncaglia & Wijkander	Rome	616.6	362.2	70.0	4,727.5	2,785.4	910,826.0	6.98 bill.	18	14	29.0	1
Emmer Pubblicita & Marketing	Rome	597.0	412.0	45.0	3,980.0	2,750.0	882,000.0	5.88 bill.	15	15	0.0	1

JAMAICA

Exchange rate: 0.366 J dollar

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Paisley, Kelly, Kenyon & Eckhardt	Kingston	784.6	N/A	N/A	5,233.4	N/A	J$2,143.8	J$14,299.0	25	23	9.0	1
Dunlop Corbin Compton Associates	Kingston	665.2	579.5	15.0	4,436.8	3,865.0	1,817.3	12,121.3	N/A	30	N/A	1
McCann-Erickson (Jamaica)	Kingston	602.0	452.0	33.0	4,015.0	3,015.0	1,643.0	10,959.0	39	34	15.0	N/A
CGR Communications Ltd.	Kingston	595.4	378.5	57.0	3,969.6	2,523.2	1,626.8	10,846.0	36	34	6.0	1
Lindo/NCK-Jamaica	Kingston	300.0	394.4	– 42.0	2,000.0	2,614.7	819.7	5,464.4	N/A	N/A	N/A	N/A

JAPAN

Exchange rate: 0.004174 yen

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Dentsu Inc.	Tokyo	437,720.0	418,320.0	5.0	3.21 bill.	3.03 bill.	Y104.87 bill.	Y770.06 bill.	5,582	5,493	2.0	37
Hakuhodo Inc.	Tokyo	180,194.0	164,600.0	9.0	1.35 bill.	1.22 bill.	43.17 bill.	324.10 bill.	2,685	2,567	5.0	18
Daiko Advertising	Osaka	59,849.0	55,357.3	8.0	472,413.0	426,767.0	14.34 bill.	113.18 bill.	1,436	1,469	– 2.0	38
Tokyu Advertising Agency	Tokyo	50,540.5	46,091.8	10.0	391,645.7	359,686.5	12.11 bill.	93.83 bill.	657	590	11.0	4
Dai-Ichi Kikaku	Tokyo	49,165.8	46,878.7	5.0	349,727.3	338,896.3	11.78 bill.	83.79 bill.	507	495	2.0	11
Yomiko Advertising	Tokyo	39,103.6	37,103.1	6.0	239,739.3	224,685.5	9.37 bill.	57.44 bill.	700	712	– 2.0	15
Asahi Kokoku-sha Co.	Tokyo	30,048.0	29,112.0	3.0	193,982.0	187,937.0	7.20 bill.	46.47 bill.	890	900	– 1.0	29
McCann-Erickson Hakuhodo	Tokyo	29,634.0	27,036.0	10.0	197,659.0	180,330.0	7.10 bill.	47.35 bill.	494	503	– 2.0	N/A
Asatsu Inc.	Tokyo	29,201.3	26,296.2	11.0	224,744.9	189,301.8	7.00 bill.	53.84 bill.	530	500	6.0	12
Dai-Ichi Advertising	Tokyo	25,252.7	25,587.0	– 1.0	176,468.0	172,850.0	6.05 bill.	42.28 bill.	513	500	3.0	11
Chuo Senko Advertising	Tokyo	22,570.0	22,000.0	3.0	145,450.0	137,590.0	5.40 bill.	34.85 bill.	320	320	0.0	9
Orikomi Advertising	Tokyo	19,224.7	19,138.4	1.0	167,689.8	165,314.8	4.60 bill.	40.17 bill.	374	370	1.0	5
Man-Nen-Sha	Osaka	16,626.7	15,802.6	5.0	224,880.6	178,333.7	3.98 bill.	53.88 bill.	489	495	– 1.0	12
Kyodo Advertising	Tokyo	15,952.0	14,356.5	11.0	106,353.5	95,709.8	3.80 bill.	25.48 bill.	370	366	1.0	9
J. Walter Thompson Japan Group	Tokyo	15,322.9	12,940.9	18.0	102,152.8	85,747.0	3.67 bill.	24.47 bill.	291	264	10.0	4
Nihon Keizaisha Advertising	Tokyo	14,414.9	12,789.6	13.0	88,083.9	80,460.1	3.45 bill.	21.10 bill.	393	388	1.0	10
Meitsu Advertising	Tokyo	11,754.0	11,019.4	7.0	85,216.0	79,890.4	2.80 bill.	20.40 bill.	255	260	– 2.0	7
Dentsu-Young & Rubicam	Tokyo	11,679.0	10,435.0	12.0	77,899.4	69,208.7	2.80 bill.	18.66 bill.	221	225	– 2.0	1
Tokyu Agency International	Tokyo	11,061.5	9,418.5	17.0	87,521.1	74,454.3	2.65 bill.	20.97 bill.	188	158	19.0	2
Osaka Yomiuri Advertising	Osaka	10,390.0	10,011.1	4.0	63,100.0	56,968.0	2.50 bill.	15.12 bill.	299	297	1.0	2
Standard Advertising	Tokyo	9,607.3	9,512.2	1.0	83,953.0	82,712.0	2.30 bill.	20.10 bill.	167	158	6.0	2
Nippon Design Center/DFS	Tokyo	7,676.0	6,581.0	17.0	51,196.2	43,894.7	1.80 bill.	12.27 bill.	180	180	0.0	1
Mainichi Advertising	Tokyo	6,922.0	6,572.4	10.0	50,464.6	50,265.5	1.66 bill.	12,09 bill.	176	175	– 0.6	4
Grey-Daiko Advertising	Tokyo	6,144.1	5,117.3	20.0	40,972.0	34,143.0	1.50 bill.	9.80 bill.	118	115	3.0	1
Dai-Ichi Tsushin-Sha	Tokyo	3,889.9	3,579.2	9.0	25,932.4	23,861.0	931,933.6	6.20 bill.	100	99	1.0	3
Toei Advertising	Tokyo	2,889.7	2,803.4	3.0	22,433.6	22,052.3	692,300.0	5.40 bill.	54	49	10.0	5
Asia Advertising Agency	Tokyo	2,462.7	2,228.9	10.0	10,564.4	9,410.0	590,000.0	2.53 bill.	56	58	– 3.0	1
Leo Burnett-Kyodo Co.	Tokyo	1,549.0	931.0	66.0	10,329.0	6,208.4	371,000.0	2.50 bill.	31	20	55.0	1
Ketchum Advertising (Japan)	Tokyo	1,480.7	1,132.8	31.0	9,871.4	7,552.0	353,887.0	2.36 bill.	26	22	18.0	1
Orikomi Bates	Tokyo	878.8	718.4	22.0	7,295.3	5,351.2	210,540.0	1.74 bill.	20	19	1.0	1
International Ad Co.	Osaka	516.5	513.1	1.0	5,524.0	4,900.0	123,737.3	1.30 bill.	10	10	0.0	1
Yomiko DFS International	Tokyo	326.6	489.0	– 33.0	1,837.5	3,661.9	78,247.6	440,215.1	14	17	– 18.0	1
Tokyo Senko-Dailey/Tokyo Senko Intl.	Tokyo	171.1	116.9	46 0	7,580.0	6,302.7	41,000.0	1.80 bill.	38	35	9.0	2
FCB (Japan) Co.	Tokyo	19.1	N/A	N/A	127.3	N/A	4,571.0	30,490.0	7	N/A	N/A	1

KENYA

Exchange rate: 0.081 shilling

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Ogilvy & Mather (EA)	Nairobi	801.9	768.1	4.0	5,348.4	5,041.4	KSh9,899.5	KSh66,029.7	48	48	0.0	1
McCann-Erickson (Kenya)	Nairobi	552.0	420.0	31.0	3,682.0	2,801.0	6,824.0	45,516.0	31	29	7.0	N/A
D Arcy MacManus Masius	Nairobi	212.3	256.1	– 17.0	1,013.9	1,215.7	2,621.0	12,517.0	16	20	– 20.0	1

LEBANON

Exchange rate: 0.2351 pound

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Intermarkets S.A.L.	Beirut	7,200.0	6,512.0	11.0	46,100.0	40,180.0	Leb£N/A	Leb£N/A	210	185	14.0	8
H&C-Leo Burnett	Beirut	2,447.0	2,574.0	– 5.0	16,321.0	17,162.0	10,408.0	69,421.0	N/A	N/A	1.0	N/A
FCB Middle East	Beirut/Athens	687.1	1,148.1	– 40.0	4,583.0	7,657.6	2,923.0	4,883.3	17	20	– 15.0	2
Enterprise Middle East	New York/Athens	259.0	N/A	N/A	1,727.0	N/A	N/A	N/A	3	N/A	N/A	1
Madco Lebanon	Beirut	112.0	160.0	– 30.0	700.0	800.0	4,763.9	29,774.5	N/A	N/A	N/A	1

MALAWI

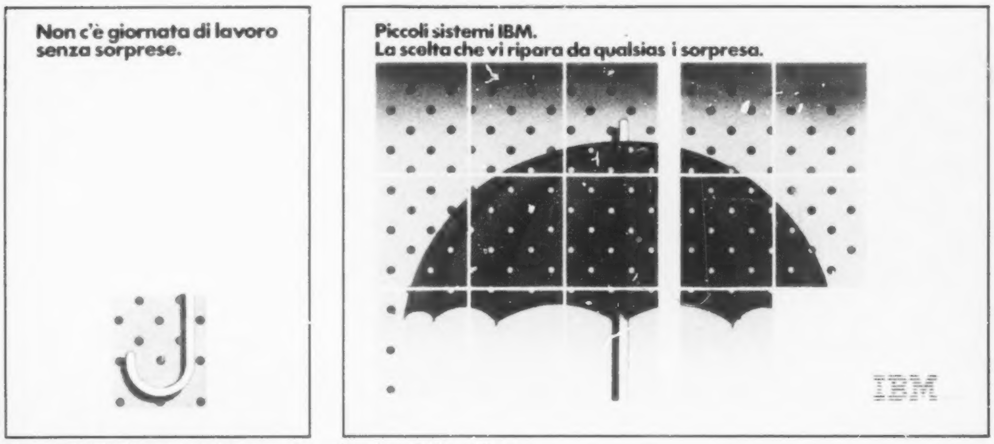
Exchange rate: 0.900 kwacha

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Graphic:Lintas Worldwide	Blantyre	175.0	101.1	72.0	1,128.0	653.0	Mkwa194.4	Mkwa1,253.4	18	18	0.0	1

MALAYSIA

Exchange rate: 0.431 M dollar

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (foreign currency)	Billings 1983 (foreign currency)	Employes 1983	Employes 1982	Per cent change	offices
Ogilvy & Mather (Malaysia)	Kuala Lumpur	3,624.0	2,773.0	31.0	24,172.0	18,498.0	M$8,409.0	M$56,088.0	159	154	3.0	1
Ted Bates (Malaysia)	Kuala Lumpur	2,300.0	1,900.0	21.0	15,000.0	13,000.0	5,300.0	35,000.0	74	76	– 3.0	1
PTM Thompson Advertising	Kuala Lumpur	2,207.0	2,196.0	0.1	15,085.0	15,085.0	5,121.0	35.000.0	117	139	– 16.0	2
Leo Burnett Co.	Kuala Lumpur	1,773.0	1,799.0	17.0	11,824.0	11,999.0	4,113.0	27,434.0	89	88	1.0	1


Non c'è giornata di lavoro senza sorprese.
Piccoli sistemi IBM.
La scelta che vi ripara da qualsiasi sorpresa.
IBM

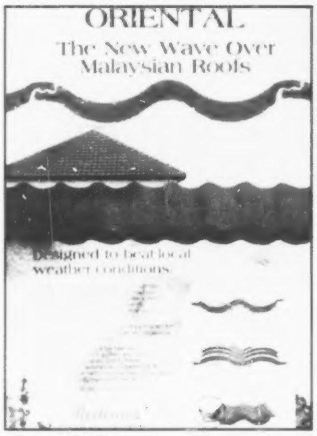
Saatchi & Saatchi Compton Italia, Milan/Rome

BAYER
CEOX
CEOX: VIVERE SENZA FORFORA.
SHAMPOO CEOX. DALLA BAYER.

Livraghi, Ogilvy & Mather
Milan, Italy

なぜか、女が、
行くと言って、きかなかった。

Standard Advertising
Tokyo, Japan


ORIENTAL
The New Wave Over Malaysian Roofs
Designed to beat local weather conditions.

Ronald Quay
Kuala Lumpur, Malaysia

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (FOREIGN CURRENCY)	Billings 1983 (FOREIGN CURRENCY)	Employes 1983	Employes 1982	Per cent change	offices
SSC&B:Lintas	Kuala Lumpur	1,709.0	1,515.5	13.0	11,398.8	10,108.3	3,965.1	26,447.3	68	64	6.0	2
McCann-Erickson (Malaysia)	Kuala Lumpur	1,391.0	1,168.0	19.0	9,278.0	7,791.0	3,229.0	21,537.0	57	53	8.0	N/A
KHK Needham Standard	Kuala Lumpur	1,239.5	994.9	25.0	9,339.5	7,833.2	2,876.0	21,669.3	62	52	19.0	1
Wings Creative	Petaling Jaya	899.2	793.0	13.0	5,258.0	3,906.0	2,086.4	12,200.0	50	50	0.0	1
Young & Rubicam/Dentsu	Kuala Lumpur	839.0	41.0	1,946.0	5,596.0	273.0	1,946.0	12,983.8	29	13	123.0	1
AP Compton Malaysia	Kuala Lumpur	810.5	723.8	12.0	5,423.2	3,900.6	1,880.5	12,582.7	47	43	9.0	N/A
Flagbearer Meridian Advertising	Kuala Lumpur	441.6	303.3	46.0	2,945.2	2,022.7	1,024.5	6,833.4	24	23	4.0	N/A
Ronald Quay	Kuala Lumpur	431.9	416.6	4.0	3,745.6	3,732.5	1,002.0	8,690.0	40	42	5.0	1
MALTA												**Exchange rate: 2.36 pound**
BPC International	Valletta	186.9	204.3	–9.0	1,245.9	1,362.1	M£79.2	M£527.9	18	23	–22.0	1
MEXICO												**Exchange rate: 0.0066 peso**
Publicidad Ferrer	Mexico City	3,705.0	2.771.9	34.0	24,713.2	16,697.5	Ps561,385.0	Ps3.74 bill.	110	150	–27.0	3
Noble y Asociados	Mexico City	2,760.6	1,975.5	40.0	19,291.8	13,176.3	418,273.0	2.92. bill.	278	232	20.0	2
McCann-Erickson	Mexico City	2,583.0	1,419.0	82.0	17,229.0	9,465.0	391,346.0	2.61 bill.	159	178	–11.0	N/A
Walter Thompson de Mexico	Mexico City	2,147.0	2,005.0	7[illegible]	14,313.0	8,967.0	325,308.0	2.17 bill.	147	162	–9.0	N/A
Garcia Patto y Asociados	Mexico City	2,079.0	N/A	N/A	13,860.0	N/A	315,000.0	2.10 bill.	N/A	N/A	N/A	N/A
Panamericana Ogilvy & Mather	Mexico City	1,668.9	733.2	128.0	11,131.5	4,890.8	252,861.8	1.69 bill.	93	86	8.0	1
Leo Burnett	Mexico City	1,387.0	812.0	71.0	9,250.0	5,419.0	210,111.0	1.40 bill.	92	76	21.0	N/A
Young & Rubicam	Mexico City	1,329.0	761.0	75.0	8,864.0	5,076.0	201,370.0	1.34 bill.	90	82	10.0	1
Publicidad D'Arcy MacManus Masius	Mexico City	1,036.0	651.0	59.0	7,773.0	4,781.0	156,977.0	1.18 bill.	81	72	13.0	1
Doyle Dane Bernbach	Mexico City	903.0	414.0	118.0	6,129.0	2,878.0	136,849.0	928,608 0	76	72	6.0	1
Teran Publicidad	Mexico City	863.0	576.0	50.0	4,273.0	3,010.0	130.800.0	647,500.0	65	65	0.0	1
Maqueda Gibert/NCK Mexico	Mexico City	755.3	460.6	64.0	5,035.4	2,747.0	111,418.4	742,789.1	69	73	–6.0	1
Iconic	Mexico City	700.0	366.3	91.0	4,666.7	2,442.0	105,000.0	700,000.0	70	59	19.0	1
Kenyon & Eckhardt de Mexico	Mexico City	687.0	159.3	306.0	4,485.7	1,747.2	104,086.9	679,659.0	42	36	17.0	1
Campbell-Ewald	Mexico City	610.0	427.0	43.0	4,069.0	2,848.0	92,407.0	616,355.0	45	52	–14.0	N/A
La Compania Bozell & Jacobs	Mexico City	599.0	374.7	60.0	1,773.5	734.8	90,752.0	268,712.7	24	33	–27.0	1
Hart, Scali, McCabe, Sloves	Mexico City	402.0	269.0	49.0	1,208.0	1,795.0	60,900.0	183,000.0	47	43	9.0	1
Alcazar Montenegro/Compton	Mexico City	268.7	148.5	81.0	1,791.2	990.0	40,708.1	271,387.1	31	26	19.0	1
Ideas y Hechos-Grey	Mexico City	230.2	81.1	184.0	1,535.0	540.4	34,885.9	232,572.8	24	18	33.0	1
FCB Mexico	Mexico City	221.8	142.8	56.0	1,479.5	952.3	33,608.0	224,165.0	29	29	0.0	1
SSC&B:Lintas (Mexico)	Mexico City	197.0	63.0	213.0	1,196.0	385.0	29,810.0	181,256.0	15	10	50.0	N/A
NAMIBIA												**Exchange rate: 0.903 rand**
SSC&B: Lintas Namibia	Windhoek	25.7	35.1	–27.0	144.4	203.7	R28.4	R159.9	1	1	0.0	1

HEERLIJKE PERZIKEN ZIJN EERLIJKE PERZIKEN VAN HAK
HAK

Intermarco-Farner B.V.
Amsterdam, Netherlands

good to get into Wrangler
The Wrangler breed

D.J. Keymer & Co.
Karachi, Pakistan

KROPPEN DIN FORNYER SEG HELE LIVET
DRIKK EN HALV LITER MELK HVER DAG

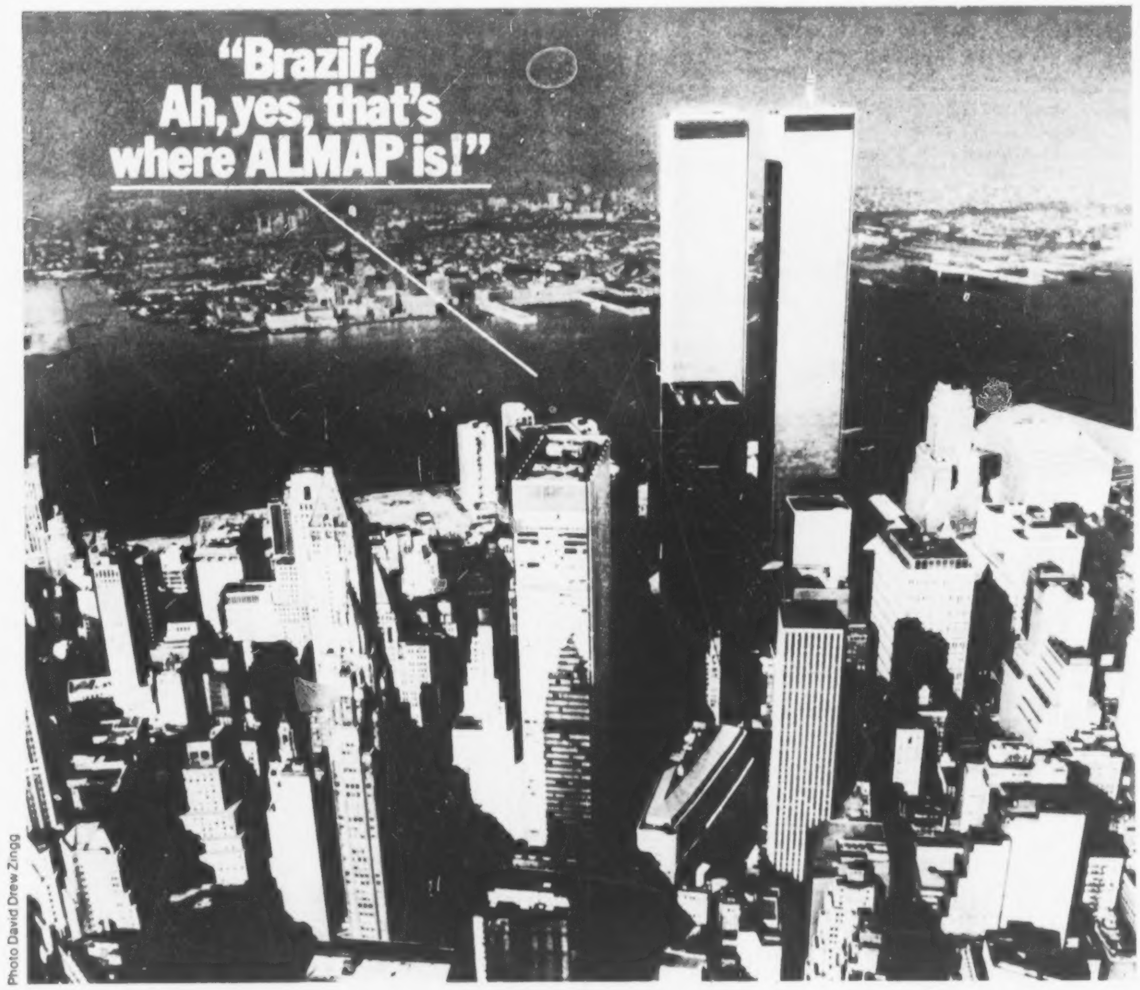
Bates-gruppen a/s, Oslo, Norway

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (FOREIGN CURRENCY)	Billings 1983 (FOREIGN CURRENCY)	Employes 1983	Employes 1982	Per cent change	offices
NETHERLANDS												**Exchange rate: 0.3588 guilder**
SSC&B: Lintas Advertising	Rotterdam	6,250.4	6,085.2	3.0	43,853.0	42,915.2	Dfl 17,420.3	Dfl1 22,221.2	122	123	− 0.08	2
FHV/BBDO	Amstelveen	5,987.0	6,023.9	− 0.6	39,172.1	39,417.8	16,086.3	109,175.2	96	108	− 11.0	1
Ogilvy & Mather	Amsterdam	5,829.2	5,276.8	10.0	38,881.0	35,196.6	16,246.5	108,363.9	126	104	21.0	4
McCann-Erickson (Nederland)	Amsterdam	5,176.0	4,645.0	11.0	34,524.0	30,982.0	14,428.0	96,235.0	95	96	− 0.01	N/A
Prad B.V.	Amsterdam	5,123.7	5,224.0	− 2.0	34,158.0	34,824.0	14,280.0	95,200.0	59	65	− 9.0	1
Young & Rubicam-Koster Holdings	Amsterdam	4,781.0	4,304.5	11.0	31,856.0	28,681.0	13,325.0	88,782.7	100	88	14.0	2
ARA Advertising & Marketing	Rotterdam	4,780.0	4,581.9	4.0	36,662.0	30,578.0	13,322.0	88,858.0	N/A	N/A	N/A	3
Noordervliet & Winninghoff/Burnett	Amsterdam	4,664.4	3,927.0	19.0	31,112.0	26,191.0	13,000.0	86,710.0	72	75	− 4.0	2
Result D'Arcy MacManus Masius	Amsterdam	4,446.0	4,095.0	9.0	29,650.0	27,292.0	12,390.0	82,640.0	72	73	− 1.0	1
Prins Meijer, Stamenkovits & van Walbeek	Amsterdam	4,420.4	3,766.0	17.0	29,435.0	25,093.0	12,312.0	82,035.3	54	50	8.0	1
NPO Univas	The Hague	4,305.6	3,955.8	9.0	27,893.0	26,371.0	12,000.0	80,000.0	68	68	0.0	1
J. Walter Thompson Co.	Amsterdam	4,099.3	4,038.3	2.0	28,736.2	26,935.4	11,425.0	80,089.8	85	95	− 11.0	2
Intermarco-Farner B.V.	Amsterdam	3,954.0	3,875.0	2.0	26,372.0	25,905.0	11,020.0	73,500.0	78	74	5.0	2
PPGH/Moussault	Amsterdam	3,567.2	2,668.0	34.0	23,681.0	17,940.0	9,942.0	66,000.0	44	44	0.0	1
Geudeker Oerlemans & Needham	Amstelveen	3,040.6	2,098.3	45.0	20,520.4	13,993.2	8,474.5	57,191.9	42	39	8.0	1
R.V. Wiggert de Vries & Franssen/DDB	Amsterdam	2,837.0	1,382.5	105.0	18,837.0	9,580.0	7,906.0	52,500.0	50	30	67.0	1
HVR Advertising	Amstelveen	2,727.2	2,560.0	7.0	18,191.2	17,078.9	7,601.0	50,700.0	49	50	− 2.0	2
RJA	Amsterdam	2,470.0	2,772.0	− 11.0	15,787.0	18,657.0	6,885.0	44,000.0	53	63	− 16.0	1
Benton & Bowles Advertising	Amsterdam	2,464.7	2,069.0	19.0	16,431.6	13,793.3	6,869.4	45,796.0	49	43	14.0	1
Saatchi & Saatchi Compton	Amsterdam	2,217.4	1,837.4	21.0	14,782.6	13,091.7	6,180.0	41,200.0	43	43	0.0	1
Marketwinning Ayer	Amsterdam	2,042.0	1,959.0	4.0	13,039.0	13,038.0	5,690.0	38,849.0	35	38	− 8.0	3
Grey Netherlands	Amsterdam/Baarn	1,664.6	1,644.7	1.0	11,899.7	11,466.3	4,639.3	33,165.4	25	24	4.0	1
Allick B.V.	Amsterdam	1,630.7	1,388.6	17.0	10,872.0	9,257.0	4,545.0	30,300.0	28	25	12.0	N/A
GGK Amsterdam/KVH	Amsterdam	1,620.0	1,996.0	− 19.0	10,929.0	13,428.0	4,514.0	30,460.0	28	31	− 10.0	1
Ted Bates Reclame Adviesbureau	Amsterdam	1,448.2	1,667.1	− 13.0	11,262.0	13,040.4	4,036.2	31,388.1	34	36	− 6.0	1
De Bussy Reclame	Amsterdam	1,297.0	1,238.0	5.0	8,647.0	8,253.0	3,615.0	24,100.0	32	40	− 20.0	1
Foote, Cone & Belding	Amsterdam	1,294.2	1,939.3	− 33.0	8,633.0	12,935.0	3,607.0	24,060.0	22	38	− 42.0	1
NCK/Netherlands	Amsterdam	1,200.0	1,085.0	11.0	8,000.0	7,664.0	3,344.4	22,296.0	N/A	N/A	N/A	N/A
Van Lieshout & Van Hemert/FCB	Rotterdam	1,045.7	942.6	11.0	6,975.1	6,287.5	2,914.6	19,440.2	20	18	11.0	1
TBWA Netherlands	Amsterdam	1,005.0	1,006.0	N/A	7,535.0	6,708.0	2,800.0	21,000.0	22	20	10.0	1
Campbell-Ewald Nederland	Amsterdam	780.0	1,252.0	− 38.0	5,203.0	8,351.0	2,174.0	14,501.0	22	27	− 19.0	N/A
Paradies Advertising	Amsterdam	719.0	767.8	− 6.0	4,793.6	5,344.2	2,004.0	13,360.0	16	14	14.0	1
Jan Moerbeek/Marco Klein	Amsterdam	563.0	477.0	18.0	3,770.0	3,190.0	1,570.0	10,500.0	11	10	10.0	1
DFS Holland	Amsterdam	549.2	572.5	− 4.0	3,404.7	3,982.6	1,530.5	9,488.9	14	14	0.0	1
Kasteleiri Adviesbureau	Soest	222.9	225.9	− 1.0	1,507.0	1,573.0	621.1	4,200.0	7	6	17.0	1
NEW ZEALAND												**Exchange rate: 0.6779 NZ dollar**
Colenso Communications	Auckland	4,191.2	4,130.0	1.0	20,734.9	19,939.7	NZ$6,182.6	NZ$30,586.9	N/A	N/A	N/A	2
J. Inglis Wright	Wellington	2,882.5	2,998.3	− 4.0	17,269.7	15,098.8	4,252.2	25,475.3	80	78	3.0	3
D'Arcy MacManus Masius	Auckland	2,400.0	1,924.0	25.0	12,463.0	10,187.0	3,540.0	18,385.0	59	52	13.0	2
Ogilvy & Mather (N.Z.)	Auckland	1,608.4	1,650.4	− 3.0	5,466.4	5,609.9	2,372.6	8,063.7	68	60	13.0	2
Leo Burnett Co.	Auckland	1,569.0	1,379.0	14.0	10,463.0	9,197.0	2,314.0	15,434.0	N/A	N/A	N/A	1
Rialto Advertising	Auckland	1,418.1	1,027.9	38.0	7,170.6	5,029.4	2,091.9	10,577.6	N/A	N/A	N/A	2
MDA Mackay King Advertising	Wellington	1,277.6	1,218.3	5.0	6,388.0	6,118.9	1,884.6	9,423.2	33	33	0.0.	1
SSC&B:Lintas	Auckland	1,228.0	950.0	29.0	5,982.0	4,680.0	1,812.0	8,825.0	36	36	0.0	2
MacHarman Ayer	Auckland	866.7	897.5	− 3.0	3,720.3	3,958.2	1,278.5	5,488.1	28	33	− 15.0	1
USP Needham	Wellington	728.0	666.7	9.0	3,593.0	4,028.5	1,073.8	5,300.2	21	21	0.0.	2
Ward & Grey	Auckland	469.1	387.1	21.0	2,346.0	1,935.0	692.0	3,460.0	11	11	0.0	1
Atelier Advertising	Auckland	458.8	N/A	N/A	2,293.9	N/A	676.8	3,383.9	N/A	N/A	N/A	1
Wood & Mitchell	Wellington	217.0	N/A	N/A	1,447.7	N/A	320.2	2,135.6	12	12	0.0	2

Agency	City	Gross income ($000) 1983	1982	Per cent change	Billings ($000) 1983	1982	Gross income 1983	Billings 1983	Employes 1983	1982	Per cent change	offices
							FOREIGN CURRENCY					
NICARAGUA												**Exchange rate: 0.100 cordoba**
APCU de Nicaragua	Managua	30.0	5.2	477.0	200.0	36.2	Cor300.0	Cor2,000.0	3	2	50.0	1
Publicidad McCann-Erickson	Managua	N/A	41.0	N/A	N/A	273.0	N/A	N/A	0	0	0.0	1
NIGERIA												**Exchange rate: 1.40 naira**
Lintas (Nigeria)	Lagos	3,400.2	3,886.4	-13.0	19,068.1	22,351.6	Nai2,428.7	Nai13,620.1	165	157	5.0	1
NORWAY												**Exchange rate: 0.1377 kroner**
Bates-gruppen a/s	Oslo	13,222.2	11,502.0	15.0	89,991.0	74,270.0	NKr96,020.0	NKr653,529.0	349	343	3.0	6
Forenede Group of Agencies	Oslo	11,704.5	9,914.4	18.0	73,000.0	63,066.6	85,000.0	530,000.0	285	285	0.0	10
Ervaco Oslo A/S	Oslo	5,306.0	2,668.6	99.0	35,391.0	17,799.8	38,532.2	257,009.4	60	72	-17.0	N/A
Ogilvy & Mather Norway	Oslo	3,318.5	2,647.8	25.0	22,134.1	17,660.8	24,099.2	160,741.4	60	55	9.0	2
A/S Benton & Bowles/HO	Oslo	2,710.0	2,520.0	8.0	19,950.0	18,200.0	19,700.0	144,910.0	65	65	0.0	1
Scaneco-Young & Rubicam	Oslo	2,578.0	2,029.0	27.0	17,195.0	13,533.0	18,716.0	124,870.1	55	49	12.0	1
Inter-Media Norway	Oslo	1,906.0	N/A	N/A	35,284.0	N/A	13,841.4	256,232.4	N/A	N/A	N/A	1
McCann-Erickson A/S	Oslo	1,870.0	1,463.0	28.0	12,473.0	9,758.0	13,582.0	90,592.0	33	30	10.0	N/A
Master A/S	Oslo	1,845.7	1.797.0	3.0	12,304.9	11,979.9	9.382.6	89,360.0	23	22	5.0	4
Jensen & Borkenhagen A/S	Oslo	1,670.2	1,376.2	21.0	11,548.1	9,488.0	12,129.1	83,864.0	21	20	5.0	1
A/S Myres/Lintas	Oslo	1,265.9	1,069.8	18.0	17,578.8	16,368.2	9,193.2	127,660.1	72	75	-4.0	4
Young & Rubicam AS	Oslo	1,104.0	732.0	51.0	7,364.0	4,882.0	8,015.0	53,477.4	24	22	9.0	1
Pran & Torgerson	Oslo	1,014.0	983.1	3.0	8,103.3	7,080.1	7,363.7	58,846.2	N/A	23	N/A	1
Jensen/Grey	Oslo	904.4	774.3	17.0	6,032.0	5,164.0	6,568.0	43,808.0	20	19	5.0	1
NCK/Norway	Oslo	900.0	1,054.6	-15.0	6,000.0	7,030.4	6,535.8	43,572.0	N/A	N/A	N/A	N/A
D'Arcy MacManus Masius	Oslo	617.2	670.5	8.0	4,100.8	4,457.5	4,482.0	29,781.0	17	16	6.0	1
B.S. Kverneland A/S	Oslo	371.8	423.4	-12.0	2,478.6	2,822.9	2,699.9	18,000.0	20	18	11.0	1
J.T.K.A/S	Oslo	230.0	162.5	42.0	1,616.3	1,181.1	1,670.0	11,738.0	6	6	0.0	1
PAKISTAN												**Exchange rate: 0.0778 rupee**
D.J. Keymer & Co.	Karachi	277.5	240.0	16.0	1,850.0	1,600.0	R3,567.0	R23,779.0	28	25	12.0	1
Prestige Advertising	Karachi	194.3	182.4	7.0	1,358.5	1,307.7	2,496.9	17,461.2	46	42	10.0	2
R:Lintas (Pakistan)	Karachi	N/A	506.0	N/A	N/A	3,696.0	N/A	N/A	71	71	0.0	N/A
PANAMA												**Exchange rate: 1.00 dollars**
Campagnani, Aleman Publicidad	Panama City	1,462.3	1,348.4	9.0	5,040.4	4,827.7	1,462.3	5,040.4	41	37	11.0	1
Boyd, Barcenas	Panama City	1,346.5	1,228.0	10.0	5,300.0	5,000.0	1.346.5	5,300.0	40	37	8.0	1
McCann-Erickson de Panama	Panama City	1,248.0	1,055.0	18.0	8,324.0	7,037.0	1,248.0	8,324.0	45	43	5.0	N/A
Publicidad Velmor	Panama City	191.6	225.0	-15.0	1,277.3	1,500.0	191.6	1,277.3	N/A	N/A	N/A	1
APCU de Panama	Panama City	180.0	150.0	20.0	1,200.0	1,000.0	180.0	1,200.0	12	10	20.0	1
PARAGUAY												**Exchange rate: 0.0062 guarani**
J. Walter Thompson Paraguay	Asuncion	156.4	206.9	-24.0	1,043.2	1,380.2	Gua25,226.1	Gua168,157.8	9	9	0.0	1
McCann-Erickson (Paraguay)	Asuncion	133.0	212.0	-37.0	887.0	1,414.0	21,495.0	143,372.0	10	15	-33.0	N/A
PERU												**Exchange rate: 0.00117 sol**
J. Walter Thompson Peruana	Lima	2,826.2	1,453.0	95.0	18,850.4	9,691.7	Soles2.42 bill.	Soles16.10 bill.	95	89	7.0	1
McCann-Erickson Publicidad	Lima	2,336.0	1,171.0	99.0	15,581.0	7,811.0	2.00 bill.	13.32 bill.	76	77	-1.0	N/A
Forum	Lima	1,358.4	965.3	41.0	9,009.0	6,435.0	1.16 bill.	7.70 bill.	80	90	-11.0	1
Publicistas Asociados	Lima	965.3	575.0	68.0	6,435.0	3,833.0	825,042.7	5.00 bill.	52	48	8.0	1
Compania Nacional de Publicidad	Lima	791.0	418.7	89.0	5,273.2	2,791.1	676,052.0	4.50 bill.	71	60	18.0	1
PHILIPPINES												**Exchange rate: 0.09918 peso**
J. Walter Thompson Co.	Manila	2,758.3	2,169.6	27.0	18,388.9	14,463.8	Ps27,811.4	Ps185,409.2	210	197	7.0	1
Advertising & Marketing Associates	Manila	1,862.2	1,236.2	51.0	12,414.6	8,241.2	18,775.9	125,172.6	187	155	21.0	1
McCann-Erickson (Philippines)	Manila	1,784.0	1,404.0	27.0	11,899.0	9,365.0	17,987.0	119,973.0	128	127	0.8	N/A
Bates-Alcantara (Philippines)	Manila	1,752.0	1,208.0	45.0	11,577.0	8,050.0	17,660.0	117,733.0	123	107	15.0	1
Ace-Compton Advertising	Manila	1.356.9	1,346.3	0.7	9,045.9	8,979.8	13,681.1	91,207.2	132	160	-18.0	1
CA-Lintas (Philippines)	Manila	566.8	446.3	27.0	3,826.7	2,977.2	5,714.6	38,583.2	44	32	38.0	1
Philprom Inc.	Pasay City	507.6	567.4	-11.0	3,383.7	4,512.1	5,117.5	34,116.7	88	93	-5.0	2
Hemisphere-Leo Burnett Inc.	Manila	459.0	355.0	29.0	3,058.0	2,370.0	4,623.0	30,835.0	45	47	-4.0	1
PORTUGAL												**Exchange rate: 0.0097 escudo**
Ciesa/NCK	Lisbon	1,455.0	1,189.8	22.0	9,700.0	7,932.3	Esc150,000.0	Esc1.00 bill.	N/A	N/A	N/A	N/A
McCann-Erickson-Hora Publicidade	Lisbon	1,314.0	1,016.0	29.0	8,764.0	6,777.0	135,461.0	903,592.0	60	58	4.0	1
Intermarco Espiral	Lisbon	1,306.0	1,015.0	29.0	6,606.0	5,296.0	134,600.0	681,000	66	69	-4.0	1
Sistema	Lisbon	864.0	727.0	19.0	4,320.0	3,395.0	89,069.8	445,348.8	44	44	0.0	1
Lintas Lisbon	Lisbon	808.0	732.0	11.0	5,721.0	4,620.0	83,344.0	589,923.0	56	56	0.0	1
Team	Lisbon	713.0	570.0	25.0	4,753.0	5,020.0	73,500.0	490,000.0	57	58	-2.0	2
Latina	Lisbon	393.3	257.2	53.0	1,967.1	1,225.9	40,591.0	202,792.1	32	29	10.0	1
FCB Portugal	Lisbon	378.8	235.6	61.0	2,526.4	1.571.5	39,048.0	260,450.0	29	27	7.0	1
Unitros Portugal	Lisbon	349.2	192.6	82.0	1.940.0	1,325.8	36,000.0	200,000.0	21	18	17.0	1
J. Walter Thompson Publicidade	Lisbon	234.6	92.2	155.0	1,652.3	569.4	24,182.0	170,343.0	18	14	29.0	1
PUERTO RICO												**Exchange rate: 1.00 dollar**
Marti, Flores, Prieto, Comunicaciones	San Juan	6,780.7	6,239.7	9.0	45,227.0	41,181.9	6,780.7	45,227.0	122	116	5.0	5
Badillo/Compton	San Juan	4,500.0	3,700.0	22.0	30,000.0	25,000.0	4,500.0	30,000.0	93	83	12.0	1

FOREIGN AGENCY INCOME

Agency	City	Gross income ($000) 1983	1982	Per cent change	Billings ($000) 1983	1982	Gross income 1983	Billings 1983	Employes 1983	1982	Per cent change	offices
							FOREIGN CURRENCY					
Young & Rubicam Puerto Rico	San Juan	3,654.0	3,481.0	5.0	24,372.0	23,218.0	3,654.0	24,372.0	79	70	13.0	1
Publicidad Siboney	Santurce	1,900.2	1,800.0	6.0	12,668.2	12,000.0	1,900.2	12,668.2	N/A	N/A	N/A	N/A
BBDO Puerto Rico	San Juan	1,716.0	1,239.2	38.0	11,440.0	8,261.0	1,716.0	11,440.0	22	22	0.0	1
Leo Burnett	San Juan	1,624.0	1,418.0	15.0	10,832.0	9,454.0	1,624.0	10,832.0	39	32	22.0	1
McCann-Erickson (Puerto Rico)	San Juan	1,576.0	1,587.0	1.0	10,512.0	10,585.0	1,576.0	10,512.0	44	49	– 10.0	N/A
FCB/Espasas Advertising	San Juan	1,354.7	1,041.5	30.0	9,035.9	6,946.6	1,354.7	9,035.9	36	30	20.0	N/A
Alpha Communications Group	San Juan	460.0	320.0	44.0	2,300.0	1,600.0	460.0	2,300.0	12	7	71.0	1
SAUDI ARABIA												**Exchange rate: 0.2895 ryal**
Saudi Advertising	Jeddah	3,240.9	3,484.8	– 7.0	12,451.2	13,990.1	Ry11,194.1	Ry43,006.4	N/A	118	N/A	3
Madco Saudi Arabia	Al Khobar	301.0	232.0	30.0	1,300.0	1,000.0	1,039.7	4,490.5	N/A	N/A	N/A	1
SINGAPORE												**Exchange rate: 0.472 S dollar**
Batey Ads	Singapore	2,454.0	2,668.0	– 8.0	10,516.0	12,900.0	S$5,200.0	S$22,280.0	62	62	0.0	1
Ogilvy & Mather	Singapore	2,206.0	2,362.0	– 7.0	14,712.0	15,757.0	4,673.0	31,169.0	74	88	– 16.0	N/A
Young & Rubicam	Singapore	1,817.0	1,644.0	11.0	12,119.0	10,965.0	3,852.0	25,675.3	62	61	2.0	2
Leo Burnett Ltd.	Singapore	1,684.0	1,476.4	14.0	11,230.0	9,848.0	3,567.0	23,797.0	54	51	6.0	1
Grant Kenyon & Eckhardt	Singapore	1,587.8	1,557.6	2.0	11,800.0	10,997.0	3,364.0	25,000.0	76	76	0.0	1
McCann-Erickson (Singapore)	Singapore	1,517.5	923.2	64.0	10,118.0	6,156.0	3,215.0	21,444.0	52	42	24.0	N/A
Quantum:FCB Advertising	Singapore	1,397.5	513.6	172.0	9,321.0	3,425.8	2,960.7	19,747.9	42	33	27.0	3
Gartshore Kerr & Lim/BBDO	Singapore	1,150.9	679.0	69.0	6,661.0	4,157.8	2,438.3	14,112.2	54	33	64.0	1
SSC&B:Lintas S.E. Asia	Singapore	1,128.0	1,142.0	– 1.0	8,009.0	8,109.0	2,390.0	16,968.0	32	33	– 3.0	1
Needham Standard Advertising	Singapore	944.5	842.6	12.0	6,025.4	5,620.2	2,001.0	12,765.7	41	44	– 7.0	1
Ted Bates	Singapore	850.0	660.0	29.0	5,700.0	4,500.0	1,800.0	12,000.0	44	37	19.0	1
Adcom & Grey	Singapore	836.4	762.8	10.0	4,300.4	3,931.8	1,772.1	9,111.0	33	31	6.0	N/A
Saatchi & Saatchi Compton	Singapore	751.9	712.7	6.0	4,507.6	4,229.8	1,592.9	9,550.0	34	33	3.0	1
J. Walter Thompson	Singapore	733.7	626.0	17.0	4,893.9	4,095.9	1,554.5	10,368.3	34	34	0.0	1
Meridian Advertising	Singapore	634.9	393.8	61.0	4,235.0	2,626.5	1,345.2	8,972.6	22	23	– 4.0	1
Tom Tan Associates	Singapore	570.2	353.5	61.0	2,459.0	1,508.0	1,208.0	5,210.0	21	16	31.0	3
Adsell/D'Arcy MacManus Masius	Singapore	259.0	116.0	123.0	1,995.0	1,521.0	549.0	4,227.0	16	22	– 27.0	1
SOUTH AFRICA												**Exchange rate: 0.90799 rand**
BBDO South Africa	Johannesburg	17,376.2	12,981.5	34.0	115,841.4	86,543.3	R19,137.0	R127,580.0	N/A	N/A	N/A	12



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Notes to individual agency listings

(Continued from Page 58)

1984. Agency is 100% owned by Saatchi & Saatchi Group U.K.

Fletcher Shelton Delaney part of Ted Bates Worldwide.

Geers Gross Advertising Ltd. figures cover the two London offices of Geers Gross, but not the New York office.

KMP Partnership part of Saatchi & Saatchi Compton Worldwide.

LansdownEuro part of JWT Group.

Lowe Howard-Spink Campbell-Ewald merged September, 1983, with Interpublic Group of Cos., which holds 45% equity in the merged agency. For 1983, LHS had gross income of $4.6 million on billings of $36.9 million; Wasey Campbell-Ewald had gross income of $7 million on billings of $44.9 million.

Marsteller Ltd. billings figure for 1983 is an AA estimate.

Michael Bungey & Partners part of DFS Intl. As of March, 1984, the agency became part of Dorland/DFS Intl., a pan-European consortium based in London.

Moxon, Dolphin & Kerby part of Ted Bates Holdings Ltd.

Nicklin Advertising Ltd. gross income figures for both years are AA estimates.

Royds Advertising Group figures include Royds London and Manchester, and offices in Bristol, Birmingham, Wales, and South West, Woolward Royds, Stowe and Bowden, Extel Advertising and PR, Belfast Progressive Advertising and others.

Saatchi & Saatchi Group U.K. includes Downton Advertising, Halls Edinburgh, Saatchi Manchester, RPG Gloucester, O'Kennedy Brindley Dublin, Garrott Dorland, Crawford Holdings and Sales Promotion Agency.

Young & Rubicam Holdings does not report billings. Figures are AA estimates. Y&R Holdings reports consolidated gross income for Y&R, Wunderman, Ricotta & Kline, Sudler & Hennessey, Marsteller and Burson-Marsteller.

CANADA

Carder Gray Advertising formed in 1983.

Cossette Communication-Marketing branch offices in Montreal and Toronto.

Enterprise Advertising Associates part of J. Walter Thompson.

Foster Advertising figures include Foster's associated and affiliated companies.

Goodis-Wolf formed by merger of Wolf Advertising Ltd. and The Jerry Goodis Agency.

Grey Ronalds Smith Ltd. (Canada), owned by Grey Canada, began operations in July 1983. Figures are for six months.

Young & Rubicam does not report billings. Figures are AA estimates. Y&R Canada reports consolidated gross income for Y&R, Wunderman, Ricotta & Kline, Marsteller and Burson-Marsteller (the latter for 1982 only).

CHILE

Promoplan part of Ogilvy & Mather Intl.

Sertec Inter-Americana affiliated with Kenyon & Eckhardt Intl.

Young & Rubicam de Chile does not report billings. Figures are AA estimates.

CHINA

McCann-Erickson Jardine (China) figures expressed in Hong Kong dollars.

COLOMBIA

Centrum Publicitario associated with Ogilvy & Mather Intl.

Contacto Publicidad part of DFS Intl.

Epoca Publicidad affiliated with Kenyon & Eckhardt Intl. did not report.

Jaime Uribe gross income for 1983 and 1982 estimated by AA.

COSTA RICA

Publicidad Siboney associated with NCK Intl., which became part of Foote, Cone & Belding Intl. Jan. 1984.

DENMARK

a-reklame a/s gross income figures are estimated by AA.

Bergenholz & Arnesen I/S part of DFS Intl.

Egeberg & Vinding Advertising part of Kenyon & Eckhardt Intl.

Ipsen & Parmo billings are AA estimates.

NP/Grey office opened in July, 1983.

Young & Rubicam does not report billings. Figures are AA estimates. Y&R Denmark reports consolidated gross income for Y&R, Wunderman, Ricotta & Kline and Cato Johnson.

DOMINICAN REPUBLIC

Publicidad Siboney associated with NCK Intl, which became part of Foote, Cone & Belding Intl. Jan., 1984.

Young & Rubicam Damaris does not report billings. Figures are AA estimates.

ECUADOR

Publicidad Artefilme part of NCK Intl, which became part of Foote, Cone & Belding Intl. Jan., 1984.

Publicitas affiliated with Kenyon & Eckhardt Intl. did not report.

Veritas Publicitaria part of Ogilvy & Mather Intl.

FINLAND

Lahti-Mainos Oy gross income figures for 1983 are estimates.

Markkinointi Topitorma Oy is part of the Publicis Intermarco-Farner network.

Oy Mainos Taucher Reklam Ab 1983 gross income is estimated.

Tehomainos Oy gross income is estimated by AA.

FRANCE

Agence A part of Dailey International Group, which became part of the Interpublic Group of Cos.

Alice part of Belier Groupe/EUROCOM/Univas.

Ted Bates S.A. does not provide billings figures.

Belier Conseil, part of EUROCOM/Univas network. Belier Group consists of Belier Conseil, Alice, Taurus, INF.14, Business, Bombe, five specialized agencies and five provincial agencies and Promostyl. Belier Group also has 3% equity in Foote, Cone & Belding (after its acquisition of NCK in Jan. 1984).

Campagne part of EUROCOM/Havas Conseil.

Compar part of Saatchi & Saatchi Compton Worldwide.

CPV Paris affiliated with Kenyon & Eckhardt Intl.

D.10 part of EUROCOM/Havas Conseil.

Dupuy-Compton & Associes part of Saatchi & Saatchi Compton Worldwide.

Eldorado part of EUROCOM/Univas.

Euro-Advertising, Lyon, part of JWT Group.

(Continued on Page 77)

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SAUDI GAZETTE

SAUDI ARABIA'S NATIONAL DAILY

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (FOREIGN CURRENCY)	Billings 1983 (FOREIGN CURRENCY)	Employes 1983	Employes 1982	Per cent change	offices
Grey Holdings Ltd.	Johannesburg	15,259.8	14,647.3	4.0	92,483.6	88,771.7	16,806.1	101,855.3	311	383	– 19.0	9
Bates Wells South Africa	Johannesburg	12,224.3	11,250.0	9.0	62,025.7	48,898.0	13,463.0	68,311.0	352	316	11.0	11
Communications Corp. Ltd.	Cape Town	8,576.5	7,330.9	17.0	51,973.9	44,425.2	9,445.6	57,240.6	309	272	14.0	8
Lindsay Smithers-FCB Holdings	Sandton	8,189.2	7,055.1	6.0	54,622.0	47,057.0	9,019.0	60,157.0	270	270	0.0	7
VZ, Ogilvy & Mather Group	Sandton	7,170.4	4,805.1	49.0	44,831.1	30,577.3	7,897.0	49,374.0	193	165	17.0	1
Lintas Ltd.	Johannesburg	5,725.7	4,807.5	19.0	35,705.5	29,879.1	6,305.9	39,323.7	140	145	– 3.0	2
J. Walter Thompson Co.	Johannesburg	5,349.0	4,838.2	11.0	32,653.8	28,757.7	5,891.0	35,962.7	151	164	– 8.0	2
G. de Villiers & Co.	Johannesburg	4,861.0	3,779.0	29.0	28,833.0	23,418.0	5,353.0	31,755.0	148	134	10.0	3
McCann-Erickson (South Africa)	Johannesburg	4,342.0	4,728.0	– 8.0	28,961.0	31,536.0	4,782.0	31,896.0	71	137	– 48.0	N/A
KMP-Compton Ltd.	Johannesburg	4,251.5	3,677.8	16.0	26,268.1	22,814.1	4,682.3	28,929.9	142	149	– 5.0	4
D'Arcy MacManus Masius	Johannesburg	4,095.7	3,624.4	13.0	27,318.2	24,174.7	4,510.7	30,086.4	110	115	– 4.0	3
Barker, McCormac	Johannesburg	3,389.7	2,904.3	17.0	20,119.8	16,536.2	3,733.2	22,158.6	103	109	– 6.0	4
Campbell-Ewald Ltd.	Johannesburg	1,748.0	1,297.0	35.0	11,659.0	8,651.0	1,925.0	12,840.0	52	36	44.0	N/A
Key Advertising Ltd.	Johannesburg	856.7	1,003.3	– 15.0	4,760.9	5,990.0	943.5	5,243.3	24	31	– 22.0	1
P.N. Barrett Co.	Cape Town	753.2	602.2	25.0	4,786.8	3,835.1	892.5	5,183.8	26	31	– 16.0	N/A
SOUTH KOREA									**Exchange rate: 0.0013 won**			
Korea First Advertising	Seoul	10,472.1	7,864.0	33.0	64,427.9	43,064.6	W8.06 bill.	W49.56 bill.	261	205	27.0	N/A
Oricom Inc.	Seoul	9,164.1	7,599.1	21.0	52,030.8	36,140.7	7.05 bill.	40.02 bill.	286	223	28.0	2
Hee Sung Co.	Seoul	3,554.2	2,554.5	39.0	34,498.1	24,351.6	2.73 bill.	26.54 bill.	131	94	39.0	1
Union Advertising	Seoul	3,380.0	3,055.0	11.0	37,700.0	30.550.0	2.60 bill.	29.00 bill.	131	125	5.0	1
Nara Advertising	Seoul	795.0	795.9	– 0.1	8,167.0	6,667.0	611,500.0	6.45 bill.	40	32	25.0	1
SPAIN									**Exchange rate: 0.0073 peseta**			
J. Walter Thompson S.A.	Madrid	6,377.6	5,298.7	20.0	42,538.5	35,342.3	Ptas873,642.0	Ptas 5.83 bill.	128	124	3.0	2
McCann-Erickson S.A.	Madrid	4,802.0	3,542.0	36.0	32,029.0	23,625.0	657,750.0	4.39 bill.	97	90	8.0	2
Tiempo/BBDO S.A.	Barcelona	4,735.5	4,229.6	12.0	41,895.4	31,232.0	648,700.0	5.74 bill.	79	76	4.0	2
Lintas S.A.	Madrid	4,624.0	3,447.0	34.0	31,935.0	24,582.0	633,450.0	4.37 bill.	88	81	9.0	3
Cid S.A. Publicidad	Barcelona	4,119.7	3,852.9	7.0	28,353.2	32,348.4	564,345.0	3.88 bill.	110	109	0.1	5
Clarin Publicidad	Madrid	4,091.6	N/A	N/A	25,857.9	N/A	560,488.6	3.54 bill.	N/A	N/A	N/A	3
Delvico/DFS	Madrid	4,065.7	3,589.0	13.0	27,118.2	24,845.8	556,945.0	3.71 bill.	95	95	0.0	3
Unitros S.A.	Madrid/Barcelona	3,664.6	2,913.0	26.0	28,068.5	25,360.0	502,000.0	3.85 bill.	93	87	7.0	3
Tandem/DDB & Tandem/DDB Campmany-Guasch	Madrid	3,547.8	2,387.1	49.0	23,630.0	15,936.0	486,000.0	3.24 bill.	83	73	14.0	2

DPZ - BRAZIL'S MOST AWARD-WINNING AGENCY PRESENTS SOME OF ITS INTERNATIONAL TROPHIES:

Mead Johnson
GM
Castrol
Johnson & Johnson
wea
Heublein
CBS
BAT
Nestlé

DPZ-Duailibi, Petit, Zaragoza Propaganda S.A.
Av. Cidade Jardim, 280 - Tel. (011) 280-5433 - CEP 01454 - São Paulo - SP
Rua Visconde de Pirajá, 351 - 14.º andar - Tel. (021) 267-3082 - CEP 22410 - Rio de Janeiro - RJ
Rua Saldanha Marinho, 30 - Tel. (0512) 33-7881 - CEP 90000 - Porto Alegre - RS
Edifício Presidente - SCS - Quadra 6 - Bloco A, n.º 141 - Sala 106 - Tel. (061) 225-4016 - CEP 70300 - Brasília - DF

Notes to individual agency listings

(Continued from Page 75)

Feldman Calleux Associes figures include FCA Lyon, FCA Mediterranee, LK and Marketware. Employee figures exclude Gestion et Recherche Publicitaire and Utile personnel.

Fusion part of EUROCOM/Havas Conseil.

Futurs Groupe part of EUROCOM/Univas

INF.14 part of Belier Groupe/EUROCOM/Univas.

Novation part of EUROCOM/Havas Conseil.

Optima part of EUROCOM/Havas Conseil.

Public-Est part of EUROCOM/Havas Conseil.

Publicis Conseil includes figures for B.C.A., De Bonneville Orlandini, CLV, Edico, Mundoprint, Orexa, Oscar, Projectis, Siquier Courcelle, Success and Media System.

Roux Seguela Cayzac & Goudard also has offices in Belgium, Netherlands, Germany, Switzerland, Italy, Spain, U.K., the Caribbean, Lebanon and the Ivory Coast.

Stratege part of Belier Groupe/-EUROCOM/Univas.

Taurus part of Belier Groupe/EUROCOM/Univas.

Unicom part of EUROCOM/Havas Conseil.

Uniconseil part of EUROCOM/Havas Conseil.

Young & Rubicam France totals include Wunderman, Ricotta & Kline, Cato Johnson, Sudler & Hennessey, Marsteller, Burson-Marsteller, Horizons Media, SNIP 4 and SNIP 4 Nord, ALS Conseil, MCI Consultants, TONIC and PROGEP. Y&R does not report billings. Figures are AA estimates.

GERMANY

D'Arcy MacManus Masius branch office in Hamburg.

Die Werbe Euro-Advertising is part of JWT Group.

Doyle Dane Bernbach includes figures for DDB, Munich.

GGK Duesseldorf Werbeagentur includes figures for offices in Frankfurt and Hamburg.

Heye, Needham & Partners includes figures for Heye, Needham, Duesseldorf and part ownership of Dr. Kossdorff & Partner, Vienna.

Hildmann Simon Rempen & Schmitz/SMS is part of the Scali, McCabe, Sloves group, which itself is owned by Ogilvy & Mather.

Ogilvy & Mather Group includes figures for Heumann, Ogilvy & Mather; Ogilvy & Mather Direkt, Frankfurt and Hamburg, and Ogilvy & Mather Focus.

Team/BBDO Group includes figures for IMPARC, Eiler & Riemel, Team/BBDO, Hamburg and Team Direct.

von Mannstein Gruppe includes von Mannstein advertising, medical innovation and political communication. Offices also in Duesseldorf and Munich.

William Wilkens Werbeagentur in 1983 bought back the shares held by the EUROCOM/Univas network.

Wirz & Hafner Werbeberatung part of Wirz Holding, Zurich.

Young & Rubicam GmbH includes Cato Johnson, Y&R Munich and Sudler & Hennessey. Y&R does not report billings. Figures are AA estimates. Y&R GmbH reports consolidated gross income for Y&R, Wunderman, Ricotta & Kline, Cato Johnson, Sudler & Hennessey, Marsteller and Burson-Marsteller.

GREECE

Euro-Advertising part of JWT Group.

Lamda Alpha Advertising branch offices in Thessaloniki and Limassol (Cyprus).

GUATEMALA

APCU Thompson Asociados, Guatemala City, part of the JWT Group, and head office of the APCU Group which has offices in six countries of Central America.

Publicidad Siboney's Guatemala office also covers El Salvador and Honduras. Siboney is part of NCK Intl, which merged with Foote, Cone & Belding Intl. Jan. 1984.

Publimerca S.A. associated with N W Ayer Intl.

HONG KONG

Dailey & Associates (HK) Part of Interpublic Group of Cos. Gross income for 1983 and 1982 are AA estimates.

Meridian Advertising (HK) part of Ogilvy & Mather Intl.

Results (Hong Kong) part of Ogilvy & Mather Intl.

Synergie Communications, founded June, 1983, is part of Kenyon & Eckhardt Intl. Gross income is estimated by AA.

Young & Rubicam (HK) does not report billings. Figures given are AA estimates. Y&R (HK) reports consolidated gross income for Y&R (HK), Cato Johnson and Burson-Marsteller.

INDIA

Advertising & Sales Promotion Co. part of N W Ayer network.

INDONESIA

Meridian Advertising part of Ogilvy & Mather Intl.

P.T. Bates Kencana Indah was founded in 1983.

P.T. Perwanal Dimamika Mulya Mandiri part of D'Arcy MacManus Masius.

IRELAND

Brian Cronin & Associates gross income for 1983 and 1982 estimated by AA.

McConnells Advertising Service gross income for 1983 and 1982 estimated by AA.

ISRAEL

Ariely Advertising gross income for 1983 and 1982 AA estimates.

Aylon Advertising gross income for 1983 and 1982 AA estimates.

May-Tal Associated Advertising Services gross income for 1983 and 1982 AA estimates.

Ovnat, Karmon, Shifrin & Naaman gross income for 1983 and 1982 AA estimate.

Wimmer, Jacobsohn, Tamir Advertising gross income for 1983 and 1982 AA estimates.

ITALY

B Communications part of DFS Intl.

Consumer Benefit Communication CPC part of D'Arcy MacManus Masius Intl.

MAC S.p.A. figures are consolidation of Milan and Genoa offices.

P&T Pubblicita e Marketing part of Needham, Harper & Steers Intl.

Pubbli Dan Wirz part of Wirz Holding AG, Switzerland.

Young & Rubicam Italia does not report its billings. Figures are AA estimates. Y&R Italia reports gross in-

(Continued on Page 80)

How much does a peak-time spot cost on Danish TV? Nothing – there is no commercial TV in Denmark.

The Irish socio-economic scale: A, B, C, D, E, and F. (F? Farmers, of course.)

If you want to talk to Austrian women, should you advertise in Austria? No, they read German magazines.

Cigarette advertising on Spanish TV will Costa Packet.

Are you accustomed to the traditional British pastime of pre-empting? If not, it could cost you a TV spot.

Some advertisers adopt a cool approach to Italian no-cigarette laws, and build the fine into their budgets beforehand.

WOULD YOU SURVIVE ON YOUR OWN IN EUROPE?

How many commercial radio stations has Belgium got. Six? Sixteen? Sixty? Six hundred and fifty? (0S9)

The good news: no shortage of advertising space in Portuguese newspapers. The bad news: only 3% of the population read them.

How short is the supply of airtime in the Netherlands? (Hint: a heavy campaign could be as much as one spot a week.)

Be sure to allow for little extras in your Greek media budget. Taxes can add up to 60%.

Sprechen Sie Deutsch? Parlez-vous Français? Parli Italiano? Your voice-over will have to, for Swiss national TV.

The Germans have a great system for avoiding last minute panic. Everyone has to book TV airtime twelve months in advance.

What does French TV say to margarine, computers, books, and airlines? Non, non, non, non.

Did you know you can advertise on State television in Finland?

If some of these facts came as a surprise, you'd better get the Focus European Media and Marketing Guide. We went to D'Arcy-MacManus Masius's nineteen European offices to compile up-to-date information for the 92-page Guide. How far would you get without it?

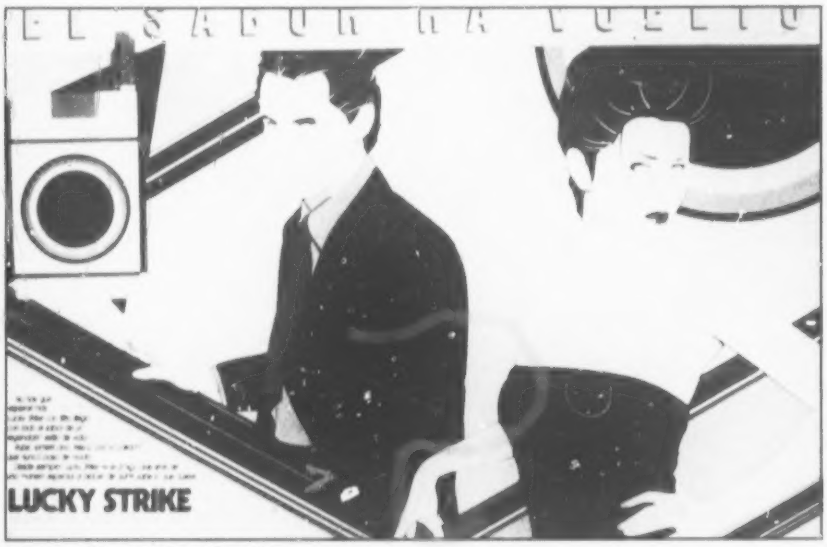
NAME________________

ADDRESS________________

________________POSTCODE________

To receive a copy of the Focus European Media and Marketing Guide please send £10 to Crain Communication Ltd, 20-22 Bedford Row, London WC1R 4EB (for Europe).

Outside Europe – US $15 to Heidi Schultz, Circulation Manager, Advertising Age's Focus, 740 Rush St., Chicago Il60611 USA.



Carvis Needham/Spain
Madrid, Spain

VACKRASTE HUDEN FÅR DEN LÄCKRASTE FÄRGEN.
HTH HUDENS EGET RECEPT.

Hanser, Larsson & Roestlund/BBDO
Stockholm, Sweden

Agency	City	Gross income ($000)		Per cent	Billings ($000)		Gross income	Billings	Employes		Per cent	offices
		1983	1982	change	1983	1982	1983	1983	1983	1982	change	
							FOREIGN CURRENCY					
Danis Benton & Bowles	Madrid	3,212.0	2,956.5	9.0	24,608.3	22,024.1	440,000.0	3.37 bill.	91	94	-3.0	3
Bassat, Ogilvy & Mather	Barcelona	3,146.2	2,079.1	51.0	20,985.1	13,879.2	430,986.0	2.87 bill.	82	58	41.0	2
NCK/Spain	Madrid	3,000.0	3,800.4	-21.0	20,000.0	25,331.0	410,958.0	2.74 bill.	N/A	N/A	N/A	N/A
Young & Rubicam Espana	Madrid	2,811.0	2,617.0	7.0	18,749.0	17,455.0	385,107.0	2.57 bill.	75	77	-3.0	2
Distribuidora Cid de Publicidad	Madrid	2,428.7	2,100.8	16.0	121,910.0	96,360.0	332,697.0	16.70 bill.	71	65	9.0	2
Leo Burnett S.A.	Madrid	2,284.0	1,742.0	31.0	15,233.0	11,620.0	312,842.0	2.09 bill.	53	52	2.0	1
Interalas D'Arcy MacManus Masius	Madrid	2,255.8	2,892.2	22.0	12,394.6	19,470.7	309,013.0	1.70 bill.	72	72	0.0	4
Los Tiroleses S.A.	Madrid	1,910.4	1,432.3	34.0	16,809.0	13,592.0	216,700.0	2.30 bill.	28	32	-13.0	1
FCB Madrid	Madrid	1,680.0	1,640.3	2.0	11,205.9	10,940.5	230,143.0	1.50 bill.	43	60	-28.0	2
GDD Ayer S.A.	Barcelona	1,646.3	1,485.7	11.0	10,981.0	9,912.2	225,523.3	1.50 bill.	30	30	0.0	2
BCK S.A.	Barcelona	1,510.0	1,340.0	13.0	10,100.0	9,000.0	206,848.9	1.38 bill.	22	21	5.0	N/A
Saatchi & Saatchi Compton S.A.	Madrid	1,346.9	789.6	98.0	8,979.0	5,264.3	184,500.0	1.20 bill.	38	21	81.0	2
Ted Bates Espana S.A.	Madrid	1,342.5	1,027.1	31.0	9,170.0	6,600.0	183,900.0	1.26 bill.	45	42	7.0	1
TAPSA	Madrid	1,306.8	872.4	50.0	8,745.4	5,905.7	179,010.0	1.20 bill.	34	27	29.0	1
TBWA Spain	Madrid	1,073.0	843.0	27.0	7,154.0	5,625.0	147,000.0	980,000.0	27	30	-10.0	1
Grey Espana	Madrid	1,011.1	652.6	55.0	6,745.2	4,350.8	138,500.0	924,000.0	22	20	10.0	1
Carvis Needham (Spain)	Madrid	878.3	794.0	11.0	6,266.0	5,882.0	120,312.0	858.351.0	31	25	24.0	2
Intermarco/MMLB Internacional S.A.	Madrid	796.0	534.0	49.0	5,110.0	3,781.0	109,000.0	700,000.0	21	14	50.0	2
Ogilvy & Mather Direct S.A.	Barcelona	479.6	324.6	48.0	3,199.2	2,164.9	65,703.9	438,244.8	11	9	22.0	2
GGK Madrid	Madrid	149.7	N/A	N/A	998.0	N/A	20,500.0	136,700.0	6	N/A	N/A	1
SRI LANKA												**Exchange rate: 0.045 rupee**
HTA Thompson Lanka Ltd.	Colombo	202.5	155.3	30.0	1,350.1	1,035.1	SLr4,500.0	SLr30,001.5	38	33	15.0	1
SWEDEN												**Exchange rate: 0.1322 kroner**
AB Ervaco	Stockholm	7,891.0	5,434.7	45.0	52,633.0	36,249.2	SKr59,689.9	SKr398,131.8	140	160	-13.0	N/A
Ted Bates AB	Stockholm	6,399.0	5,559.0	15.0	19,740.0	18,542.0	48,406.0	149,321.0	146	137	7.0	3
Grey Svenska	Stockholm	5,399.7	4,391.3	23.0	38,084.7	31,202.5	40,845.0	288,083.4	120	110	9.0	7
Annonsbyran Svea	Stockholm	5,141.4	4,770.0	8.0	50,917.5	44,462.8	38,891.0	385,155.0	160	161	-0.6	1
Young & Rubicam AB	Stockholm	3,877.0	2,943.0	32.0	25,860.0	19,630.0	29,310.0	195,600.0	82	71	16.0	4
Hanser, Larsson & Roestlund/BBDO	Stockholm	2,907.9	2,265.2	28.0	22,293.7	17,366.9	21,996.0	168,636.0	46	45	2.0	1
Ogilvy & Mather Group	Stockholm	2,896.0	2,325.0	25.0	18,906.0	16,346.0	21,901.0	143,010.0	70	68	3.0	6
Hans Brindfors Annonsbyro	Stockholm	2,682.0	2,104.4	28.0	17,726.0	9,467.1	20,286.0	134,084.0	45	34	32.0	1
Intermarco-Farner AB	Stockholm	2,618.0	2,163.0	21.0	25,400.0	14,429.0	19,806.0	192,106.0	53	48	10.0	3
Inter-Media Sweden	Vasteras	2,328.0	N/A	N/A	75,109.0	N/A	17,609.0	568,124.5	N/A	N/A	N/A	1
Annonsbyran Landia AB	Stockholm	2,102.0	1,470.0	43.0	16,331.0	11,671.0	15,901.0	123,542.0	44	45	-2.0	2
AB Lintas Annonsbyra	Stockholm	1,892.0	2,239.0	-16.0	14,782.0	18,294.0	14,395.0	111,852.0	47	49	-4.0	2
Hall & Cederquist Annonsbyra	Stockholm	1,811.1	1,394.7	30.0	7,363.5	5,924.6	13,700.0	55,700.0	29	28	4.0	2
Blomquistbyraerna AB	Stockholm	1,586.0	1,586.0	N/A	12,325.0	11,664.0	12,000.0	93,227.0	43	47	-9.0	1
D'Arcy MacManus Masius	Stockholm	1,520.0	1,360.0	12.0	15,365.0	13,255.0	11,495.0	116,223.0	40	40	0.0	1
McCann-Erickson AB	Stockholm	1,431.0	1,235.0	16.0	9,545.0	8,237.0	10,821.0	72,176.0	43	39	10.0	N/A
Falk & Pihl/Doyle Dane Bernbach	Stockholm	1,352.0	1,293.0	5.0	9,018.0	8,626.0	10,228.0	68,220.0	19	20	-5.0	1
J. Walter Thompson Co. AB	Stockholm	1,254.0	1,154.0	9.0	8,774.0	7,184.0	9,486.0	66,373.0	24	24	0.0	1
Perceptum Information AB	Stockholm	1,251.0	592.4	81.0	11,173.1	3,911.9	9,463.0	84,516.4	22	20	10.0	2
NCK/Sweden	Stockholm	1,050.0	1,468.0	-28.0	7,000.0	9,786.5	7,942.2	52,948.0	N/A	N/A	N/A	N/A
AB Toernbloms Annonsbyra	Stockholm	991.5	1,189.8	-17.0	7,604.8	9,125.8	7,500.0	57,525.0	22	36	-39.0	1
Nedeby Ayer AB	Stockholm	846.1	674.2	26.0	7,008.8	5,459.1	6,400.0	53,017.0	21	15	40.0	1
FCB Communications	Stockholm	801.0	900.0	-11.0	5,345.0	6,000.0	6,062.0	40,434.0	19	16	19.0	1
Marsteller Scandinavia	Stockholm	498.0	325.0	53.0	3,322.0	2,168.0	3,767.0	25,129.0	12	11	9.0	N/A
DFS Pihlstroem	Stockholm	375.8	577.0	-35.0	2,010.8	4,157.0	2,843.0	15,210.0	7	11	-36.0	1
AB Olof Isacsons Annonsbyra	Gothenburg	311.1	329.5	-6.0	2,073.8	2,196.8	2,353.2	15,687.0	16	20	-20.0	1
SWITZERLAND												**Exchange rate: 0.4796 franc**
Young & Rubicam	Berne	5,138.0	7,054.0	-27.0	34,270.0	47,050.0	SF10,738.0	SF71,455.4	87	72	21.0	5

Agency	City	Gross income ($000)		Per cent	Billings ($000)		Gross income	Billings	Employes		Per cent	
		1983	1982	change	1983	1982	1983	1983	1983	1982	change	offices
							FOREIGN CURRENCY					
Adolf Wirz Inc.	Zurich	4,540.0	4,772.0	– 5.0	30,290.0	31,836.0	9,470.0	63,150.0	61	61	0.0	4
Advico AG	Zurich	4,388.3	3,961.5	11.0	29,270.0	26,426.0	9,150.0	61,030.0	63	63	0.0	1
GGK Basel Werbeagentur	Basel/Zurich	4,173.0	4,101.0	2.0	27,817.0	27,337.0	8,700.0	58,000.0	61	62	– 2.0	2
Dr. Rudolf Farner Werbeagentur	Zurich	4,033.0	3,899.0	3.0	26,906.0	25,944.0	8,410.0	56,100.0	68	68	0.0	1
Gisler & Gisler/BBDO	Zurich	3,838.2	4,061.3	– 5.0	25,601.0	27,088.8	8,003.0	53,380.0	69	77	– 10.0	2
Doyle Dane Bernbach AG	Zurich	3,453.0	3,345.0	3.0	23,032.0	22,313.0	7,200.0	48,024.0	48	54	11.0	1
McCann-Erickson S.A.	Geneva/Zurich	3,441.0	2,930.0	17.0	22,951.0	19,543.0	7,174.0	47,851.0	60	54	11.0	N/A
Marsteller Intl.	Geneva	2,933.0	2,457.0	19.0	19,600.0	16,400.0	6,117.0	40,798.0	45	0	13.0	1
C.S.W.H. Univas	Zurich/Bienne	2,411.0	2,273.0	6.0	16,083.0	15,155.0	5,027.0	33,540.0	57	50	14.0	3
SSC&B:Lintas/Lintas:Zurich	Zurich	2,404.5	2,526.3	– 5.0	16,037.8	16,850.6	5,013.5	33,440.0	41	42	– 2.0	1
Seiler Zurich Werbeagentur	Zollikerberg	2,226.8	2,071.9	7.0	14,852.7	13,812.5	4,643.0	30,969.0	N/A	35	N/A	1
Zutter Sommer Marketing	Basel	2,163.0	2,022.0	7.0	14,404.8	13,484.0	4,510.0	30,035.0	24	25	– 4.0	1
Dieter Jaeggi AG	Bern/Zurich	2,038.3	1,841.7	11.0	13,572.7	12,277.8	4,250.0	28,300.0	N/A	36	– N/A	N/A
Schellenberg, Ogilvy & Mather	Zurich	2,005.0	1,998.0	– 0.4	13,369.0	13,327.0	4,181.0	27,875.0	30	31	– 3.0	1
Kloeti Advertising	Zurich	1,998.5	1,703.0	17.0	15,331.4	11,109.5	4,167.0	31,967.0	31	27	15.0	1
J. Walter Thompson AG	Zurich	1,965.0	1,804.0	9.0	13,108.0	12,028.0	4,098.0	27,333.0	29	29	0.0	1
Barlogis und Jaeggi	Zurich	1,697.8	1,654.6	3.0	13,332.9	12,613.5	3,540.0	27,800.0	N/A	17	– N/A	1
Unicom	Geneva	1,678.6	1,654.6	2.0	11,175.0	11,078.8	3,500.0	23,300.0	39	41	– 5.0	2
Marsden, Hartman/NCK	Zurich	1,650.0	2,109.2	– 22.0	11,000.0	14,061.4	3,440.3	22,935.0	N/A	N/A	N/A	N/A
TBWA Switzerland	Zurich	1,523.0	1,648.0	– 8.0	10,158.0	10,995.0	3,175.0	21,180.0	23	28	– 18.0	1
BEP S.A.	Lausanne	1,446.0	1,501.0	– 4.0	9,645.0	10,055.0	3,015.0	20,110.0	24	23	4.0	1
D'Arcy MacManus Masius	Zurich	1,388.4	1,273.0	9.0	9.256.3	8,448.9	2,895.0	19,300.0	20	20	0.0	1
Kenyon & Eckhardt S.A.	Geneva	1,000.0	720.0	39.0	6,750.0	4,800.0	2,100.0	14,100.0	11	10	1.0	N/A
Creative Collaboration-Grey	Geneva	900.2	857.1	5.0	6,004.4	5,716.6	1,877.0	12,519.6	12	16	– 25.0	1.0
Quadri & Partner AG	Zurich	571.7	N/A	N/A	3,812.8	N/A	1,192.0	7,950.0	10	8	25.0	1
Agence Pubaco	Bienne	480.0	383.0	25.0	2,638.0	2,446.0	1,000.0	5,500.0	13	13	0.0	1
Fedier's Werbeagentur	Zurich	359.7	335.7	7.0	1,810.5	1,649.3	750.0	3,775.0	6	6	0.0	1
Leo Burnett Co.	Geneva	280.0	N/A	N/A	1,868.0	N/A	584.0	3,895.0	5	N/A	N/A	1
Rogivue Consulting	Zurich	90.0	58.6	54.0	600.0	378.0	187.4	1,250.0	2	2	0.0	1
TAIWAN												**Exchange rate: 0.025 T dollar**
United Advertising	Taipei	2,238.0	2,051.3	9.0	14,920.0	13,675.0	NT$91,380.0	NT$597,000.0	155	140	11.0	1
Eastern Advertising	Taipei	1,033.6	920.3	12.0	6,800.0	6,015.0	41,344.0	272,000.0	83	80	4.0	2
United Communications	Taipei	875.0	685.0	28.0	5,897.0	4,308.2	35,000.0	235,880.0	38	33	15.0	1
Cambridge Advertising	Taipei	856.3	743.8	15.0	4,575.5	3,891.7	34,253.8	183,018.8	42	34	24.0	N/A
Needham Standard Intl. (Taiwan)	Taipei	45.0	N/A	N/A	300.0	N/A	1,799.0	12,000.0	6	N/A	N/A	1
THAILAND												**Exchange rate: 0.0435 baht**
SSC&B:Lintas Thailand	Bangkok	3,558.0	2,875.0	24.0	24,230.0	20,114.0	Bht81,791.0	Bht557,005.0	138	126	10.0	3
Ogilvy & Mather (Thailand)	Bangkok	2,395.0	1,854.7	29.0	14,890.5	11,380.9	55,057.1	342,311.1	120	113	4.0	1
Ted Bates	Bangkok	1,600.0	1,400.0	14.0	10,800.0	9,600.0	37,000.0	250,000.0	103	98	5.0	1
McCann-Erickson (Thailand)	Bangkok	1,491.0	1,306.0	14.0	9,945.0	8,711.0	34,273.0	228,601.0	80	79	1.0	N/A
Leo Burnett Ltd.	Bangkok	1,388.0	1,189.0	17.0	9,256.0	7,933.0	31,900.0	212,773.0	N/A	N/A	N/A	1
Chuo Senko (Thailand)	Bangkok	1,100.0	1,048.0	5.0	7,700.0	7,168.0	25,300.0	177,485.0	43	39	10.0	1
Far East Advertising	Bangkok	928.0	710.0	31.0	8,557.0	6,100.0	21,350.0	196,700.0	133	113	18.0	1
Kenyon & Eckhardt	Bangkok	696.0	566.0	23.0	4,029.0	3,416.0	16,000.0	92,614.0	52	48	8.0	1
Prakit & Associates	Bangkok	653.0	566.0	15.0	5,220.0	4,350.0	15,000.0	120,000.0	65	56	16.0	1
Amex & Grey Advertising	Bangkok	570.0	439.7	30.0	3,801.9	2,932.7	13,118.0	87,497.0	52	48	8.0	1
Meridian Advertising	Bangkok	499.1	416.1	20.0	3,169.7	2,698.5	11,473.3	72,867.7	23	21	10.0	1
Thai Image Advertising	Bangkok	383.0	282.0	36.0	2,859.0	2,384.0	8,807.0	65,755.0	43	40	8.0	1
Redford International	Bangkok	281.8	223.4	26.0	1,409.1	1,115.5	6,478.8	32,394.2	27	25	8.0	1
Paterson & Partners Thailand	Bangkok	269.0	425.0	– 37.0	1,867.0	2,835.0	6,191.0	42,918.0	33	N/A	N/A	1
Mayford Ltd.	Bangkok	159.9	170.7	– 6.0	1,057.7	1,059.4	3,674.8	24,315.9	26	26	0.0	1
J. Walter Thompson Co.	Bangkok	129.5	N/A	N/A	437.8	N/A	2,976.5	10,063.3	18	N/A	N/A	1
TRINIDAD												**Exchange rate: 0.414 T dollar**
McCann-Erickson (Trinidad)	Port of Spain	2,343.0	1,723.0	36.0	15,628.0	11,492.0	T$5,658.0	T$37,739.0	75	71	6.0	N/A
NCK/Trinidad	Port of Spain	700.0	900.0	– 22.0	4,680.0	6,000.0	1,691.0	11,304.0	N/A	N/A	N/A	1
Kenyon & Eckhardt Caribbean Advertising	Port of Spain	568.6	488.9	16.0	3,792.7	3,288.9	1,373.5	9,161.1	29	27	7.0	1
Beston/Benton & Bowles	Port of Spain	370.1	336.5	10.0	1,593.9	1,449.0	894.0	3,850.0	15	15	0.0	1
Corbin Compton Ltd.	Port of Spain	309.6	283.3	9.0	2,225.1	1,836.8	747.8	5,374.7	19	18	6.0	5
TURKEY												**Exchange rate: 0.00483 lira**
Pars/McCann	Istanbul	1,180.9	749.4	58.0	7,157.1	4,942.1	TL244,500.0	TL1.48 bill.	54	49	10.0	N/A
Reklam Moran	Istanbul	915.0	685.0	34.0	6,692.0	4,820.3	189,500.0	1.39 bill.	49	49	0.0	1
Rota Advertising	Istanbul	716.2	642.4	12.0	5,794.2	4,549.3	148,272.0	1.12 bill.	38	29	31.0	3
Fulmar Reklam Sanayii	Istanbul	217.4	154.3	41.0	1,449.0	1,028.8	45,000.0	300,000.0	20	20	0.0	1
URUGUAY												**Exchange rate: 0.0362 peso**
Impetu Organizacion Publicitaria	Montevideo	687.8	N/A	N/A	4,587.9	N/A	Ps19,001.2	Ps126,738.3	37	N/A	N/A	1
Corporacion Publicitaria	Montevideo	633.5	452.5	40.0	2,787.4	1,391.0	17,500.0	77,000.0	30	27	11.0	1
Grey, Casares, Vernazza & Asociados	Montevideo	356.1	221.8	61.0	2,375.1	1,479.4	9,836.6	65,610.1	18	19	– 5.0	1
Publicidad Oriental	Montevideo	345.3	338.5	2.0	1,518.6	1,496.9	9,540.0	41,950.0	20	22	– 9.0	N/A
McCann-Erickson (Uruguay)	Montevideo	272.0	207.0	31.0	1,814.0	1,381.0	7,516.0	50,132.0	14	13	8.0	N/A
J. Walter Thompson Uruguaya	Montevideo	131.0	138.3	– 5.0	872.3	920.9	3,620.0	24,096.0	12	12	0.0	1
VENEZUELA												**Exchange rate: 0.1403 bolivar**
J. Walter Thompson de Venezuela	Caracas	6,753.7	5,774.4	17.0	47,766.8	42,728.0	Bs48,137.8	Bs340,462.0	111	116	– 4.0	1

Agency	City	Gross income ($000) 1983	Gross income ($000) 1982	Per cent change	Billings ($000) 1983	Billings ($000) 1982	Gross income 1983 (FOREIGN CURRENCY)	Billings 1983 (FOREIGN CURRENCY)	Employes 1983	Employes 1982	Per cent change	offices
Corporacion Publicitaria Nacional CORPA	Caracas	6,387.6	5,331.5	20.0	42,605.1	34,806.1	45,527.9	303,674.4	142	134	6.0	5
Leo Burnett Venezuela	Caracas	2,178.0	2,605.0	-16.0	14,529.0	17,378.0	15,526.0	103,558.0	60	74	-19.0	1
Publicidad Siboney	Caracas	1,526.1	1,946.8	-22.0	10,174.0	12,978.6	10,878.0	72,516.2	N/A	N/A	N/A	1
JMC Creatividad Orientada	Caracas	1,411.5	1,239.8	14.0	9,410.0	8,277.1	10,060.6	67,070.7	36	36	0.0	2
Grey Advertising de Venezuela	Caracas	923.2	1,413.6	-35.0	6,157.6	9,429.0	6,580.0	43,888.6	38	54	-30.0	1
Blanco Uribe/FCB Publicidade	Caracas	862.7	803.4	7.0	5,754.2	5,358.8	6,149.0	41,013.8	32	32	0.0	1
AW/Compton	Caracas	785.7	589.3	33.0	4,707.0	3,569.3	5,600.0	33,550.0	22	19	16.0	1
YUGOSLAVIA											**Exchange rate: 0.011 dinar**	
Ozeha Marketing & Advertising	Zagreb	983.8	732.2	34.0	4,260.1	3,394.0	D89,370.0	D387,000.0	129	131	-2	6
ZAMBIA											**Exchange rate: 0.825 kwacha**	
McCann-Erickson (Zambia)	Lusaka	433.0	390.0	11.0	2,888.0	2,601.0	Zk525.0	Zk3,502.0	17	16	6.0	N/A
Fleetfoot Advertising	Lusaka	312.4	320.8	-3.0	953.5	1,038.3	378.7	1,155.7	23	26	-12.0	1
ZIMBABWE											**Exchange rate: 0.980 Z dollar**	
Michael Hogg D'Arcy MacManus Masius	Harare	1,076.0	850.6	27.0	6,708.0	5,337.1	Z$1,098.0	Z$6,845.0	64	59	9.0	1
SSC&B:Lintas (Zimbabwe)	Harare	787.3	726.3	8.0	3,092.8	3,149.4	803.3	3,155.9	36	42	-14.0	1

Notes to individual agency listings

(Continued from Page 77)

come for Y&R, Cato Johnson and Burson-Marsteller.

JAMAICA

CGR Communications gross income estimated by AA.

JAPAN

Asia Advertising Agency 1983 gross income and billings figures projected for fiscal year ending April, 1983.

Asatsu BBDO Intl. purchased earlier this year a 10% equity in Asatsu and the Japanese agency acquired a 2% share of BBDO Intl.

Dai-Ichi Kikaku figures are a consolidation of its percentage ownership in 18 agencies.

Dentsu-Young & Rubicam KK does not report billings. Figures are AA estimates. Totals include consolidated gross income figures for Sudler & Hennessey.

FCB (Japan) office opened late in 1983.

Meitsu Advertising part of Kenyon & Eckhardt Intl.

Standard Advertising affiliated with Needham, Harper & Steers Intl.

Tokyo Senko-Dailey/Tokyo Senko Intl. part of Interpublic Group of Cos.

Tokyu Agency International came to a joint venture agreement with Ogilvy & Mather Intl. Sept., 1983 in which O&M holds 49% equity.

LEBANON

Enterprise Middle East was founded as part of the JWT Group in 1983. Its "local currency" is U.S. dollars.

FCB Middle East local currency figures are AA estimates. The agency is headquartered in Athens but does business in the Middle East.

Intermarkets S.A.L. local currency is not given because returns from eight Middle East offices—Bahrain, Kuwait, Dubai, Egypt, Jordan, Syria, Qatar and Oman—and London are dollar-consolidated at the corporate level.

Madco Lebanon established in 1972, was considered head office of the Madco Group. At present, the Beirut office only deals with local activities and temporary headquarters have been set up in Dubai.

MALAYSIA

Flagbearer Meridian Advertising part of Ogilvy & Mather Intl.

Ronald Quay is affiliated with N W Ayer Intl.

Wings Creative part of BBDO Intl.

Young & Rubicam Dentsu does not report billings. Figures are AA estimates. Y&R holds 50% equity.

Grant Advertising affiliated with Kenyon & Eckhardt Intl., did not report.

MEXICO

Iconic part of DFS Intl.

Maqueda Gibert/NCK Mexico now part of Foote, Cone & Belding Intl.

Noble y Asociados part of Benton & Bowles Intl

Garcia Putto y Asociados no gross income and billings figures available for 1982. Gross income for 1983 is AA estimate.

Young & Rubicam does not report billings. Figures are AA estimates. Y&R in Mexico reports consolidated gross income for Y&R and Cato Johnson.

NETHERLANDS

ARA Advertising & Marketing part of BBDO Intl.

Ogilvy & Mather (Nederland) figures include O&M Direct, O&M Rotterdam and GDR/O&M.

Paradies Advertising part of BBDO Intl.

PPGH/Moussault part of BBDO Intl.

Prins Meijer, Stamenkovits & van Walbeek, part of Y&R Inc., which holds 40% equity. Y&R does not report billings. Figures are AA estimates.

Prad B.V. part of the Alliance International Group.

RJA (Recla Janssens Advertising) part of Euro Advertising, which is part of JWT Group.

Saatchi & Saatchi Compton name changed from VDB/Compton.

Young & Rubicam-Koster Holdings does not report billings. Figures are AA estimates. Included in gross income are consolidated figures for Wunderman, Ricotta & Kline, Cato Johnson and Burson-Marsteller.

NORWAY

Bates Gruppen A/S figures include BAB Bates, Bates-Sor, Ekko-Bates, Ottesen-Bates, A.G. Heltberg, Bates-Vestfold and AB Bates.

J.T.K A/S part of N W Ayer Intl.

Scaneco-Young & Rubicam is 50% owned by Y&R.

Young & Rubicam A/S does not report billings. Figures are AA estimates.

NEW ZEALAND

Atelier Advertising part of BBDO Intl., began operations in the summer of 1983.

Colenso Communications part of BBDO Intl.

J. Inglis Wright associated with Needham, Harper & Steers Intl.

MDA Mackay King Advertising part of Kenyon & Eckhardt Intl.

Rialto Advertising part of BBDO Intl.

Wood & Mitchell part of J. Inglis Wright, which is associated with Needham, Harper & Steers Intl.

PAKISTAN

D.J. Keymer & Co. gross income is an AA estimate.

Prestige Advertising billings are an AA estimate.

PANAMA

Boyd, Barcenas (BB&M) affiliated with Kenyon & Eckhardt.

Campagnani, Aleman Publicidad part of Leo Burnett Co.

Publicidad Velmor associated with NCK Intl., which became part of Foote, Cone & Belding in Jan., 1984.

PARAGUAY

Publicitaria Nasta affiliated with Kenyon & Eckhardt Intl. did not report.

PERU

Publicidad Lowder & Comunicando affiliated with Kenyon & Eckhardt Intl. did not report.

Publicistas Asociados part of BBDO Intl. Agency's gross income estimated by AA.

PHILIPPINES

Minds/K&E did not report.

Philprom Inc. gross [illegible] estimated by AA.

PORTUGAL

Sistema, with two offices, is part of the Saatchi & Saatchi Compton Worldwide group.

Team gross income figures for 1983 and 1982 are AA estimates.

PUERTO RICO

BBDO Puerto Rico gross income estimated by AA.

CPV Advertising part of Kenyon & Eckhardt Intl. did not report.

J.R. Marquina & Associates part of DFS Intl.

Marti, Flores, Prieto, Comunicaciones part of JWT Group.

Publicidad Siboney associated with NCK Intl., which became part of Foote, Cone & Belding in Jan., 1984.

Young & Rubicam Puerto Rico does not report billings. Figures are AA estimates. Y&R in Puerto Rico consolidates figures for Y&R and Burson-Marsteller.

SINGAPORE

Batey Ads part of BBDO Intl.

Quantum: FCB Advertising is a product of a merger in September, 1983. It has other units in Malaysia and Indonesia.

Young & Rubicam Pte. Ltd. does not report billings. Figures are AA estimates. Y&R in Singapore consolidates gross income for Y&R and Burson-Marsteller.

SOUTH AFRICA

Bates Wells & Associates Holdings include figures for Bates Wells Pty. Ltd., Bates Wells (Cape), Bates Wells Retail, Bates Wells AC&R, Bates Hickman & Associates, Medical Advertising, Cerca, Adgraphics, Adgraphics (Cape), Concept Communications, Concept Natal.

Communications Corp. (Pty.) Ltd. affiliated with Young & Rubicam.

G. de Villiers & Co. affiliated with Univas.

Grey Holdings Ltd. includes figures for Grey Action, Grey Advertising & Marketing, Grey Impact, Grey Mann, Grey Mills Kaye-Eddie, Grey Sandton, Grey Industrial and Grey Geddef.

Key Advertising (Pty.) Ltd. part of DFS Intl.

SOUTH KOREA

Nara Advertising associated with JWT Group.

SPAIN

Bassat, Ogilvy & Mather figures include Prieto, Bassat, Ogilvy & Mather in Madrid, but not Ogilvy & Mather Direct.

B.C.K. Barcelona is part of the Alliance International Group.

Distribuidora CID de Publicidad is a media buying shop, with another office in Barcelona.

GGK Madrid began operation in 1983.

Saatchi & Saatchi Compton name changed from Compton S.A.

TAPSA part of DFS Intl.

Young & Rubicam Espana does not report billings. Figures are AA estimates. Y&R Espana reports consolidated gross income for Y&R, Cato Johnson and Burson-Marsteller.

SRI LANKA

Grant Kenyon & Eckhardt (Lanka) and **Minds (Lanka)**, both part of Kenyon & Eckhardt Intl., did not report.

SWEDEN

Inter-Media Group, Vasteras headquarters; a media buying organization with offices in Norway and Denmark.

AB Olof Isacsons Annonsbyra gross income is estimated by AA.

Thor & Co. affiliated with Kenyon & Eckhardt Intl. did not report.

AB Tornbloms Annonsbyra part of Saatchi & Saatchi Compton Worldwide.

Perceptum Information AB affiliated with Needham, Harper & Steers Intl.

Young & Rubicam AB does not report billings. Figures are AA estimates. Y&R AB consolidates gross income for Y&R, Cato Johnson, Wunderman, Ricotta & Kline, Marsteller and Burson-Marsteller.

SWITZERLAND

BEP S.A. part of the Publicis Intermarco-Farner network.

Dr. Rudolf Farner Werbeagentur part of the Publicis Intermarco-Farner network.

GGK Basel includes figures for the agency's Zurich office.

Kloeti Werbeagentur affiliated with Saatchi & Saatchi Compton Worldwide.

Quadri & Partner AG, associated with Needham, Harper & Steers Intl.

Unicom part of EUROCOM/Univas. Edelta, Geneva, merged with Unicom in Jan., 1983.

Adolf Wirz Inc. offices in Vienna, Milan and Frankfurt.

Young & Rubicam AG does not report billings. Figures are AA estimates. Y&R AG gives consolidated gross income figures including Marsteller and Burson-Marsteller. The agency has offices in Berne, Zurich and Geneva.

TAIWAN

Needham Standard International opened in 1983.

United Advertising gross income for 1983 and 1982 are AA estimates.

THAILAND

Kenyon & Eckhardt Ltd. gross income for 1983 and 1982 are AA estimates.

Meridian Advertising part of Ogilvy & Mather Intl.

Paterson & Partners Thailand is affiliated with D'Arcy MacManus Masius.

Redford International part of Saatchi & Saatchi Compton Worldwide.

J. Walter Thompson Co. Ltd. opened Jan., 1983.

URUGUAY

Impetu Organizacion Publicitaria became the agency's new name January, 1983, as a result of a merger between Impetu Publicidad and Ferrero & Ricagni Publicitaria.

VENEZUELA

Corporacion Publicitaria Nacional (Corpa) part of Ogilvy & Mather Intl.

Publicidad Siboney associated with NCK Intl., which became part of Foote, Cone & Belding Jan., 1984.

JMC Creatividad Orientada part of Dancer Fitzgerald Sample.

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*April*

Art & antiques

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Artist	69.9	51.0	252.8	203.9
Antiques	153.4	128.2	609.4	552.5
Antique Monthly	37.0	34.6	133.0	122.6
Art in America (11X)	162.0	141.0	532.4	422.3
Plate World 6X	—	—	134.0	160.0
Southwest Art	72.8	75.2	302.7	342.8
Total Group	**500.1**	**430.0**	**1,964.3**	**1,804.1**
% change		**+16.3%**		**+8.8%**

Auto/cycle/rec. vehicles

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
AutoWeek	149.0	114.3	453.5	463.2
Car & Driver	107.9	111.2	320.0	304.2
Car Collector & Car Classics	22.6	25.6	84.5	86.2
Car Craft	88.2	82.2	233.8	274.7
Cycle	74.7	106.9	218.0	303.4
Cycle Guide	71.0	65.2	184.4	199.8
Cycle World	88.3	80.3	239.3	247.3
Dune Buggies & Hot VWs	75.6	61.8	305.6	235.9
Family Motor Coaching	137.5	106.1	587.4	452.3
4 Wheel & Offroad	84.6	67.4	247.3	224.6
Four Wheeler	74.7	40.6	254.3	145.0
Hot Rod	72.4	73.6	192.0	216.7
Motorcyclist	59.0	55.1	157.0	183.5
Motor Trend	64.8	61.4	209.0	212.2
Motorhome	97.2	73.3	345.8	263.7
Pickup, Van & 4 WD	33.1	33.5	103.5	117.5
Road & Track	106.1	109.9	358.3	348.4
3 Wheeling	33.6	28.8	108.9	97.6
Trailer Life	142.0	112.8	494.4	398.5
Total Group	**1,582.3**	**1,410.0**	**5,097.0**	**4,774.7**
% change		**+12.2%**		**+6.7%**

Boating & yachting

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Boating	167.1	132.5	642.8	498.9
Chesapeake Bay	32.3	31.3	114.7	108.5
Cruising World	153.3	157.1	563.3	538.3
Lakeland Boating	69.3	54.6	233.6	200.0
Motor Boating & Sailing	174.6	154.2	732.3	633.2
Sail	158.4	127.3	596.5	479.2
Sea & Pacific Skipper	67.8	80.0	242.8	303.6
Small Boat Journal (6X)	55.8	41.1	98.4	82.7
Trailer Boats	50.0	31.1	162.6	107.0
Western Boatman (6X)	—	—	59.6	39.1
Yachting	191.1	149.6	758.9	638.3
Total Group	**1,119.7**	**958.8**	**4,205.5**	**3,628.8**
% change		**+16.7%**		**+15.8%**

Canadian

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
L'Actualite	90.4	58.9	239.9	176.8
Chatelaine				
English Edition A	130.4	102.5	391.6	342.6
French Edition	105.5	96.1	326.1	308.2
City Woman (5X)	61.9	48.0	116.7	96.1
Financial Post Magazine A	69.3	46.0	170.9	135.5
Flare A	70.2	67.0	183.0	174.4
Homemaker's Magazine	75.6	69.4	231.6	244.8
Madam Au Foyer	67.3	57.8	223.3	195.8
Macleans (52X) A	145.1	105.9	438.2	349.4
Montreal Calendar	72.0	36.5	158.0	69.4
Montreal Ce Mois Ci	67.0	41.0	168.0	82.0
Quest Magazine (8X) A	42.1	48.4	68.5	96.9
Reader's Digest				
Canadian-English A	104.3	84.5	342.1	293.7
Canadian-French A	92.0	78.5	298.6	263.4
Toronto Life	115.3	104.7	324.9	299.1
Vancouver	57.0	69.8	239.2	280.8
Total Group	**1,365.4**	**1,115.0**	**3,920.4**	**3,408.9**
% change		**+22.4%**		**+15.0%**

Civic/fraternal

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Legion	21.6	26.6	116.4	135.7
Elks Magazine (10X)	23.3	23.0	106.3	115.2
Kiwanis Magazine	11.6	11.0	49.9	61.7
Lion (10X)	6.6	3.3	31.7	21.8
Moose Magazine	23.0	24.0	96.0	99.0
Rotarian	15.1	10.0	62.5	50.8
V.F.W. (10X)	24.9	30.0	120.3	137.8
Total Group	**26.1**	**127.9**	**583.1**	**622.0**
% change		**−1.4%**		**−6.2%**

Comics

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Archie Comic Group (6X)	10.0	1.00	20.0	20.0
DC Comics	6.5	6.5	32.5	32.5
Marvel Comics Group	9.0	10.0	39.0	40.0
Total Group	**25.5**	**26.5**	**91.5**	**92.5**
% change		**−3.7%**		**−1.0%**

General

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Forests	9.5	8.0	33.3	43.5
American Health (6X)	56.8	33.0	110.8	64.6
American West (6X)	29.2	22.3	54.8	51.7
The Atlantic A	75.3	44.2	187.0	155.9
Audubon Magazine (6X)	—	—	54.0	71.1
Bon Appetit A	94.1	84.0	304.1	304.8
Changing Times	42.8	42.8	184.9	153.3
Cuisine Magazine	59.3	39.9	202.4	128.9
Ebony	90.0	92.0	312.5	334.1
Fifty Plus	40.5	31.3	154.8	112.3
Food & Wine	36.0	34.5	139.7	131.6
Games	24.2	23.8	92.3	113.1
Geo	42.0	28.2	152.4	110.4
Gourmet	95.2	81.6	289.5	259.6
Harper's Magazine A	26.2	14.7	100.6	62.9
Life	63.2	50.5	215.4	208.4
Modern Maturity (6X)	34.1	40.4	79.3	81.0
Money	149.7	112.5	469.0	408.5
Moneysworth (4X)	—	—	27.0	34.6
Mother Earth News (6X)	51.0	68.9	113.8	140.6
Mother Jones (10X)	17.5	16.0	52.4	48.0
National Geographic	24.3	30.1	82.1	105.4
Natural History	55.4	46.2	194.7	156.5
Prevention	66.7	73.9	279.9	295.5
Psychology Today	23.1	26.2	93.0	103.0
Reader's Digest A	82.6	82.3	310.4	279.7
Saturday Evening Post (9X)	34.5	40.0	111.2	130.3
Signature	61.1	58.7	231.3	230.0
Smithsonian	99.8	71.1	357.3	297.8
Success	35.0	36.4	141.2	149.3
Town & Country	160.4	138.2	513.9	474.7
Travel/Holiday	58.9	49.2	219.5	193.5
Travel & Leisure	145.9	102.4	442.8	343.0
Vanity Fair	21.5	50.8	93.4	219.2
Video	64.3	60.2	261.1	254.7
Video Review	48.0	60.8	216.1	248.1
Writers Digest	19.9	22.6	103.5	96.6
Yankee	77.2	81.6	338.1	351.3
Total Group	**2,115.2**	**1,899.2**	**7,319.5**	**6,947.5**
% change		**+11.3%**		**+5.3%**

Home

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Americana (6X)	—	—	80.4	70.8
Architectural Digest A	164.9	146.9	477.9	455.1
Better Homes & Gardens	128.1	116.5	409.0	377.8
Colonial Homes (6X)	—	—	129.8	122.8
Country Journal	35.1	44.0	178.8	189.2
Country Living	66.7	50.0	233.8	184.4
Dallas/Ft. Worth				
Home & Garden	81.1	67.0	254.9	238.1
Early American Life (6X)	33.0	26.6	62.4	51.0
Family Food Garden (6X)	55.0	58.6	118.0	121.0
Family Handyman (10X) A	97.1	305.6	73.3	272.1
Flower & Garden (6X)	43.1	49.0	103.4	102.2
Home	86.3	39.5	223.7	135.5
Horticulture	30.1	28.9	113.2	133.2
House Beautiful	120.6	86.8	343.6	312.6
House & Garden	106.7	51.7	306.8	247.2
Houston Home/Garden	126.0	101.9	374.5	363.0
Metropolitan Home	56.8	63.1	217.6	218.1
New Shelter (9X)	41.7	40.3	194.2	182.7
1001 Home Ideas	45.0	33.0	148.3	123.4
Organic Gardening	71.0	75.5	331.4	359.9
Phoenix Home/Garden	58.0	50.0	233.8	178.3
San Diego Home/Garden	65.2	55.0	237.3	241.8
Southern Accents (4X)	—	—	130.8	81.3
Southern Living	174.6	166.4	511.6	488.2
Sunset Magazine A	179.7	159.9	524.8	513.1
Texas Homes	70.2	73.6	294.5	275.6
Workbench (6X)	—	—	131.1	134.5
Total Group	**1,936.0**	**1,889.8**	**6,438.9**	**6,172.9**
% change		**+2.4%**		**+4.3%**

In-flight & other passenger

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Aboard Group (7) (4X)	21.2	21.3	39.0	39.1
Alaskafest	51.6	43.0	174.5	153.7
American Way	114.7	96.8	411.7	332.1
East/West Network				
Amtrak Express	38.0	39.3	126.6	153.0
Continental	80.2	69.5	244.8	236.1
Eastern Review	114.5	106.3	468.2	386.8
Ozark	55.5	45.0	180.4	156.3
PSA Magazine	107.2	89.3	363.6	300.0
Pan Am Clipper	69.5	41.5	233.2	160.2
Republic Scene	73.8	56.5	238.7	191.3
United	110.2	98.3	424.5	328.6
USAir	66.8	57.5	242.5	211.3
Western's World	72.3	63.7	239.0	219.8
Halsey Publications:				
Air Cal	57.0	45.5	191.6	125.4
Braniff	20.9	—	43.3	—
Delta Sky	78.3	66.0	307.4	244.6
Frontier	308	41.3	131.5	149.9
Hawaii	21.0	15.0	86.4	64.4
Northwest Orient	34.8	39.6	123.5	144.2
Pace (6X)	—	—	166.1	68.9
Skylite	19.3	22.0	72.8	53.5
Southwest Airlines	100.0	99.9	352.2	381.2
Spirit of Aloha	20.5	14.8	82.8	61.4
TWA Ambassador	65.1	52.0	235.2	183.6
Total Group	**1,423.2**	**1,224.1**	**5,179.1**	**4,351.4**
% change		**+16.2%**		**+19.0%**

Men's

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Esquire A	103.0	56.0	323.7	284.0
Firehouse Magazine	45.4	42.3	163.0	155.2
Gentlemen's Quarterly A	197.5	114.3	564.3	391.7
Penthouse A	47.1	54.1	180.7	208.8
Playboy A	77.9	86.6	269.2	299.0
Total Group	**470.9**	**353.3**	**1,500.9**	**1,338.7**
% change		**+33.2%**		**+12.1%**

Metropolitan

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Aloha (6X)	26.5	25.5	51.7	46.7
Atlanta	50.2	60.8	198.6	197.6
Baltimore	69.7	50.3	226.8	204.8
Boston	139.9	125.7	496.6	472.6
California D	61.3	77.3	196.7	200.2
Charlotte (10X)	18.0	27.0	59.3	85.1
Chicago	153.6	177.3	491.2	471.0
Chicago's North Shore	83.5	88.5	314.1	307.1
Cincinnati	43.4	54.9	172.3	201.1
Cleveland	69.0	68.2	266.7	247.0
Coast (38X)	422.5	291.1	774.1	631.2
Columbus Monthly	68.5	69.7	231.6	218.5
Commonwealth	42.3	21.5	153.1	101.8
Connecticut	90.8	84.7	306.1	286.6
Country Magazine	58.8	38.2	151.8	103.4
D/Magazine Dallas/Ft. Worth	141.9	121.2	435.8	395.7
Denver	24.5	42.1	122.9	101.6
Exclusively Yours,				
Wisconsin (15X)	110.5	109.9	256.3	272.7
Grand Rapids	47.0	51.7	192.3	179.1
Gulfshore Life (10X)	75.5	57.3	380.9	288.6
Honolulu	67.3	65.2	228.6	245.1
Houston City	87.4	69.4	289.9	236.1
Indianapolis	48.0	35.4	195.4	165.8
Kansas City	34.4	22.2	124.5	101.2
Los Angeles	199.0	181.5	699.0	655.5
Louisiana Life (6X)	66.1	69.9	129.3	137.9
Madison	45.0	40.0	185.0	160.0
Metropolitan Detroit	54.1	—	150.8	—
Miami/South Florida	122.6	91.6	373.8	343.0
Milwaukee	42.8	16.5	105.7	37.7
Minneapolis/St. Paul	104.5	94.4	332.5	298.1
Monthly Detroit	77.0	109.5	174.9	257.0
Nashville	37.0	44.0	147.0	202.0
New Jersey Monthly	50.1	54.1	195.8	188.1
New Mexico	30.6	23.0	105.6	58.1
Ohio	56.9	38.8	199.0	136.0
Orlando	115.0	71.8	337.3	288.8
Palm Beach Life	106.6	86.4	443.0	369.1
Palm Springs Life	114.0	122.7	567.4	561.3
Philadelphia	153.0	135.2	476.4	464.5
Phoenix	52.5	48.0	286.3	226.3
Pittsburgh	73.0	69.3	234.4	217.0
St. Louis	66.5	61.0	227.1	201.5
San Diego	171.3	164.2	539.8	532.6
San Francisco	66.7	64.4	239.3	215.3
San Francisco Focus	64.5	46.8	194.0	159.3
Shenandoah/Va				
Town&Country (6X)	—	—	97.0	63.6
Tampa Bay Monthly	43.3	—	199.6	—
Texas Monthly	152.9	132.5	444.2	404.7
Twin Cities	74.0	44.4	237.2	163.2
Washington Dossier	72.0	51.0	202.7	182.3
The Washingtonian	149.0	134.9	539.0	517.9
Total Group	**4,394.5**	**3,831.0**	**14,380.4**	**12,821.7**
% change		**+14.7%**		**+12.1%**

Movie/romance/radio/tv

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Macfadden's Women's Group				
Modern Romances	25.6	24.5	100.9	108.8
Secrets	25.6	24.5	100.9	108.8
True Confessions	25.6	24.5	100.9	108.8
True Experience	25.6	24.5	100.9	108.8
True Love	25.6	24.5	100.9	108.8
True Romance	25.6	24.5	100.9	108.8
Sterling Women's Group				
Daytime TV	27.5	30.3	109.0	122.7
Modern Screen	20.5	31.3	41.0	66.1
Movie Mirror (6X)	20.5	—	61.5	31.3
Soap Opera Stars	16.5	24.3	56.5	97.8
TV Movie Screen (6X)	5.0	—	5.0	66.1
TV Picture Life(6X)	20.5	—	61.5	29.3
Teen Bag (6X)	5.2	8.7	14.2	11.1
Total Group	**269.3**	**241.6**	**954.1**	**1,077.2**
% change		**+11.4%**		**−11.4%**

Music/entertainment

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Film (10X)	29.3	28.2	102.3	108.7
Audio	57.7	42.0	232.2	169.3
Circus Magazine	41.9	20.3	141.9	97.9
Dance Magazine	71.0	75.3	264.7	257.5
Musician	59.3	57.8	244.5	235.9
Playbill	82.5	51.3	228.6	196.0
Record	31.3	6.1	88.5	21.7
Stereo Review	50.4	49.1	174.6	189.7
Total Group	**423.4**	**330.1**	**1,477.3**	**1,276.7**
% change		**+28.2%**		**+15.7%**

Newspaper, Sun. magazines

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Family Weekly A	60.8	62.6	293.1	326.2
Parade	53.3	54.6	229.5	287.2
Total Group	**114.1**	**117.2**	**522.6**	**613.4**
% change		**−2.6%**		**−14.8%**

Outdoor & sport

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Alaska	43.0	45.9	163.8	152.4
The American				
Handgunner (6X)	39.2	40.9	79.0	77.9
American Hunter	12.9	14.2	62.8	61.3
American Rifleman	25.7	29.2	102.0	99.1
Backpacker (6X)	—	—	74.2	85.9
Bass Master (8X) A	62.5	59.8	251.4	230.6
Bicycling (9X)	105.8	109.1	315.1	301.8
Field & Stream	106.5	119.7	353.8	400.0
Fins & Feathers A	68.3	53.1	234.9	203.2
Fishing World (6X)	—	—	116.3	120.3
Florida Sportsman	114.8	79.0	416.6	333.0
Flying	41.8	43.5	155.7	143.7
Fur-Fish-Game	23.2	22.5	94.1	86.7
Golf Digest	124.4	104.3	404.5	384.7
Golf Magazine	77.4	71.5	421.8	368.6
Guns	31.7	22.2	111.5	103.1
Guns & Ammo	48.1	58.8	161.4	186.0

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. D. Includes eight-page insert. E. 1984 year-to-date figure reflects 34.7 increase due to erroneous reporting by magazine in January. F. Includes *Home* Magazine-Part II. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

(Continued from Page 97)

	Current month		Year-to-date	
	1984	1983	1984	1983
Muscle & Fitness	103.0	105.0	423.0	417.0
Outdoor Life	92.1	94.7	350.8	319.7
Outside Magazine	53.6	59.3	137.2	111.3
Petersen's Hunting	31.0	36.9	120.1	127.3
The Runner	57.4	52.0	170.0	159.9
Runner's World (13X)	49.2	50.5	170.3	172.7
Salt Water Sportsman	95.2	68.7	345.2	270.7
Shooting Times	28.7	33.7	144.8	131.0
Ski (8X) A	32.2	—	249.2	209.7
Skiing (7X)	—	—	215.3	209.5
Skin Diver	81.6	78.4	319.6	294.3
Southern Outdoors (8X)	52.6	58.8	147.5	159.4
Sport	54.2	45.0	180.7	136.2
Sports Afield	112.2	119.8	368.7	377.0
Tennis	113.1	96.8	295.4	283.1
Western Outdoors (10X) E	45.5	36.4	184.3	131.7
World Tennis	51.4	66.1	139.1	187.4
Total Group	**1,978.3**	**1,875.8**	**7,480.1**	**7,036.3**
% change	**+5.4%**		**+6.3%**	

— Photography —

	Current month		Year-to-date	
	1984	1983	1984	1983
American Photographer	43.7	48.9	156.1	194.6
Petersen's Photographic	36.4	32.4	125.5	129.3
Popular Photography	88.6	114.4	367.5	458.9
Total Group	**168.7**	**195.7**	**649.1**	**782.8**
% change	**-13.7%**		**-17.0%**	

— Religious —

	Current month		Year-to-date	
	1984	1983	1984	1983
BBI Jewish Monthly (10X)	28.4	20.5	93.2	89.9
Christian Herald	25.8	34.0	127.0	143.3
Christian Life	28.4	25.8	112.2	103.6
Christianity Today	69.7	59.2	261.2	282.5
Inside (4X)	—	—	90.3	70.0
Moody Monthly	57.9	48.5	216.8	220.0
Today's Christian Woman (6X)	—	—	65.8	32.7
Total Group	**210.2**	**188.0**	**966.5**	**942.0**
% change	**+11.8%**		**+2.6%**	

— Science/electronic/mechanic —

	Current month		Year-to-date	
	1984	1983	1984	1983
Compute	80.1	135.2	376.5	504.6
Computers & Electronics	47.7	59.4	189.1	265.1
Creative Computing	118.9	180.0	542.5	724.9
Discover	32.5	37.5	154.6	166.5
Family Computing	58.1	—	242.7	—
Mechanix Illustrated	86.0	78.9	284.1	277.5
Omni	62.5	63.9	225.6	229.8
Popular Mechanics	110.3	115.4	381.3	381.8
Popular Science	100.7	103.3	348.5	329.7
Science Digest	31.6	26.5	104.9	125.2
Science 84 (10X)	31.0	30.1	120.8	117.3
Scientific American	73.3	42.8	252.5	178.8
Spectrum	98.7	79.6	378.0	311.7
Total Group	**931.4**	**952.6**	**3,601.1**	**3,612.9**
% change	**-2.2%**		**-0.3%**	

— Women/fashion/service —

	Current month		Year-to-date	
	1984	1983	1984	1983
Bride's Magazine (6X) A	—	—	737.5	724.1
Cosmopolitan A	235.8	224.3	772.0	727.5
Essence	84.6	80.6	307.8	299.1
Family Circle A	109.9	122.1	517.1	548.2
Glamour	226.4	183.3	655.9	610.4
Good Housekeeping A	198.4	182.2	604.0	631.4
Handmade (6X)	—	26.3	52.8	56.7
Harper's Bazaar	152.0	156.1	566.3	494.8
Health	28.2	36.6	139.5	114.5
Ladies' Home Journal	92.6	81.3	392.0	343.4
Ladycom	33.3	19.8	146.8	120.5
Lady's Circle	7.1	8.9	29.9	37.5
Mademoiselle	178.5	144.5	519.4	464.4
McCall's	84.4	72.2	334.2	313.0
Modern Bride (6X)	—	—	624.7	597.9
New Woman	48.3	42.0	187.5	171.5
Parents Magazine A	83.2	75.8	280.7	282.2
Playgirl	31.3	39.7	175.2	194.9
Redbook	83.5	69.6	332.9	300.1
Self	113.8	82.0	354.0	275.3
Seventeen	151.8	121.9	474.5	369.4
Shape	60.0	54.0	214.0	176.0
Soap Opera Digest	25.2	23.0	109.0	87.2
'Teen Magazine	55.8	53.6	171.4	170.4
True Story A	69.1	51.8	225.8	220.2
Vogue	250.2	238.1	995.7	885.7
W Magazine	94.6	74.2	472.0	395.3
Weight Watchers	26.3	27.0	117.8	108.2
Woman's Day A	207.0	204.0	485.1	491.6
The Workbasket (10X)	32.5	30.2	157.1	157.2
Working Mother	64.3	51.6	256.6	240.0
Working Woman	107.2	95.1	356.2	343.2
Total Group	**2,925.3**	**2,671.8**	**11,765.4**	**10,951.8**
% change	**+9.4%**		**+7.4%**	

— Youth —

	Current month		Year-to-date	
	1984	1983	1984	1983
Boys' Life	17.2	21.9	67.7	90.1
Campus Life	37.6	34.8	194.0	186.5
Total Group	**54.8**	**56.7**	**261.7**	**276.6**
% change	**-3.3%**		**-5.3%**	

March

— Business —

	Current month		Year-to-date	
	1984	1983	1984	1983
Atlanta Bus. Chronicle (52X)	52.3	20.9	129.3	83.4
Austin Business Journal	32.6	—	97.9	—
Barron's (52X)	189.4	195.8	568.7	566.6
Black Enterprise	37.5	48.1	137.2	134.7
Boston Business Journal	81.7	60.9	239.5	162.8
Business Week (52X) A	426.7	390.2	1,014.0	959.0
California Business	72.8	53.6	201.7	142.6
Capital District Bus. Review	36.0	38.2	120.0	104.3
Corporate Report/Kansas City	63.2	49.6	196.3	131.4
Corporate Report/Minn.	89.3	81.2	235.8	229.0
Crain's Chicago Bus. (52X)	131.1	111.5	375.8	310.0
Crain's Cleveland Bus.	64.0	44.7	176.7	138.4
Dallas/Ft. Worth Bus. (52X)	46.4	32.1	114.7	103.1
Dun's Business Month	61.0	68.0	183.0	174.0
The Executive	37.5	30.8	137.9	110.4
Financial World (24X)	34.0	53.1	86.8	120.8
Florida Trend	79.8	64.4	242.3	195.3
Forbes (26X)	287.1	253.5	773.2	647.3
Fortune (26X) A	266.8	202.4	654.6	495.2
Frequent Flyer	60.2	47.2	151.1	124.3
Hawaii Business	45.0	45.5	124.8	134.3
High Technology D.	29.8	25.6	80.5	74.4
Houston Bus. Journal (52X)	141.4	134.9	400.4	437.0
Inc. Magazine A	98.3	84.2	292.8	252.7
Income Opportunities (10X)	52.3	50.1	118.7	116.6
Industry Week (26X) A	100.5	89.7	282.3	254.8
Indianapolis Business Journal	91.2	86.6	301.8	265.3
Nation's Business A	27.1	29.7	64.2	77.1
New England Bus. (20X) B	78.9	77.3	179.6	167.5
New Orleans Citibusiness	114.7	114.4	338.1	330.0
Pacific Business News (52X)	110.1	94.2	295.3	276.9
Philadelphia Bus. Journal	93.4	59.8	262.2	158.6
Pittsburgh Bus. Times (52X)	58.9	44.2	144.5	133.8
Savvy	45.1	43.3	128.3	120.9
St. Louis Business Journal	121.0	95.1	374.4	279.6
Texas Business	60.9	48.5	170.7	128.1
Venture	71.3	53.8	182.6	155.3
Total Group	**3,489.3**	**3,023.1**	**9,577.7**	**8,295.5**
% change	**+15.4%**		**+15.4%**	

— Newspaper Sunday magazines* —

	Current month		Year-to-date	
	1984	1983	1984	1983
Arizona Republic	59.6	87.1	175.7	223.9
Boston Globe	200.7	192.2	541.1	462.1
California Living	63.8	52.5	155.5	139.8
Chicago Tribune	69.3	96.6	174.9	232.1
Cincinnati Enquirer	69.6	85.3	194.2	218.8
Cleveland Plain Dealer	69.6	99.1	148.7	207.3
Columbus Dispatch	55.1	41.2	125.9	112.6
Detroit News	91.9	112.0	241.4	271.9
L.A. Times Home Magazine F.	139.1	82.4	314.2	198.4
Louisville Courier-Journal	80.5	123.3	200.8	261.1
Miami Herald	49.2	64.7	143.9	173.4
New York News	22.6	51.5	138.3	142.0
New York Times Magazine	671.7	432.3	1,123.7	969.6
Philadelphia Inquirer	64.6	82.9	170.5	189.0
Toledo Blade Magazine	47.3	49.6	111.9	141.4
Washington Post	141.9	133.2	303.5	293.0
Total Group	**1,897.5**	**1,785.9**	**4,264.7**	**4,236.4**
% change	**+6.2%**		**+0.6%**	

— Weeklies/bi-weeklies —

	Current month		Year-to-date	
	1984	1983	1984	1983
The Advocate (25X)	88.2	96.2	302.3	327.8
Army Times Military Group:				
Air Force Times (52X)	146.8	132.2	407.5	407.0
Army Times (52X)	140.4	124.2	391.1	391.0
Navy Times (52X)	156.8	150.5	446.8	463.5
The Times Magazine	21.8	20.7	43.8	35.8
The Blood-Horse (52X)	549.8	592.7	1,763.3	1,719.0
Capper's Weekly (26X)	25.6	45.1	99.4	99.1
Commonweal (22X)	9.9	6.3	26.0	22.8
Golf World (43X)	76.8	67.2	192.3	179.3
Grit (52X) A	22.2	29.3	85.5	95.0
National Journal	33.5	26.0	82.5	72.0
National Review	26.7	36.4	75.0	93.6
New Republic (48X)	28.6	31.9	81.8	34.1
New York Magazine (50X)	231.1	208.1	546.2	551.1
New Yorker (52X)	302.5	306.1	769.5	781.5
Newsweek (52X) A	240.4	187.8	620.7	581.0
People (52X)	717.3	687.6	326.1	287.3
Rolling Stone (25X)	126.3	99.7	253.0	207.2
Sporting News (52X)	44.6	47.5	143.9	150.8
Sports Illustrated (52X) A	187.6	199.7	592.0	579.4
Time (52X) A	214.9	206.7	586.6	590.5
TV Guide (52X) A	340.5	291.8	1,027.4	1,003.7
Us Magazine (26X)	40.7	40.5	117.2	131.0
U.S. News & World Report (52X) A	131.7	144.1	338.2	390.4
Total Group	**3,904.7**	**3,778.3**	**9,318.1**	**9,243.9**
% change	**+3.3%**		**+0.8%**	

— Foreign —

	Current month		Year-to-date	
	1984	1983	1984	1983
Good Housekeeping Foreign Editions:				
Australia	25.0	19.9	89.7	83.5
Japan	58.6	63.7	181.4	153.4
Great Britain	111.4	83.0	230.9	198.8
Buenhogar:				
Central America	—	1.0	—	2.0
Chile	—	1.0	—	1.0
Colombia	15.0	38.2	38.7	78.0
Dominican Republic	4.5	10.0	12.5	27.0
Ecuador	9.0	4.0	25.0	13.3
Mexico	35.0	82.8	71.8	157.7
Peru	13.5	11.5	29.0	28.8
Puerto Rico	14.5	11.5	32.5	29.8
U.S.	11.0	8.0	33.0	20.3
Venezuela	13.5	25.0	36.0	60.0
Geomundo:				
Central America	3.0	6.0	8.8	8.0
Chile	3.0	7.0	7.8	11.0
Colombia	4.0	8.5	14.0	19.5
Ecuador	2.0	5.0	6.0	9.0
Mexico	6.0	8.5	10.8	16.5
Peru	3.0	7.0	7.8	10.0
Puerto Rico	2.0	5.0	5.8	8.0
U.S.	4.0	1.0	8.5	2.0
Venezuela	10.5	12.0	24.3	30.2
Hombre De Mundo:				
Central America	4.0	6.3	12.0	14.3
Chile	5.0	5.0	13.0	13.0
Colombia	9.0	6.0	18.0	23.5
Ecuador	6.0	5.0	13.0	15.0
Mexico	8.5	11.5	17.5	26.0
Peru	5.0	4.0	12.0	9.0
Puerto Rico	5.0	5.3	11.0	13.8
U.S.	4.0	2.0	7.0	3.0
Venezuela	10.0	11.0	30.0	44.3
Ideas Para Su Hogar:				
Colombia	11.0	18.0	26.0	42.5
Ecuador	3.0	3.0	11.0	4.0
Mexico	5.2	22.2	11.5	55.0
Peru	4.0	2.0	11.5	7.0
Puerto Rico	—	1.0	0.5	1.0
U.S.	6.0	2.0	17.5	2.0
Venezuela	10.2	16.0	24.2	34.0
Mecanica Popular:				
Argentina	8.2	6.5	18.8	20.0
Central America	13.7	10.8	35.2	36.5
Chile	6.8	5.7	14.8	17.5
Colombia	12.8	14.8	32.5	48.0
Mexico	9.5	11.7	26.0	30.5
Peru	16.3	13.2	39.7	46.5
Puerto Rico	15.8	12.3	39.0	39.2
U.S.	4.0	1.0	9.7	4.0
Venezuela	15.0	21.2	39.0	64.0
The Ring en Espanol:				
U.S.	3.0	2.0	6.3	6.0
Venezuela	1.0	—	2.0	3.0
Vanidades Continental:				
Central America	0.8	4.0	7.5	12.2
Chile	—	5.0	—	11.3
Colombia	20.8	60.3	72.7	115.8
Dominican Republic	2.7	20.8	11.3	46.2
Ecuador	8.7	10.3	28.0	22.8
Mexico	71.5	168.7	139.5	288.0
Peru	13.2	23.5	29.5	54.0
Puerto Rico	23.0	40.2	60.7	93.8
U.S.	31.5	54.8	98.3	125.5
Venezuela	25.2	62.8	68.2	136.2
Business Week Int'l.	127.9	145.3	284.5	348.9
Cosmopolitan Foreign Editions:				
Australia	39.3	50.3	118.7	140.3
Brazil	27.0	40.5	81.0	102.5
France	197.2	85.6	372.2	153.4
Germany	123.5	59.6	215.9	112.6
Great Britain	98.0	96.0	232.3	205.0
Greece	44.0	38.0	110.0	115.0
Holland	49.0	27.0	84.0	45.0
Italy	58.0	79.6	101.7	139.6
Japan	22.3	32.3	76.7	92.2
South Africa	68.1	—	68.1	—
Cosmopolitan en Espanol:				
Central America	—	2.8	—	6.0
Colombia	5.0	8.3	8.2	26.5
Ecuador	—	0.7	—	3.0
Mexico	36.5	85.3	73.5	145.7
Peru	1.0	6.7	1.0	17.0
Puerto Rico	22.2	18.7	44.5	46.2
U.S. (Spanish language)	17.0	14.7	50.5	41.7
Venezuela	9.0	13.8	24.0	35.8
International Communications:				
African Business	18.3	31.6	51.7	92.4
New African	18.3	15.3	51.3	68.8
The Middle East	18.3	41.0	54.9	79.4
International Management:				
Africa	14.0	17.2	32.9	44.5
Europe	37.0	44.3	81.8	96.3
Latin America	5.0	7.0	19.3	22.0
Middle East	10.0	19.5	40.2	42.2
Pacific	13.8	17.2	31.2	43.2
Johnston International:				
Alam Attijarat	44.0	60.5	134.3	156.6
Ejecutivo	4.2	12.0	10.5	20.3
Modern Africa	20.0	19.3	32.7	37.8
Modern Asia	19.0	34.7	39.0	68.8
Newsweek International A.:				
Atlantic	87.2	85.7	197.6	198.2
Latin America	28.2	28.4	66.5	77.0
Pacific	61.6	71.7	160.8	161.3
Progreso (9X)	3.3	8.3	9.8	19.3
Reader's Digest:				
Arabic	—	9.5	8.0	26.0
Asian	170.0	178.0	583.0	699.5
Australian	71.0	71.8	274.4	224.1
Belgian-Flemish	130.5	142.0	203.0	315.0
Belgian-French	103.5	116.5	165.0	255.5
British	39.3	61.8	168.4	240.2
Chinese B.	71.0	71.5	346.5	249.8
Danish	53.5	45.5	161.6	167.6
Dutch	36.5	27.3	125.5	103.1
Finnish	66.0	67.0	139.0	167.5
French	50.0	62.8	119.0	210.4
German	72.1	75.8	266.7	269.8
Greek	—	—	7.5	—
Iberian	14.0	11.0	46.0	60.5
Indian-English	—	98.0	137.0	233.5
Indian-Hindi	—	5.0	7.0	8.0
Italian	46.0	55.0	148.5	176.0
Japanese	40.2	53.4	144.3	191.3
Korean	33.0	17.8	78.0	53.9
Latin American:				
Argentina	14.0	12.0	60.5	29.0
Brazil	—	11.0	4.0	42.0
Central American	8.0	9.5	23.0	32.0
Chile	9.5	9.0	46.0	33.0
Colombia	—	29.0	47.0	79.5
Ecuador	8.0	6.5	32.0	26.0
Mexico	56.3	49.2	111.7	169.3
Peru	8.0	7.5	33.0	24.5
Puerto Rico	8.0	6.5	24.0	18.5
U.P.B.	8.0	8.5	26.0	31.0
U.S. Spanish	4.5	10.5	23.0	43.0
Venezuela	9.0	17.5	31.0	41.0
New Zealand	70.0	79.5	190.5	284.5
Norwegian	41.5	45.5	136.6	135.5
Portugal	36.6	52.5	112.2	150.0
South African	81.5	76.5	305.3	272.0
Swedish	13.5	32.0	67.0	95.5
Swiss-French	33.3	42.0	103.9	119.7
Swiss-German	45.6	52.6	141.4	152.2
Time International:				
Time-Asia	91.5	74.9	203.4	192.8
Time-Atlantic	101.9	85.1	219.9	216.4
Time-Canada	185.9	146.7	449.5	355.8
Time-Latin America	38.4	37.8	89.8	98.1
Time-South Pacific	108.3	125.6	248.5	280.9
Visao (52X)	126.8	126.0	352.3	357.9
Vision/Latin America (26X) A	24.0	17.7	52.1	60.8
Total Group	**4,223.8**	**4,749.2**	**11,087.0**	**12,493.3**
% change	**-11.0%**		**-11.2%**	

Lawyers

(Continued from Page 3)

Court cleared the way in the late 1970s, now face a steady stream of aggressive rivals.

The veterans think some of the newcomers are making the profession look shabby with their hard-sell spots. But the familiar, big-spending firms have been forced to adjust their promotion strategy to be more competitive.

The shifting to radio, for instance, has become noticeable among some firms.

Jacoby & Meyers, No. 2 in the Television Bureau of Advertising/Broadcast Advertisers Reports rankings, has shifted a major part of its budget to radio. Last year, the firm cut its tv budget for general, nonbusiness work in four cities to $823,200 from $1.7 million, according to industry estimates.

Shifting to radio

In Los Angeles, partner Steve Meyers said escalating tv rates had prompted the firm's in-house agency, J&M Advertising, to shift 30% to 40% of the ad budget to other media, especially radio. The move, Mr. Meyers said, "is working out fine."

Radio and tv commercials emphasize Jacoby & Meyers' record of serving 400,000 clients in recent years and suggest that folks in need of legal help "ask a friend and he might recommend us."

The firm plans to spend about the same amount this year as last.

At Hyatt Legal Services, No. 1 on the list, a fresh campaign should be coming soon from its new agency, Isidore & Paulson.

Joel Hyatt, senior partner and on-air spokesman for the expanding chain, boosted his tv budget 36% to $3 million in 1983. The firm mixes newspapers with tv and stresses convenient, affordable, personalized services for everything from adoption to wills.

A spokeswoman would not say how much the firm's advertising will be boosted this year as the Hyatt partnership opens branches in Houston, Seattle, Indianpolis, Dallas and Portland, Ore.

The chain operates in 18 markets, including Baltimore, where the lawyer glut seems acute.

Baltimore placed five firms in the top 20 advertisers circle. They range from Saiontz & Kirk, with an estimated outlay of $395,000 to Cohen Dwin & Farfield, at $152,000.

Ronald M. Sharrow, who poured $246,600 into tv last year, has become a local celebrity through his commercials.

When he first went before the cameras in 1978 offering to handle personal injury complaints on speculation, he had a one-lawyer operation. Today he has five other lawyers on a 20-person staff and has branched out into criminal law. While his gross has increased from $300,000 to $2 million, he believes he may have reached the saturation point in tv. The budget may be cut to $200,000 or less in 1984.

His latest ads subtly needle his rivals. A typical spot grabs the viewer with a car smashup scene and asks: "If you had an accident, where would you turn for help?" The camera switches to Mr. Sharrow, who says something like: "A lot of lawyers think we are so successful and leaders because we were the first to get on tv. The fact is we are leaders because we get results and are aggressive. You might as well follow the leaders too; everybody else is."

Despite the lawyer-cluttered airwaves, Mr. Sharrow remains a tv booster. His ad shop, Pro Ads, handles his office and other clients.

Larry H. Parker Law Office, Long Beach, Cal., No. 3 among legal advertisers at $562,200, flies to Baltimore to tape spots under Mr. Sharrow's direction.

Tv's value questioned

One law firm that maintains some caution over tv advertising is Cohen Dwin & Garfield, Baltimore. "We don't know if tv has been worth the money," said Harold Dwin of the firm's own tv campaign. "It's expensive and it takes a long time to know if we are going to win workmen's compensation or other accident cases."

He is worried about the din of legal voices in Baltimore and the pressing technique of those who come on like pitchman for storm windows.

Cohen Dwin & Garfield, whose ad budget will go up about 10% this year, gets soft-sell generic commercials from Norton Frickey & Associates in Denver.

Mr. Frickey said he places nearly $4.5 million annually on tv for the 113 law firms in his Network Affiliates syndicate. His own firm, with a $556,400 budget, was No. 4 on the TvB list.

Mr. Frickey's ad agency, NF Advertising, produces a fresh supply of spots every six weeks to be tagged locally and booked in daytime periods.

He favors a restrained, informational approach, with ads designed to tell people of limited mea: where to turn when they need guidance in the legal maze. Many of the Frickey ads focus on industrial workers on the job.

"We don't use ambulances or hospital scenes, but some of our competitors do," Mr. Frickey said. "And that's tacky."#

Bills deck Tech HiFi chain

RANDOLPH, MASS.—Chapter 11 bankruptcy papers filed in U.S. district court in Boston indicate that Tech HiFi has 598 creditors, who are owed $21.9 million, while the audiovideo chain claimed $17.1 million in assets.

Among the creditors is Corinthian Media, New York, which handled media placement. Corinthian, which was not listed among the 20 companies owed the most money, had no comment on the Tech HiFi action.

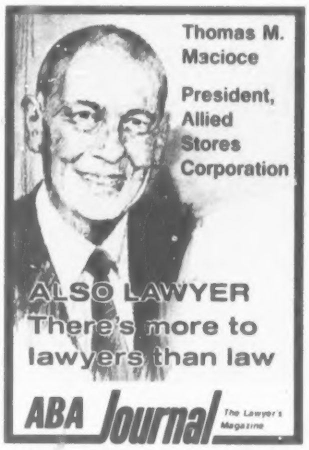
Tech HiFi has an in-house agency, Ad Infinitum.

Tech HiFi, a 70-store chain mainly on the East Coast, filed for bankruptcy protection on April 10. The chain plans to close 14 stores in Michigan and Ohio and sell its North Carolina subsidiary with four stores.#

DMA elects council heads

NEW YORK—The Direct Marketing Assn. elected new officers to chair 10 of its special-interest councils during its annual spring conference in Phoenix.

New council chairmen and vice-chairmen are: Erv Magram (Lew Magram Ltd.) and Suzanne Taliferro (Tolliver) on catalogs; Annette Brodsky (Accredited Mailing List) and Marcella Lieberman (Prestige List Service), lists; Al Dyon (Allstate Insurance Co.) and Cheri Rodolfo (Fireman's Fund American Life Insurance), insurance; Ira Belth (Belth Associates) and James Rice (McGraw-Hill), business-to-business marketing; John Booth (Direct Marketing Group) and James Wolf (Mellon Bank), financial services; James Aldige III (Viguerie Co.) and John Temple (Guidepost Associates), fund-raising; David Shepard (David Shepard Associates) and Ronald Gerwin (American Express), marketing; Peg Kuman (Publishers Clearing House) and Robert Borders (Wometco Home Theaters), telephone marketing; Bernice Grossman (Direct Marketing Resource Services) and Jack Doyle (Rodale Press), circulation, and Michael Green (Direct Marketing Research Associates) and Emma Hildreth (Meredith Corp.) as acting heads on the council.#


Thomas M. Macioce
President, Allied Stores Corporation
ALSO LAWYER
There's more to lawyers than law
ABA Journal The Lawyer's Magazine
12 West 32nd St., New York, NY 10001
212-868-6220

to add The Chronicle to your broadcast buy.

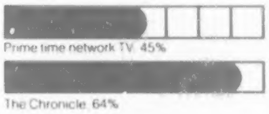
Houston cable penetration now stands at 40%. And among adults with household incomes over $35,000, the ones you want to reach most, 48% subscribe to cable.

What you get is a TV picture so hopelessly fragmented, it's virtually impossible to cover Houston with broadcast.

Solution? To increase your reach and frequency, make The Chronicle the primary part of your Houston media plan. As the largest newspaper in the Southwest, Chronicle penetration among adults with household income of $35,000+ is unmatched.

For example, a one week, $25,000 prime time local network spot TV schedule in Houston delivers only 45% of adults living in $35,000+ households. An equal investment in The Chronicle delivers 64% of these affluent adults*

One week $25,000 media buy
Adults $35,000+ households



That's 142 extra GRP's. At no extra cost.

For a detailed media comparison, call our Research Manager collect, 713/220-7401. Under the circumstances, it's the only reasonable thing to do.

Houston Chronicle
The Primary Advertising Investment

*Source: Belden Multi Media Study, 1983. Based on nine 30-second spots on local network affiliates, BAR estimates, versus five 1575-line Chronicle ads at national rate. Represented nationally by Sawyer Ferguson Walker

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"DARE TO COMPARE"
TI makes the best software perform even better.

TI's campaign dares consumers to compare the TI Professional Computer to IBM's Personal Computer.

TI 'dares' to take on IBM

By TOM BAYER

DALLAS—Texas Instruments tackles IBM April 30 in a comparative marketing effort that "dares" consumers to compare the TI Professional Computer to the IBM Personal Computer.

Asserting that IBM may have the most widely recognized name in personal computing, TI officials are staking a claim of "superiority" in side-by-side demonstrations at most of the 700 authorized TI dealers and at many ComputerLand outlets.

With its reputation and marketing clout, IBM has established the IBM PC as the standard for competitors, thus the spate of comparisons and personal computer products claiming to be "IBM compatible." The personal computer market has seen some comparative advertising aimed at IBM, but none has been so blatant as TI. McCann-Erickson, Houston, is TI's agency.

TI will characterize its budget only as "multi-million-dollar," but the intention is to raise the national awareness of TI's computer, capitalizing on favorable reviews and comparisons in the computer press.

The 90-day aggressive merchandising program will

(Continued on Page 5)

ABC poised for 'imminent' ESPN buyout

By SUSAN SPILLMAN

NEW YORK—ABC Video Enterprises, a wholly owned subsidiary of ABC Inc., is expected to make a bid for the Entertainment & Sports Programming Network this week.

At an April 23 meeting, ABC Inc. top brass debated which of several options to take in moving toward acquiring ESPN, ADVERTISING AGE has learned.

A deal "is imminent," said a source close to Texaco, the cable network's majority shareholder. At press time, Texaco said it had gotten no formal offers.

ABC's options include buying the cable sports service outright or finding a partner. James Abernathy, vp-corporate affairs for ABC Inc., said only, "We're certainly interested in ESPN under the right circumstances."

ABC owns 15% of the cable network through a $25 million deal it struck in January with former ESPN majority owner Getty Oil.

In mid-February, Texaco bought Getty for $10.1 billion and with it inherited 70% of ESPN. Texaco has said it wants to unload the cable network. The remaining 15% of ESPN is owned by the cable network's founder, Bill Rasmussen, and his family and other original individual investors.

News of ABC's intended bid for ESPN follows reports from Turner Broadcasting Systems that it also is interested in buying ESPN (AA, April 9). A Turner spokesman said his company still planned to make a bid "in about two weeks."

When ABC purchased its current 15% interest in ESPN, the company got the right of first refusal to buy the remainder of Getty's—now Texaco's—interest in ESPN. The network is the country's largest cable network and is valued at about $200 million.

Other companies rumored to be interested in ESPN include Coca-Cola, Gulf & Western, Time Inc. and Anheuser-Busch.#

Saatchi chasing a stake in Japan

LONDON—Saatchi & Saatchi is pushing to gain a big stake in Japan, where it has virtually no presence now, and do it quickly, sources say.

The Saatchi brothers, Maurice and Charles, founders of the London-based agency, don't think they can reach their goal of having one of the top 10 agencies in each of the 10 largest markets in the world by 1986 without strong representation in Japan.

The company includes Saatchi & Saatchi Compton Worldwide, McCaffrey & McCall, Dorland Advertising and Crawford Hall Partnership.

Japan is important because multinational clients are increasingly interested in lining up accounts with agencies that have worldwide coverage, particularly in Japan.

"The Saatchis have been talking to anybody and everybody in Japan," said one source.

One agency that Saatchi executives have had numerous conversations with is Sanyu, owned 60% by Dai-Ichi Kikaku, the fifth-largest agency network in Japan.

Sanyu originally was set up by DIK to handle advertising for industrial products made by companies affiliated with Mitsubishi. In 1983, Sanyu had gross income of $1.9 million on billings of $14.4 million.

Sources say the Saatchi goal was to take a minority share of Sanyu, and quickly build that up to a majority share, then complete control.

However, the Saatchi goal of taking over a Japanese agency may be a long way off, as even Saatchi executives admit privately.

The grab for Sanyu has been stymied, according to one source, partly because of the close and broadening DIK relationship with Doyle Dane Bernbach.

For example, two weeks ago DDB and DIK joined forces with Japan Counselors, a leading Japanese public relations agency, to form an international public relations company called DDJ (AA, April 23).#

Stan's saucy snipe

By NANCY GIGES

Stan Freberg's offbeat humor has turned up in a new campaign for Prince spaghetti sauce.

Prince's sauce division, based in Pennsauken, N.J., has bypassed agency Venet Advertising, New York, for a humorous campaign created by Freberg Ltd. that refers to the 1984 Summer Olympics without actually mentioning the event. The spot could open a whole new area of "almost-Olympic" campaigns.

Prince apparently has taken this approach to gain attention in a category in which competitors outspend Prince many times over. The lion's share of Prince's ad dollars go into its pasta, which is a leading brand in New England and Chicago and No. 2 in a number of other major markets.

The Prince sauce commercial running in New England, upstate New York, Chicago and Philadelphia opens with a woman noting, "Not the official spaghetti sauce of the 1984. . ." Man: "Hold it. Not the official?" Woman: "No. Prince probably could be. If we wanted to plunk down millions of dollars to be the official. . .uh. . .you know,

(Continued on Page 5)

KTVT set to dish out

TULSA, OKLA.—United Video, a satellite carrier, will begin offering KTVT, Dallas/Fort Worth, via satellite starting July 1.

The move would give the independent station the potential of growing into a superstation going beyond its market area.

United Video expects KTVT, owned by Gaylord Broadcasting, to reach 1 million households by the end of 1984. Testing of the transmission is to begin June 15.

United Video provides satellite transmission of superstation WGN, a Chicago independent, and just recently added New York independent WPIX.#

Big Mac makes the big leagues

By ROBERT RAISSMAN
and SCOTT HUME

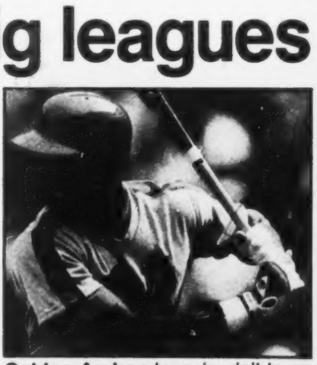
The decision by the presidents of the American and National Leagues to permit players to wear McDonald's Golden Arches on their wristbands may lead to other major league players selling other parts of their uniforms to advertisers.

"It's a disastrous decision," said a source in the Commissioner of Baseball's office. "They [the American and National league presidents] didn't envision what could happen when they allowed McDonald's to use the wristbands." The source said the decision sets a precedent.

McDonald's was given permission by the leagues in support of the company's Ronald McDonald House Team (AA, April 23).

McDonald's wants at least one player from each major league team to join. They will visit sick children at Ronald McDonald Houses and they also will be allowed to wear the McDonald's wristbands on the field.

The USFL, NFL and NBA all prohibit players from wearing logos on their uniforms.#



Golden Arches logo is visible on Darryl Strawberry's wristband in this *Sports Illustrated* photo.

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It virtually pervades our everyday lives. Consumers are comfortable with and knowledgeable about the process. The media devotes more time and space to explaining and dissecting it. Companies recognize its growing importance to their very survival.

The Marketing Phenomenon

By Charlene Canape

No one has to tell Ellen Metcalf of Arthur D. Little, the Boston-based research company, that today's consumers know about marketing.

Several years ago, Ms. Metcalf was collecting consumer comments on the newly introduced RCA videodisc player (which RCA recently decided to abandon). "With any new product, we always had people who said, 'I'm going to wait to buy until the bugs are out of the system.' " But this time, the consumers demonstrated they understood the basic principles of marketing, she says.

"The people we talked with [about the RCA player] said they would wait to buy until there were more competitors, because then prices would come down, the product would be improved and over-all they would get better value for their dollar. The fact that they went through that process was amazing to me," the head of Little's consumer industries unit says.

Surprising or not, it is a fact that marketing has become an accepted—even expected—part of American life and a rapidly growing one at that. Nowhere is this more evident than in dollar figures. In 1970, ADVERTISING AGE reported that the 100 leading national advertisers spent $4.62 billion on advertising. Just 12 years later, that figure had ballooned to $17.1 billion, a whopping 270% increase.

Instead of rebelling against this marketing system, the consumer is using it to his advantage. "I see a new wave consumer who is unwilling to accept brand name, price or past experience as surrogates for value," Ms. Metcalf says. "This consumer has much higher standards now than in the past."

Many executives view this marketing-savvy consumer as the inevitable result of the current business environment in which a large number of competitors seek to market similar products. A good example is the personal computer industry. Theodore Levitt, a professor of business administration at Harvard and author of the recent book "The Marketing Imagination," notes it is no longer necessary to be a technical wizard to get into the computer business because most marketers buy the same component parts from manufacturers. "You very quickly reach product parity," Mr. Levitt says. "The effort to find ways of competing more effectively on other grounds intensifies, and those other grounds get defined as marketing."

In a fierce marketing battle, the company with the largest share of business fights to hold onto its customers, while challengers strive to take those customers away. Of course, competitors always have fought for customers, but today these battles are played out for the consumer in living color on the tv screen.

Burger King announces in its tv commercials how many customers it has won from McDonald's. MCI and Sprint Telephone Service commercials encourage phone users to switch to one of those long-distance services from AT&T. Pepsi-Cola presents filmed evidence of people being convinced that Pepsi tastes better than Coke.

If the consumer watching these commercials still manages to miss the underlying message that marketing is taking over, the press is there to hammer the idea home. Most major publications now devote more space to covering marketing in the business pages and in general trend and "living" sections.

According to Hall's Editorial Reports, an organization that measures the editorial content of the nation's top weekly magazines, coverage of business in general has increased steadily since 1980. *Time*, for example, devoted 336 pages to business news in 1983, compared with 230 in 1980. Whit Raymond, a senior analyst at Hall's, says he believes that more coverage of marketing news accounts for part of that increase.

Even tv appears fascinated with the subject. Last month, Edward Ney, chief executive officer of Young & Rubicam, was the profile feature interview on "Business Times," an Entertainment & Sports Programming Network morning program. During a recent week, ABC's "Good Morning America" devoted one segment a day to discussions of marketing and advertising.

Marketing may be big news now, but the concept is as old as civilization. In its early stages, marketing simply meant the exchange of goods for goods or services. Through the ages, merchants began to improve on this simple sales technique. Instead of waiting for the customer to pass by the shop, store owners began to investigate ways to attract customers.

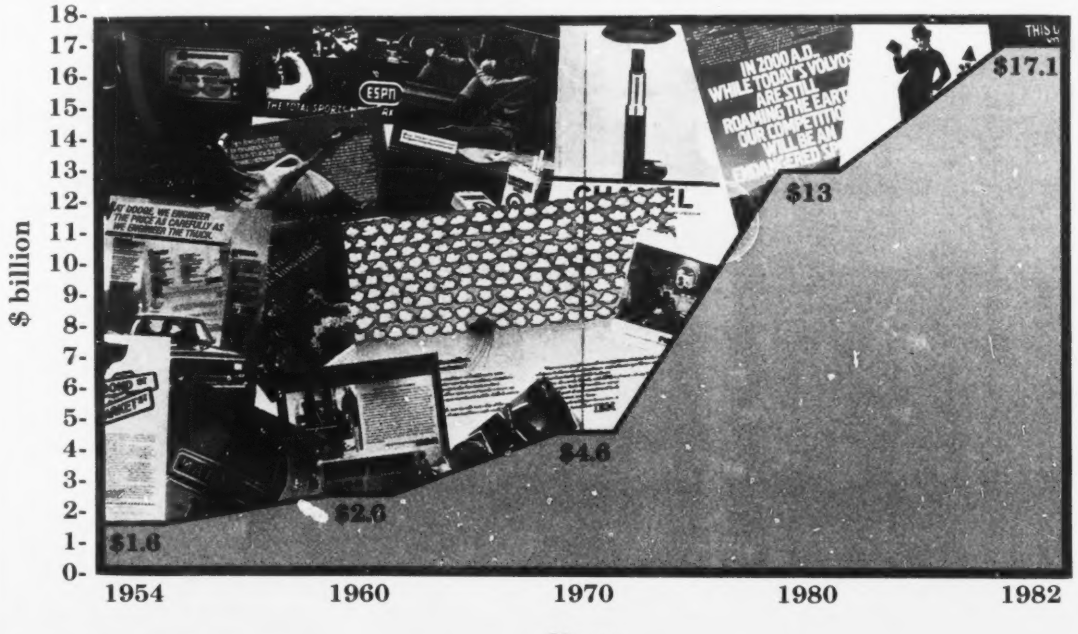
John J. McNamara, president of Young & Rubicam USA, says he believes that "modern marketing," or marketing as a science, was an outgrowth of the post-World War II era. "The war led us out of our worst economic depression and set the stage for the unparalleled expansion of those glorious postwar years," Mr. McNamara says. "Especially critical to marketing was the emergence of a true mass market as a new and increasingly prosperous middle class swelled in size."

Two other developments during this time—the supermarket and the baby boom—continue their influence. The supermarket rapidly took over as the best

Charlene Canape is an ADVERTISING AGE contributing editor based in New York.

ADVERTISING AGE's 100 Leading National Advertisers ... and how they grew

Total ad expenditures in $ billion
(including unmeasured media)



ADVERTISING AGE 100 Leading Advertisers

Almost three decades of advertising spending is represented in this graph that starts with the first ADVERTISING AGE compilation of advertising expenditures by the 100 leading national advertisers, published by AA in 1956 reporting the figures from 1954 and 1955.

way for marketers to distribute package goods to consumers. Eager to reach the large number of consumers represented by the baby boom, companies began to develop products for that audience.

"Wherever the boomers go, they seem to drag massive segments of the mass market with them," says Alexander Kroll, president and chief operating officer of Young & Rubicam. That targeting began when the baby boomers were still in diapers and is expected to continue until after their retirement.

Targeting customers is just one element of marketing strategy. Because marketing takes in a wide range of functions—from product research and development to testing to sales and distribution—it is difficult to estimate corporate expenditures for the entire process. However, most experts say marketing costs are increasing steadily as companies recognize the importance of the total function.

All this interest in marketing is good news to the advertising industry. "The most important part of business today is marketing, and advertising is the communications arm of marketing." says Walter Weir, who teaches advertising at Temple University in Philadelphia.

There also is a general perception among those in the advertising industry that the public is less critical of their profession these days. "All I am is a salesperson, and at one time that was a negative thing," says Ira Madris, executive vp-creative at McCann-Erickson. "There is a reality now that there's nothing wrong with being a salesperson. In fact, it's something to take pride in because we live in a world that needs salespersons."

"Historically, advertising has been a whipping boy," says Edward C. Stephens, formerly in account and creative positions with Dancer Fitzgerald Sample and now dean of Syracuse University's S.I. Newhouse School of Communications. "We've seen a huge shift since the 1960s. There is a greater understanding of the contributions big corporations have made to the nation and, with that, a greater appreciation of advertising."

According to an ADVERTISING AGE survey last fall, consumers *do* have a higher opinion of advertising than even many of the industry's top executives believe. In an advertising-image tracking study prepared for AD AGE by SRI Research Center, Lincoln, Neb., almost 50% of consumers surveyed thought advertising was better or much better (creatively) than a year earlier, and 26% thought advertising was more honest than a year earlier.

Only 13% of respondents thought advertising was worse or much worse in terms of honesty.

If advertising's reputation has improved, so has its financial standing. Advertising executives and observers agree that the industry should maintain a steady growth rate through this century. "Advertising has never been healthier," says Robert J. Coen, senior vp at McCann. "Since 1976, advertising has been growing each year at a rate faster than the economy." Mr. Coen predicts advertising expenditures in the U.S. will increase this year 13.8%, to $85.4 billion. Worldwide advertising industry revenues will exceed $150 billion in 1984 and will reach $287 billion by 1990, he says.

The American Assn. of Advertising Agencies believes that personnel requirements for the industry will continue to increase, with 120,000 people employed by the year 2000, a 17% jump from 1981.

There are other encouraging signs. Direct marketing has seen revenues more than double from $60 billion in 1975 to $150.3 billion in 1983, according to the Direct Marketing Assn. By the turn of the century, the DMA predicts that one in every four consumer dollars will be spent on mail order sales.

It is probable that a good portion of that advertising revenue could come from products that don't exist now. Technology already has created a whole new advertising category called the personal computer. Advertising expenditures for personal computers grew from $93 million in 1981 to $400 million in 1983, and are expected to reach $600 million this year, according to David Simons, president of Digital Video Corp. There is no doubt that technology will continue to provide exciting products to be marketed and advertised. High on everyone's list are robots, which soon could be sold as essential pieces of home equipment.

Government regulations, cut back severely during the Reagan administration, also have opened many new areas for competition. Years ago, who could have imagined that consumers would be bombarded with ads for financial services? Yet the Publishers Information Bureau estimates that financial services advertising spending—including banks, brokers, mutual funds, savings and loan associations, credit cards, life, casualty, fire and other types of insurance—in six media (magazines, supplements, network and spot tv, network radio and outdoor) has increased from $197 million in 1972 to nearly $628 million in 1983.

1984
Projections to note

- Worldwide ad spending —$150 billion
- U.S. ad spending —$85.4 billion
- Ad spending for the personal computer industry (including software and accessories) —$600 million
- Software industry revenues —$3 billion

In addition, deregulation in the drug area will continue to bring to the market many new over-the-counter medications previously available only through prescription, making them eligible for consumer advertising.

Sudler & Hennessey, Young & Rubicam's medical and health services agency, three years ago set up a consumer unit to handle this new business; this year it expects to achieve $30 million in billings from a single assignment, Parke-Davis' Benylin cough syrup.

And there are other products and services that will be advertised for the first time.

William Gibson, Sudler & Hennessey president, anticipates a boom in the health service area as companies rush to fulfill the needs of a generally aging population. By 2025, 58.6 million Americans will be 65 and older; that will represent 19% of the population, or more than double the number of Americans in that age group now.

McCann's Mr. Coen points out that the traditional top advertising categories—food products, cosmetics and apparel—will continue to be the largest revenue producers through this century. Both Selling Areas-Marketing Inc. and Dancer Fitzgerald Sample, which track new products, call the current rate of new product introductions healthy.

In 1983, 1,803 new products were introduced, compared with 1,510 in 1982, according to Marty Friedman, editor of DFS' "New Product News."

Ad spending by the top 10 over two decades of growth

1960 (million)		1970 (million)		1982 (million)	
1. General Motors Corp.	$168.5	1. Procter & Gamble Co.	$265.0	1. Procter & Gamble Co.	$726.0
2. Procter & Gamble Co.	127.0	2. General Foods Corp.	170.0	2. Sears, Roebuck & Co.	631.2
3. General Foods Corp.	110.0	3. Sears, Roebuck & Co.	130.0	3. General Motors Corp.	549.0
4. Ford Motor Co.	90.5	4. General Motors Corp.	129.8	4. R.J. Reynolds Industries	530.3
5. Lever Bros. Co.	80.5	5. Warner-Lambert	126.0	5. Philip Morris Inc	501.7
6. General Electric Co.	73.0	6. Colgate-Palmolive Co.	121.0	6. General Foods Corp.	429.1
7. American Home Products	65.0	7. Bristol-Myers	117.0	7. AT&T	373.6
8. Colgate-Palmolive Co.	59.0	8. American Home Products	100.0	8. K mart Corp.	365.3
9. Chrysler Corp.	56.9	9. Ford Motor Co.	90.3	9. Nabisco Brands	335.2
10. R.J. Reynolds Tobacco Co.	50.0	10. AT&T	86.6	10. American Home Products	325.4

Source: ADVERTISING AGE "100 Leading National Advertisers" issues.

If the business climate is providing corporations with a wide array of opportunities, it also is presenting as many challenges. Facing a more educated consumer, marketers now have no choice but to improve their operations.

"I am of the school that says the marketing concept is the essence and the driving force of all business," says Robert Seelert, group vp, General Foods. "The concept of marketing is meeting consumer needs. Everyone is in that business, but the package goods companies have honed those skills and focused on that orientation better than anyone else." He says those skills can be learned by corporations in other industries. "Those who don't measure up will find their business fading away."

Already the landscape is littered with products that never stood a chance of succeeding because they were not backed by sound marketing plans. Some of these casualties have occurred in the personal computer industry. Mr. Weir of Temple University singles IBM out for praise as a computer marketer that did it right. The company delayed the introduction of its personal computer until its marketing program was in place.

Other high technology industries are discovering they must become marketing experts to succeed. "The computer software industry is virtually void of marketing talent," says C. Rowland Hanson, vp-corporate communications at Microsoft Corp., a major software company based in Bellevue, Wash. But that's beginning to change.

Mr. Hanson is representative of the type of talent the software industry is seeking. After stints with General Mills and Carnation Co., he was vp-marketing for Neutrogena when he was approached by Microsoft's owner, Bill Gates. "I am basically a package goods marketer, and there is no doubt that is why I was recruited by Microsoft," Mr. Hanson says.

Growth in the software industry has been nothing short of incredible. Mr. Hanson cites a statistic from Dallas-based market researcher Future Computing that estimates industry revenues will reach $3 billion this year, a 600% increase over 1981.

While the industry's growth will continue, Mr. Hanson says an increasing number of competitors means the pie will be sliced into thinner pieces. Marketing skills, therefore, will become even more essential, he says. And from Mr. Hanson's perspective, the industry has a lot of work to do. "This industry does not understand positioning, market research techniques and how to interpret and apply those results," he says.

Software companies *will* be spending more of their marketing dollars on advertising, industry executives indicate. Personal computer marketers already have found print and direct mail to be the most efficient means of reaching those who own personal computers. "Print does the best job of educating the consumer and providing the benefits of the products you're selling," says Jim Ellerbrake, senior vp-management supervisor at Dancer Fitzgerald Sample, San Francisco, the agency for Grid Systems and its Grid Compass, a high-end portable microcomputer.

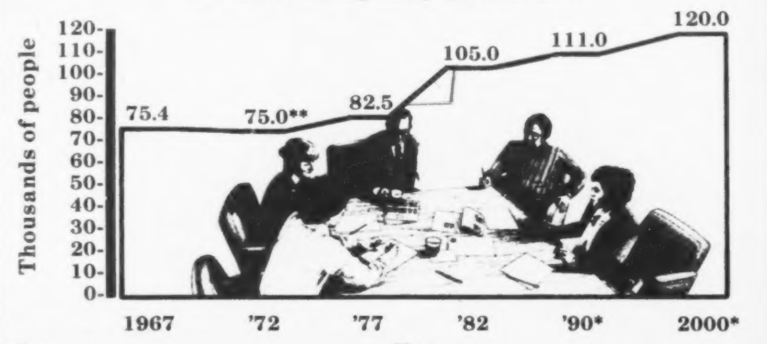
Of course, huge advertising expenditures alone cannot buy success. Dallas-based Texas Instruments spent $13.8 million in 1983 on tv commercials for its personal computer, a 334% increase over 1982, according to the Television Bureau of Advertising. Yet those spots, starring Bill Cosby, were not enough to move equipment off retail shelves. Ultimately, Texas Instruments withdrew from the personal computer market.

"Advertising is only part of the marketing task," Mr. Levitt says. "The whole thing has to be symmetrical, consistent. Advertising is not the tail that wags the marketing dog, and marketing is not the dog that wags the advertising tail."

All new products are faced with the same challenge. The consumer must be told about the item or service in terms he can understand. "Advertising has to deliver a discernible message to the proper audience," says Mr. Stephens.

(Continued on Page M-8)

Growth of agency personnel



*Estimated
**Dip caused by the recession
Source: American Assn. of Advertising Agencies, based on data from the U.S. Census.

As the marketing universe expands, the number of people employed by U.S. ad agencies also will grow—by 17% between 1981 and the end of the century, according to American Assn. of Advertising Agencies projections.

Marketing

(Continued from Page M-7)

The challenge may be greater with a new product or service that is unfamiliar to the consumer. These products often can be explained by linking them to products the consumer already knows about. "With a videocassette recorder, for example, the consumer already is familiar with a tape recorder and a tv set," Mr. Levitt says. "It's understandable."

With other products or services, the task is more difficult. "The hardest thing about high-tech products is educating the people about what the products are going to do for them," says Walter E. Ulrich, president of Walter E. Ulrich Consulting, Houston. Mr. Ulrich gives high marks to Federal Express. "The company committed a tremendous amount of advertising dollars to get across the concept of sending a document overnight," he says. "It was extremely effective."

Harvey Stuart, owner of Fone Booth, a New York retail store, says there is a dearth of consumer information from companies marketing telephones. As a result, Mr. Stuart and his sales staff spend a major part of their time telling consumers what they can and cannot do with regard to owning telephones.

The financial services industry is one that is responding to the consumer's desire for more information. "We are dealing with a new generation of self-propelled investors who feel much more confident about making their own choices," says Victor Kramer, vp-marketing development for Fidelity Investments, Boston.

Consumers now want to shop around before they invest and no longer believe they must pay top dollar to get top quality. One result has been a proliferation of discount brokers and other financial advisers. Mr. Kramer estimates that this year $50 million will be spent on advertising by companies that did not exist before or existed in different forms.

Fidelity Investments, which has two primary lines of business, discount brokerage and mutual funds, does not limit its marketing efforts to advertising. Mr. Kramer says the company emphasizes its 800 telephone number and has recruited a large team of specially trained people to answer phone queries.

Although there is a plethora of computer ads, some ad executives would agree with Mr. Stephens that "there's a confusion over computer advertising. This is leading to consumer complaints and false and misleading advertising."

While the high-tech companies struggle to learn about marketing from food and cosmetic companies, the consumer package goods industry will be faced with challenges of its own. "We're dealing with a much more segmented world," says Mr. Seeiert of General Foods. "The challenge for businessmen is how to meet that diversified set of needs with a business system that can also earn a return on investment, when the inherent scale of meeting segmented needs is not the same as it was for mass market items."

The push to meet those segmented needs has resulted in a spate of new products that have crowded some food and cosmetics categories. Ira Madris and Bruce Nelson, executive vps-creative at McCann-Erickson, have coined the term "wardrobe of products" to describe this trend. "There used to be 14 cigarets; now there are hundreds," Mr. Nelson says. "The cereal section of a supermarket now takes up a whole aisle. People have options they didn't before. So if you're coming with a new product in an area where there already is consumer satisfaction, you have to be different to be noticed."

Marketers also are being pressured by the supermarkets. "There's a certain groundswell of opinion that the stores aren't big enough to accommodate the front-runner and the me-tooers," says Alan Miller, vp-sales services manager for Selling Areas-Marketing Inc.

Many in the advertising industry welcome the chance to demonstrate their creative skills. "We place ourselves in the position of the consumer and must show how this product is meaningful," Mr. Nelson says. For example, McCann-Erickson was given the task of promoting Sony Corp.'s new 1-in. screen tv in the crowded electronics entertainment category. "We called it the me-tv and showed that it was a personal tv you could watch all by yourself," Mr. Nelson says. "People understood the concept and the brand sold out this fall."

Everyone has his own guesses about where the future tests of marketing and advertising creativity will be.

Mr. Levitt of Harvard says Wall Street and law and accounting firms in New York are asking him, "How should we market ourselves?"

"In professional circles, marketing used to be a dirty word," notes Ms. Metcalf of Arthur D. Little. "But in today's society, professional services have a greater need to market themselves. They are slow to come to that conclusion, and our company is probably no exception."

Ms. Metcalf says she also believes that the educational community increasingly will turn to marketing to students.

Mr. Ellerbrake of DFS nominates the video phone as a hot new product. "It would not be hard to sell because it isn't hard to operate, and the benefits are easy to see."

Messrs. Nelson and Madris of McCann-Erickson say new services and industries will be created by President Reagan's commitment to build a space station. In addition, they see new businesses being created to cater to an aging population.

Whatever the predictions, one thing is clear: Marketing expertise will be an even more valuable skill in the future. "The future will be a period of significant change and challenge to manufacturers," says Mr. Seeiert of General Foods. "It is a time to be bold and take advantage of that change. Those who don't adapt will find themselves falling by the wayside." ■

What marketers see in their crystal ball

- Countdown to shorter commercials—20 seconds, 15 seconds.

- Tv commercials for computer software.
- Marketing by professional companies—legal, medical, account services that previously shunned the limelight.
- Advertising by colleges and universities to attract students.
- Increased migration of package-goods experts to high-tech companies.

- Popularity of print media by high-tech companies to better describe their products.

- Products and services created by U.S. space program.

- Gradual acceptance of other advertising media—videotex, home computers, movie theaters.

- Greater emphasis on creativity to distinguish product in a crowded field.
- Products and services aimed at the over-65 population as the baby boom generation ages.

Looking to the year 2000

How will advertisers reach their audiences in the future?

There seem to be more questions than answers as advertisers and agency executives wrestle with rapidly changing challenges and needs. According to some experts, not too much will change in the media world between now the year 2000, but the goal of holding down costs will make alternative media forms more attractive and important to marketers.

Agency people charged with selecting advertising vehicles will have to be even more sophisticated in their marketing knowledge, executives agree. Allen Banks, executive vp-media director at Dancer Fitzgerald Sample, says, "The choices available to advertisers seem to be increasing exponentially. Someone can't just make a decision by sitting at a calculator punching in numbers."

Network tv will remain the dominant mass medium, agency executives say. Yet, if its audience continues a pattern of erosion, and if production costs continue to rise, advertisers will end up paying more to reach fewer people.

"After 35 years of being a growth medium, tv is becoming a mature medium," says Marvin S. Mord, vp-marketing and research services at ABC. "It will cost more to purchase network tv in the future and deservedly so. It is still the only way you can run a message for Wendy's and have 50% to 75% of the population instantly aware of 'Where's the beef?' "

One solution for the higher costs expected might be a move to shorter, and thus, less expensive commercials. Currently there is concern in the advertising community about the possible rise of the 15-second commercial and the ensuing clutter that would cause. But future cost concerns may force shorter commercials to become the norm.

"Sixty-second commercials used to be standard, now it's 30s," Mr. Nelson says. "What about a four-second commercial?" he says; "Those who have grown up in front of the tv can accept more images."

Mr. Mord agrees viewers are capable of absorbing more information more quickly, but he sees 15 or 20-second spots more likely than shorter versions.

There are many products, especially high tech ones, that would not lend themselves to such short spots. Longer infomercials, once touted as a major selling point by cable channels, would be more appropriate for selling products that need more explanation, ad industry executives say. "The infomercial has never taken off, and cable has built its programing around the 10-30-60 format," says David Simons, president of consulting group Digital Video Corp.

Apple has created interest in its Macintosh personal computer through tv commercials—most notably its dramatic preview "1984" execution—but the company also has depended on a lengthy magazine insert to explain the product. Many experts believe the print media will continue to benefit from the competition not only among computer manufacturers but also from companies marketing financial services that need in-depth description.The Newspaper Advertising Bureau puts 1983 financial services advertising spending in newspapers (including supplements, preprints, r.o.p.) at $595.8 million.

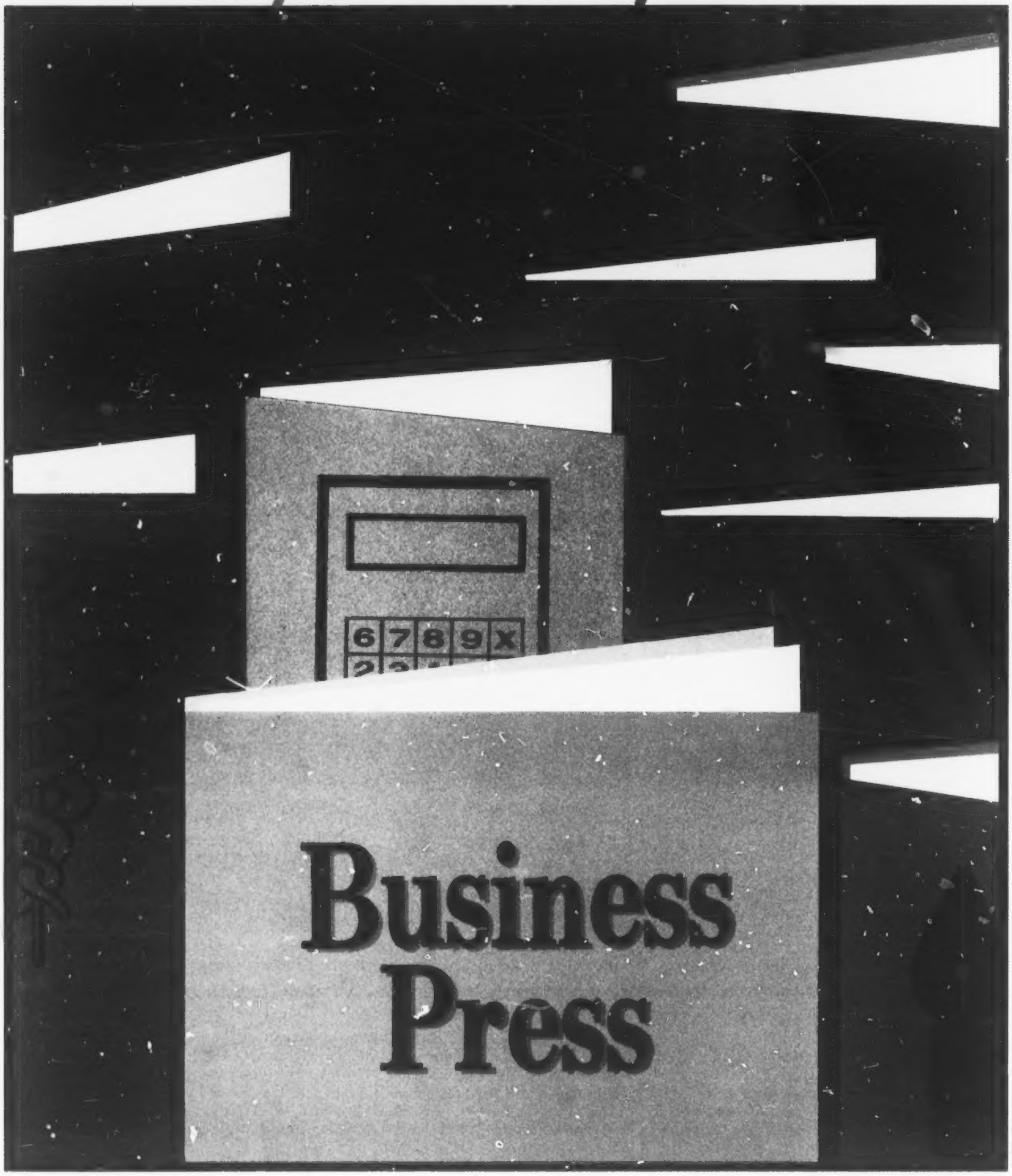
Like cable tv, magazines and newspapers are not doing their best to exploit the situation, some observers say. "Newspapers have the opportunity to make themselves an attractive medium for personal computer advertising," Mr. Simons says. "Yet, few newspapers are taking advantage of this."

Those in financial services actually complain about a lack of adequate advertising vehicles. "We have run out of media," says Victor Kramer, vp-marketing development for Fidelity Investments in Boston. "We run three to seven ads a week in the *Wall Street Journal*, two ads in every issue of *Money* and several in the Sunday *New York Times*," he says. "We are doubling and tripling up in our efficient media because there hasn't been much change in available media."

Somewhere down the road, most experts believe that new forms of advertising will begin to have an influence. Videotex will be one such new medium, although Mr. Simons warns that videotex first must sell itself as a service and not as an advertising vehicle. Mr. Banks says he believes that videocassettes, home computers and movie theaters could become future candidates for such advertising.

Whatever the combination, it seems certain that advertisers increasingly will look to adjust the media they are using. "Ten or 15 years ago, if you had a daytime and prime time tv package, and [ad schedules in] four leading women's magazines, you had tremendous reach," says Robert Seelert, group vp at General Foods. "But today there would be a lot of people that combination would not reach. There is an inherent need for us to broaden the set of marketing vehicles we have access to. That's a challenge to all marketers." --*C.C.*

Special Report



Jeffrey Toth

Responding to needs in a specialized way

By John Maes

The business press "caters to leaders of business, commerce and professions. It demands a special breed of editors. They have to be curious about what makes this society tick, and back this curiosity up with facts and hard research." This is how Edgar Grunwald, former *Business Week* managing editor and longtime adviser to business and consumer publications, described this segment of the publishing world at the American Business Press winter conference in New York last month.

The old term "trade press" is fast becoming anathema to an industry made up of an estimated 2,700 nonconsumer magazines. Another term used to characterize this portion of the news media these days is "healthy" because it's gaining ground on all fronts—more readers, more advertisers and more money in the bank.

> **"The business press, or specialized press, is the healthiest segment of journalism . . ."**
>
> *—Benjamin Baldwin*

"The business press, or specialized press, is clearly the healthiest segment in all of journalism today," says Benjamin Baldwin, a professor of journalism at Northwestern University's Medill School of Journalism, Evanston, Ill., and a specialist in the business press.

Financially, business magazines had a slack year in 1983 because of the recession, but they managed to weather the storm, reports the American Business Press, a trade association for specialized magazines. Ad pages dropped 2%, from an estimated 1.74 million to 1.71 million between 1982 and 1983.

(Continued on Page M-16)

John Maes is a general assignment free lance writer.

Bridging the 'society book' image

By Catherine Warren

Long before the space shuttle, the silicon chip and the laser captured the technological spotlight, the Pyramids, Britain's Parliament and the Brooklyn Bridge stood as brilliant examples of man's engineering feats. Those who constructed civilization's first buildings, roads, bridges and dams were civil engineers and, as such, were the first practicing engineers.

> **"We wanted to emphasize the excitement of the new civil engineering field, particularly in the area of high technology."**
>
> —***David Dresnia***

The American Society of Civil Engineers, founded in 1852, speaks to about 90,000 of today's civil engineers in its monthly magazine, *Civil Engineering.*

The magazine, located in an austere building near the United Nations in New York, is described by its publisher, David Dresia, as "a business-to-business type of publication designed to be of use to the practicing engineer."

The practicing engineer's ranks include structural, geotechnical, environmental and civil infrastructure design engineers who work on the construction of commercial, industrial, institutional and public works projects.

Because civil engineers hold the final purchase approval of products, equipment and materials, the impact of their decisions is felt in the $100 billion engineered construction market. *Civil Engineering's* March issue contained ads for steel columns and beams from Bethlehem Steel Corp., bridge pavement materials from Armco and geotextiles from Hoechst-Roussel Pharmaceuticals, Du Pont and Amoco Oil Co.

The biggest challenge for *Civil Engineering*, according to its staff, is to overcome the second-class citizen image associated with "society books."

Civil Engineering's affiliation with the ASCE puts it in the society publication category. An industrywide stereotype looks upon a society's publication as less competitive than commercial publishing ventures. After all, such a magazine is part of a nonprofit organization, its readership is assured through its membership and its costs often are paid partially by members' dues. In addition, many magazines are criticized editorially for merely serving as a house organ, publishing members' research papers and announcing meetings.

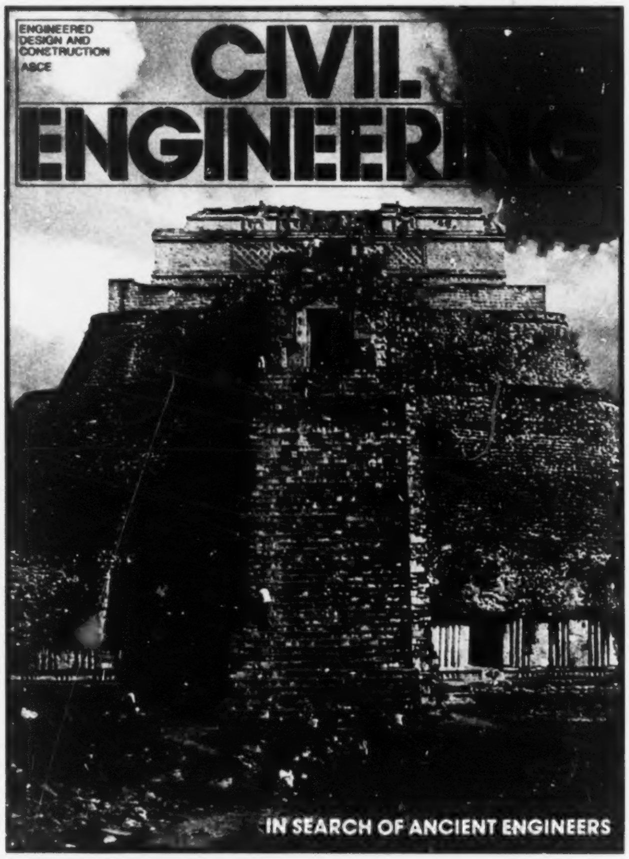
"The word on many society books is that they are poor, but *Civil Engineering* is an exception to the society book image," says Gene Cronin, Bethlehem Steel's media-administrative director. His company advertises eight times a year with mostly color spreads at a cost of $6,000 each because Bethlehem wants to reach civil engineers, not contractors.

To put a respectable distance between *Civil Engineering* and other less highly regarded society publications, Mr. Dresia attests that 90% of *Civil Engineering's* costs are paid for by advertising sales. Also, to free *Civil Engineering* from the duties of a house organ, 15 scholarly research journals are published each year by the ASCE to house members' papers, and a monthly newspaper reports on the association's news, he adds.

In January, 1983, *Civil Engineering* underwent a complete face lift—its first in more than 10 years. "We felt the magazine looked stodgy, and we wanted to emphasize the excitement of the new civil engineering field, particularly in the area of high technology," Mr. Dresia explains.

Indeed, this "stodgy" image appears to be one that has clung to the civil engineering field as a whole. "Civil engineering is not the glamor stuff," says K.A. Godfrey Jr., the magazine's editor, who holds a degree in civil engineering as well as journalism. Mr. Dresia candidly states that civil engineering's technology has not been evolving as rapidly as it has in other engineering disciplines, a fact that has contributed to the decline in college enrollment in civil engineering programs.

But, he points out, ASCE's membership continues to increase each year. He also sees the technology gap narrowing: "Like everything else, civil engineering is becoming more high-tech oriented."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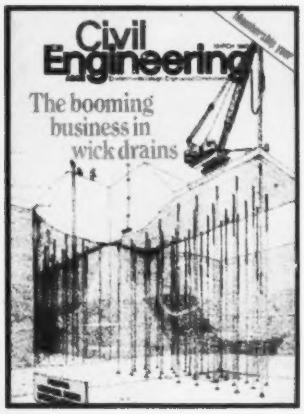
IN SEARCH OF ANCIENT ENGINEERS



Civil Engineering's ***new cover (above) was created to remove its "stodgy" image, as shown in the cover at right.***

Catherine Warren is a general assignment free lance writer.

Specialized

(Continued from Page M-15)

Ad revenues, which totaled $2.5 billion in 1983, were down 6% from the year earlier.

But with the economy now resurgent, ABP president Thomas H. King predicts a "banner year" for 1984. He forecasts that ad pages will rise 4%, to 1.78 million, and ad revenues will jump 12%, to $2.8 billion. Meanwhile, mergers and acquisitions by big companies will continue to strengthen publications that might otherwise founder under smaller publishers, he says.

There are several reasons for the business press' rise to prominence, observers say. First, the entire nature of the U.S. work force is changing. It's becoming more professional, with people entering more sophisticated, higher technology areas requiring them to have more specialized information.

"There's more of a need for specific magazines," says Robert Earley, a group publisher for Harcourt Brace Jovanovich Publications and past president of the American Society of Business Press Editors. "That's why the business press continues to grow. The popular media just can't provide various professions with the type of information they need to do their jobs."

The computer industry probably provides the best example, he says. Mr. Earley's company has just started *Peanut*, a magazine especially designed for operators of the IBM PC jr.

Says Mr. King of ABP: "There have got to be some 220 magazines related to the computer field on the market today, whereas three years ago, there were only about a dozen."

However, it is not information demand alone that has drawn more readers to specialized magazines. Editorial quality and competition among publications has increased dramatically during the past several years.

Business press editors no longer can slap together a magazine from a few black-and-white photographs and columns of press releases hawking new products and services and expect success. Specialized magazines today must show journalistic enterprise in writing, editing, design and graphics, says Mr. Baldwin. "The day is gone when you can publish a few drab display ads and glue them together with just a few articles and expect people to read it—the competition is too keen."

That's why more college trained professionals are being hired as editors and writers by business publications, he says.

In addition, journalism graduates, realizing that only limited job opportunities exist in the general news media, are turning to the specialized press for careers, but only slowly. "Most journalism students still want to go to work for '60 Minutes,' the *New York Times*, the *Washington Post*, *Newsweek* or *Time*, and the business press still gets neglected. There's a long way to go," Mr. King says.

An effort to attract more prospective employes from journalism schools is under way. A business press fellowship, the first of

Fastest growing business magazines by ad pages

Over-all (All divisions)	Ad pages	% change '81/'82
1. Annals of Internal Med.	1,676	52.9
2. Drug Therapy	1,639	49.9
3. Hospital Practice	1,823	41.4
4. Medical World News	1,794	41.0
5. Emergency Medicine	2,904	32.3
6. Postgraduate Medicine	1,842	31.9
7. Journal of Accountancy	837	28.8
8. Computer Systems News	1,636	27.7
9. Mini-Micro Systems	2,277	27.3
10. Information Systems News	834	26.7

All figures are *Folio* estimates for the calendar year 1982

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Fastest growing business magazines by ad revenue

Over-all (All divisions)	($000)	% change '81/'82
1. Annals of Internal Med.	3,643	69.3
2. Computer Systems News	6,000	57.9
3. Medical World News	5,866	55.5
4. Hospital Practice	6,739	53.8
5. Data Communications	3,180	52.0
6. Mini-Micro Systems	9,800	45.2
7. Information Systems News	4,100	41.4
8. Journal of Accountancy	2,736	41.4
9. JAMA	12,289	39.7
10. Consultant	7,076	34.1

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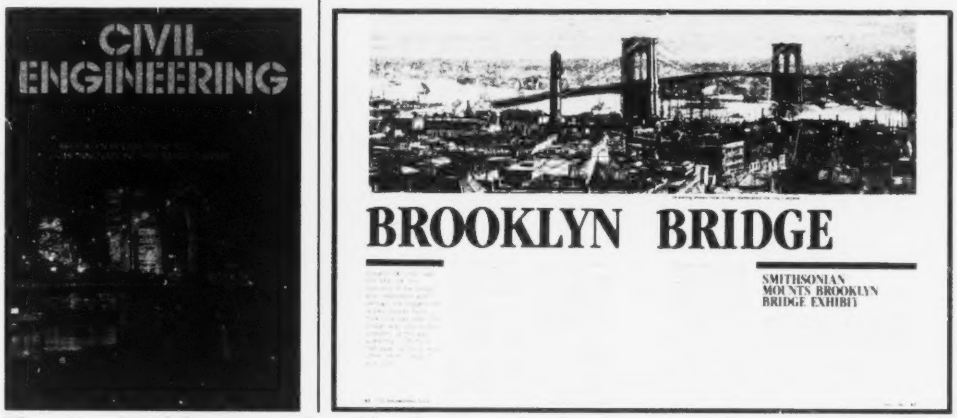
The magazine's new format was designed to reflect the field's more modern image. Consultant Steve Phillips, the designer of *Discover*, *Folio* and *Ms.* magazines, gave the magazine a more open, visually appealing format in its layouts and in its increased use of photos and original art. The cover's logo also was made larger and its color varied from issue to issue.

A new column, "Forum," serves as a guest editorial page, reflecting the more issue-oriented concerns that the rest of the editorial pages have taken. As an example, two recent issues dealt with the question of who was responsible—the civil engineer or the steel structure company—for poorly designed connections between steel beams and columns that caused the collapse of the lobby in Kansas City's Hyatt Regency Hotel and the Mianus River bridge in Connecticut. Largely as a result of these articles, a joint committee was formed by the ASCE and the American Institute of Steel Construction to resolve the responsibility issue.

Although there are more staff-written articles than in past years, members continue to contribute the majority of *Civil Engineering's* editorial content. No more than three of the 10 to 12 monthly features are written by the magazine's staff, Mr. Godfrey notes. Staff-produced articles generally are much broader than those from members.

"I think we would weaken the magazine if we went too far from the members writing on their areas of expertise. It's our guts," he says. He does, however, believe that *Civil Engineering's* staff-and-member writing mix has given the publication a "hybrid" personality. "The standards of excellence are fuzzier; we often feel like we stand alone," he says.



The new visual format employed by the magazine has increased the use of photos and artwork, such as in this cover and spread about the Brooklyn Bridge.

The most compelling issue of the 1980s, Mr. Godfrey says, is the country's aged and decaying infrastructure. The urgent need to replace highways, bridges, sewerage systems and other public works has overtaken the environmental issues of the 1970s.

This September's *Civil Engineering* issue, like that of last September, will address the problem of the rehabilitation and reconstruction of America. Last year's best-read article was concerned with the financing of public works projects and a counterpart is planned for this year's issue.

Indeed, a lot of money is needed in the next decade to repair and rebuild. In the transportation area alone, U.S. airports will need $4.2 billion a year and railroads between $8 billion and $9 billion a year. Mass transit could require $4 billion a year, and highways could need at least $27 billion annually, writes James Brian Quinn, a noted professor of management at the Amos Tuck School of Business Administration, Dartmouth College, Hanover, N.H., in the March issue of *Civil Engineering*.

"The modern world may sink giggling into the sea, playing with its electronic toys. But history has shown that the dreams of humankind are ultimately written in its permanent civil structures," he stresses.

About 50% of *Civil Engineering's* readers are consulting engineers working on public and private industry projects. The majority of these professionals run and operate their own business, according to Scott Armstrong, advertising sales manager. Another 15% to 20% are public works engineers. The rest are contractors, utility companies, members of private industry, academics and suppliers of construction material and equipment.

Because the publication pursues business-to-business advertising, its readers are identified to potential advertisers by where they work, what their involvement is in the marketplace, what they specify and what they purchase, Mr. Armstrong says. *Civil Engineering* considers its closest competition McGraw-Hill's *Engineering News Record*, a weekly news magazine, and Technical Publishing's *Consulting Engineer*, a monthly magazine. Mr. Cronin of Bethlehem Steel buys *Engineering News Record* as part of his two-publication buy (*Civil Engineering* is the other) to reach the civil engineer.

"*Engineering News Record* is the prime book. It's the bible in the field of construction engineering," Mr. Cronin says. *Consulting Engineer*, although praised as a good publication by Mr. Cronin, is not used for his company's advertising because "it covers other disciplines in the consulting engineer field as well as civil engineering."

The concern with the nation's infrastructure and the resultant rebuilding may help the troubled steel industry, which saw a sharp decline in sales in the past two years, according to Mr. Armstrong. In his analysis, "The steel business is still soft and will never be where it once was." Mr. Cronin says it's up to the government to impose steel import quotas if the industry is to survive.

In addition to pursuing more of its traditional advertising, *Civil Engineering* plans to become more aggressive in its pursuit of high-tech advertising. "The computer age has hit the civil engineer," Mr. Dresia says. The March issue displayed ads from Texas Instruments, Hewlett-Packard, Software Arts, Computer Vision and Celestial Software.

As part of a vertical buy in eight to 10 varied engineering publications, Hewlett-Packard advertises 12 times a year in *Civil Engineering*, says Jack Peters, advertising program manager of Hewlett-Packard Business Development. "It's a logical outgrowth for us; we're interested in providing complete tools from distance measuring equipment to portable computers for civil engineers."

Civil Engineering is working on a buyer's guide, which will appear for the first time in its December issue. The guide will cross reference manufacturers with their product listings and include a section for brochure and catalog inserts. In a few years, the buyer's guide will be a 13th issue, Mr. Dresia says.

The magazine also is talking to other engineering societies to see if their publications are interested in putting together a network through which consumer advertising may be pursued in the future.

In the next month or so, the magazine will mail a marketing research questionnaire to a selected readership from nine or 10 other engineering publications. "It will help us determine where our niche in the marketplace will be," Mr. Dresia says.

The total circulation of the network would be about 750,000, he says. Consumer and corporate advertising will be pursued, but cigaret and alcohol ads will not be accepted.

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its kind, has been set up this year by Geyer-McAllister Publications, New York. The fellowship will enable a visiting professor to guest lecture at Northwestern University on job opportunities for students in the business press area.

Mergers and acquisitions have further strengthened the specialized press. Of particular interest is the entry of foreign players such as United Newspapers, a British company that recently acquired Gralla Publications, publisher of 14 titles, for $45 million.

"Almost everyone in this business will tell you that he's looking to acquire a magazine," Mr. King of the ABP says. "There's a lot of activity in the merger area with a lot of well-funded companies that are merger-minded. We're going to see a lot more of this."

He says he believes that the recent acquisition by Harcourt Brace Jovanovich of three plastics industry publications owned by Industry Media of Denver probably will improve those publications. "Harcourt Brace will be able to bring greater money and people resources to those magazines."

Cleveland-based Harcourt Brace claims to have turned the fortunes of a number of flagging magazines it has acquired from small operations. For instance, *Beverage Industry*, bought in 1982 with only 658 ad pages, rose to 780 ad pages last year, a company spokesperson says. Another, *Food & Drug Packaging*, was acquired and rose from 556 ad pages in 1982 to 758 last year. In 1982, Harcourt Brace bought *DVM/The Newsmagazine of Veterinary Medicine* and since has raised its circulation from 30,652 in 1982 to 33,083 last year.

"These magazines were given all the amenities a larger company could provide: A bigger sales staff and a bigger and better circulation operation," the spokesperson says.

Computerized information services also could increase business press revenues when the systems are developed. Although most of them are in the experimental stages or offer little more than informational indexes, the potential exists for this type of "on-line development," says Ken Noble, a media analyst with Paine Webber Mitchell Hutchins, New York.

With such computer systems, subscribers could receive current information regarding their industry and read it on computer terminals without having to wait for each edition of the magazine.

"I don't mean to overplay this because it's largely experimental," Mr. Noble says. "But there's considerable belief in the potential for the on-line type service. In time, it could grow."

There's little doubt that the business press is constantly reshaping and redefining itself, not only in terms of sophisticated services to its audience, but editorially as well.

Says Mr. King, "The editorial product has to get better. There is so much competition from all the other media. It's a constant struggle for share of mind."

Fastest growing business magazines by total revenue

Over-all (All divisions)	($000)	% change '81/'82
1. Medical World News	6,026	59.8
2. Computer Systems News	6,000	57.9
3. Data Communications	3,908	56.1
4. Hospital Practice	6,739	53.8
5. Science	14,451	49.9
6. Annals of Internal Med.	6,863	44.5
7. Information Systems News	4,100	41.4
8. New England Journal of Medicine	19,237	39.8
9. JAMA	13,332	35.5
10. Consultant	7,076	34.1

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Fastest growing business magazines by circulation

Over-all (All divisions)	Average Circ.	% change '81/'82
1. Architectural Record	74,853	335.9
2. Hoard's Dairyman	202,106	175.1
3. Computer Design	85,943	25.7
4. Medical Economics	182,693	14.2
5. Postgraduate Medicine	137,514	12.9
6. ABA Journal	350,000	12.7
7. Modern Salon	125,658	12.5
8. RN Magazine	374,830	9.8
9. American Banker	20,389	9.1
10. Aviation Week & Space Technology	133,501	8.8

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Advertising Age

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$1.25 a copy; $52 a year *The International Newspaper of Marketing* *April 30, 1984*

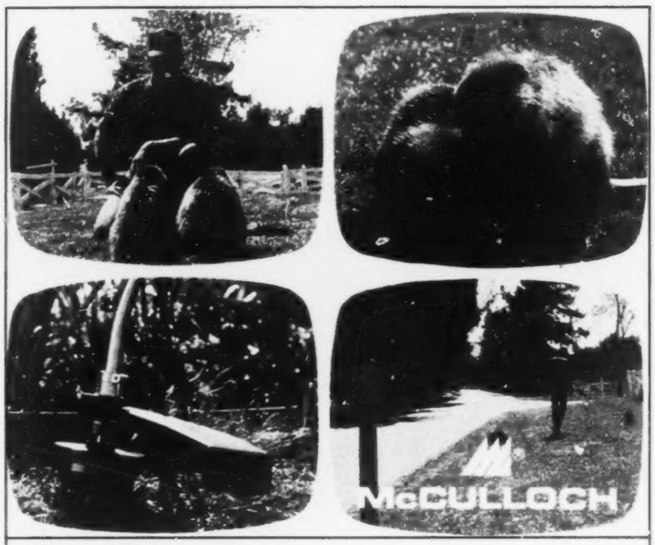
GF wins in coffee price suit

Washington—A unanimous Federal Trade Commission ruled Friday that coffee price wars in the 1970s were evidence of healthy competition, rather than predatory behavior by General Foods Corp.

In a decision that leaves GF entirely in the clear, FTC chairman James C. Miller III wrote: "The principal effect of the heated rivalry between Folger and Maxwell House has been to reduce the prices consumers pay for coffee and promote product quality."

The case was triggered in 1976 after General Foods responded to Procter & Gamble's introduction of Folger's coffee in eastern markets with a spate of price reduc-

(Continued on Page 78)



Buzzing away

McCulloch Corp. returns to network tv to advertise its new line of lawn and power equipment. Ads feature Billy and Barney Beaver and a new spokesman, Mr. Mac. (*See story, Page 14.*)

BMW sues as auto ads tout performance

By RALPH GRAY

Detroit—Legal briefs are waving like checkered flags here as auto marketers race into comparative advertising for their performance cars.

Case No. 1: BMW of North America has sued Ford Motor Co. over advertising claiming that the Ford Thunderbird Turbo Coupe "outhandled" the BMW 633CSi.

A sidelight to the case involves *Car & Driver*. The buff book ran the tests that, when advertised in a Ford corporate ad, prompted the suit, filed last week in U.S. district court in New York. The magazine is one of the prime chroniclers of performance and handling tests and receives much advertising on the subject.

Case No. 2: General Motors is asking the Federal Trade Commission to ease restrictions on GM car-handling ads so the auto maker can "get on even terms with our competition."

That these cases have become issues in the auto industry illustrates the rise of the newly compet-

(Continued on Page 82)

Baseball shuts out McDonald's logos

By ROBERT RAISSMAN

New York—The presidents of baseball's American and National Leagues have ordered players to stop wearing wristbands carrying the McDonald's Golden Arches logo.

The order, sent to all baseball team administrators, cited a Major League Baseball rule that reads, in part, "No part of the uniform shall include patches or designs relating to commercial advertisements."

Donald Fehr, acting executive director of the Major League Baseball Players Assn., said he was looking into the situation to see whether players' rights have been violated by the presidents' directive.

Sources said each league president gave McDonald's permission to set up a program—which included the wristbands—in support of the company's Ronald McDonald House All-Star Team. McDonald's wants at least one player from each major league team to participate. The players' likenesses would be used to raise funds and the players could be involved in co-op programs. The players also would visit the houses, where parents can stay with children who are undergoing treatment at nearby hospitals.

The conflict over the use of the logos is being treated gingerly by the leagues. On one side, the leagues fear that the McDonald's logo could open the door for players to sell off other parts of their uniforms or equipment to other advertisers (AA, April 26). To deny players that right could put the league in the position of preventing players from earning their full potential livelihood.

Other potential problems also abound. For example, a player might wear sweatbands from a beer company whose chief competitor is the exclusive tv sponsor of the team's games.

Paul Schrage, McDonald's exec vp-chief marketing officer, told Advertising Age the company had been "concerned" the wristbands might be viewed as commercialization, "and that's why we took the idea first to the commissioner's office and then to the Major League [Baseball] Players Assn."

But Chuck Adams, a spokesman for the office of baseball commissioner Bowie Kuhn, said the wristbands never were sent to the commissioner's office for final approval. Instead, McDonald's sent the bands directly to the players.

It was a player who initiated the tie between McDonald's and Major League Baseball. Steve LeRoy, a McDonald's spokesman, said San Diego Padre first baseman Steve Garvey met with the presidents of both leagues to have the wristbands approved. Mr. Garvey, who also heads the San Diego-based Garvey Marketing Group, brought the idea of involving players in Ronald McDonald House to McDonald's in January.

The Padres are owned by the survivors of

(Continued on Page 80)

New strategy uses 'pop' celebrities

Diet Coke broadens its reach

By STEWART ALTER

Coca-Cola USA, Atlanta, is launching new tv commercials for Diet Coke that represent an increasingly aggressive strategy for the brand. With more advertising dollars behind it than had been planned for this year, the brand will be positioned more fully as a mainstream soft drink.

The revised strategy, developed within the last month, is the result of Diet Coke's having overtaken 7UP as America's third-largest soft drink. Within this time, 11 new commercials have been shot, some of which will begin appearing this week or next. The $30 million budget for the brand has been revised upward, some say by more than 50%. And Diet Coke advertising will be appearing for the first time in print, outdoor, movie theaters and cable tv, at least on MTV.

From the time it was introduced into New York in the summer of 1982, Diet Coke's positioning has been broader than that usually associated with diet drinks. Women aged 18 to 34 still were the primary target, but the "Just for the taste of it" theme and inclusion of men in the commercials were meant to bring in male drinkers as well. As the brand moved to $1 billion in sales in its first year, it attracted a broad spectrum of consumers. This broadening is being pursued further in the new spots.

For the most part, the new approach still includes the use of celebrities that has characterized the ads since the beginning. A new campaign was launched about a month ago with a broader range of mostly younger celebrities than before, but the new spots extend that further and in different directions than had been originally planned. But "Just for the fun of it" remains the theme line.

"We want to be at the leading edge of celebrities, a kind of *People* magazine of the air," explained Malcolm MacDougall, president and director of creative services of SSC&B:Lintas USA, Diet Coke's agency.

One new commercial includes singer Kim Carnes and "Weird Al" Yankovic, whose "Eat It" videotape parody of Michael Jackson's "Beat It" has been very hot. Pepsi-Cola, of course, recently signed Michael Jackson for commercials.

Older and more traditional celebrities are included as well as more far-out ones; famed pilot Chuck Yeager appears in a commercial that also includes Christie Brinkley, while actor James Coco appears in the Kim Carnes and "Weird Al" spot. Said agency chairman Kenneth Robbins, "We are now saying that this is a drink for anyone who wants to choose a soft drink."

Mr. MacDougall, who envisions the current 6% share of market rising soon to 10%, said, "This shows how far we think Diet Coke can travel in different segments of the population. In other words, there are no segments."#

PepsiCo sends Michael Jackson to school. See Page 82.

last minute news

Kodak breaking Trimprint instant line effort

Rochester, N.Y.—Eastman Kodak Co. tonight will break a multimedia campaign for its instant camera and film line, recently renamed Trimprint. Themed " 'The other camera' like no other camera," the campaign stresses Kodak's Trimprint film system that allows pictures to be removed from their backing. Tv spots and ads in general interest, women's and children's magazines support. Budget is undisclosed; last year Kodak reportedly spent $4 million to $5 million in measured media on its instant system. Young & Rubicam handles.

Nantucket snares Namath for underwear line

New York—Nantucket Industries has signed Joe Namath for a line of Namath men's underwear to be marketed in department stores. Terms of the contract call for a six-figure guarantee. Agency not disclosed.

A-B kicks off Bud Light flight during derby

St. Louis—Anheuser-Busch breaks the first of its two Bud Light spots tied to its Summer Olympics sponsorship during Saturday's telecast of the Kentucky Derby. The spot, which shows two farmers who stop work to watch a runner carrying the Olympic torch, carries the theme "Discovering the best in all of us." A second spot breaks in July during the telecast of the games. NH&S/USA, Chicago, is the agency.

'SI' Olympic program generates $6.4 million in ads

New York—*Sports Illustrated* has closed its *Official Olympic Souvenir Program* with 330 total pages, of which 167 are ad pages, yielding $6.4 million in revenue. The program goes on sale around July 1 at $7.95 with a guaranteed circulation of 1 million.

(Continued on Page 8)

CBS plans 'Honor' fight

By DIANE MERMIGAS

CBS will continue to challenge the credibility of "A Matter of Honor," a new book criticizing a 1982 network documentary on Vietnam, by following author Don Kowet on every step of a cross-country promotion tour next month.

The network has designated George Crile, the documentary's executive producer, to debate Mr. Kowet in print and broadcast interviews about the book, in what is being characterized as the second phase of CBS' massive defense campaign launched a week ago.

Macmillan Inc., in the meantime, plans a $45,000 promotional blitz of the new book, which will be ushered in on its formal publication date May 18 with a new advertising campaign.

The New York publishing company, which in a press release last week reaffirmed its support of the book, could not say how many of the initial 50,000 copies printed of "A Matter of Honor" have been sold. The book purports to tell "the full inside story," including "the motives and techniques" that went into the show's production.

CBS began what Macmillan calls an "unprece-

(Continued on Page 78)

BK fires off $40 million ad salvo

By SCOTT HUME

Burger King is mounting a fresh attack in its Battle of the Burgers and is adding an old foe.

The latest salvo begins today when the No. 2 burger chain breaks new comparative tv spots. The emphasis again is on "broiling vs. frying," the issue that first ignited the battle in September, 1982. This time, the campaign also will name Wendy's, as well as McDonald's, a Burger King spokesman said.

Burger King has committed $40 million to the new campaign over the next few months, an amount roughly half its total spending on network and spot tv during all of 1983. J. Walter Thompson USA, New York, is Burger King's agency.

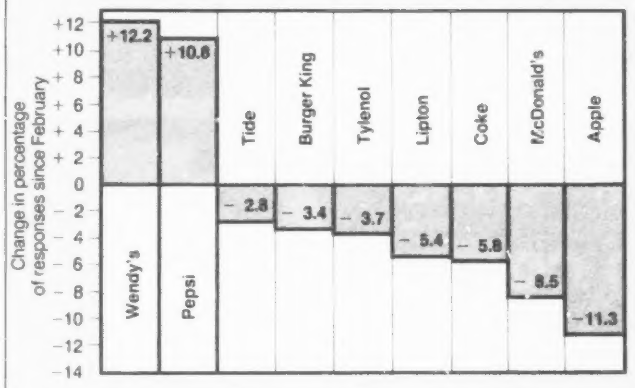
Under an out-of-court agreement after the original "broiling vs. frying" campaign, Burger King had avoided naming Wendy's in subsequent comparative campaigns. But Wendy's sales success from its "Where's the beef?" spots apparently has persuaded Burger King to take on the No. 3 chain again.

Meanwhile, the company confirms it is testing a [illegible]-

(Continued on Page 80)

March winners and losers

Question: Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which ad first comes to mind? Note: A change of plus or minus 2.8 points is considered statistically significant. ***Source: SRI Research Center Inc., Lincoln, Neb.***



Jackson good, but Clara stands out

By SCOTT HUME

Pity Michael Jackson.

He has gold records, an armful of Grammy awards, legions of frantic fans. His Pepsi-Cola tv commercials are so popular the soft-drink company has taken to running notices in newspapers' daily tv sections telling people when the spots can be seen (AA, April 23).

So why pity Michael Jackson?

adWatch

Because if you ask the average consumer to name the first advertisement that comes to mind, Michael still is overshadowed by Clara Peller. And she doesn't dance nearly as well as Michael.

The race for consumer awareness these two unlikely competitors have been running since February isn't even close anymore. Michael's been moving pretty fast, but Clara's way out in front.

Who would have guessed she'd set a new track record?

Of a random sample of 1,251 adults surveyed last month, 254, or 20.3%, named Wendy's "Where's the beef?" spots as the first advertising to come to mind from among all they'd heard, seen or

(Continued on Page 66)

Hoge rolls up his sleeves

By WILLIAM GLOEDE

James Hoge, sans sportcoat, sleeves hiked to his elbows, stuffs his cigar into an ashtray on his desk and prepares to feast on a sandwich and soda brought in from the *Daily News* cafeteria. He mumbles facetiously about how the cigar piques one's appetite, then begins questioning the interviewer on the arcane subject of printing press conversions.

A former reporter, bureau chief, editor and publisher for Chicago's *Sun-Times*, Mr. Hoge, 48, has come home to New York to run the *Daily News*.

Through "mutual explorations" that "seemed to make more and more sense to both sides" as they progressed, the Tribune Co., Chicago, tapped Mr. Hoge to breathe new life into its New York City tabloid (AA, March 19).

Mr. Hoge, a journalist who has climbed the ladder to newspaper executive, admits that of all the positions he has held in the newspaper business, his favorite was that of city editor at the *Sun-Times*. "Pound for pound, it may be the best job in this business," he said.

Interviewed during his second day on the job as publisher, Mr Hoge made it plain that he has yet to develop an actionable battle plan for the *News*.

"I came here with fresh eyes and an open mind," he said. "I don't have a fixed plan in my head."

He faces more than a few problems as he settles into his new post. The paper recently has had some difficulty prodding two of its premiere columnists, Jimmy Breslin and Earl Caldwell, to write. Thanks largely to the absence of Earl Caldwell's column since April 4, the *News* building recently was picketed by a public interest group called "Committee for a Free Press." The group alleges that Mr. Caldwell's column was spiked at the behest of New York Mayor Ed Koch over the columnist's support

(Continued on Page 79)

highlights

Monday, April 30, 1984

The networks are enamored enough of the MTV: Music Television concept to have ordered MTV-inspired projects for both prime time and Saturday mornings. *See Page 10.*

The American Council on Science & Health is billing U.S. tobacco marketers for $930 billion, an amount the group claims smoking has cost American society in the last 100 years. *See Page 12.*

Viewpoint: Forum: Tracy-Locke/BBDO president Howard Davis examines the pros and cons of agency mergers. *See Page 20.*

It took only a week to make the *St. Louis Globe-Democrat* a profitable operation, according to publisher Jeffrey M. Gluck. *See Page 40.*

CORPORATE CLOSEUP

Cincinnati will be the site for Project BEST (Beat Every Sales Tactic), an ambitious and unusual test-marketing program unveiled by Wendy's International president Ronald Fay at the company's shareholders meeting last week. Wendy's will introduce, in the Cincinnati market, all the changes in concept the chain envisions making nationally over the next few years. *See Page 4.*

INTERNATIONAL

The National Assn. of Commercial Broadcasters in Japan has appointed Dentsu, the world's largest advertising agency, as sole media buyer for commercial airtime on tv coverage of the 1984 Summer Olympic Games in Los Angeles. *See Page 44.*

Canada Post is conducting an experiment with Consumers Distributing, a discount catalog operation, to see if Canada's 8,000-plus post offices can be used as mail-order catalog outlets. *See Page 44.*

Saatchi & Saatchi Co.'s U.S. stock is outperforming its U.S. rivals'. *See Page 49.*

VIDEOTECH

Disney Channel, which just celebrated its first birthday, is entering a critical growth period. As of March 31, the Channel claimed 916,000 subscribers, more than 1 million paying customers away from the magical 2 million subscribers said to be needed for profitability. *See Page 50.*

Attendees and exhibitors departed Videotex '84 in Chicago this month with guarded optimism. Both left aware that it will take more time and money to get these new services and software into the marketplace and to turn consumer apathy into enthusiasm. *See Page 56.*

Cover illustration by John Zielinski.

COMING THURSDAY IN Magazine

Media's mystery whiz kid Jeffrey Gluck, has amazed the publishing world with his acquisitions of failing publications, including the recent purchase of the *St. Louis Globe-Democrat*.

Grocery Marketing: The timing has to be right for new grocery products to be successful. They have to be slightly ahead of their time in targeting a trend, whether it be an increase in health-conscious consumers or a desire for convenience foods. *In special report.*

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USFL lets clock run on tv pact

By ROBERT RAISSMAN

NEW YORK—The United States Football League is still debating whether to accept ABC-TV's $15 million offer for broadcast rights to the league's 1985 games.

Negotiations over rates and terms of the contract have been going on since January and progress continues, said Jim Byrne, a USFL spokesman. "We are still attempting to arrive at an equitable settlement," he said.

The negotiations between ABC and the USFL have been intense and conducted almost daily, sources said.

The USFL, in refusing to immediately accept ABC's renewal offer, may be trying to prolong the negotiations until the end of the season when the tv audience ratings will be in, sources said. If the games garner higher ratings than last year's, the USFL could in turn ask for more money. And if the ratings lag, the league could still accept ABC's offer.

The deadline for completing the deal is also part of the negotiations, Mr. Byrne said.

Meanwhile, a group of USFL team owners in recent weeks has been pushing for the league to

(Continued on Page 78)

Apple aims for the top with IIc

By BOB MARICH

San Francisco—Apple Computer believes there's room for only two at the top of the personal-computer industry. With the help of the Apple IIc, unveiled here April 24, the company believes it can remain a solid No. 2.

"Nobody remembers the No. 3 brand of anything," John Sculley, Apple president-chief executive officer, said after the unveiling. And nobody, including Apple, is forgetting that IBM rules the personal-computer roost.

Mr. Sculley, who a year ago joined Apple from PepsiCo, believes Apple has assured itself the coveted second spot for the foreseeable future. Its advantage, or so it claims, is marketing savvy and a hefty advertising budget to build a presence that will assure it shelf space at computer retail outlets.

But Apple's estimated $50 million over-all advertising budget in 1984 has taken a toll on the company's bottom line.

Marketing and distribution expenses at the $1 billion company leaped 68% for the six-month period ended March 30. Apple corporate profits were off by the same proportion in that period.

Apple appears to be tightening its hold on the No. 2 spot—ahead of Tandy Corp.'s Radio Shack—powered by its successful Macintosh computer introduction in January and the promise of its new IIc, a $1,295 portable model that's part of the Apple II computer family.

Macintosh and the IIc both figure to sell about 350,000 units this year, according to analysts.

The new IIc has received good marks from analysts. "For 1984, Apple will clearly dominate the high end of the home market," predicted Clive Smith, an analyst at the Yankee Group, the Boston-based market researcher.

This is the forecast in part because IBM's PCjr, also targeted for home use, is so far experiencing soft sales, after causing a sensation leading up to its introduction. Dataquest, a San Jose market research company, originally estimated sales of 270,000 units in 1984, but is revising that downward.

Apple sells briskly to small businesses, although IBM dominates the big-business segment. Commodore International dominates the lower end (less than $1,000) of the home-computer market.

Apple is breaking a $15 million introductory ad campaign for the IIc, a compact, 7½-lb. computer.

The IIc can use most of the 10,000 software programs developed for the Apple II family, which has sold nearly 2 million units since being introduced in 1977, more than any other personal computer.

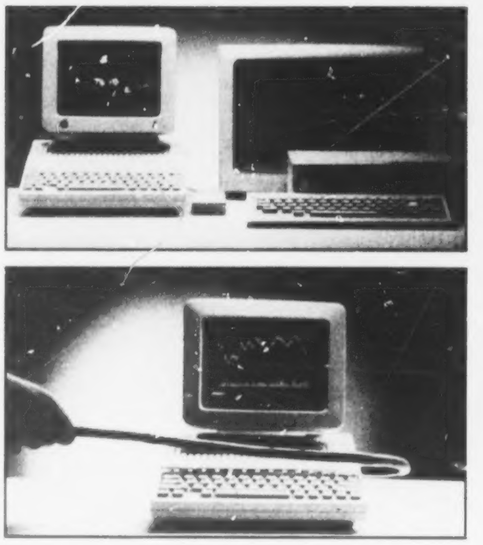
Software availability and advanced technology are the cornerstones of all IIc advertising.

Ads also make frequent use of humor, including print and radio ads aimed at children and teen agers, many of whom use Apple computers in school.

Network tv ads for IIc will be followed in June and July by an estimated $7 million second wave of network tv for Macintosh, Apple's more expensive personal computer introduced in January.

Apple will promote both computers in ABC-TV's coverage of the Summer Olympics.

An eight-page insert, explaining the IIc in detail, is set for June in six national magazines, including *Newsweek* and *Time*.#



Spots for Apple's IIc compare the number of components necessary to operate its competitor—"junior"—with its compact design. A gloved hand holding a cane, echoing IBM's Chaplin character, chooses the IIc by hooking it out of the frame. Chiat/Day, Los Angeles, handles.

S&H urges FTC to end cash-redemption rule

Washington—Sperry & Hutchinson Co. has asked the Federal Trade Commission to kill part of a 1973 consent settlement requiring it to redeem its trading stamps, if a customer prefers, with cash.

S&H says it is at a competitive disadvantage because it suffers out-of-pocket losses if stamp books are redeemed for $2 cash. If the clause is dropped, it said, it will pass savings along to consumers by reducing the number of books required to get merchandise prizes.

With merchants turning to sweepstakes, games, coupons and other forms of promotion, stamp sales in constant dollars have dropped from $913 million in 1965 to $438 million when the settlement was signed in 1973 and $184 million in 1983. It adds up to a competitive market where consumers who object to merchandise-only redemptions have ample choice in selecting places to buy, S&H said.

The Supreme Court, during an early phase of FTC's case against S&H, challenged the commission to use its "fairness" power to deal with trade practices.

In its motion, S&H says the subsequent negotiated settlement with FTC was intended to deal with unfair relationships between S&H and "stamp redemption centers" and was not based on any finding that a merchandise-only redemption policy was unfair to consumers.#

Low response kills Four A's Dallas meet

Dallas—The board of the American Assn. of Advertising Agencies' Southern Region has canceled next month's regional annual meeting, which was to have been the first official gathering of the association's Southwest and Southeast regions that were combined last year.

Citing a lack of interest in the meeting, which was to have been held at the Mandalay Four Seasons Hotel in Las Colinas, near Dallas, officials said only 26 registrations had been received.

Coincid[illegible], the Southwestern Assn. of Advertising Agencies has slated its annual Ira DeJernett Workshop for the same period, May 16 to 19, in El Paso. Robert J. Burke, SAAA executive director, said that gathering now has about 30 registrants, and another 50 or more are expected during the next three weeks, when most members register.#

corrections & clarifications

- Doyle Dane Bernbach inadvertently was omitted from the Top 15 agency world groups chart (AA, April 23, P. 58) and should be No. 11 with gross income of $199 million and billings of $1.32 billion.
- A $500,000 advertising and promotional campaign for Electronic Mall, a joint home shopping effort between CompuServe and L.M. Berry & Co. (AA, April 16, P. 8), is handled by Sive & Associates, Cincinnati.
- A headline on the National Magazine Awards story (AA, April 26, P. 5) should have read, "Conde Nast wins 3 awards."
- Rosemary McMurtry's name was misspelled in a Comings & Goings item (AA, April 23, P. 8).
- The Media People items on Robert O'Sullivan, circulation director of the *Philadelphia Inquirer*, and Jeffrey Grinspan, director of marketing and promotion, Montcalm Publishing Corp., New York, were inadvertently combined (AA, April 23, P. 38). They should have appeared separately.
- Taylor & Silverman, a New York-based pr shop, handles only pr for Pony Sports & Leisure, contrary to an earlier item (AA, April 23, P. 12). Damian Bisch & Partners continues as PS&L's advertising agency.#

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Butter blends spread out

By JANET NEIMAN

Disappointing results in the still-immature butter/margarine blend category have not inhibited new-product introductions and expansions of existing products into additional markets.

But food-industry observers are waiting to see if the new and expanding entries, coming from such major marketers as Kraft Inc., Land O'Lakes and Unilever, can bring vitality to the estimated $65 million category.

Glenview, Ill.-based Kraft made its debut in the category with new Sheffield Farms dairy blend, introduced into Huntington, W. Va., Miami and Richmond, Va., test markets last fall. The product, containing 75% fat, is marketed in packages of quarter-pound sticks and in tubs, and in lightly salted and unsalted versions.

Land O'Lakes is introducing a pound tub of salted Country Morning Blend and a package of two half-pound tubs in both salted and unsalted, which will be marketed nationally except on the West Coast.

Shedd's, a former Beatrice Foods unit recently sold to Unilever, has had ButterMatch, a 20% butter blend, in three test markets (including Chicago) since last year, and recently expanded it into other test markets, including Portland, Ore.

Several other marketers also have blends on the market. Beatrice alone has three such products: Golden Farms Blend, marketed in Columbus/Cincinnati, Denver and Louisville/Lexington; Keller's Golden Blend, marketed in Philadelphia and upstate Pennsylvania; and Hotel Bar Blend, marketed in the New York metropolitan area.

Green Bay, Wis.-based Lovett Creamery has half-butter, half-margarine Butter-Up, the leading blend in Wisconsin.

Aside from growing competition in the margarine and spread categories, additional rivalry is possible in the blend category as well. Nabisco Brands, whose premium Fleishmann's margarine and low-price-brand Blue Bonnet margarine already compete with Kraft's Parkay margarine, is one possible candidate; last fall, in fact, Nabisco entered into three test markets Baker's Blend from Blue Bonnet (AA, Oct. 3), a combination with soybean and cottonseed oil formulated to create a professional-tasting product for home-made baked goods.

The recent entries in the category follow by nearly three years the Land O'Lakes introduction of Country Morning Blend, a two-item line (salted and unsalted) of butter and margarine blend in sticks, now marketed in about 85% of the country (excluding the West Coast). Country Morning Blend, the leader in the category, has 40% sweet cream butter.

The blend category was virtually nonexistent before Arden Hills, Minn.-based Land O'Lakes brought out Country Morning Blend; in the last year alone, ton volume is up 68.5% and dollar volume is up 75.1%.

But marketers admit they expected stronger, faster growth. "The volume everybody projected just hasn't shown up," said an insider at one company that markets a blend. "The segment has not developed to the degree that makes real expansion worthwhile."

Several industry sources agreed that in large part the category was intended to give marketers and retailers the same or higher gross profit margins as butter or higher, and higher volume than butter, with less cost for the marketer. But consumers have rejected butter-size prices for products that are part margarine. "The correct price point has not been found yet," said another marketer.

Sources say Kraft's principal strategy is to develop a product and price niche between butter and premium margarine. Sheffield Farms' has only a small amount of butter, and its price, at about $1.19 a pound, is far lower than Country Morning Blend's $1.60, which is close to the approximate price of $1.79 for butter.

Despite its price differential, retailers in the Sheffield Farms test markets say that while the line is performing acceptably, it is still not matching the sales of Country Morning Blend.

But Kraft has another reason to be interested in the blend market. One source said market surveys indicate the growth in blends is coming at the expense of margarines, not butter. By positioning itself in the blend category, Kraft might be able to hang on to any losses in its Parkay brand from users trading up to blends.

With the exception of Land O'Lakes, marketer support for the butter/margarine blends has been minimal. That could change as marketers try to repel both Kraft's effort and Land O'Lakes' defense.

Sheffield Farms is said to be backed with a hefty tv and magazine campaign positioning the line as "more than regular margarine because it contains butter," according to the company. The advertising theme, via Needham, Harper & Steers, Chicago, is "Butter up with Sheffield Farms."

A revised campaign from Land O'Lakes will include a new round of tv beginning in late May, print in women's magazines in June, freestanding inserts in June and September and on-pack couponing, expected to begin next month. An executive at the company said the new effort, via Campbell-Mithun, Minneapolis, will be a continuity campaign, retaining the company's focus on a buttery taste, now expressed in the "Butter idea" theme and the "Tastes like butter 'cause it's made with butter" tag.#

McCulloch buzzing on networks

By JENNIFER PENDLETON

LOS ANGELES—McCulloch Corp. here, which is diversifying into lawn and power equipment for the first time, is returning to network tv in May after a four-year absence (AA, April 26).

The Los Angeles-based chain saw marketer's new campaign, backing McCulloch's new string trimmer line, features the company's established "Billy and Barney Beaver" characters, but also introduces a new "Mr. Mac" spokesperson.

Along with the whimsical talking beavers—the same characters that appeared in McCulloch's chain saw commercials in the mid-1970s—the macho Mr. Mac points out that the company's string trimmers are able to go where lawn mowers can't.

The commercials will run on major sports programing.

The company also will be running ads in magazines such as *Better Homes & Gardens* and *Mechanix Illustrated*.

The campaign is the first from J. Walter Thompson USA, Los Angeles, which succeeded Benton & Bowles, Los Angeles, as McCulloch's agency last November (AA, Nov. 14).

It is also the company's first major advertising effort since it gained its independence from its parent of more than 10 years, Black & Decker Manufacturing Co. In April, 1983, the company broke the ties with the Towson, Md.-based power-tool giant when private investors bought the company in a leveraged buyout.

While from 1979 to 1981 McCulloch was a network tv spender, over the past two years the company has limited its efforts to spot buys in selected markets. Sources estimate that McCulloch's annual ad budget will rise to $3 million this year.

McCulloch, which seesaws for the leading position in the U.S. chain saw market with Homelite, is expanding into related lawn and power equipment to spur growth.

While 1983 shipments of gas-powered chain saws were 1.5 million—the industry's first annual increase since 1979—the category is expected to grow at a relatively anemic 4% to 6% rate this year.

Seeking greater opportunity, explains McCulloch director of advertising Doreen D. McIntire, the company is expanding into faster-growing related-product categories.

According to the Portable Power Equipment Manufacturers Assn., Bethesda, Md., gas-powered monofilament trimmers and brush cutters will grow at a 10% rate in 1984. Estimated shipments of such products in 1983 were 1.6 million—a 25% jump over the previous year.#

Jolly Rancher may ride herd on new brands

WHEAT RIDGE, COLO.—The Jolly Rancher-Asher division of Huhtamaki Group's Leaf Inc., which is now embarking on a new ad campaign (AA, April 23), also may expand its line beyond hard candies.

The company, which Beatrice Foods sold to Huhtamaki late last year, is looking at soft, chewy candies and the nutritional candy business, including granola bars, as ways to expand in the candy industry, said Robert Harmsen, president of the division.

Its current line consists of 14 flavors of hard candies, packaged various ways, and several types of candy canes. Adding soft candies would put Jolly Rancher in more direct competition with its major rival, E.J. Brach & Sons, Chicago.

Such diversification of its line would not be Jolly Rancher's first venture with items other than hard candies. Years ago, the company also marketed chocolate candies.

Huhtamaki is investing heavily in the Jolly Rancher business, increasing its ad budget "dramatically" from the low levels it had hit under Beatrice, Mr. Harmsen said.

The new campaign, which began with a radio commercial that broke about a month ago in 11 major markets, is targeted to both adults and children, using the theme, "Jolly Rancher's new big flavor."#

Coffee market shares

If you look at the market share percentages coffee makers hold, the dominance of a few becomes evident. *Source: Lehman Bros. Kuhn Loeb.*

	1979	1980	1981	1982	1983
Regular coffee					
General Foods					
Maxwell House*	22.3	22.3	20.2	19.5	19.0
Maxwell House Master Blend	—	—	5.0	6.9	7.5
Sanka	2.1	3.2	3.5	3.7	3.9
Yuban	2.0	2.0	1.6	1.3	1.0
Max-Pax & Brim	3.5	3.5	3.2	2.8	2.7
Mellow Roast	1.6	1.0	0.8	0.6	0.5
Total	31.5	32.0	34.5	34.8	34.6
Procter & Gamble					
Folger's	27.3	25.0	24.0	23.6	24.9
Hills Brothers					
Hills Brothers	6.6	6.3	6.0	6.7	7.4
Chock Full O'Nuts	—	—	4.2	4.2	5.0
Coca-Cola					
Maryland Club	1.2	1.0	1.0	1.0	1.0
Butternut	2.5	2.4	2.4	2.4	2.4
Total	3.7	3.4	3.4	3.4	3.2
Subtotal	69.1	66.7	67.4	72.7	75.1
All others	30.9	33.3	27.9	27.3	24.9
Grand total	100.0	100.0	100.0	100.0	100.0
Instant coffee					
General Foods					
Maxwell House	23.0	21.8	22.2	22.5	22.5
Maxim	3.5	3.4	3.3	2.8	2.6
Sanka	9.6	10.5	10.2	10.2	10.1
Yuban	1.2	1.2	1.0	0.8	0.6
Freeze Dried Sanka	2.5	2.4	2.3	2.2	2.1
Brim	2.6	3.4	3.9	4.1	4.3
Mellow Roast	3.6	1.8	1.5	0.8	0.5
International Coffees	1.0	0.9	1.1	1.3	1.6
Total	47.0	45.5	45.4	44.7	44.3
Procter & Gamble					
Folger's	8.5	11.0	11.0	12.0	12.5
High Point	—	2.5	5.3	5.5	5.1
Total	8.5	13.5	16.3	17.5	17.6
Nestle					
Nescafe Regular	8.2	7.8	7.2	6.5	6.1
Nescafe Decaffeinated	2.8	2.5	2.2	2.1	2.2
Taster's Choice 100% Coffee	12.7	11.7	9.2	9.3	9.5
Decaf	1.0	1.0	0.5	0.4	0.3
Taster's Choice Decaffeinated	4.8	4.3	5.7	5.8	6.1
Sunrise	4.0	2.3	1.8	1.6	1.6
Total	33.5	29.6	26.6	25.7	25.8
Borden					
Kava	1.0	1.0	1.1	1.0	0.9
Subtotal	90.0	89.6	89.4	88.9	88.6
All others	10.0	10.4	10.6	11.1	11.4
Grand total	100.0	100.0	100.0	100.0	100.0

*Electra-Perk is roughly 6% all years.

Coffee market still cool

By JOHN L. MAXWELL JR.

Coffee consumption continued to drop in 1983. As in the last few years, the public's preference for cold and sweet drinks opposed to hot drinks is causing this decline.

Coffee drinking by all age groups was down 2.6% in 1983 versus 1982. The largest decline (21.2%) was registered by 15-to-19-year-olds, while 30-to-39-year-olds and 50-to-59-year-olds showed year-to-year consumption increases of 0.8% and 5.8%, respectively.

Retail prices continued their decline in 1983. The price of 16-oz. cans of regular coffee fell 2.4%. However, the average price of instant coffee edged slightly higher. Since October of 1981, the International Coffee Agreement has been in force. The basic reason this agreement seems to be working when so many others have failed is that it is supported by both producing and consuming countries. This has helped to control the volatility of green coffee prices and ultimately the price at the retail level.

The trend toward decaffeinated products continues to grow. Every major soft-drink producer now has at least one caffeine-free product on the market. Ground decaffeinated coffee is achieving a growth rate of approximately 15% per year, while the total ground segment grew 2% in 1983. Despite this growth, ground decaffeinated products still have less than half the penetration of soluble decaffeinated products.

Another area that has shown excellent growth over the past several years is the flavored segment. A few years ago this area was growing at about 9%, but more recently it has been expanding at close to 20%. General Foods has the major share here.

Looking at the various companies, General Foods nearly maintained its market share in 1983, showing slight declines in both regular and instant coffee.

Procter & Gamble increased its share of the regular market by 1.3%, but was flat in the instant area.

Nestle's over-all share (instant coffee) was up slightly, and its Taster's Choice decaffeinated posted a good increase in share.#

Mr. Maxwell is with Lehman Bros. Kuhn Loeb, New York.

AdWatch

(Continued from Page 2)

read. That shattered the previous adWatch record of 90 first mentions (7.2%) set only last month, also by Clara and Wendy's.

Pepsi was named first by 81 consumers in March, a very impressive figure and twice the number usually needed to rank an ad No. 1.

For the record, the other ads that finished in the top 10 in awareness last month were, in descending order: Coca-Cola; political advertising; Ford; McDonald's; Burger King; Miller/Miller Lite; Budweiser/Bud Light; Chevrolet.

The question most frequently asked about the popularity of the Clara Peller and Michael Jackson ads—and most often asked by envious competitors—is whether they sell the celebrities or the product. Do teen agers know Michael Jackson is representing Pepsi? Has "Where's the beef?" translated into "Where's the nearest Wendy's?"

Good indications that these celebrities also have provided strong brand support are found in awareness scores within the product categories.

Pepsi has been trying to dislodge Coke from the No. 1 spot in soft-drink advertising awareness since November, 1982, the last time Pepsi held the top spot. What it has lacked, apparently, was Michael Jackson. In February's adWatch, Pepsi nudged ahead by a narrow margin (28% of first mentions to 25.5% for Coke).

Last month, 38.8% of adults who were asked to name the first soft-drink ad to come to mind named Pepsi, a 10.8-percentage point increase over February's score. Coke's awareness, meanwhile, suffered a 5.8-point drop to 19.7% of first mentions in March.

That gave Pepsi nearly a 20-percentage point lead over Coke last month, after trailing Coke by five points in January.

The turnabout in the fast-food category is even more dramatic.

For the 12 months of 1983, McDonald's averaged 43.3% of first mentions; Burger King averaged 18.5%, and Wendy's, 5.2%. Their 1-2-3 order of finish in 1983 changed only once, when Hardee's pushed into the No. 3 slot in February.

Two months ago, Wendy's awareness jumped 6.8 points to 14.5%, providing the first real challenge to champion burger battler Burger King, which had slipped 5.2 points to 16.3%.

Now Wendy's has passed Burger King and appears poised to challenge the previously unassailed leader, McDonald's.

Last month, 28.5% of consumers recalled Wendy's advertising first, a 12.2-point increase. McDonald's score fell 8.5 points to 30.8%, while Burger King dropped 3.4 points to 11.1%, its lowest score since it launched the Battle of the Burgers in September, 1982. Worse, it dropped to the No. 3 spot for the first time.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a nationally projectable sample of adults to name the advertising that first comes to mind in a variety of product and service categories from all they have seen, heard or read in the last 30 days.

Last month, 1,251 consumers were questioned by phone. Under adWatch methodology, an increase or decrease of 2.8 percentage points between monthly samplings is considered statistically significant and attributable to more than sampling variations.

Among movers in other categories:

- The largest—and perhaps most surprising—drop in awareness last month was Apple's 11.3-point plunge in the **computer** category. While the memorability of its introductory campaign for the Macintosh line may have faded, Apple has maintained a heavy print presence in the past months. Its 20.6% share of first mentions in March was still good enough to retain the No. 1 spot, however.

IBM kept its hold on the second spot with an 11.7% share of first mentions, while Commodore remained No. 3 with 6.6%.

- Another leader that saw its margin of supremacy slip a bit last month was Lipton in the **tea** category. It dipped to 45% of first mention from 50.4% in February.

But nearly all tea advertising experienced some slippage in awareness last month. The big winner was the response "None," which came to mind first for 40% of respondents, compared with 34% in February. March just may be a bad month for the tea market, falling between the hot-tea and iced-tea seasons.

Salada moved into the No. 2 spot with 3.7% of mentions, while Nestea dropped to No. 3 with 3.1%.

- Worth noting are last month's scores in the **beer** category. Coors moved into a tie for the No. 2 spot (with Miller) with 9.6% of first mentions. Category leader Budweiser captured 13.3% of responses.

Coors' gain can be traced to the heavy advertising support it has put behind introduction of its Premium and Light brands in the Southeast. In that region, Coors' advertising had the highest awareness of any brand last month.

For more information, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: 402-489-0351.#

Marketers such as Real Fresh see Conoffast packaging as a cheaper, lighter alternative to cans.

Real Fresh to use Conoffast packs

By JENNIFER PENDLETON

The first U.S. food marketer to introduce a product in the revolutionary Brik Pak aseptic package (AA, May 15, '81) soon will put itself on the food-marketing map again.

In 45 to 60 days, Visalia, Cal.-based Real Fresh will introduce Real Fresh brand puddings and juices in a new plastic Conoffast aseptic packaging that some say may make metal cans obsolete.

Real Fresh is said to be the first of several food companies introducing products in this new cup-style plastic packaging. Two of the other companies said to be contemplating such a move are Esmark's Hunt-Wesson Foods and R.J. Reynolds Industries' Del Monte Corp.

Real Fresh introduced Brik Pak to the U.S. three years ago. Like products packaged in Brik Pak, food packaged in the new plastic aseptic packaging will stay fresh for long periods without refrigeration.

Initially, the company will introduce the five-flavor Real Fresh pudding line and three-flavor 100% juice line in the western U.S.

By year's end, company president Jody Graves predicted, Real Fresh will be out with a line of single-strength soups in microwave-ready Conoffast packaging.

With Conoffast, food marketers can consider a whole range of new products previously packaged in heavy, and more expensive, metal cans, Mr. Graves said.

Dart & Kraft's Kraft already markets yogurt in a nonaseptic version of the new Conoffast cups.

Real Fresh is formulating its ad plans. Normart Advertising, Fresno, Cal., is the agency.

Continental Can, Stamford, Conn., makes the Conoffast packaging. It acquired the U.S. rights from Erca, the French developer of the technology. Like Brik Pak, developed by Tetra Pak International, the Swedish parent of Dallas-based Brik Pak Inc., the plastic aseptic packaging has been used widely in Europe for many years.

Frank Mechura, general manager of Continental Can's Conoffast division, said the new plastic packaging is less expensive than cans and its cost to manufacturers is said to be half that of metal.#

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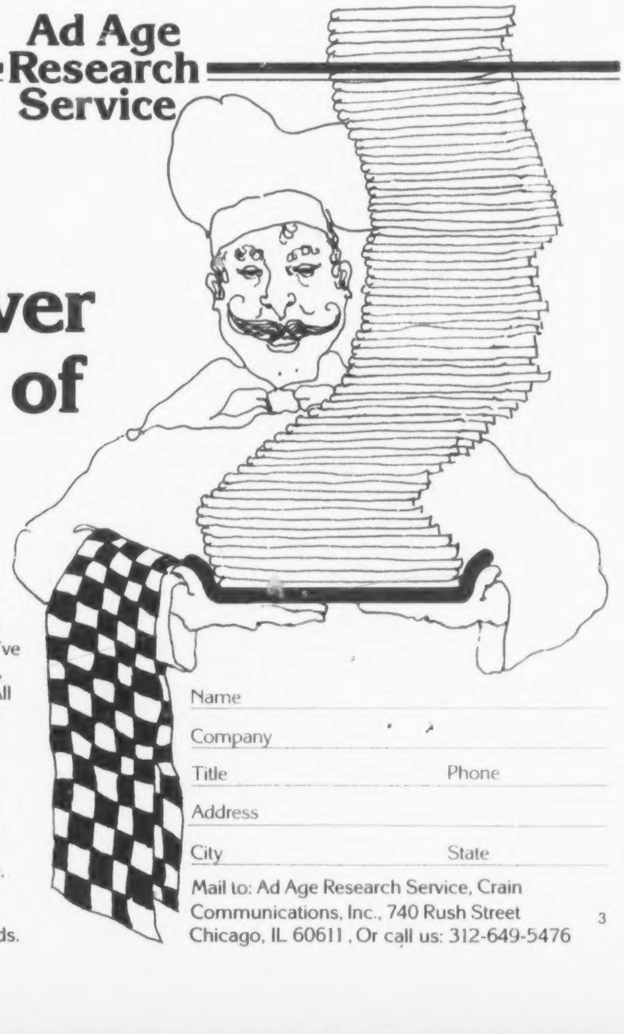

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ABC mulls partner in ESPN deal

By SUSAN SPILLMAN

NEW YORK—ABC Video Enterprises, which this week became sole owner of Entertainment & Sports Programming Network (AA, April 26), is considering taking on a minority partner in ESPN.

Herb Granath, president of ABC Video Enterprises, said, "We've already been bombarded with offers." Partners could include a multiple cable systems operator, an advertising agency or a major sports advertiser.

ESPN becomes the only cable venture ABC Video solely owns. Sources speculated that the $202 million cash ABC will pay Texaco Oil for ESPN (in addition to about $30 million ABC paid for a 15% interest in the cable sports network in January) will force ABC Video to find a partner. ABC Video so far has lost about $80 million and ESPN about $100 million in five years.

As expected, ABC bought Texaco's 85% interest in ESPN this week. It paid $188 million in cash for the 85% of ESPN that Texaco controlled, after a reported first offer of $170 million, and $14 million for uplink and satellite transponder facilities.

Texaco inherited 70% of ESPN in February when it acquired former owner Getty Oil for $10.1 billion. Another 15% of ESPN was held by William Rasmussen, the network's founder, and his family, who will share in the proceeds from the sale.

The deal places a value of $237.5 million on ESPN, up $37.5 million from the network's value in January. Mr. Granath said the increase was due largely to ESPN's adding 300,000 new subscribers per month.

Mr. Granath said he did not expect any major changes in ESPN's programing or executive officers. The network will remain based in Bristol, Conn.#

Insatiable

New Diet Coke spots will feature a broader range of celebrities as Coca-Cola USA seeks to expand the brand's franchise (AA, April 30). "Weird Al" Yankovic and James Coco are among those in the spots by SSC&B:Lintas USA.

Aussies filling ad niche

U.S. stumbles at China's wall

By DENNIS CHASE

Although President Reagan spent much of his China trip touting the U.S. free enterprise system, the blossoming Chinese advertising industry is reaching out to Australia, rather than the U.S., for training in Western-style ad methods.

China now boasts 168 state-owned ad agencies with $120 million in billings. In 1979, there were virtually no agencies.

Several months ago, the Chinese government created the China Advertising Assn. to "encourage competition" by "making advertising grow rapidly."

But the most serious move occurred last month, when China invited the Advertising Federation of Australia, which represents ad agency executives, to China.

The government is considering a proposal by the Australian delegation, which included representatives from BBDO and N W Ayer agencies in Sydney, to train the Chinese in Western-style advertising and arrange a symposium on advertising there (AA, April 16).

Despite numerous visits from and ties to U.S. agencies dating back to 1979, China chose Australia as its window to the West. "We heard over and over again how the Americans overwhelmed the Chinese with their size," said Bruce Cormack, AFA director, after returning from China. "America flubbed it in a way by not going back after initial visits and tracking the Chinese system."

Mr. Cormack said the Chinese

(Continued on Page 5)

Liqueur tries charm

By GAY JERVEY

NEW YORK—B&B liqueur is starting its first new ad campaign in more than three years—one designed to bring charm to the brand's staid image.

The estimated $6 million to $7 million effort, the first since Benedictine Marketing Services was formed last year, departs dramatically from the previous ad stance, which opted for standard bottle and glass shots and was themed "Living well is the best revenge."

Created by Epstein, Raboy Advertising, the new print ads—which break May 15 in a dozen consumer magazines including *Bon Appetit*, *Cosmopolitan* and *Omni*—are themed "Share the warmth of B&B, the delicate balance of Benedictine and fine brandy." The company also will use outdoor boards.

The ads' tag lines play on alliteration, with the first simply saying "Be and beloved." Pictured are a man and a woman in smiling embrace, holding glasses of B&B.

Richard C. Bland, president of Benedictine Marketing Services, said future executions include "Be and bewitch" and "Be and begin."

"B&B has always communicated elegance and prestige," Mr. Bland said. "Now we're trying to make it more approachable. We want to attract new users who may have been previously put off by the brand's image."

In addition to B&B, Benedictine Marketing Services handles Benedictine liqueur and Pippermint Get. Julius Wile & Sons, Lake Success, N.Y., is exclusive sales agent for Benedictine Marketing.#

Here's what FTC is 'up to'

WASHINGTON—The Federal Trade Commission told a small California gas-additive marketer that it can't use the phrase "up to 15%" gas savings unless "an appreciable number of consumers" can "reasonably expect" that result under normal driving conditions.

These additional insights into what FTC expects in the way of prior substantiation for advertising claims were included in a consent settlement with California-Texas Oil Co., which is a small Southern California company that has sold AWECO Mileage Extender through supermarkets in 11 western states.

The FTC said mileage savings claims must be substantiated by "competent and reliable tests," and ads must disclose material qualifications or limitations of the tests. The tests must not be described as "scientific" if that is not true, FTC added.

The FTC charged that few, if any, consumers extended their mileage by 15% under normal driving conditions.#

Tapers love soaps

By SUSAN SPILLMAN

NEW YORK—Twenty-three per cent of all videocassette recorder owners tape at least 21 programs off the tube every month, according to A.C. Nielsen Co.'s new 258-page projectable home video study released May 2.

Conducted among 1,179 vcr owners between November and January, the study reports that soap operas, the largest single genre, account for 30% of all recordings off tv, followed by movies at 17%.

"All My Children," largely because it airs five days per week, accounts for 6% of recordings, the largest number of any regularly scheduled show. However, ABC's "The Day After" was recorded by more households than any other individual show. The made-for-tv movie was taped by 25% of the Nielsen sample.

Network programing accounted for 74% of all taping, followed by independent-station programing and pay tv at 8%.#

Libel rules eased

WASHINGTON—New ground rules on libel suits, established by the Supreme Court this week, give more breathing space to media critics of products and business practices.

In a decision described by experts as the first significant High Court victory for media in a libel suit in more than a decade, the justices told appeals courts they are expected to look behind "actual malice" findings of trial judges and juries.

On the basis of their review, the justices then set aside a lower-court verdict that Consumers Union was motivated by "actual malice" when it criticized Bose Corp.'s new stereo sound system.

The decision is expected to create wider freedom for rating services and others to speak freely about product performance and deficiencies.

Beyond its impact on product criticism, however, the decision is hailed by experts as a signal that appeals courts will be expected to give closer scrutiny to multi-million-dollar libel verdicts.

Media lawyers expect new procedures emerging from the decision will represent a barrier against the tide of libel suits that have been directed at media generally.

In the past, with reviewing courts refusing to second-guess trial judges and juries on whether "actual malice" occurred, media have had only limited opportunity to upset expensive verdicts awarded to popular celebrities and causes.#

Software marketers try tv ads

LOS ANGELES—Two personal computer software marketers are poised to begin advertising on tv, believed to be a first for the growing category.

Ashton-Tate, Culver City, Cal., will kick off a spot tv campaign in late July around the Summer Olympics and the Democratic convention.

Dancer Fitzgerald Sample/Southern California handles the estimated $4 million account.

Ashton-Tate, a public company with sales of $40 million for its last fiscal year, is using tv to build brand awareness for Framework, a

(Continued on Page 5)

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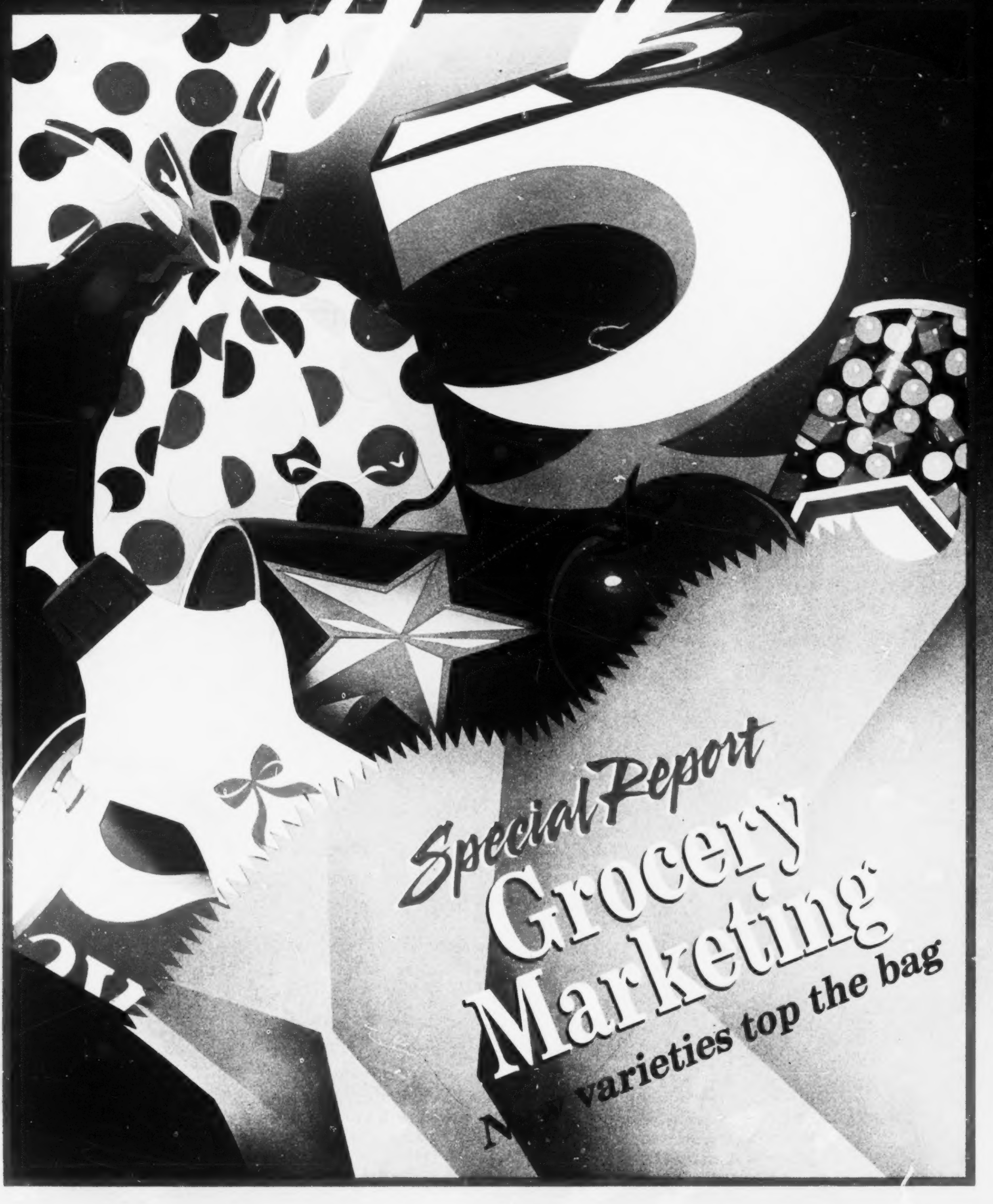
Special Report
Grocery Marketing
N varieties top the bag

What makes Jeffrey Gluck run? The man behind the reborn St. Louis Globe-Democrat

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How one small agency functions in 'paradise'

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6 Media's mystery whiz kid

Thirty-one-year-old Jeffrey Gluck has amazed the publishing world with his recent acquisitions of failing publications, including the *St. Louis Globe-Democrat.*

8 Overcoming the barriers to 'paradise'

Larson, Bateman & McAllister advertising agency in Santa Barbara, Cal., isn't satisfied with being just another small agency in sunny California. It wants to be noticed again as it was in the 1970s for its work on the Sambo's restaurant account.

12 Allport reviews a long, full ANA career

Peter W. Allport looks back at his 24-year post as president of the Assn. of National Advertisers, a position from which he will retire in June.

Special Report

Grocery Marketing

15 New product success can be all in the timing

Most successful new products have caught the leading edge of a trend, such as health-consciousness. But along with this must come extensive research and much attention to marketing details.

18 The name's the same

New products are appearing in the marketplace wearing the familiar cloak of tried-and-true names, such as Hershey's chocolate milk and Dole Fruit 'N Juice bars.

30 Personalities pitching products

Putting a person's name on a product, such as Famous Amos and Frank Perdue, implies a dedication to quality and also imparts a certain personality to the product.

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39 Convenience foods: Recipe for no-guilt cooking

Some new grocery products are designed to ease the consciences of people who don't want to put a lot of effort into preparing dinner.

52 Gourmet popcorn business popping

Orville Redenbacher launched the growing market with his gourmet popcorn. Since then, the lid has been blown off the gourmet popcorn business with the addition of a variety of flavors.

Grocery marketing report coordinator: Kenneth Wylie
Cover illustration: John Pirman

DEPARTMENTS

4 James Brady
4 Words from Gartner
10 Strategic Marketing
10 Parting Shot

To our readers

Paths sometimes cross in funny ways. Take our art director, Geof Shives, and this week's cover artist, John Pirman, for example. They both were in the same graphics design program at Kent State University in Kent, O., and they graduated in 1979. Then they parted ways. John went east to New York where he worked in several ad agencies and did illustration work. He finally set out on his own as a free lance illustrator.

Geof headed west to Chicago and after several design jobs finally landed at ADVERTISING AGE 2½ years ago as art director of the Magazine section in its beginning stages. His first assignment was to design the Magazine that debuted in its current form in February, 1982.

Somewhere along the line, Geof and John got in touch with each other again, and the result have been several Magazine covers executed by John. One, on the July 26, 1982, Marketing to Women special report, was included in *Print* magazine's Regional Design Annual.

Other Magazine covers by John have been on last year's Research Business Review and Premiums and Promotions reports.

L'Agence—Yvon C. Dihe, art director

A recent commission

John Pirman's work also has appeared in *Fortune, Madison Avenue* and *PC World.*

The medium in which John has worked in the past is cut Pantone paper—solid colored, differently shaped and individually cut fragments of paper arranged in a design, but Geof says that John has begun working in a medium new to him, air brush. This week's Grocery Marketing cover is a combination of cut paper and airbrush.

John is just one of many artists Geof works with, but it's nice when two college chums are reunited on a professional basis.

Marion Elmquist
Editor

Letters

Reaching the gay market

Thank you for your excellent article, "Reaching the gay market" (March 26).

One inaccurate statistic was included in your profile of the *Advocate.* The article refers to a 1982 readership survey showing an average household income of $25,000. The 1982 survey was not of the *Advocate* readership but rather of the gay market in general. The *Advocate* readership survey, taken in 1983, reveals an average household income of $45,000.

Michael McMahon
Account Executive
Advocate
New York

Bravo to Lynn Berling-Manuel for reporting on the recognition of the gay market. I take exception to Ms. Berling-Manuel's report that gay women "... have more of the accoutrements of a 'traditional' household .. which means they would be the targets of more conventional advertising as well."

To the contrary, no one word, least of all, traditional, can describe the diverse nature of lesbian lifestyies. The lesbian market may just be the least likely to be captured by conventional advertising. Can it logically be assumed that lesbians relate to the conventionally portrayed woman in advertising who is endlessly patronized in her quest for male attention and approval? What can and does get the attention of the growing numbers of upwardly-mobile, higher-income lesbians is quite simple: Images of women as confident, proud, happy, successful and self-made are attracting the respect and brand-loyalty of a fertile source of lesbian consumer dollars.

Name withheld
(lesbian member of
the advertising community)
San Francisco

It was with a mixture of pleasure and disappointment that I read the feature on "Reaching the gay market." I was pleased to see such substantial and honest coverage of the interest that major advertisers are showing in this affluent market, but I was disappointed that your writer failed to accurately portray the methods a company should consider using to reach this market. Indeed, the article covered almost exclusively the *Advocate* and its marketing arm, Avanti.

While the *Advocate* is certainly a very significant advertising vehicle to use in reaching the gay consumer, it is not the only way. Your writer obviously did not spend much time researching this subject before beginning her interviews or she would certainly have called my company, Rivendell Marketing Co., for its input.

Rivendell has been in business for more than five years offering marketing consultation, publicity, and promotion and promotion services to major companies wishing to reach the gay market. In addition, Rivendell serves as an advertising representative for about 125 gay magazines and newspapers from all across the country—more than 100 of which are locally or regionally based.

I have been interviewed and quoted extensively on the subject of gay markting and even in your own publication (Oct. 6, 1980, issue). In fact, Rivendell ran a full page ad in your last annual directory issue (Sept. 8, 1983)—an ad that produced controversy for many following weeks in your letters to the editor column.

Joseph Di Sabato
President
Rivendell Marketing Co.
New York

We wish Ted Ross lots of luck in his plans to market Wilde's beer in the gay market. Our own 10-year experience in gay marketing leads us to believe that his will be a successful venture.

However, we must burst his bubble of enthusiasm on one count. His tv advertising for Wilde's beer are not the "first ever openly gay television commercials in America." That distinction is reserved for tv spots aired in 1975 to promote Lambda Rising, a leading gay and lesbian bookstore. In fact, as far as we can determine, the Lambda Rising spots were the first gay-oriented commercials to be aired on tv anywhere in the world.

It may hearten Mr. Ross to know that even though these were very low-budget spots, they worked wonderfully. I hope Mr. Ross has similar good results with his Wilde's beer spots.

L. Page Maccubbin
President,
Lambda Rising
Washington

Magazine

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Gourmet popcorn business popping

By Hortense Leon

The same marketing mentality that gave us spaghetti made out of soap, oranges that are really candles, and a chocolate pizza is giving us popcorn that tastes like jalapeno peppers, tacos, watermelon and excellent popcorn.

> **"We think that people respond to quality, and most of the product on the shelves so far has been poor."**
>
> *—Vern Ryles*

It all started with Orville Redenbacher. His gourmet popping corn entered the market under his own name in 1972 and under the aegis of Hunt-Wesson Foods in 1976. Mr. Redenbacher's claim to fame is that his corn is lighter, fluffier, more tender and bigger than ordinary popcorn. He also boasts that his popcorn has few hard, unpopped kernels.

With Mr. Redenbacher's pure popcorn deliciousness well established, it was only a matter of time before the all-American snack was altered again. About five years ago, flavored gourmet popcorn came on the scene in a big way. Although at first the only place where you could get more than a few of these new flavors was the popcorn shop, a few started showing up on grocery shelves too.

In 1979, Poppers Popcorn, a popcorn company based in Portland, Ore., brought out a new line of spicy popcorn sealed in foil bags. According to Vern Ryles, president, the sour cream and onion and cheese and spice flavors were introduced in the late 1970s and early 1980s.

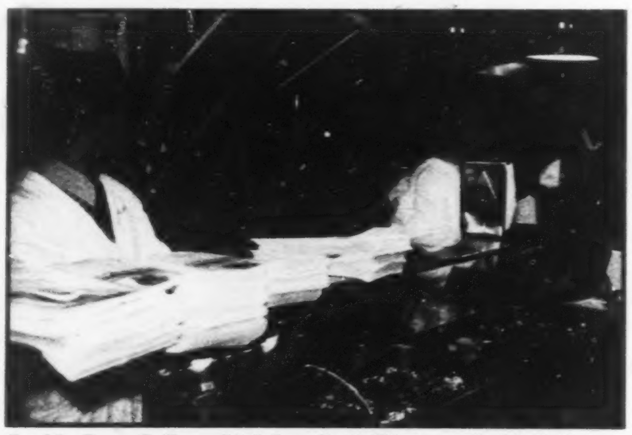
"Our decision to switch our emphasis from concession supplies to retail packaging at the time was due to the fact that we felt that we could make our strongest contribution in this area. Given the fact that people have always liked popcorn, and its popularity has increased over the last several years, we believe that popped popcorn should account for more than 2.2% of the almost $6 billion bagged snack food market (chips, pretzels, puffs, popcorn—wholesale). We think that people respond to quality, and most of the product on the shelves so far has been poor," Mr. Ryles says.

Apparently Poppers is doing something right. Mr. Ryles says the company's growth rate for 1983 was 40%. Recently, Poppers has been introduced into the Midwest. Dallas is opening up now; New England is scheduled for the fall, and in late 1984 or early 1985, Atlanta will be introduced to Poppers.

Ovaltine Products, Villa Park, Ill., which in January combined with three other companies to form Sandoz Nutrition, is thinking of expanding its product line. No newcomer to the popped popcorn business, Ovaltine has three products in this category already—Fiddle Faddle, Screaming Yellow Zonkers and Poppycock, a gourmet item.

"We are considering some new flavors, but more conventional ones than, let's say watermelon. They are being market tested now," says Norman Olson, marketing director-consumer products division. He says the company avoids most off-the-wall flavors because "items you sell to wholesalers and to the chains have to have good sales velocity to justify the space in the warehouse as well as on the grocery shelf. Unusual flavors might sell in a gourmet shop, where people are specifically looking for them, but in a grocery store, they may sit on the shelf."

Grocery chains may not be carrying raspberry, butterscotch and pina colada popcorn, but the popcorn section is beginning to bulge. Borden Inc., maker of Cracker Jack carmelized popcorn with peanuts, brought out Cracker Jack popcorn, an unpopped gourmet product, in the second half of 1982. But not all popcorn companies are changing their marketing plans. American Pop Corn Co., Sioux City. Ia., maker of Jolly Time popcorn, isn't doing anything different in its marketing approach since the advent of flavored popcorn, says Jim Fowler, vp-marketing. Yet Jolly Time is reaping the benefits because it supplies the flavored shops, which are springing up everywhere.



Jack's Corn Cribs, which has Jack Klugman behind the operation and the counter, offers a variety of gourmet-flavored popcorn in shops in 21 states.

Popcorn shops aren't new. According to Nick Caras, vp-marketing of Karmel Korn Shops, headquartered in Rock Island, Ill., that chain has about 250 shops in 44 states and has been in business since the 1920s, establishing franchises in 1969. Karmel Korn Shops has had gourmet flavors in its operations manuals since 1929, he says, but it has been up to the individual operator to use them. "The franchisees have 50 to 60 flavors at their disposal, should they want to use them," Mr. Caras says. Yet it has only been the last three or four years that chocolate, taco, Amaretto and cherry licorice have been offered to customers.

It was the new kids on the block that made an impact on the flavored popcorn-shop market first.

Jerry Hammer, a movie producer and creative designer, and his partner, Jack Klugman of

Hortense Leon is a free lance writer who discovered a new use for strawberry-flavored popcorn.

SUPERCLOCK Ultimizes
Your Total Media Investment
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Thank You
for Shopping
9
6

THE CORN POPPER

Corn Popper franchises are found in 35 states, and if Charlie Bird, founder of Corn Popper, has his way, there soon will be a franchise in England.

Popcorn demographics

Production

In the past decade and a half, U.S. popcorn sales nearly have doubled, while total U.S. population has increased only about 17%.

1968	333 million lbs.
1983	618 million lbs.

Most of the world's popcorn production is concentrated in the U.S. The biggest producing states are Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Nebraska and Ohio. Popcorn is now a $1 billion industry, with sales at $200 million in grocery stores; about $700 million in leisure establishments (excluding bars and restaurants but including 30% to 35% of that amount in movie theaters); and the balance as popcorn confections/specialty items.

Consumption

Americans now consume popcorn at an annual per capita total of 42 qts., making a U.S. annual total popcorn consumption of 9.9 billion qts. About 70% is eaten in the home; 30% outside the home. About 90% of all unpopped popcorn sales are for home consumption.

Technical

For greatest popability, ideal moisture range is 13% to 14.5%, with 13.5% ideal. Good popcorn gives the popper 98% popped and only 2% unpopped kernels. Kernel expansion ratios ranging from 35-to-1 to 38-to-1 are considered good, but newer hybrids may swell 40-to-1.

Data supplied by the Popcorn Institute, Chicago.

Orville Redenbacher gave the gourmet popcorn market a push with his lighter and fluffier popcorn.

"Quincy" and "Odd Couple" fame, operate a group of these establishments called Jack's Corn Cribs, based in New York. Charlie Bird, a retired executive of Mars from Dallas is the owner of the other big chain, called the Corn Popper.

Mr. Hammer says he doesn't have an ad agency for his company yet, but his own pr acumen is considerable. He reports getting coverage for his new business on ABC's "20/20" and "Good Morning America" and on network news and cable networks. He also is working on a print advertising campaign that should be out in about six months.

While Jack's Corn Cribs is most famous for its New York location, Mr. Hammer is taking his show on the road. There are franchisees in 21 states and a number of foreign countries, including Bali, Denmark, Hong Kong, Japan and Singapore. The flavors offered in each of these countries reflect the local cuisine. For example, in Japan sushi-flavored popcorn is being discussed, while *nori*-flavored (a kind of seaweed) is a reality.

Mr. Bird also has an impressive line of flavors and a presence to match. He gives this account of the origins of his growing new business:

"I had just retired from Mars and in order to supplement my income, I bought a little popcorn company from a friend of mine. Then my wife said to me, 'Why don't you make some chocolate popcorn?' I did. Then a big guy came into the store and wanted jalapeno. I told him, 'Come back in two weeks.' I thought he was kidding. But he came back, so again, I said, 'Come back in two weeks' and then we had it ready for him."

In the past 2½ years, Mr. Bird has set up franchises in 35 states, and Alaska is being negotiated. England also is on the drawing board, although Mr. Bird won't say much. In honor of the occasion, he is working on a new flavor—vinegar and salt, reminiscent of fish and chips. For the Far East he will have octapus and seaweed.

In contrast to this exotica, Corn Popper specializes in pure Americana, with red and white dominating and a "flavor board" offering 32 flavors, one-upping Baskin-Robbins. Mr. Bird says he also chose this number because it is good for quality control.

Mr. Bird says his machines can pop 320 gals. of corn an hour and cook up to 20 seasoned flavors or seven sweet flavors in the same time. Most of this popcorn goes into cans, some of which are hand-painted by local artists.

Jack's Corn Cribs are smaller, more intimate places than Corn Popper; there are fewer cans, although the ones available feature the store's red-checked awning.

Corn Popper has emphasized local advertising, including newspaper ads, some radio time, and so-called "good citizen" promotional efforts. Vic Evans, the only franchisee in Chicago, says he sells popcorn to nonprofit organizations such as schools holding fundraisers.

A lot of people are watching the development of this new kind of food franchise, many with a skeptical eye. Some say they are afraid the popcorn shops will prove to be a fad.

Andrew Kostecka, specialist in charge of franchising for the U.S. Department of Commerce and author of a report called "Franchising in the Economy 1982-1984" put out by that department, says, "Although I'm not concerned that flavored popcorn shops are a fad, I don't see a mass market for the product. It is a novelty and therefore it will have limited growth. The popcorn shops that are successful will be in shopping centers where there is a high volume of traffic. You need a lot of impulse buyers for this kind of business."

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$1.25 a copy; $52 a year · The International Newspaper of Marketing · May 7, 1984

Nissan gripe adds to sag in tv sports

By JAMES P. FORKAN

New York—Further evidence that tv sports faces waning popularity among advertisers has surfaced in the form of a Nissan Motor U.S.A. feeler to ABC-TV, seeking relief for up to half its $30 million commitment to "Monday Night Football."

ABC sales execs declined comment, but Advertising Age has learned from several sources that the Carson, Cal.-based Nissan, despite a three-year NFL sponsorship commitment (chiefly for Datsun cars), had hoped to free up some of its hefty NFL commercial time for other programing.

The auto maker and its agency, William Esty Co., New York, had maintained that having half the number of units per Monday-nighter would not appreciably hurt reach and frequency levels.

However, ABC reportedly countered that Nissan would have to lose its import auto exclusivity in return. For exclusivity, Nissan had to order 10 30-second spots in each Monday game, sources said. At more than $1.8 million per game, Nissan's 16-Monday buy approaches $30 million for this fall.

So Nissan will remain a full sponsor of "Monday Night Football" (perhaps also to insure its position in next season's Super Bowl game, to be carried by ABC). But the auto maker has put ABC on notice that the charge for that position is more than it

(Continued on Page 94)

Christian Moerlein
Cincinnati Select Beer

Christian Moerlein is a unique classic beer brewed by America's great small brewers in Cincinnati. Brewed in the traditional way, with clear water, two row barley malt and the famous Hallertau hops. It is one of the few American beers that is brewed with no adjuncts and no preservatives. Christian Moerlein is a pure and natural beer.

Only the best quality ingredients are used in the brewing of this superior beer: Two row barley malt for a smoother, richer flavor and Hallertau hops for the special Christian Moerlein bouquet. But, perhaps the most important ingredient of all is the care, patience and pride that only the highly skilled brewmasters of a small brewery can provide. That is why Christian Moerlein drinkers all over the country refer to it as:

Quite simply-a better beer

High-end Hudepohl

Christian Moerlein is Hudepohl Brewing's attempt to crack the superpremium beer market. *(See Page 2.)*

Greyhound, Trailways in price battle

By SARAH STIANSEN

Greyhound Corp. and Trailways Inc., the two major national bus companies, are introducing new fares and new advertising, which may ignite a competitive pricing struggle.

The new Greyhound ads are an attempt to reposition the Phoenix-based carrier as a low-cost travel leader, said Terry Underwood, vp-marketing, Greyhound Lines. The company does not normally stress fares in its advertising, but since trimming 17% from its wage and benefits obligations after resolving a drivers' strike, the company can now afford to pare its fares.

Both Greyhound and Trailways are heavily dependent on June, July and August travelers. Their summer pricing—effective today—could trigger more fare cuts among regional bus companies, affecting the entire bus industry.

Greyhound's "New lower fares" ad campaign breaks today on spot tv and spot radio in major U.S. markets. Trailways, continuing with its "Low fares everywhere" campaign, will fire off new ads next week to announce a "Kids ride free" program and a reduction of its various ceiling fares to a single $99 fare nationally, a spokesman said.

Greyhound's fare reductions vary by market and apply to selected schedules.

"With new, lower fares, we'll be in a better position to attract more riders," said one marketing official at the carrier. Greyhound hopes to carry more than 50 million passengers in 1984.

Its new campaign is "addressing an economic niche that was once owned by Greyhound. . .we don't

(Continued on Page 96)

last minute news

ITT plugs into personal computer market

Tempe, Ariz.—ITT Information Systems, a unit of $20 billion ITT Corp., is jumping into the personal computer market. Campaign will break May 15 with national print and May 19 with spot tv ads for its computer. A major campaign is expected to include network tv. Analysts assume the advertising is for Xtra, a unit ITT unveiled to the trade recently. The move puzzled analysts because little is known of the product and distribution remains a question. Ad Resources handles.

Perkins picks Marsteller for $5 million account

Memphis—Perkins Restaurants has named Marsteller Inc., Chicago, to handle its account, spending about $5 million. It replaces Chuck Ruhr Advertising, Minneapolis, which was terminated last month, and had held the assignment for nearly 20 years.

(Continued on Page 8)

P&G rolling out via Always

Cincinnati—Procter & Gamble makes its long-anticipated national return to the product category of feminine protection pads May 14. That is the day P&G begins the rollout of its new Always pads.

The company abandoned such products nearly three years ago when it pulled its Rely tampons off the market amid medical controversy.

After a promising year of test-marketing Always in Minneapolis and parts of North Dakota and South Dakota, P&G is moving with full force into a burgeoning and highly segmented product category rife with established competition. Category sales are estimated at $850 million.

Johnson & Johnson, considered the leader in the category previously with 50% market share, offers beltless pads under the brand names of Stayfree, Sure & Natural, Carefree, body-contoured Silhouettes and individually wrapped Assure pantyliners.

Kimberly-Clark's brand is New Freedom, and Tampax offers Maxithins. Each of the brands includes a variety of sizes and scented and unscented products.

New products can be expected from P&G's product neighbors, too.

Kimberly-Clark, for instance, has expanded its New Freedom line to include a "thin supermaxi" superabsorbent pad expected to be distributed nationally by July, a company spokesman said.

P&G officials will not discuss market potential but acknowledge that the beltless pad product category continues to be fast-growing and very competitive.

The hot competition is expected to produce extensive sales promotions and more aggressive adver-

(Continued on Page 94)

Pizza Hut drops FCB

By SCOTT HUME

In a surprising move, Pizza Hut on Friday terminated its eight-year relationship with Foote, Cone & Belding, Chicago.

Pizza Hut vp-advertising Dave Ropes cited "creative differences" as the reason the advertising committee had voted to pull the $20 million national account from FCB. He said dissatisfaction with agency creative executions had been voiced "over time" by both company and franchise operators.

An FCB executive who asked to remain anonymous expressed surprise and shock at the dismissal. He said "differences over how to extend the 'Hometown Pizza Hut' campaign" introduced in 1980 probably led to the breakup.

The executive admitted the relationship between the two "has had its ups and downs." Pizza Hut's decision to retain FCB in April, 1980 (on the strength of the "Home-

(Continued on Page 8)

AmEx spots play stump the viewer

By ROBERT RAISSMAN

If puzzles are irresistible, American Express has found a way to get Americans to watch—really *watch*—its new 60-second tv commercials that broke Sunday night on ABC and NBC.

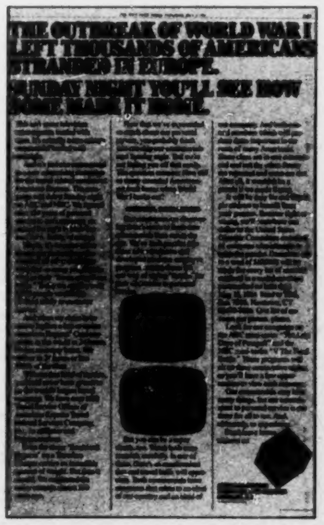
First, you set the bait by burying clues to historical questions in your commercials. Second, you write a clever full-page teaser ad and run it in the newspapers. Then you sit back and watch what happens.

"The idea of the puzzles is to increase the power of the commercials," said Jerry C. Welsh, AmEx senior-vp public affairs, communications and marketing services.

More than that, the $2 million campaign for American Express Travel Related Services—running over two three-day flights in May—is really two games: One for AmEx employes and one for tv viewers at large.

There's a $20,000 round-the-

(Continued on Page 96)



THE OUTBREAK OF WORLD WAR I LEFT THOUSANDS OF AMERICANS STRANDED IN EUROPE.

SUNDAY NIGHT YOU'LL SEE HOW SOME MADE IT HOME.

Unusual tune-in ad for American Express tv commercials ran in several newspapers.

Singer Iglesias to croon fo 3

NEWSPAPER
AA
DC20014CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Miller yanks its 'super'; Hudepohl takes chance

By SCOTT HUME

Miller Brewing has pulled its Special Reserve brand from test, citing softness in the superpremium beer market.

A spokesman for the Milwaukee brewer confirmed the brand's demise, explaining that Special Reserve "did not meet expectations because of the declining [superpremium] category."

Hudepohl Brewing, however, is showing more faith in the category. The Cincinnati brewer last week moved its Christian Moerlein superpremium brand into selected markets west of the Mississippi for the first time.

In Special Reserve's case, Leo Burnett USA, Chicago, handled advertising during the 25-month test. Burnett now has other interests that center on Miller. The agency, along with Chiat/-Day, Los Angeles, is involved in a review for the $50 million Miller High Life account.

Miller reportedly still is reviewing the presentations made by those agencies as well as incumbent Backer & Spielvogel, New York. Sources close to Miller believe that should B&S lose out to Burnett or Chiat/Day, it would relinquish only creative and remain agency of record for media buying.

The brewery's Special Reserve had an uneven test-marketing history. It was pulled from test once before but had been thought to be getting a better reception this time around (AA, Sept. 26).

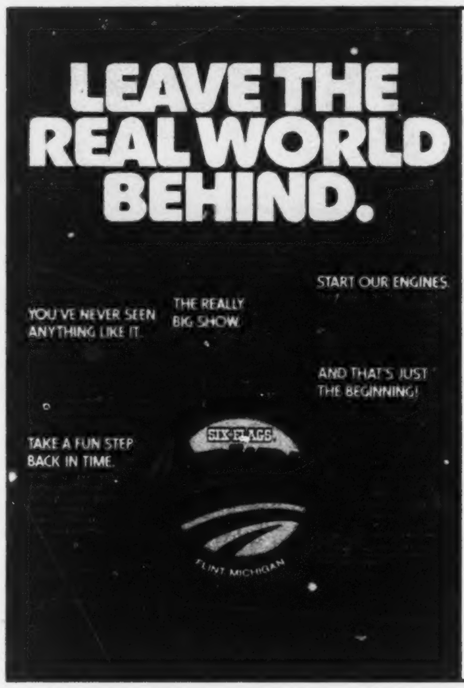
Miller has moved the brand in and out of markets, with the most recent test sites including Charlotte, N.C.; Austin, Tex.; Burlington, Vt.; Phoenix; Cincinnati, and Sacramento.

Consumers had received Special Reserve favorably, but the "decline of the category made it unwise to continue" testing, the Miller spokesman said.

Market conditions are working against the category, industry observers agree.

"It's a difficult time to be entering the market with a superpremium," said Montgomery Securities analyst Manny Goldman. The recession has caused many beer

(Continued on Page 94)


LEAVE THE REAL WORLD BEHIND.
YOU'VE NEVER SEEN ANYTHING LIKE IT.
THE REALLY BIG SHOW.
START OUR ENGINES.
AND THAT'S JUST THE BEGINNING!
TAKE A FUN STEP BACK IN TIME.
SIX FLAGS
FLINT MICHIGAN

Worldly

Six Flags, which will open AutoWorld in Flint, Mich., July 4 and has two other in-city theme park centers planned for next year, said these smaller centers are where future theme park growth will occur. (*See story on Page 97.)*

London shops lauded for D'Arcy rescue role

By BRIAN MORAN

Thanks to offers of refuge from competitors such as J. Walter Thompson and Royds, the London office of D'Arcy MacManus Masius reopened May 1, reporting negligible damage after an almost total shutdown during the two-week Libyan embassy siege.

"Other agencies rallied around us incredibly quickly," said Alan Clark, managing director of DMM, who likened the charitable spirit around embattled St. James Square to the London blitz of World War II. "It was very touching."

Compounding DMM's difficulties during the standoff was an outcry of protest from feminist groups over an allegedly sexist message in a Hoover vacuum cleaner ad from the agency.

D'Arcy's offices, next door to the Libyan embassy, were evacuated April 17 when the embassy was besieged following the shooting of a policewoman during a demonstration. Embassy personnel barri-

(Continued on Page 97)

Republic starts review

MINNEAPOLIS—Struggling Republic Airlines, apparently believing it needs an aggressive new marketing approach, plans to conduct an agency review that will include incumbent Campbell-Mithun.

The airline said its search would be conducted this month but didn't name any candidate agencies.

In a signal that marketing will be one of his top priorities, Republic president Stephen Wolf informed C-M of the review on May 2, a week after he was promoted from exec vp.

C-M president William Dunlap said the airline president told him the agency "has done an excellent job but that he's reviewing all aspects of the airline."

Campbell-Mithun, which has had the $30 million Republic account for the past 28 months, has centered its campaign on a "Dear Republic Airlines" theme. The campaign is designed to publicize customer satisfaction and reinforce employe pride.

Republic serves 120 cities from several hubs. Its over-all passenger load factor fell 8.1% to 50.3% in the first quarter of 1984. It did, however, earn a profit on operations of $18.5 million for the quarter, though interest payments created a net loss of $4.1 million.

The airline now wants to position itself more distinctly, perhaps capitalizing on its underdog role, being among the smaller national carriers, sources said.

Such a change would mean an abrupt shift in C-M's ad campaign strategy. But the agency has some powerful advantages in its attempt to keep the account. Mr. Wolf "thinks it's an advantage to be in town," Mr. Dunlap noted.

Unless Republic splits up the account, there appear to be no available Twin Cities agencies big enough to service the airline single-handedly. About 60 of C-M's 450 employes work on the account, and C-M's Twin Cities office has billings of about $200 million. The Twin Cities' second-largest agency is Bozell & Jacobs, whose Dallas office has American Airlines.

Two other large national agencies have offices here: Grey Advertising, which handles Northwest Airlines, and BBDO, Delta Airlines' agency.

That would leave Republic with the option, if it dropped Campbell-Mithun, of hiring a national agency willing to open an office here.#

highlights

Monday, May 7, 1984

American Advertising Federation executives warn that a pending Senate bill requiring country-of-origin disclosure in textile ads could open the door to demands on other industries. *See Page 10.*

Ted Turner, the cable tv mogul, says ABC weakened itself by paying too much for the Entertainment & Sports Programming Network. *See Page 14.*

Diversifoods is aiming for widespread home-delivery service in its Godfather's Pizza restaurants over the next few years. That's just one goal of the company that its executives promise will be "managed much like a successful investment portfolio." *See Page 28.*

CORPORATE CLOSEUP

Cuisinarts Inc. grinds up its competition with its strength in the upper reaches of the food-processor market. Cuisinarts' president, 70-year-old Carl Sontheimer, says he worries most about his own business, and lets his competitors mind theirs. *See Page 4.*

INTERNATIONAL

A cultural sponsorship boom is on in Italy, and it is common these days to see well-known corporate names as patrons of the arts. Last year, the La Scala opera house in Milan collected about $95,000 from 11 companies for the restoration of its facade. *See Page 54.*

Procter & Gamble is on the prowl in Germany and Brazil. Sources report P&G is on the verge of acquiring a local food or beverage company outright or buying a large share of one. *See Page 54.*

Newsweek is embarking on an unusual move in Australia that in one swoop will boost it into the same league as *Time*, the biggest foreign newsweekly in that country. *See Page 56.*

VIDEOTECH

CBN Cable Network believes that advertisers can get more for their bucks by combining CBN and rival cable superstation WTBS in buys. CBN's research shows an efficient cost per thousand homes for those who combine the two. *See Page 62.*

The latest Hollywood premiere, set for May 12, won't showcase a new star or a blockbuster summer film. It will show off digital sound, a new, reportedly better way to record movie sound. Hardware marketers and studios joined forces to make a 30-minute demonstration film, "Digital Dreams." *See Page 66.*

COMING THURSDAY IN Magazine

William F. Buckley writes that all the advertising time and space presidential candidates can buy isn't nearly as influential as tv coverage.

Premiums and Promotions: Airlines and grocery stores alike turn to giveaways to promote their products. While incentive expenditures reached almost $10.5 billion in 1983, some believe promotions are shortchanged creatively. *In special report.*

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U.S. News eyes new bidders

By STUART J. ELLIOTT

NEW YORK—As they gather today, employe shareholders of U.S. News & World Report Inc. are wondering: "Are we getting a new boss?"

The company's regular annual meeting is being held in Washington, but circumstances are anything but regular. That is because the process by which the publisher of *U.S. News & World Report* put it up for sale is reaching a conclusion.

Morgan Stanley & Co., the investment banking company handling the transaction, has narrowed a list of interested bidders to a list of serious contenders.

Although a complete roster is not available because few of those involved will talk on the record, it is believed the finalists—whose bids must be binding—include:

- Gannett Co. The limousine of chairman Allen Neuharth was spotted in front of the U.S. News office in late April.
- Malcolm Forbes. The wealthy owner of *Forbes* was seen in the company's building last week, in deck shoes and shorts, according to one report.
- Hearst Corp. A spokesman de-

(Continued on Page 97)

Census sees steep rise in shop growth

WASHINGTON—Graphs mapping the growth of the advertising industry recall steep mountain grades. What's more, ad agencies have made that climb in full gear.

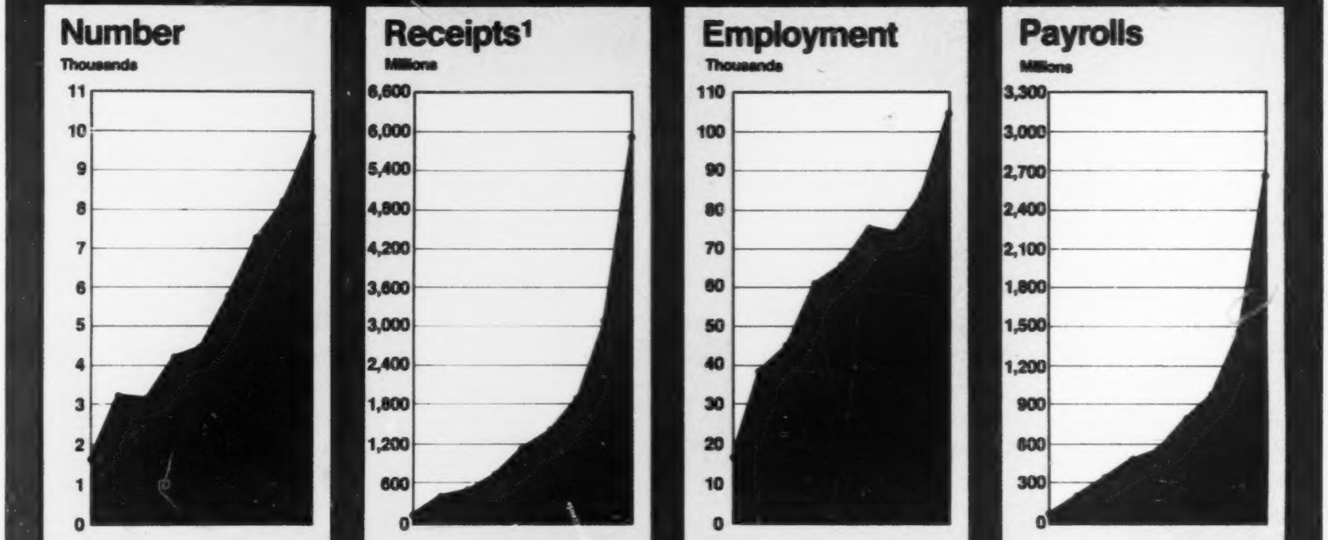
Compare statistics (at right) recently released by the Bureau of Census' survey of American service industries that trace figures from 1939 to 1982:

- The number of ad agencies increased about six times.
- Agency receipts grew 60 times.
- Employment, reflecting the growth in numbers of agencies, increased more than six times.
- Payrolls also showed an eye-opening growth rate, increasing nearly 50 times in the 43 years.

If receipts per agency could be one measure of productivity, that too showed remarkable growth. In 1939, the average receipts per agency were about $60,000. The comparable figure in 1982 stood around $588,000.#

Vital statistics of advertising agencies, 1939 — 1982

Ad agency receipts, employment and payrolls tracked by the Bureau of the Census through nine industrywide censuses beginning in 1939. Receipts include commissions on media materials and services as well as pr and service fees.



Number

1939	1,626
1948	3,279
1954	3,267
1958	4,240
1963	4,459
1967	5,747
1972	7,188
1977	8,089
1982	9,995

Receipts[1]

1939	$97,000,000
1948	$395,000,000
1954	$519,200,000
1958	$772,648,000[2]
1963	$1,024,500,000[2]
1967	$1,365,300,000[2]
1972	$1,831,536,000
1977	$3,168,560,000
1982	$5,822,664,000

Employment

1939	16,936
1948	38,739
1954	45,607
1958	61,327
1963	65,555
1967	75,412
1972	74,566
1977	82,515
1982	105,319

Payrolls

1939	$54,000,000
1948	$194,000,000
1954	$307,800,000
1958	$462,345,000
1963	$583,661,000
1967	$782,918,000
1972	$961,562,000
1977	$1,467,071,000
1982	$2,618,668,000

[1] Receipts include commissions on media, materials and services; public relations and service fees and other receipts.

[2] Projected by Advertising Age from census data for agencies doing 98% of the media billings in 1958 and 1963 and 84% in 1967. Census Bureau published receipts totals for those years had been a gross receipts figure which included media billings. This was never officially recomputed to be consistent with the net receipts basis used from 1939 to 1954 and restored in 1972.

Murphy elected chairman of POPAI

FORT LEE, N.J.—Thomas V. Murphy, president, Design Productions, Upper Saddle River, N.J., has been elected chairman of the Point-of-Purchase Advertising Institute. He succeeds Douglas H. Ballinger, exec vp, Pacific Lithograph Co., San Francisco.

Fifteen executives have been elected directors of POPAI. Elected to three-year terms were Timothy Battles, director-national retail stores, Seven-Up Co., St. Louis; Lawrence M. Buescher, president, Bish Creative Displays, Northfield, Ill.; Gerald A. Conway, president, Fasteners for Retail Co., Cleveland; John G. Frank, vp, AMD Industries, Chicago; Patrick H. Joyce, president, Patrick H. Joyce & Associates, Des Plaines, Ill.; Richard Leeds, president, Thomsom-Leeds Co., New York; Allen B. Marks, vp, Pacific Lithograph Co., San Francisco; Robert C. Ringer, national merchandising manager, Martlet Importing Co., Great Neck, N.Y.; Walter Roosli, president, Rapid Mounting and Finishing Co., Burlingame, Cal.; Irwin S. Rubin, vp, Trion Industries, Wilkes-Barre, Pa.; Joel Spector, president, JoMar Displays, Newark, N.J., and Ben Weshler, president, Display Systems, Maspeth, N.Y.

Elected to two-year terms as directors were Janet Paris, account exec, Henschel-Steinau, Englewood, N.J., and Jack Scheckowitz, exec vp-marketing, Dauman Displays, New York. Named to a special one-year term was Edward A. Powell Jr., president, Miller Manufacturing Co., Richmond, Va.

Citing an increasing shift of market control from advertiser to retailer, increasing media diffusion, more localized promotions and better measurement capabilities through UPC codes and scanners, Mr. Murphy predicted point-of-purchase advertising may reach $9 billion by the end of the decade.

It hit the $6.25 billion mark in 1983, up from $5.9 billion in 1982. Sales promotions in 1983 were $71.1 billion, an average increase of 12%.#

Masinick & Oberlin agency starts in Farmington Hills

FARMINGTON HILLS, MICH.—Masinick & Oberlin Advertising opened offices at 31800 Northwestern Hwy., 48018. Agency principals are Jay Masinick, president, and Kim Oberlin, chairman. The agency projects a first-year billing of $1.5 million on accounts in Detroit and Los Angeles.

New Leone shop opens

LAGUNA HILLS, CAL.—Former Castle Entertainment vp-marketing Michael Leone and his wife, Patti, have opened Leone & Leone Ltd., a marketing and communications agency here, located at 25411 Cabot Rd., 92653.

NEW
LITERATURE HOLDER

CALL OR WRITE FOR SAMPLE

• SHIPS FLAT!
• FOLDS UP!
• COSTS LESS!
• WON'T BREAK!

For gondola shelves or anywhere!

BROCHURES OF ENTIRE LINE OF DISPLAY HARDWARE AVAILABLE AT NO CHARGE

Fasteners For Retail
12 Alpha Park, Cleveland, Ohio 44143
(216) 473-6919

Delta makes your deliveries DASH.

To London
To Frankfurt
Montreal
ATLANTA
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Savannah
Jacksonville
Daytona Beach
Tampa/St.Pete/Clearwater
Sarasota/Bradenton
Ft.Myers
W.Palm Beach
Ft.Lauderdale
Miami
Nassau
San Juan
Bermuda

Delta DASH® delivers the same day to over 90 cities across the U.S and abroad, covering 10,000 communities. Why get that small package delivered tomorrow when you can DASH it today? DASH (Delta Air Lines Special Handling) delivers packages up to 70 lbs . . . to over 10,000 communities. So give us a ring at the Delta Marketing Office in the city nearest you. Or call DASH at (800) 638-7333 for pick up or delivery.

For top priority shipments over 70 lbs., use Delta Air Express. It guarantees your shipment gets on the flight specified. For full details, call your nearest Delta Marketing Office.

DELTA AIR CARGO. READY ALL-AROUND.

The 100,000-plus circle

According to the latest census data, 176 cities have populations of more than 100,000. ***Source: U.S. Census Bureau***

	July 1, 1982		July 1, 1980	
City	**Pop.**	**Rank**	**Pop.**	**Rank**
New York, N.Y.	7,086,096	1	7,071,539	1
Los Angeles, Cal.	3,022,247	2	2,968,579	3
Chicago, Ill.	2,997,155	3	3,005,072	2
Houston, Tex.	1,725,617	4	1,595,138	5
Philadelphia, Pa.	1,665,382	5	1,688,210	4
Detroit, Mich.	1,138,717	6	1,202,493	6
Dallas, Tex.	943,848	7	904,570	7
San Diego, Cal.	915,956	8	875,538	8
Phoenix, Ariz.	824,230	9	790,044	9
San Antonio, Tex.	819,021	10	786,010	11
Honolulu, Hawaii	781,899	11	762,565	12
Baltimore, Md.	774,113	12	786,741	10
Indianapolis, Ind.	707,655	13	700,807	13
San Francisco, Cal.	691,637	14	678,974	14
San Jose, Cal.	659,181	15	629,402	18
Memphis, Tenn.	645,760	16	646,170	15
Washington, D.C.	633,425	17	638,432	16
Milwaukee, Wis.	631,509	18	636,298	17
Columbus, O.	570,588	19	565,032	20
New Orleans, La.	564,561	20	557,927	22
Boston, Mass.	560,847	21	562,994	21
Cleveland, O.	558,869	22	573,822	19
Jacksonville, Fla.	556,370	23	540,920	23
Denver, Colo.	505,563	24	492,694	25
Seattle, Wash.	490,077	25	493,846	24
Nashville, Tenn.	455,252	26	455,651	26
Kansas City, Mo.	445,222	27	448,028	28
El Paso, Tex.	445,071	28	425,259	29
St. Louis, Mo.	437,354	29	452,804	27
Atlanta, Ga.	428,153	30	425,022	30
Oklahoma City, Okla.	427,714	31	404,014	32
Pittsburgh, Pa.	414,936	32	423,960	31
Fort Worth, Tex.	401,402	33	385,164	34
Miami, Fla.	382,726	34	346,865	41
Cincinnati, O.	380,118	35	385,410	33
Tulsa, Okla.	375,300	36	360,919	38
Long Beach, Cal.	371,426	37	361,355	37
Minneapolis, Minn.	369,161	38	370,951	35
Austin, Tex.	368,135	39	345,890	43
Portland, Ore.	367,530	40	368,137	36
Baton Rouge, La.	361,572	41	346,029	42
Tucson, Ariz.	352,455	42	336,500	45
Toledo, O.	350,565	43	354,635	40
Buffalo, N.Y.	348,035	44	357,870	39
Oakland, Cal.	344,652	45	339,337	44
Albuquerque, N.M.	341,978	46	332,336	46
Omaha, Neb.	328,557	47	327,558	48
Charlotte, N.C.	323,972	48	315,474	49
Newark, N.J.	320,512	49	329,248	47
Louisville, Ky.	293,531	50	298,694	50
Wichita, Kan.	288,723	51	279,835	52
Sacramento, Cal.	288,597	52	275,741	53
Birmingham, Ala.	283,239	53	286,799	51
Virginia Beach, Va.	282,588	54	262,199	57
Tampa, Fla.	276,413	55	271,599	54
St. Paul, Minn.	270,442	56	270,230	55
Norfolk, Va.	266,874	57	266,979	56
Corpus Christi, Tex.	246,081	58	232,138	62
Fresno, Cal.	244,623	59	235,409	61
Rochester, N.Y.	244,094	60	241,741	58
St. Petersburg, Fla.	241,214	61	238,647	59
Colorado Springs, Colo.	231,699	62	215,105	66
Akron, O.	231,659	63	237,177	60
Anaheim, Cal.	226,467	64	219,494	64
Jersey City, N.J.	222,881	65	223,532	63
Richmond, Va.	218,237	66	219,214	65
Santa Ana, Cal.	217,219	67	204,014	69
Shreveport, La.	210,881	68	205,820	67
Lexington-Fayette, Ky.	207,668	69	204,165	68
Mobile, Ala.	204,586	70	200,452	71
Jackson, Miss.	204,195	71	202,895	70
Anchorage, Alaska	194,675	72	174,431	78
Yonkers, N.Y.	192,342	73	195,351	72
Des Moines, Ia.	191,506	74	191,003	74
Dayton, O.	188,499	75	193,549	73
Aurora, Colo.	184,372	76	158,588	97
Arlington, Tex.	182,975	77	160,113	95
Grand Rapids, Mich.	182,774	78	181,843	75
Montgomery, Ala.	182,206	79	177,857	76
Las Vegas, Nev.	179,587	80	164,674	90
Lincoln, Neb.	177,340	81	171,932	81
Lubbock, Tex.	176,588	82	173,979	79
Huntington Beach, Cal.	176,314	83	170,505	85
Knoxville, Tenn.	175,298	84	175,045	77
Columbus, Ga.	174,348	85	169,441	88
Riverside, Cal.	174,023	86	170,591	84
Madison, Wis.	172,640	87	170,616	83
Spokane, Wash.	171,903	88	171,300	82
Mesa, Ariz.	171,695	89	152,453	102
Chattanooga, Tenn.	168,016	90	169,728	87

MAKE CONTACT WITH THE MEN WHO ARE TURNING OFF NETWORK SPORTS.

Nowadays, a lot of men 18–49 are tuning out network sports. The more that network shares slide, the more that ManPower can help you score. Combine Popular Mechanics, Science Digest and Sports Afield with your network sports buy and you increase your reach, frequency and efficiency.

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The 100,000-plus circle (Continued)

City	July 1, 1982		July 1, 1980	
	Pop.	Rank	Pop.	Rank
Little Rock, Ark.	167,974	91	167,602	89
Fort Wayne, Ind.	167,633	92	172,391	80
Syracuse, N.Y.	166,187	93	170,105	86
Salt Lake City, Utah	163,859	94	163,034	91
Kansas City, Kan.	162,211	95	161,148	93
Stockton, Cal.	161,815	96	149,779	106
Tacoma, Wash.	161,351	97	158,501	98
Worcester, Mass.	161,049	98	161,799	92
Greensboro, N.C.	157,337	99	155,642	100
Warren, Mich.	156 131	100	161,134	94
Providence, R.I.	155,717	101	156,804	99
Amarillo, Tex.	155,356	102	149,230	107
Hialeah, Fla.	154,713	103	145,254	108
Raleigh, N.C.	154,211	104	150,255	105
Flint, Mich.	154,019	105	159,611	96
Fort Lauderdale, Fla.	153,755	106	153,279	101
Springfield, Mass.	151,586	107	152,319	103
Newport News, Va.	151,240	108	144,903	109
Garland, Tex.	148,975	109	138,857	115
Gary, Ind.	147,537	110	151,968	104
Savannah, Ga.	145,699	111	141,655	112
Huntsville, Ala.	145,421	112	142,513	111
Bridgeport, Conn.	143,745	113	142,546	110
Glendale, Cal.	142,148	114	139,060	114
Winston-Salem, N.C.	140,846	115	138,584	116
Paterson, N.J.	138,986	116	137,970	117
Rockford, Ill.	138,334	117	139,712	113
Fremont, Cal.	137,925	118	131,945	120
Hartford, Conn.	136,334	119	136,392	118
Springfield, Mo.	134,453	120	133,116	119
Orlando, Fla.	134,255	121	128,291	124
Evansville, Ind.	130,275	122	130,496	121
Torrance, Cal.	130,213	123	129,881	123
Lansing, Mich.	128,338	124	130,414	122
Garden Grove, Cal.	126,340	125	123,307	127
New Haven, Conn.	125,348	126	126,089	125
Hampton, Va.	124,966	127	122,617	128
San Bernardino, Cal.	124,319	128	118,785	131
Beaumont, Tex.	123,477	129	118,102	133
Peoria, Ill.	122,261	130	124,160	126
Hollywood, Fla.	122,051	131	121,323	129
Pasadena, Tex.	122,010	132	112,560	139
Pasadena, Cal.	120,954	133	118,072	134
Topeka, Kan.	120,269	134	118,690	132
Chesapeake, Va.	119,749	135	114,486	137
Macon, Ga.	118,730	136	116,896	135
Lakewood, Colo.	118,498	137	113,808	138
Erie, Pa.	118,493	138	119,123	130
Oxnard, Cal.	115,657	139	108,195	145
Bakersfield, Cal.	115,528	140	105,611	152
Irving, Tex.	114,305	141	109,943	142
Modesto, Cal.	114,076	142	106,963	147
Tempe, Ariz.	112,514	143	106,919	148
Independence, Mo.	111,617	144	111,797	140
Youngstown, O.	111,391	145	115,436	136
Cedar Rapids, Ia.	109,086	146	110,243	141
Sterling Heights, Mich.	108,482	147	108,999	144
South Bend, Ind.	107,690	148	109,727	143
Sunnyvale, Cal.	107,110	149	106,618	149
Elizabeth, N.J.	106,803	150	106,201	150
Reno, Nev.	106,748	151	100,756	169
Glendale, Ariz.	106,420	152	97,172	173
Portsmouth, Va.	105,807	153	104,577	154
Ann Arbor, Mich.	104,880	154	107,969	146
Boise City, Ida.	104,586	155	102,249	162
Fullerton, Cal.	104,532	156	102,246	163
Allentown, Pa.	104,324	157	103,758	156
Abilene, Tex.	104,302	158	98,315	172
Alexandria, Va.	104,276	159	103,217	160
Concord, Cal.	104,061	160	103,763	155
Davenport, Ia.	103,799	161	103,264	159
Eugene, Ore.	103,709	162	103,662	151
Stamford, Conn.	103,614	163	102,466	161
Berkeley, Cal.	103,479	164	103,328	157
Waterbury, Conn.	102,940	165	103,266	158
Tallahassee, Fla.	102,579	166	101,482	166
Odessa, Tex.	102,465	167	90,031	176
Waco, Tex.	102,200	168	101,261	167
Columbia, S.C.	101,457	169	101,202	168
Livonia, Mich.	101,366	170	104,814	153
Durham, N.C.	101,242	171	100,538	170
Pueblo, Colo.	100,934	172	101,686	165
Pomona, Cal.	100,465	173	92,742	175
Houma, La.	100,346	174	94,393	174
Roanoke, Va.	100,187	175	100,220	171
Albany, N.Y.	100,048	176	101,727	164

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SPORTS AFIELD
EARLY SPRING FISHING
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Nets, sponsors won't give up on gold

An Advertising Age roundup

Corporate sponsors, weighing the Soviet decision to pull out of the 1984 Los Angeles Olympic Games, are standing firm in support of their multi-million-dollar commitments.

At the same time, broadcasters here and abroad, professing no sense of panic, are reviewing their contracts to ward off the possible effects of the Soviet Union's intention to pull out from the summer extravaganza in Southern California.

With huge sums invested in the games, corporate sponsors, which have no escape clauses in their Olympic deals, said they are not making any changes in their ad plans.

"We'll have to see how permanent it will be," Roone Arledge, president of ABC News & Sports, said of the pullout. Mr. Arledge and others suggested that the Soviets, who attributed their action to fears for the security of their athletes, still may be willing to reach some kind of agreement to ensure their attendance. All nations have until June 2 to decide whether they will participate.

ABC is paying $225 million to the Los Angeles Olympic Organizing Committee for the rights to broadcast the games.

Mr. Arledge, interviewed at the ABC affiliates meeting in Los Angeles, acknowledged that ABC has a "de-escalator clause" in its contractural agreement with the LAOOC that would lower the rights fees should a boycott occur.

Jake Keever, vp-sales, ABC-TV, said the network has sold $428 million in Olympic advertising, leaving only 2% of available time unsold.

"There are no parts of the [ad contract] agreements that call for adjustments if any teams do not participate," he said.

In Europe, the broadcast picture was clearer. The Soviet withdrawal will "certainly mean a substantial reduction" in the European Broadcasting Union's payment for telecasting the event, according to Regis de Kalbermatten, secretary general of the EBU.

But the exact amount of the reduction from the $19.8 million EBU has paid for the rights—the highest it has ever paid—will have to be negotiated with the International Olympic Committee, Mr. de Kalbermatten said.

"And we're not pressing them at the moment," he commented. "I think they have

(Continued on Page 7)

Esty loses W-L work to JWT, Bates

MORRIS PLAINS, N.J.—Warner-Lambert's consumer products group has severed its longtime relationship with William Esty Co., which loses an estimated $16 million in billings to two other W-L shops, J. Walter Thompson USA and Ted Bates Advertising/New York.

Thompson emerges as the chief beneficiary of Esty's misfortune as it picks up Schick blades and razors, Personal Touch women's shaving system, Clorets gum and mints and Lifestyle prophylactics. Combined billings on those products are in the neighborhood of $14 million.

Ted Bates Advertising which, like Esty, is a subsidiary of Ted Bates Worldwide, gains Listermint mouthwash, whose ad spending in '83 was roughly $2 million. W-L gave no explanation for severing the relationship.#

Coppertone

Slip into something Coppertone

In what it calls the ultimate boy-meets-girl fantasy, Coppertone's outdoor board model comes alive, slips into an admirer's car seat and the two motor off. Set against the backdrop "Slip into something tan," the spot was created by Warwick Advertising, New York.

P&G acts fast on pain reliever

By PAT SLOAN

After possibly one of the shortest market tests in its history, Procter & Gamble is moving national with Encaprin, an arthritis pain reliever that will get as much as $35 million to $50 million in advertising and promotion.

Introduced to retailers Feb. 3 and put into a Tucson test May 3, Encaprin is P&G's latest bid to gain a major hold on the $1.2 billion analgesic market, in which its Norwich-Eaton Pharmaceuticals division holds a 4.5% market share after breaking a national campaign for Norwich aspirin (AA, March 19).

According to Drexel Burnham Lambert's senior vp Hercules Segalas, Encaprin is only phase one for the Cincinnati company. "I've just reviewed several of P&G's latest patents and there are a number of more sophisticated products coming in this area," he said.

Although Mr. Segalas would not say what products might be next for P&G, other sources believe P&G entries may include an acetaminophen that would go up against Sterling Drug's and American Home Products' recent nonaspirin entries, Panadol and Anacin 3.

"Although Norwich Eaton had Encaprin in the hopper before it was acquired by P&G in 1982, P&G has been studying pain relievers for 15 years," Mr. Segalas said.

Advertising and promotional funding for Encaprin will come from an estimated $325 million new-product budget which is above and beyond projected 1984 spending of $450 million for existing products. Besides analgesics, the new products include food and

(Continued on Page 5)

Reinhard cautions on 'creeping greed'

By JENNIFER PENDLETON

RANCHO MIRAGE, CAL.—The arrival of 15-second commercials is not the result of technological advance but of "creeping greed." If it becomes the standard, "tv will become more of a reminder, a sort of electronic outlaw."

That's the opinion of Needham, Harper & Steers/USA chairman Keith L. Reinhard, who is to be the keynote speaker here Friday at the Western States Advertising Agencies Assn.'s 34th annual conference. More than 250 persons are expected to attend this year's meeting, May 10 through May 13.

Among his other comments:

- "Cable has been perhaps the most persistently unfulfilled promise of our decade. . .Recent statistics show a downturn of interest in cable—partly due to dissatisfaction with programing, partly to increased charges to customers."
- "Computer-generated graphics will change the look of advertising, just as surely as did the invention of photography."

Despite all the technological developments changing the marketing world, Mr. Reinhard says, "what really excites me is the people of our business who spend each

(Continued on Page 5)

Sweet talk at FMI

By JANET NEIMAN

DALLAS—Products for the sweet tooth made a strong showing among the new items introduced to grocers at this week's Food Marketing Institute convention here. At the same time, marketers are lining up to add to the list of products using aspartame.

Hershey Foods Co. will use its Golden brand name—which first appeared on its Golden Almond bar—on a line of chocolate-covered candies in single-serve packages.

Golden Almond Solitaires, the initial item, will be introduced nationally next fall, to be followed by a pecan-bar extension of the Golden bar line.

Pillsbury Co. is readying fall introduction of refrigerated apple danish dough under the Pillsbury's Best label, a new name for refrigerated products.

Cinnamon roll dough also is scheduled to enter the market by Pillsbury for fall.

And Eskimo Pie Corp. is moving national with Eskimo Pie Bavarian ice cream rolls encased in a cylindrical sugar cone covered with chocolate.

Such activity belies continued consumer concern about nutrition. Timothy Hammond, senior vp of FMI, told members that 63% of consumers polled in this year's FMI-Louis Harris & Associates study said they were very concerned about nutrition, and 32% said they were somewhat concerned.

Concern over health and nutrition had been overshadowed by price factors because of economic uncertainty, "but now it is reasserting itself," Mr. Hammond said.

"It is certainly not a passing fad," he added. He cited the three main nutritional concerns as chemical additives, sugar content and

(Continued on Page 5)

Conflict a hallmark for Y&R

By STEWART ALTER

It was a strange week for Young & Rubicam.

The agency learned that telephone calls and greeting cards present conflict in the mind of one client, but that canned spaghetti and noncanned pasta do not in the eyes of another.

As a result of picking up the $20 million-plus AT&T Communications long-distance phone call account two months ago, Y&R has lost the $40 million-plus Hallmark Cards business because the latter perceived a conflict.

Meanwhile, Y&R has lost some of its American Home Products, business to Cunningham & Walsh and Kornhauser & Calene as a result of gaining General Foods' Ronzoni Macaroni Co. account. However, it will retain AHP's Chef Boy-ar-dee canned pasta business, which

(Continued on Page 5)

Smaller ad agencies

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Advertising Age

Magazine

May 10, 1984

PREMIUMS
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Special Report

Premiums *and* Promotions

[illegible] help sell
the main attraction

William F. Buckley speaks out on politics and advertising
Page M-6

The tough challenge of marketing Florida's $2.5 billion citrus industry
Page M-8

Advertising Age

Magazine

May 10, 1984

6 William F. Buckley on politics and advertising
Tv coverage is far more important to presidential candidates than all the advertising time and space they can afford, he says.

8 The squeeze is on at the Florida Citrus Commission
A study of the organizational structure of the Florida Citrus Commission is underway. The study also is expected to determine whether the $33 million the commission will spend this year on consumer advertising is paying off.

12 Book lists good places to call work
Leo Burnett Co., Doyle Dane Bernbach, Time Inc. and Reader's Digest are lauded as four of the best in the new book, "The 100 Best Companies to Work for in America."

Special Report

Premiums & Promotions

16 Airlines soaring with frequent fliers
A sagging economy and deregulation were two forces behind the emergence of frequent flier programs, which have provided the airlines with a way to build user loyalty.

22 Promotions blemish cosmetics industry
Gifts-with-purchase and purchases-with-purchase, a fact of life in the cosmetics industry, are favored by some marketers for attracting buyers to the brand and opposed by others, who say they lessen the importance of the product.

28 Rental car giveaways a blowout
There were no winners in the rental car industry premium campaign waged from September, 1982, through June, 1983.

31 Banks renew interest in premiums
Some big commercial banks are returning to distributing premiums, but now the premiums are more narrowly targeted for specific objectives.

46 Dialing for dollars
Telephones are the hottest new rage in premiums, replacing tired freebies such as coolers, clock radios and steak knives.

NORTHWEST ORIENT
EARN FREE TRAVEL WHEN YOU FLY OUR WAY

Page M-16

Premiums and Promotions report coordinator: Ed Fitch
Cover illustration: Leslie Wolf
William F. Buckley photo: Mickey Adair/Star File

DEPARTMENTS

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4 Words from Gartner
10 Strategic Marketing
10 Parting Shot

To our readers

As today's special report on premiums and promotions was being put together, several of the Magazine staff members did some reminiscing about memorable premiums. Cracker Jack and its ubiquitous little in-box prizes entered into the discussion almost immediately, of course, as did S&H Green Stamps. But then we began to wax nostalgic about some favorite items from our pasts:

- The plastic tops with a string that were in boxes of Trix cereal.
- The chart listing American Presidents that came with the purchase of a can of a now-forgotten brand of dog food. ("That's how I learned the Presidents," one staffer said.)
- The "walk-o-meter" you got by sending in Wheaties boxtops. For the uninitiated, that was a gauge you strapped on your belt and, after adjustment for your stride, measured how far you walked.
- Those submarines in Kellogg's cereal boxes that, when filled with baking soda, would sink to the bottom of a pail of water and then, as the soda fizzed, would rise to the surface.

For one staff member, the all-time favorite was the little comic strips that came inside packages of Bazooka bubble gum. "If you chewed a lot of gum, a *real* lot, you could get enough comic strips to redeem them for prizes. I got a softball, a bat and the first pocket knife I ever owned—which I still have."

But the topper was a story told by one colleague about his days at the University of Missouri: "Coca-Cola had a promotion in which pictures of pro football players were on the underside of their bottle caps. If you collected all 22 players from one NFL team—in our region it was the St. Louis Cardinals—you could get a free football.

"We took a magnet, attached it to a string, and went to every Coke dispenser on campus, fishing old bottle caps out of that hole under the opener. We ended up getting six footballs."

As if that weren't enough, he and his cohorts took the laces out of the footballs, replaced them with rawhide so they could be gripped better and sold them to fellow students for $5 each.

Now *that's* entrepreneurial spirit.

Robert Goldsborough
Executive Editor

Letters

One of Tyler's Ten

We were pleased to see a Johnson & Johnson Child Development Products ad included in "Tyler's Ten" (April 2). However, it is unfortunate that Wunderman, Ricotta & Kline did not receive credit for developing this fine copy.

T.K. McCarter
Director of Marketing
Johnson & Johnson
Skillman, N.J.

Rance Crain on Pepsi spots

In the Rance Crain's column (Parting Shot, April 2), "Pepsi misses with Michael Jackson," he states that "Jackson is a Jehovah's Witness, and he doesn't smoke or drink (including soft drinks) and hardly even eats."

While all of the information may be true, I felt that the column might lead people to believe that Mr. Jackson doesn't drink (even soft drinks) or eat because he is one of Jehovah's Witnesses.

While it is true that Jehovah's Witnesses do not smoke, because it defiles the body, we certainly are not against eating or drinking (even alcoholic beverages) in moderation.

Even Jesus Christ himself drank wine. The apostle Paul told Timothy to "use a little wine for the sake of your stomach and frequent cases of sickness" (I Timothy 5:23).

Personally, I do not know if Mr. Jackson drinks Pepsi or not; I do know that there are other Jehovah's Witnesses who do.

Arlinda A. Davis
Indianapolis

Does he really drink Pepsi?

Is Rance Crain really that far behind the times? If Pepsi's Michael Jackson spots are ineffective, then I suppose the entire "Choice of a New Generation campaign" is not one of the most innovative and best produced on tv, either. Mr. Crain says that because the audience knows Mr. Jackson doesn't drink anything, Pepsi is wasting its money. Does Mr. Crain really believe that Marcus Allen and Ted Turner sit home sipping Diet Coke, "just for the taste of it"?

The Jackson "concert" spot catches the excitement of an actual Jackson concert while linking the Pepsi name to it in a new and different way. The adaptation of the hit song, "Billie Jean," is wonderful. Simply because Mr. Crain's daughters don't think the commercials are effective does not mean Pepsi is missing its mark. More likely Pepsi has realized not too many 45-year-old business executives are going to drink Pepsi anyway. Instead, it has set its sights on the post-baby boomers, the new generation of Pepsi drinkers.

Rich Abrams
Secretary
Ogilvy & Mather
New York

Outdoor boards

I would like to clarify a statement of mine—rather, *half* a statement of mine—quoted by Renee Blakkan in "Reaching a growing market where it lives" (March 19). Ms. Blakkan, in quoting the latter part of what I don't doubt was a garrulous explanation, left the impression that I regard outdoor advertising to Hispanics as ineffective in any role save as reinforcement of messages from other media.

This was my point: a) English-language billboards are often intended to be "reminder" advertising, reinforcing a tv effort. b) Spanish-language billboards are often translations of English-language billboards. When both "a" and "b" are true of one campaign, and outdoor is the only Hispanic medium, the result is Spanish advertising that has nothing to reinforce.

Hence, when I spoke of advertisers using outdoor as "doing it on the cheap," I did not seek to denigrate the quality (or the expense) of an outdoor campaign. I meant to denigrate the logic of those who wish to solve the "problem" of Spanish-speaking consumers by merely translating the tag line of an English-language tv campaign and posting it in Spanish neighborhoods.

Dale Dauten
Research Resources
Quantitative
Atlanta

Magazine

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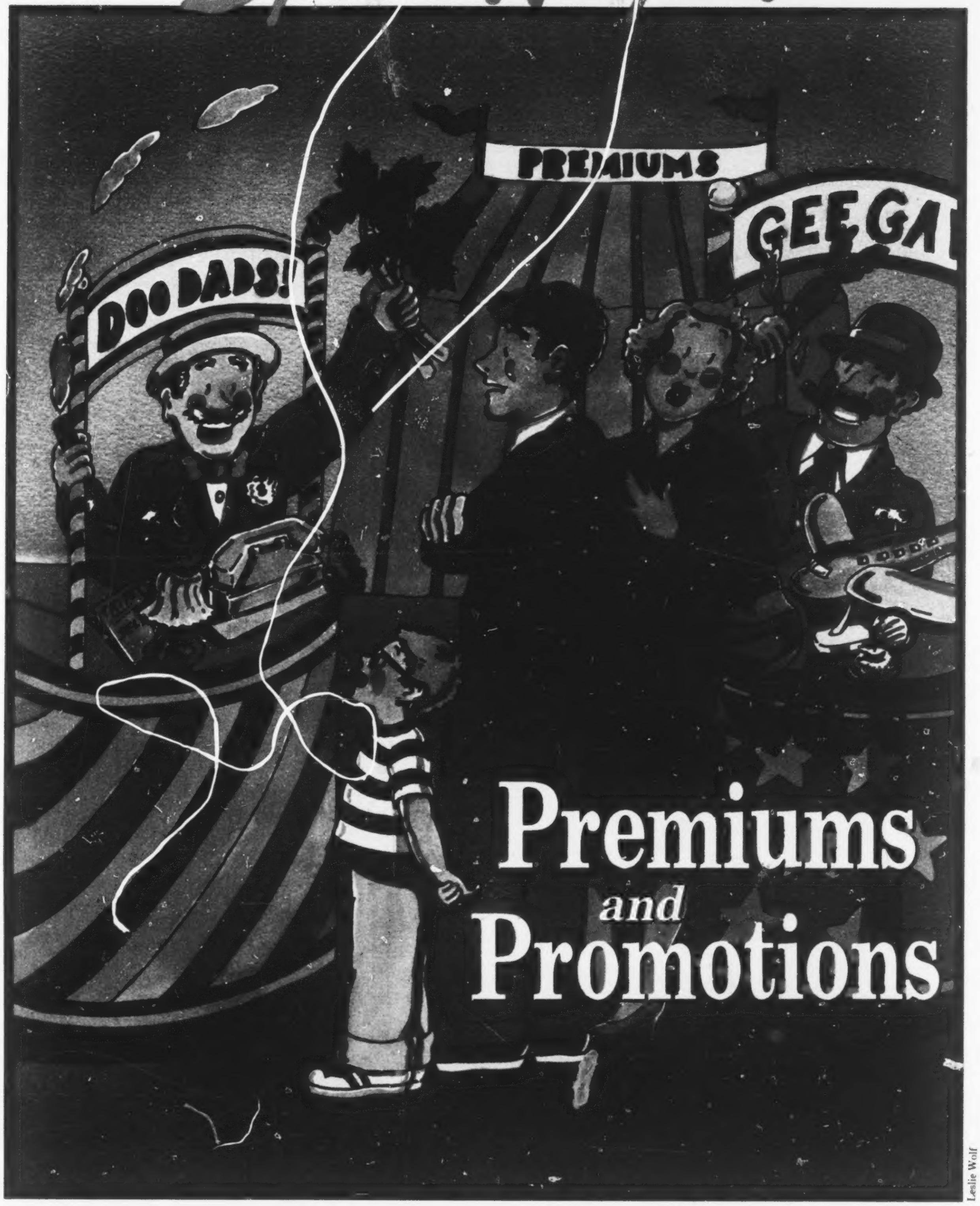

Premiums and Promotions

Leslie Wolf

Without a plan, the carrots just dangle

By Ed Fitch

Ever since some unknown hansom cabbie hung a carrot in front of a horse's nose, premiums have been part of the stable of methods people use to exhort performance. Why? Because they work. That horse kept moving, working harder, the vision of a bonus bouncing before his snout.

Shortly thereafter, incentives were dangled in front of consumers' noses to motivate them to perform—performance in this case being to purchase a good or service, not to pull a wagon. But, like good draft horses, humans have clopped after these carrots at a fast clip.

Premiums are one of the oldest forms of promotion in the U.S., dating to about 1850. Those from within and without the industry also say the premiums used in the 1850s—and the methods by which they were selected—probably are not much different from those used in 1984.

In fact, the only things that seem to change when it comes to premiums are the industries that offer them and the premium techniques that are in vogue. Premium tactics swing in and out of style depending on their costs and marketers' and consumers' attitudes toward them. And markets roll in and out of premium cycles regularly, illuminating both one of their drawbacks—their susceptibility to the vagaries of unstable markets—and a strong point—their ability to act as a short-term, crucial crux for other consumer marketing efforts.

Although this area is given a sizable chunk of promotional cash (1983 incentive expenditures reached almost $10.5 billion, according to *Incentive Marketing*, slightly less than the amount spent for all direct mail efforts last year), it may be shortchanged when it comes to sophistication and creativity.

Telephones, tote bags and umbrellas are all available for the taking in promotions for cosmetics, magazines, banks, rental cars or almost anything else in the marketplace. Despite the rise in the amount spent on premiums, the number of ways in which this money is spent has hit a plateau. The general belief is that premium efforts are not given the creative emphasis afforded most advertising and promotional programs.

"Some people in the industry cannot visualize the creative potential for premiums or move beyond the dull, prosaic ways of the past," says Don Jagoda, president of Don Jagoda Associates, Syosset, N.Y. "Many premiums are very pedestrian. But there's room for innovation and creativity in any area, and this is no exception." Mr. Jagoda also says that because client companies are demanding creativity from those who handle their premium efforts, the field is becoming more professional.

However, it still has a long way to go in reversing a second-citizen status—whether it is justified or not—in the marketing world. Premiums often are perceived as peripheral ploys, employed only when a better idea for promoting a product isn't apparent. In the eyes of many marketers, the field is an untamed beast, not playing by the rules by which most advertising programs abide.

(Continued on Page M-16)

Ed Fitch is an associate editor of Magazine.

Airlines soaring with frequent fliers

By Kurt Hoffman

Some semblance of stability has returned to the air passenger industry—at least for the moment. Competing airlines no longer are slashing each other's throats for the lucrative transcontinental and winter Florida traffic. Although rate competition on these routes is stiff, a definite shift in marketing strategy has taken place: The frequent flier phenomenom.

> **"Business travelers had no brand loyalty. The choice of airlines was determined almost entirely by schedule convenience."**
>
> *—Julius Maldutis*

Before the emergence of the first frequent flier offering in 1981, the situation in the airline industry was particularly dismal. The initial chaos that followed deregulation in October, 1978, was exacerbated by a sagging economy and the resulting drop in vacation and pleasure air travel. The new free-market environment triggered a series of vicious rate wars that bled sorely needed capital from individual airlines, killing a few.

"The whole industry was going through a period of declining traffic, and we realized that the real challenge would be to hold or increase our share of the business travel market," says Bill Delahanty, director-commercial sales for Eastern Air Lines. "But we realized that rate-cutting alone wasn't going to work, simply because it could be duplicated by our competitors. If we had decided to change our fare from New York to Atlanta one morning, the other carriers serving that route would have changed their fares before the end of the day."

Similar sentiments were echoed by Chuck Stichweh, senior analyst-marketing programs for Delta Air Lines. "During the period Delta was pursuing discount fares full force, we were flying a heck of a lot of people and losing money."

The idea behind stemming that flow of money—the frequent flier program—is as simple as it is brilliant. Some programs are structured around the number of miles flown; others tally the number of times a passenger buys a ticket valued at more than a certain price. Fly so many miles or buy so many tickets, and you receive a ticket or upgraded ticket in return.

"Quite frankly, the Free Flight Plan allows us to give our frequent travelers an incentive award that has a relatively high retail value, but a minimal incremental cost to us," says Rick Moran, director-commercial marketing for Northwest Orient Airlines.

The concept has frequent travelers salivating like Pavlov's dogs. Some airlines boast as many as 1.5 million current players, and the figures are growing.

Although airlines readily welcome all travelers to their programs, marketing strategies generally focus on business travelers, who accounted for slightly more than half of the air passenger traffic in 1983. These passengers tend to be less cost-conscious than vacation travelers and often fly during weekdays instead of on heavily booked weekend flights.

Despite these bonuses, business travelers' traditional indifference toward airlines has been frustrating for carrier marketers. "Historically, business travelers had no brand loyalty. The choice of airlines was determined almost entirely by schedule convenience," says Julius Maldutis, transportation analyst at Salomon Brothers, New York. "Consequently, the initial objective of frequent flier programs was to take a portion of those very frequent business travelers who had no brand loyalty and convert them to United, Delta or whoever."

This assessment is accurate from the airlines' point of view, says John Zeeman, senior vp-marketing at United Airlines. "Our ultimate goal is to generate and maintain customer loyalty. We want people to choose our airline because they prefer United, not because of schedule or price. In essence, we're trying to differentiate our product."

American Airlines was the first to differentiate its product when it launched its AAdvantage program in May, 1981. This dramatic shift in strategy generated a marketing upheaval that has yet to settle, as competing airlines continually scramble to achieve parity or to best their competitors in the frequent flier arena. As Mr. Stichweh says, "In an oligopolistic situation, you've got to be pretty quick to respond."

Fueled by overwhelming public enthusiasm, the frequent flier programs have taken on lives of their own. Each participating carrier is scanning the market for new opportunities to enhance and stabilize its competitive posture, forming partnerships not only between airlines, but with other industries. The resulting mishmash of mileage

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in Delta Frequent Flyer Automated Mileage Program
DELTA AIR LINES
Eastern's Frequent Traveler Bonus Program
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Overwhelming public enthusiasm has greeted the airlines' frequent flier programs, prompting them to search for new opportunities to gain that competitive edge.

Kurt Hoffman, a Richmond, Va.-based free lance writer, covers the transportation industry for a number of publications. He performed his interviews over the telephone, although he would have preferred to fly and build his mileage credits.

Carrots

(Continued from Page M-15)

For one thing, most companies want to know how well any marketing effort performed its assigned task. However, assessing the results and value of premium programs is a difficult and inexact science. Companies spend lots of dough on sometimes partially baked schemes without being able to tell how much the premium motivated the sale.

"The state of premium research is where advertising research was 20 years ago," says Marji Simon, director-research, Frankel & Co., Chicago. "No one has devised an inexpensive, practical, usable technique for measuring the effectiveness of ads, much less premiums."

The problems faced in evaluating premium programs are substantial. "The industry moves so fast that it's difficult to evaluate efforts regularly," Mr. Jagoda says. "Usually by the time one program ends, another has been launched and it's difficult to tell which motivated the sale." This, plus the fact that it's very difficult to set up any kind of control group and obtain followup figures from the client or industry involved, makes evaluative testing quite arduous, Ms. Simon says.

But, because of the competitiveness in the market, the emphasis is shifting more toward research. "To attract and keep clients, premium companies must back up their statements with quantitative data," Mr. Jagoda says.

John Caputo, executive vp of Glendinning Associates, Westport, Conn., agrees that more research is critical, but for another reason: "In light of premiums' impact on their respective markets, more work must be done to truly and accurately measure and evaluate premium programs."

Despite the need for better numbers, determining the outcome of a program primarily remains a subjective judgment, according to William Rotz, president of Rogers Merchandising, Downers Grove, Ill.

Both Mr. Rotz and Ms. Simon say they believe the best way to gauge a premium's effectiveness is through pretesting, employing focus sessions in target markets and performing moral intercept interviews. "Companies are spending a lot of money on premiums," she says, "so they must be bought and assessed more carefully. There is a definite need to design the right premium for the right audience. Premiums, like target audiences, should be segmented."

Ms. Simon uses an acronym—ACTION—to describe the intent of her promotional concept testing. "The premium effort should be appropriate to the product; easily comprehended by the consumer; reach the target market; be in keeping with the image of the company; fulfill the objective, and attain the norms or benchmarks established for the program," she says.

The objective often is not fulfilled because the company's intentions are not clearly established. The car rental industry, for example, waged a $50 million advertising and premium war without defining desired goals. The companies hoped to improve market share or the size of the market, but these positive

PREMIUMS
DOO DADS!
GEEGA

Liquidators lead the pack

1983 estimated consumer premium expenditures ($ million)

	Expenditures	% increase over 1982
Self liquidators	$1.041	8.8
Direct premiums	830	8.9
Trading stamps	549	4.6
Factory packs	412*	5.3
Free mail-ins	396*	3.7
Coupon plans	313*	5.0
Sweepstakes & contests	184	8.3

Source: *Incentive Marketing* *AA estimates credits accrued through luxury liner cruises, car rentals and hotel registrations boggles the mind.

One such comprehensive arrangement involves Eastern and Trans World Airlines. Travelers can use mileage credits from either airline to acquire awards offered by either program.

"We really wanted to make a major jump in our program and appeal to a much larger audience of frequent travelers," Eastern's Mr. Delahanty says. The challenge was to identify the right partner. In addition to the eastern U.S., Eastern offers service to the Caribbean, Mexico and South America. TWA's presence in the western U.S. and Europe could provide an added dimension for Eastern fliers, and vice versa.

"It's just a perfect match," Mr. Delahanty says. "We felt that TWA's route system to Europe would have a strong appeal to our players, both as a means of racking up mileage credits and as an award target. We also knew, and TWA confirmed it with research, that TWA players would love to have an opportunity to go to Mexico, the Caribbean or South America under the same circumstances. So we both had something to bring to the party."

The negotiations, particularly those concerning award redemptions, were a little sticky, Mr. Delahanty says. "For example, we didn't know if their half-million players would suddenly start redeeming their mileage for trips to the Caribbean this winter. We certainly didn't need to relinquish a lot of free tickets during the height of the tourist season. By the same token, they were understandably concerned about our half-million or so players getting turned on to Europe this summer.

"We tried different formulas to protect one another, but we eventually decided that we were willing to risk it if they were," Mr. Delahanty says. He reports that redemptions have been fairly equal so far.

The partnership doesn't end with the two airlines. Participants in Eastern's program also can earn mileage by flying British Caledonian, Scandinavian Airlines or a variety of commuter airlines. Hertz and General car rental agencies also provide qualifying mileage, as do Marriott hotels.

"We saw other programs spread and take in a larger chunk of the world, and we have to remain competitive," Mr. Delahanty says. The Eastern-TWA arrangement is not unique. United has 15 partners. Pan American World Airways' World Pass II program includes links with Sheraton and Inter-Continental Hotels as well as Hertz. The list goes on.

The frequent flier programs clearly are a boon to business and vacation travelers. But have they been a benefit or a burden to the airlines?

"We're absolutely certain that we've been achieving our objective of brand loyalty," Mr. Zeeman says. "People are choosing to fly United because they like our rewards, and we have a lot of research that indicates passengers are going out of their way to fly our airline."

Not all marketers respond quite as enthusiastically, but nearly all hold that the frequent flier programs have created customer loyalty. "For the time being, it appears that the programs are a successful promotional device both for Northwest and for the airline industry in general," Mr. Moran says.

Mr. Maldutis says the frequent flier programs have developed enormous brand loyalty. "Due to the lack of statistics and the variety of marketing factors involved, it's difficult to attribute growth or loss solely to the frequent flier programs. But American, United, Northwest and Delta's traffic levels have improved, at least in part because of the frequent flier programs."

The mere compilation of travel statistics for frequent fliers has provided a variety of side benefits for the airlines. No longer must carriers resort to shotgun advertising in the general media.

Equipped with computerized travel habits of hundreds of thousands of individuals, Delta can target specialized audiences through direct mail campaigns.

"Initially, the goal of our Frequent Flyer Program was to be competitive in the marketplace. The secondary goal was to identify our frequent passenger," says Kathy Field, a Delta account executive. Because the majority of business travel traditionally is booked through agencies, individual airlines had little customer demographic information.

"Our computerized system opens up a variety of promotional opportunities," Ms. Field says. "For example, when we have new partners, such as Marriott or Preferred Hotels, we can use direct mail communications to advise our frequent fliers who regularly visit cities where these hotels are located of the opportunity to boost their mileage through hotel patronage. This not only provides a service to our frequent fliers and our program partners, but it also serves to increase that customer's loyalty to our program."

Airlines also use this information to promote new or increased service or to encourage travel during slow periods. These promotions often are accompanied by double mileage bonus offers or similar enticements.

However, not all airlines have jumped aboard the frequent flier bandwagon. Charles J. Kreinar, director-sales planning for USAir, says the profits weren't worth the price for USAir.

"We didn't experience a significant loss of business over-all on our system due to the decision not to participate," he says. Although competitors eroded a

(Continued on Page M-18)

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objectives were not reached because they were never identified as the primary results.

"Every premium program should be based in a very specific marketing strategy, defined by clear-cut promotional objectives," Glendinning's Mr. Caputo says. These objectives, he says, should reflect the company's desired goals, whether it hopes to increase sales volume, improve market share, heighten in-store merchandising profile or reinforce brand usage and image.

"If a premium tactic does not address a problem, then the marketer cannot expect it to have a positive effect," Mr. Rotz says. Mr. Jagoda concurs: "The first thing I ask any client is, 'What problem do you need to resolve?' Anyone who uses premiums must realize that premiums are a means to reach an end, not an end in and of themselves."

In selecting the means to meet the end, Mr. Caputo says, the marketer must understand the capabilities and dynamics of the

(Continued on Page M-48)

An American evolution

Frequent flier programs radically altered airline marketing strategies in the 1980s, but the genesis of the prototype program was more evolutionary than revolutionary.

Tom Plaskett, senior vp-marketing for American Airlines and founder of the frequent flier frenzy, says the company struggled with two questions: Is it possible to build brand loyalty in a commodity product like air transportation, and how can repeat patronage be rewarded without exposing American to the economic adversities of volume discounts?

The obvious first step for any reward program was to develop a mechanism to monitor individual travel. American directed its data processing talent toward that goal in mid-1980. "We didn't know what we were going to do with it, but we knew that any effective program would have to have a reliable tracking mechanism," Mr. Plaskett says.

"Then we began to think about the specific concept of the program—whether we were going to track total mileage, travel dollars or travel frequency, for example. We selected a mileage-based system," he says, "and then we had to determine the actual mileage between all service points and program this data into our computer system."

All that remained was to define the awards and develop and implement the marketing and promotional plans.

"So it was really a building-block, stepping-stone type of approach," Mr. Plaskett says. The sum of these efforts, dubbed the American AAdvantage, was unleashed on an unsuspecting public in May, 1981.

> **"But once the decision was made to go ahead with the program, everyone pulled together and made it work."**
>
> *—Tom Plaskett*

He admits that some American officials were concerned that the program would be viewed as corporate discounts. Others were afraid that competitors that lacked the ability to respond with a similar program would adopt a competitive tack, perhaps negating American's offering.

"There was a lot of discussion and issue examination, and some modifications were made. But once the decision was made to go ahead with the program, everyone pulled together and made it work," Mr. Plaskett says.

"We saw it as an economic opportunity, not an economic risk. We were fairly confident that the program was going to attract a great deal of attention initially, and we would see an immediate share shift and increase in our market share as a result."

According to Mr. Plaskett, American's head start gave the company a significant competitive edge over other airlines. "Although we fully expected them to follow suit, we figured we had several months before our competitors could mount an effective program of their own," he says. "But one of the great strengths of our strategy was that once a player was locked into the program, it was very difficult to switch to other programs without losing the benefits they already had gained with us."

Mr. Plaskett likens the program to the trading stamp promotions that raged for years. "All we've done is replace the toasters with the most sought after reward today: Travel. And it's become the biggest and most successful marketing program in the business." —*K.H.*

Strings attached to free flights

Uncle Sam has bad news for frequent flier award winners. The old adage that there's no free lunch holds true as far as "free" airline tickets are concerned, at least in the eyes—and computer banks—of the Internal Revenue Service.

Three scenarios were presented to "Big Brother" for evaluation:

- A federal employe accumulates enough mileage credits through work-related travel—paid for by the federal government—to earn a round-trip ticket to any location the airline serves.

Is he free to use the ticket for personal travel?

No, according to a Justice Department tax division official. "Any free tickets, advertising giveaways or items of that nature become the property of the federal government, and the traveler is required to turn them in."

- An independent businessman is under a six-month contract with the Defense Department. The contract requires weekly travel and is set up on a costs-plus-contract basis (fixed contract fee plus expenses). After four weeks, the contractor accumulates enough mileage to earn a round-trip ticket. But instead of using the ticket for additional contract-related travel, he gives it to his wife for a weekend jaunt to the Bahamas. Was he obligated to apply the ticket to additional contract-related travel?

> **"Any free tickets . . . become the property of the government, and the traveler is required to turn them in."**
>
> *—tax official*

Yes, according to an official in the IRS accounting division. He now must reimburse the federal government for the retail value of the round trip to the Bahamas.

- A hard-working free lance writer living in Richmond, Va., finally earns enough segment credits through business-related travel to get a round-trip ticket, which he uses for a weekend in Cancun. However, he deducted the initial travel costs for the qualifying mileage as ordinary business expenses on his 1099 tax form.

Is the "free" round-trip ticket a taxable item?

Sort of, according to an IRS tax service representative. "This ticket would be viewed as a reimbursement, regardless of whether he uses it for business or pleasure," the official says. "The proper procedure would be to list his actual travel expenses on the 1099 form, then credit as a reimbursement the retail value of the flight to Cancun."

As to whether the "free" ticket would be taxed if the traveler accumulated the qualifying mileage through nondeductible pleasure travel, I didn't even bother to ask. One can take only so much bad news in a given day. —*K.H.*

Companies find a winner in dealer incentives

By Mary McCabe English

The insides of most consumers' kitchen cabinets are beginning to look like a Hollywood movie set gone berserk. Annie, Punjab, Gargamel, Smurfette, Snoopy, Woodstock, Darth Vader, Luke Skywalker—they may all be lurking in there. They are the visible remnants of a hundred fast food binges and as many halfhearted attempts by parents to ensure their kids' love by getting just one matched set of *really in* glass tumblers before they are no longer *really in*.

These consumer-targeted purchase incentives are the most obvious. But, behind the scenes, marketers are spending even more on sales and dealer incentives—either merchandise or travel prizes—to attain specific, predetermined goals, most frequently to increase sales volume or new accounts, improve morale or support new product introductions.

Total incentive spending—consumer, sales and dealer—increased 6.8% in 1983, reaching $10.4 billion, according to a recent report published in *Incentive Marketing*. However, the report says, "Given the inflation rate . . . the results indicated a measurable growth for the first time in several years."

The numbers look to be more notable this year. Surveyed executives "expect to see about a 10% rise in dealer promotion this year, pushing total volume over $2 billion," *Incentive Marketing* says.

Murray Elman, *Incentive Marketing* publisher, traces the growth generally to an increased emphasis on promotion activity. "People today are basically realizing that they have to promote if they want to move their products in an increasingly competitive marketplace," he says.

As for the relative merits of consumer vs. sales vs. dealer incentives, Mr. Elman says: "I don't try to isolate one because I think generally they tend to work in concert with one another."

Karl M. Sooder, vp-marketing at Barq's Inc., maker of Barq's root beer, New Orleans, agrees. Barq's is doing significantly more consumer promotion to complement its trade incentive programs, he says. "We believe we get multi-effectiveness this way," Mr. Sooder says, adding that Barq's realizes "anywhere from a 5% increase to a much higher percentage increase when we orchestrate these total promotions."

> **"People today are basically realizing that they have to promote if they want to move their products . . . ."**
>
> *—Murray Elman*

According to Mr. Sooder, Barq's has been doing merchandise and low-end travel incentives for the past three years. But, he says, nothing in the past compares with the magnitude of the current campaign, which involves sending 150 qualifying bottlers to the Acapulco Princess Hotel for three nights and 20 or 30 top winners on a three-day Princess cruise. The company upgraded the campaign prizes as a direct result of increased competition in the soft drink market.

Says Mr. Sooder, whose company logs annual sales of about 19 million cases in 30 southern, western and midwestern states, "The amount of competition that exists for bottler attention to the various products he's carrying is incredible. In the last few years, that competition for [the bottler's] time has increased substantially." So the company anticipates a boost in dealer incentives in 1985, he says, especially in light of the "positive results we're seeing in 1984."

Jeffrey Brooks, director-advertising for Sony Corp. of America in Park Ridge, N.J., is also enthusiastic about the positive effects of an incentive program. Sony ran an incentive campaign in its car stereo division last year, resulting in 48 U.S. distributors winning one-week Club Med getaways. And although Sony's past incentives have been basically consumer-oriented, he says, the success of the Club Med campaign has paved the way for a similar one this year.

"Our product line is so expansive and diverse, an incentive program allows us to single out certain products for special attention when necessary," Mr. Brooks says. Incentives energize the entire trade chain, he adds, both during and after the campaign.

"I think the fact that we're repeating the program this year is a testimonial to its success," Mr. Brooks says. "The distributors that returned from last year's trip are now such advocates of Club Med that they're helping promote this contest."

The Magnificent Adventure

Barq's is breaking new ground with the magnitude of its cruise campaign for 150 bottlers.

Andre G. Abbate Jr., executive director of the Society of Incentive Travel Executives in New York, says the use of travel as an incentive has other positive repercussions.

"An incentive trip brings together the peers of an organization, many of whom have never met face to face. It gives them the opportunity to meet in a very favorable setting and develop interpersonal relationships, which is good for the organization as a whole because it leads to more of a family feel within the corporation," he says.

And, speaking of family, Mr. Abbate says by including spouses in most incentive trips,

Mary McCabe English writes frequently for Magazine on a variety of business topics.

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companies often make that spouse more tolerant of longer hours on the job.

Nonetheless, according to *Incentive Marketing's* report, merchandise still outstrips travel in corporate expenditures for sales and dealer incentives.

Merchandise expenditures for dealer and sales incentives reached $3.1 billion in 1983, the magazine reports, compared with dealer and sales travel expenditures of more than $1.2 billion.

However, regardless of the type of prize, Marilyn Friedel, vp of Morse Marketing and head of Promotions for Industry in Chicago, says today's incentives share a common thread of increased sophistication. "There are so many new areas in technology and computers . . . that have added a tremendous value factor," in terms of incentives' effectiveness as marketing tools, she says. Ms. Friedel offers the telephone industry as an example of technology and market appeal meeting with perfect timing to create an ideal incentive.

Louis Haugh, a managing director with Westport Marketing in Westport, Conn., identifies incentives' increasingly creative and upscale applications as prime factors in their success as motivational tools.

"The rule used to be a prize structure whereby a salesman or dealer would earn points to win a toaster. Now, a toaster doesn't cut it anymore. What does are travel and upscale prize structures that allow people to acquire things they wouldn't normally go out and buy, things that feed the imagination," Mr. Haugh says.

Spokesmen for the incentive houses that frequently package incentive programs bear this out from the supplier side.

"The fact is, today people can buy almost anything from anybody . . . an absolute multitude of choices [are] available in almost any area you can think of," says Jim Dittman, head of Dittman Incentive Marketing in New York.

"As a result, the people who are succeeding [in packaging incentive programs] are offering merchandise that's fresh and imaginative.

"As for travel incentives, as they are used more and more widely, people are beginning to understand the importance of creating a program that will be remembered as an extraordinary experience," he says, "and not just another walk through London . . . new uses, not just new destinations."

It's also important to match the reward to the task, says Mr. Dittman, who is also director-education for SITE. By way of illustration, he describes the reaction of the dealer who's asked to do 20% more volume over six months in exchange for a low-end Caribbean vacation.

"This same dealer reads the New York Times and knows that he can go to the Caribbean for $400, so he says, 'you're crazy . . . you expect me to do all that for $400?' " Mr. Dittman says. "You have to create a travel experience that [the dealer] cannot duplicate . . . or offer merchandise of a high quality that mirrors the quality of what you're asking that person to perform."

From the perspective of the company underwriting such rewards, incentive programs should be effective marketing tools that generate business and aren't just another expense of doing business, Mr. Dittman says.

For this reason, it is crucial that incentive planners match each campaign to specific goals and then tie those goals to a carefully designed rules structure, he says.

Incentive Marketing's editors note that the basic measure of a

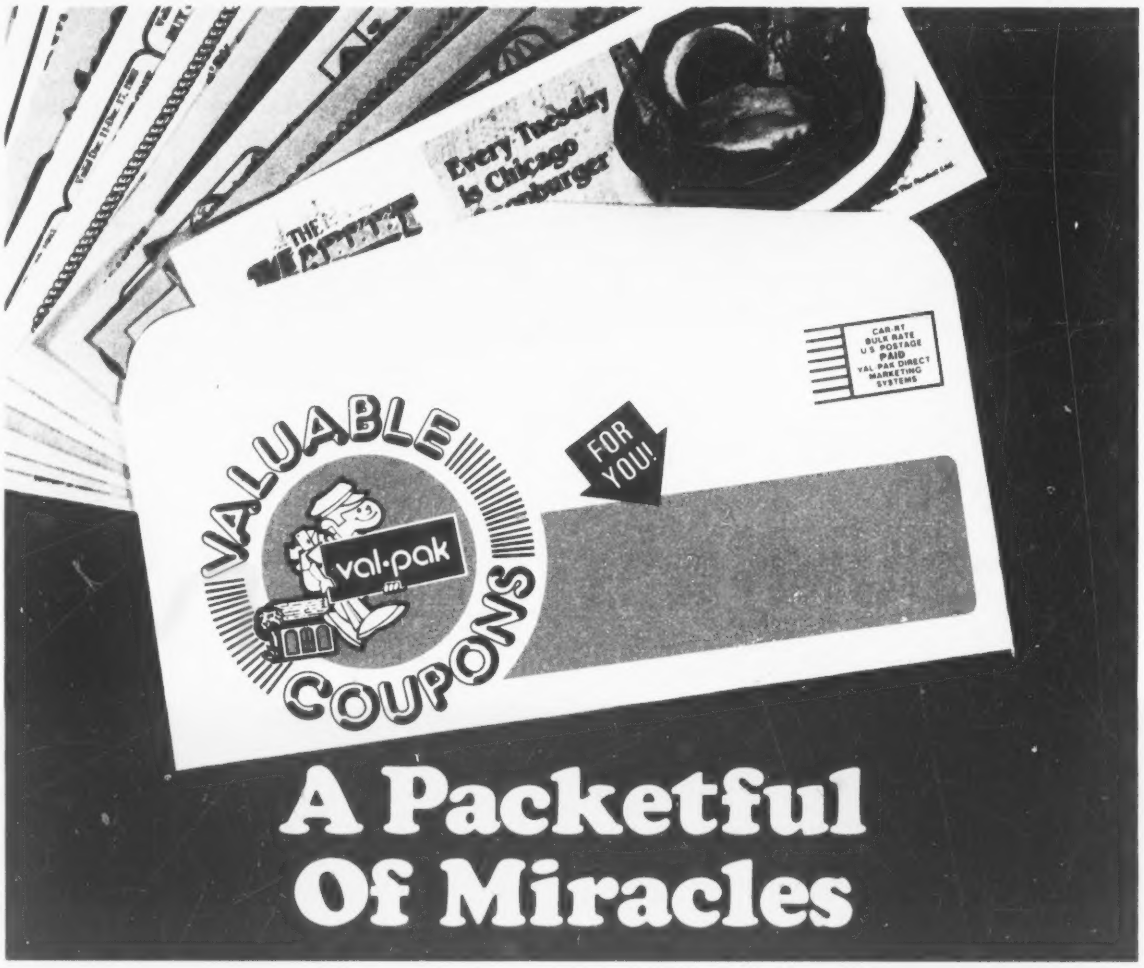
(Continued on Page M-44)

Top 10 carrot danglers

Industries' 1983 incentive expenditures ($000,000)

Travel		**Merchandise**	
1. Insurance	$161	1. Auto parts, tires	$299
2. Electronics, radio, tv	118	2. Toiletries & cosmetics	248
3. Auto parts, tires	110	3. Food products	176
4. Autos & trucks	99	4. Autos & trucks	156
5. Farm equipment	77	5. Insurance	152
6. Heating & air conditioning	71	6. Electronics, radio, tv	141
7. Office equipment	55	7. Building materials	116
8. Electical appliances	45	8. Petroleum products	101
9. Building materials	38	9. Farm equipment	96
10. Toiletries	35	10. Heating & air conditioning	88

Source: *Incentive Marketing*



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Incentives

(Continued from Page M-43)

program's effectiveness is "sales dollars reasonably attributable to the promotion. . . . The average sales increases for the [companies represented in the *Incentive Marketing* survey] in 1982 came to 11.5%, in 1983 to 14.2% and this year they anticipate an average of 16.9%."

Mr. Dittman says he believes the use of trade incentives will continue to increase for a combination of reasons.

"Number one, I think people recognize that price cutting is a suicidal approach and that incentive programs are, in effect, a positive form of motivation vs. the negative tonality [of] price cutting," he says.

"Trade incentives add value to the way your product is perceived.

"Second, with today's technology, there's less and less differentiation between products; at the same time there are more and more goods to sort out. And I think as the amount of differentiation continues to decline, the use of incentives will increase as a means of putting back some of the difference.

"Also, and this is particularly true of travel incentives, you get a great deal of residual value when you offer an incentive to your salespeople or dealers. It's not so much having been in Paris as the good memories associated with time well spent with a gracious host." AA

Behind the scenes promotions step forward

Corporate incentive expenditures (in $000,000)

	1983	1982	% increase
Sales incentives	$2.489	$2.312	7.7
Merchandise	1.893	1.761	7.5
Travel	596	551	8.2
Dealer incentives	$1.823	1.697	7.4
Merchandise	1.208	1.123	7.6
Travel	615	574	7.1
Trade total	$4.312	2.884	7.5
Merchandise total	3.101	1.125	7.6
Travel total	1.211	$4.009	7.6

Source: *Incentive Marketing*

Travel awards take off

More than $1.2 billion was spent on sales and dealer incentive travel during 1983—numbers that make this market very appealing to a lot of folks in the business of accommodating travelers.

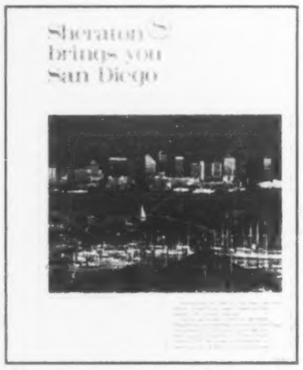
"Incentive travel has reached a level of sophistication that makes it an awfully attractive focus for a lot of companies," says Bob Dauner, director-incentive sales at Hyatt Hotels in Chicago.

"The very nature of the incentive program means the client wants to ensure that everything is done well. As a result, expenditures are usually greater for food and beverage, special accommodations, special programs . . . . Also, there's normally more discretionary spending involved," he says.

More and more hotels are beefing up their sales forces to tap into this lucrative offshoot of dealer incentive programs. Meridien Hotels, for example, opened an incentive department in April, 1983, a move that resulted in an estimated 100,000 room nights for the chain as of December, 1983, according to Maureen O'Hanlon, who opened the new office in her former position as Meridien's New York-based director-corporate and incentive sales.

"In the hotel industry, this is a substantial amount of business," Ms. O'Hanlon says, noting that the largest single chunk of the 100,000 room nights came from 9,000 people booked into Meridien's Paris branch, which is a consistently good incentive draw because of its location.

Nancy K. Sobol, manager-incentive sales for Sheraton Corp. in Chicago, says, "Over the last five years, Sheraton—worldwide—has seen a 20% to 30% annual increase in incentive-related business. The fact that not all of our hotels are located in destinations that are attractive to incentive groups pulls the figure down. The incentive increase for our resort properties could be 50%." The boom in incentive travel has been noticed by more than hoteliers, however.



San Diego is positioning itself as an appealing incentive travel destination—and Sheraton is helping.

In the past couple of years, San Diego has joined the expanding ranks of U.S. cities attempting to position themselves as appealing incentive destinations. A steady incentive trade can offer a solid base of financial revenue for a city and its businesses, according to Dave Wilbern, national sales manager for the San Diego Convention and Visitors Bureau.

"We found that as recessionary times hit us, association meetings dropped off drastically, although corporate meetings held on and even improved," says Mr. Wilbern, who also has worked for the Phoenix promotion board. "And, over-all, corporate, and particularly incentive meetings spend more money than association meetings." The San Diego spokesman figures the city's incentive business has grown 30% to 50% in each of the past three years. "This is partially due to the fact that the U.S. dollar doesn't have the strength abroad that it used to have," he says.

People are reconsidering where they spend U.S. dollars and are looking for value for their money, "and we want to make sure they know what a good value San Diego is," Mr. Wilbern says.

Warren B. Schatzle, vp-sales for the Nassau-Paradise Island Promotion Board, estimates that incentive travel to that destination has increased about 10% annually in recent years and probably accounts for 3% of its group market. "You're talking about millions and millions of dollars," Mr. Schatzle says when asked to translate these percentages to dollars.

"We have a very strong sales force, and we're constantly cold-canvassing, looking for new business. Our performance is outstanding, and we have a high percentage of repeat business," he says.

Outstanding performance is the ticket expected to win some 150 Barq's root beer bottlers cruises and/or hotel stays on the Mexican Riviera this October. Rick James, head of group sales for Princess Cruises, which will accommodate the Barq's winners, says such trips account for about 10% of the Los Angeles-based company's business. "It's a hard number to pin," he says, "but, obviously, it's a meaningful share." —*M.M.E.*

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Dialing

(Continued from Page M-46)

dials your girlfriend, your minister, your bartender, your bookie—whatever.")

Jewel bought the phones wholesale, at about 35% off retail. "If Jewel breaks even, they'll be delighted," Mr. Wien says. "The whole idea is to increase traffic. If a store does $100,000 a week and the phones increase traffic 20%, that's a lot of money."

Besides timing, Mr. Wien attributes the apparent success of this promotion to the recognition of the Cobra name and the quality of the product. "It's the next best phone to Western Electric," he says.

Cobra, manufactured by Dynascan Corp. of Chicago, has been marketed as premiums for eight years, starting with citizens' band radios. The company probably has moved more premium phones than any other maker. In recent months, you could get a Cobra for buying Cella wine, Polaroid cameras, $10 of gas at West Coast Texacos and an appliance at Polk Bros. stores in Chicago.

All told, Cobra's biggest premium item is its $15 one-piece phone. "We sold 1.5 million of those last year, and I estimate that maybe 10% of that was as premiums," says Frank DiLeo, Dynascan president.

Compare that with the premium effort of AT&T. In 1983, less than 1% of the company's phone sales came through premiums, says Carol Earle, national sales manager for special markets. "We're just beginning to develop the premium market, although we do consider last year a pretty good first year." In 1984, AT&T expects to sell between $4 million and $6 million worth of premium phones, she says.

AT&T phones have been offered as premiums at supermarkets, banks and in auto showrooms. (Ford used them as internal sales incentives, and Cadillac awarded them as prizes in drawings.) Ms. Earle also cites the biggest premium promotion of all, *Time's* offer of a free phone with a new subscription. Time Inc. won't discuss the campaign.

One of the prime reasons AT&T hasn't done more premiums, Ms. Earle says, is the price of its product. The early stage of the phone premium binge has been dominated by inexpensive phones, which she calls "Yokohama mamas" because of their Oriental origins. "Our problem is that the quality of our product makes it an expensive premium," Ms. Earle says. "Our least expensive phone is $30."

According to most industry observers, however, the popularity of the bottom-of-the-line phones will drop as attention shifts to automatic dialers, recording phones and the like. "A lot of the $9.95 or $15.95 phones you saw last year will no longer be used in the premium area," ITT's Mr. Gervolino says. "The basic phone as a promotional device is dying. People will want better quality phones, exotic phones, phones with alarms and calculators and radios."

In other words, the freshest premium idea in years may need those tired old standbys after all. Just imagine: Deep inside some laboratory, a team of scientists could be putting the final touches on the ultimate premium—a Trimline that cuts costs *and* steak. AA

Carrots

(Continued from Page M-17)

various types of premiums. A self-liquidating premium is not the same as a free-in-the-mail offer and should not be expected to have the same result.

"Self liquidators won't have a measurable effect on business," Mr. Caputo says, "and people who expect more out of them than they can possibly deliver haven't defined their objectives and tactics properly." This type of premium is very popular now because it is a no-cost event, Mr. Caputo says. But what the marketer saves in cost may be at the expense of impact.

High value, free-in-the-mail efforts on the other hand, carry a high cost, but they deliver tremendous impact, according to Mr. Caputo. A $5 premium item mailed to a targeted prospect can pull an incredible response, he says. Another beauty of the high-value premium is that the perceived value of a $5 premium may be $20 or more, depending on how much it would cost the consumer over the counter. "This allows a marketer to make a dramatic proposition to a consumer," Mr. Caputo says.

On-pack, in-pack and near-pack premiums also can be quite expensive. "Although the discount offered for these powerful business building devices can be quite low," Mr. Caputo says, "these premiums are usually tied into large-scale offerings, which inflates the over-all expense." A cereal brand may offer only 10 cents off with purchase, but if the program helps move 5 million boxes of cereal, the investment in the program can become substantial. In addition, the number of marketers that can use this tactic is limited because of the logistics of in-store displays and redemption efforts.

Another stumbling block faced by food marketers is that as premiums pervade a market, consumers may become desensitized to them. "This factor, along with misredemption problems, could cut back the number of coupon plans," Ms. Simon says. "Premiums must increasingly be perceived as a good value."

She sees consumer acceptance of sweepstakes and contests rising, however, because "times are tough on the middle class and people are looking for ways to make it big."

But the surest tactic to achieve the desired results of most premium efforts is not a premium at all.

"If you want to generate product trials and movement, nothing beats a price cut," Mr. Jagoda says. "If the competition cuts prices, you probably will respond with a price cut because you've got to fight fire with fire. But remember, a price cut is a price cut is a price cut. It offers no real value."

The ravages of a price war can devastate a company's revenue picture and market position. A well engineered premium program can build business without severely slashing into profits, say premium suppliers.

"The best premium is the kind that rewards a consumer for making a multiple or repeat purchase," Roger's Mr. Rotz says. "By stimulating repeat purchases, you can build a continuity to the business, remind consumers of the product you are promoting and develop and advance the image of the company."

Price wars cannot accomplish the variety of goals premiums can achieve, say promotion experts, and for this reason premiums will remain a mainstay in companies' marketing arsenals. "Like in baseball, a company should have a change of pace," Mr. Jagoda says. "Premiums provide variety, and most important, they add value to the product offering and allow a company to merchandise and glamorize both the product line and the incentive." AA

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Gillette
BRUSH PLUS
FOR A SUPERIOR SHAVE
REFILLS AVAILABLE

Gillette puts the brush back in shaving in tv spots for Brush Plus, combining shaving concentrate and brush in one.

Gillette in a lather for all-in-1 brush

By GAY JERVEY

Gillette Co., in its effort to give the American male the smoothest shave around, will take that daily ritual one step further this fall with the introduction of Brush Plus, an all-in-one brush and shaving-concentrate system.

Brush Plus, which the company predicts will create a niche all its own, will be supported by $13 million-plus in advertising and promotional support, which the company believes to be the largest financial commitment in shave-cream history. Of that, $9 million—a figure that tops the collective 1983 spending of shaving-preparation marketers—will go into tv and print ads themed "Brush Plus. . .for a superior shave."

The Brush Plus entry follows the late '83 introduction of Gillette's Foamy gel, which, according to Gillette, has exceeded initial sales expectations. It has also spurred competition in a category known neither for risky innovations nor high ad budgets, the company said.

Both Foamy gel and Brush Plus are seen as critical moves for the company's personal-care division, which flew into the 1980s on the successful launches of such female-oriented brands as Silkience and Aapri, but has found such brand popularity hard to maintain.

Although the division recently made headway with Bare Elegance, a moisturizing liquid shower soap, and Body Flowers, a body cologne aimed at younger women, Gillette has faced frustrating maturation in some product cycles. As such, it is seeking new-product opportunities both for men and women.

Five years in development, Brush Plus—due on retailers' shelves

(Continued on Page 98)

Pullout by Colgate another blow to Esty

By BRIAN MORAN

William Esty Co., already reeling from the loss of Warner-Lambert's consumer group, was dealt a second severe blow last week when Colgate-Palmolive walked away from its longtime relationship with the agency.

The exit of the two accounts boosted Esty's loss in billings to nearly $30 million in a single week.

Esty handled an estimated $13 million in measured media last year to advertise three Colgate brands, which are moving to two other Colgate shops, Young & Rubicam and Foote, Cone & Belding. Also last week, Esty's loss in the severed Warner-Lambert relationship, which came earlier in the week, amounted to $16 million in billings (AA, May 10).

Spokesmen for both Colgate and Warner-Lambert said they soured on Esty because the agency lacks an international presence. Both companies are seeking greater brand expansion overseas. Many U.S. agencies, including smaller, regional shops, have been scrambling to set up overseas links to serve multinational clients they may have (AA, May 10).

Another reason for the shifts centers on Colgate and W-L's goal of consolidating their agency activities to deal with a smaller stable of shops. Many other leading package goods advertisers are doing likewise.

Additionally, both companies recently installed new management teams, and the standard agency review following such moves helped bring about Esty's losses, sources said.

Foote, Cone & Belding will reap most of the benefits from the Colgate move, picking up Fab laundry detergent and Ultra Brite toothpaste. Combined billings on those products are roughly $9 million.

In 1983, Fab detergent received a total of $5.5 million in ad support, up from the $3.4 million spent in 1982, according to Leading National Advertisers. Ultra Brite toothpaste, which has steadily been losing market share, had $3.5 million in support in 1983, down from $4.5 million a year earlier.

Young & Rubicam gained Ajax dishwashing liquid, whose ad spending in 1983 was about $4 million.

In W-L's case, the company moved its Schick blades and razors, Personal Touch women's shaving system, Clorets gum and mints and Lifestyle prophylactics to J. Walter Thompson USA. Combined billings on those products are in the neighborhood of $14 million. Ted Bates Advertising/New York, which, like Esty, is a subsidiary of Ted Bates Worldwide, gained Listermint mouthwash, whose ad spending in 1983 was about $2 million.

Colgate's move places all of its major brands with the

(Continued on Page 94)

No moves seen until Olympic deadline

ABC execs wait it out

An Advertising Age roundup

ABC-TV sales executives spent last week making quiet calls to reassure advertisers that their $428 million in Summer Olympics chits still will be worth the money—at least until June 2. That's the deadline for the Soviet Union and other Communist-bloc countries to announce formally their intentions to attend or boycott the games.

In the remaining three weeks before the deadline, the debate in the advertising world will revolve around whether the Soviets actually will stay away from the games and, if they do, what impact that will have on the prestige and tv ratings of the Olympics.

There are divergent schools of thought. One says the absence of the Soviets will reduce the competitiveness of the games and ABC's ability to promote the games as a "Protectors of Freedom vs. the Evil Communists" confrontation. Another maintains that without the Soviets, American athletes will win more gold medals, will produce more marketable heroes and will feel no shrinkage in tv ratings, since the Olympics will truly be an American spectacle.

A third camp—something of an amalgam of the first two—predicts the Soviets will extract some foreign-policy concessions from the U.S. and then attend the games. As a result, ABC will be able to exploit heightened American consternation at the Soviets, boosting ratings beyond even the most optimistic projections.

At stake, though, is much more than the $428 million being spent on tv coverage of the games. Corporate sponsors and advertisers last week professed to be standing firm behind their commitments to the games and to tv coverage (AA, May 10). But many may be worried that games without the Soviets—not to mention the East Germans, Bulgarians and others who have said they are not coming—could jeopardize the impact of the more than $1 billion being spent to promote advertisers' Olympic tie-ins.

Furthermore, the outcome of the '84 summer games will affect the value and desirability of the '88 Summer Olympics set for Seoul, South Korea, a site with even greater political liabilities

(Continued on Page 94)

New pitch for 'Mac' wristbands

By ROBERT RAISSMAN

The Garvey Marketing Group will present new versions of McDonald's wristbands this week to the presidents of Major League Baseball's American and National Leagues.

The effort represents an attempt to keep alive the promotion for Ronald McDonald House.

John Boggs, a spokesman for Garvey Marketing Group, said the San Diego-based company will offer the baseball league presidents three alternatives—sticking the Golden Arches logo directly into the band on a plain background and getting rid of the McDonald's red color; reducing the size of the arches, or instructing players to wear the smaller Ronald McDonald House logo on the top of the band rather than on the bottom.

"We hope this will satisfy the powers that be," Mr. Boggs said. "It would be a shame if this program was halted."

Both leagues and the baseball commissioner's office have treated the conflict over using the logo like a hot potato. Although they recognize that McDonald's intentions are well directed, the leagues fear that the logo could open the door for players to sell parts of uniforms or equipment to other advertisers (AA, April 26).

But to deny players that right

(Continued on Page 98)

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AdCom gets $14 million-plus Gatorade business

CHICAGO—Quaker Oats has moved its $14 million-to-$20 million Gatorade thirst-quencher account to company-owned AdCom, after a lengthy agency search that included JWT and incumbent FCB. A campaign themed "Thirst aid" broke over the weekend, and is set primarily for sports programing, including the Olympics.

Today contraceptive marketer reviewing

IRVINE, CAL.—VLI, marketer of the Today sponge contraceptive, is reviewing at least six California agencies, including incumbent Newhoff & Prochnow, Costa Mesa, for its account, spending under $6 million.

Allnet, Toys 'R' Us accounts land at Grey

NEW YORK—Grey Advertising has added two $10 million-plus accounts in New York. They are Allnet Communications Services, Chicago, a long-distance telephone service, formerly at Marsteller, Chicago, and Toys "R"

(Continued on Page 8)

May be only net segment to get hefty increase

Upfront focus on news

By DIANE MERMIGAS

Advertiser, agency and network executives last week began unusually early huddling over proposals to buy network news time in the 1984-85 season.

Although the networks probably will not get the hefty 15% to 18% rate increases for news they are requesting, news is the only daypart next season expected to deliver double-digit increases over last year.

Daytime, which also is on the verge of breaking early, is expected to deliver about a 9% increase in upfront rates. Although the networks reportedly are preparing to ask for between 11% and 13% increases in daytime upfront rates, many major daytime advertisers and their agencies say they will stand firm against paying such high prices and will resist rushing into early buys.

The networks also are looking for double-digit increases in prime time, but upfront rates are not expected to soar beyond 9% over last season.

Unlike past seasons, news and daytime upfront selling at CBS, ABC and NBC are preceding the prime time market, which also is expected to break early, just after Memorial Day. A number of advertisers consider network news an efficient way of offsetting the increasingly high cost of prime time.

General Foods, Warner-Lambert and Richardson-Vicks were among the major advertisers who last week began negotiating their proposals for upfront network news buys, according to sources.

Broadcast Advertisers Report identifies the three companies as heading a list of 10 advertisers who collectively contributed 25% of the $518.8 million in advertising time purchased on network news programs in 1983 (not including prime time news magazines or ABC's late-night "Nightline"). That list also includes Anheuser-Busch, American Telephone & Telegraph, General Motors, American Home Products, Sterling Drugs, K mart and Whirlpool.

Leo Burnett USA, Chicago, actually kicked off the activity several weeks ago. It caught the networks off-guard with an estimated $25 million news buy on all three networks next season for four to six of its clients. Among them were Kellogg and Maytag, sources said.

The Burnett clients each reportedly increased their

(Continued on Page 96)

Chevy sprints to minicars

By RALPH GRAY

CHEVROLET
New Sprint. It loves to run.

Firming up a small-car image is integral to Chevrolet's Sprint debut.

SEDONA, ARIZ.—Chevrolet's Sprint, the new minicar set to debut May 31 in nine western states, is carrying heavy marketing baggage.

"We want to sell image, not just hardware," said Thomas A. Staudt, Chevrolet general marketing manager, at a recent press conference here.

With that in mind, Chevrolet has a multifaceted marketing strategy for the Suzuki-made two-door car:

- The three-cylinder car, by getting a jump on the new minicar category, is aimed at heading off a fleet of Japanese one-liter engine cars expected to be introduced.
- By introducing the Sprint in the West, Chevrolet is fighting the imports in a region where they are particularly strong. Chevy is attempting to reestablish both its image among small cars and the entry-level niche it maintains in the General Motors family.
- The car is the first of three front-wheel-drive cars in Chevy's attack on the small-car market.

The introduction of the Sprint will bring only 17,000 units to the market because of import restrictions (also the reason it is limited to the nine-state region). By contrast, Chevrolet's current small car, the Chevette, recorded more than 175,000 new-car registrations in 1983.

The Sprint, introduced in Puerto Rico in April by the GM Overseas Distribution Corp. (AA, March 12),

(Continued on Page 98)

NEW! MUCHO FRUITY MEXICAN-FOR-ONE from HORMEL.
Hormel Dulcita — the luscious Mexican dessert!
15¢
SAVE 10¢ ON ONE DELICIOUS CORN DOG from HORMEL.
It's a hot dog on a stick. This meaty Hormel wiener is smothered in corn batter and deep fried to a golden brown.
10¢

Items that Hormel is testing in its Frozen Singles line include cherry and apple dulcitas (top) and a corn dog.

Food marketers add new morsels

DALLAS—Some well-known food marketers, their reputations built in specific product categories, are testing their pull in new areas of the supermarket.

A handful of brands—names like Hormel, ConAgra's Home Brands, Fleischmann's—were on the exhibit floor at the Food Marketing Institute convention last week with products slightly out of character with their familiar brand personalities. And there were other companies, products not yet in hand, that hinted at coming forays in new areas.

One company moving out of its traditional niche is Geo. A. Hormel & Co., the Austin, Minn.-based marketer of fresh and processed meats. Hormel is extending its Light & Lean label, already used on some of its newer meat products, to new categories: Aspartame-sweetened gelatin mix and hot cocoa mix.

Although the company has marketed those products as private-label items, it never has had its own brands. The cocoa mix is now testing in the upper Midwest; the gelatin is soon to follow.

Ultimately, the company plans to use an umbrella campaign for the Light & Lean line, to extend its name recognition to the newer

(Continued on Page 98)

highlights

Monday, May 14, 1984

Polaroid's talking about instant photography, but Kodak's not. After the two photography giants had their annual meetings last week, some analysts suspected that Kodak was reducing its commitment to the instant market. *See Page 6.*

Dick Christian, Marsteller chairman, doesn't believe in idle retirement. After stepping down from his ag[illegible] post this fall, he will jump in[illegible] new career, that of associate dean at Northwestern University's Medill School of Journalism. *See Page 10.*

Tiny Kaepa Inc. (with 1% of the market) plans to challenge the athletic-shoe giants with a patented double-shoelace design. *See Page 12.*

CORPORATE CLOSEUP

Kenneth Thomson, Lord Thomson of Fleet Street, unobtrusively runs a media giant, International Thomson Organization Ltd. He shuns publicity as assiduously as some other publishers tend to seek publicity. *See Page 4.*

INTERNATIONAL

Philip Morris Inc.'s Marlboro cowboy may ride off into the sunset and leave Leo Burnett Co. behind in the U.K. The cigaret maker has invited "one other agency" to pitch its Marlboro cigaret account, which is primarily—but not always—handled by Burnett around the world. *See Page 54.*

British beer drinkers will see a David-and-Goliath marketing confrontation this summer, when a small Czech brewery, Budweiser Budvar, takes on the giant Anheuser-Busch of St. Louis. *See Page 54.*

France and Luxembourg have signed Western Europe's first joint direct-broadcast satellite agreement, ending years of tough negotiations. The agreement will create four new tv channels by 1986, with at least two stations supported by advertising. *See Page 61.*

VIDEOTECH

Merchandising rights for fall Saturday morning children's shows are expected to be sold for more than $120 million. The networks have only begun to tap this revenue source. *See Page 45.*

A top-level shakeup at RCA has outsiders wondering what will happen to Grant Tinker, chairman at NBC. Ratings are poor at NBC-TV in several categories, but its bottom line has improved under Mr. Tinker. *See Page 46.*

COMING THURSDAY IN

Magazine

Marketing the Olympics: The 1984 summer games seem destined for controversy, with the recent Soviet decision to withdraw adding to debate over commercialization. *In special report.*

Research Business Review: Top management changes characterized 1983 for the U.S. marketing/advertising research industry, which recorded an 11.3% increase in revenues over 1982.

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Soft sales quiet boom for pay tv

By SUSAN SPILLMAN

NEW YORK—The boom in pay tv isn't very loud these days.

According to the most recent figures released by industry analyst Paul Kagan, only 685,000 pay tv units were sold in the first quarter of this year, compared with 1.5 million during the same period in 1983 and 1.5 million in 1982.

"The decline is fairly universal throughout the industry and across all pay tv services," said Tom Willet, vp-marketing, Continental Cablevision.

According to Art Dwyer, vp-marketing for Cox Cable, "The pay business has been relatively unstable for the past five quarters. What you're seeing is a leveling-off period in which people are finding out they don't need several pay services, especially when they are so heavily duplicated. The industry is going to have to start realizing that it's difficult to create a demand when you don't have the product. The marketplace is speaking out."

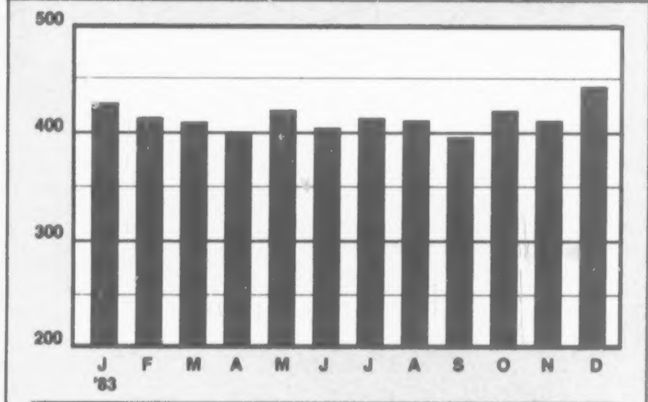
John Charlton, senior vp-marketing, programing and sales, Warner Amex Cable, said he hoped recent attempts by pay tv services to differentiate their prod-

(Continued on Page 96)

Final figures: Advertising surged in '83

National advertising index - 1983

The McCann-Erickson national advertising indexes are key barometers of the month-to-month changes in national advertising spending. These indexes are seasonally adjusted measures of the monthly advertising revenues for the major national media. The general index is a composite of net tv, spot tv, magazines and newspaper expenditures by national advertisers and 1967=100. *Source: McCann-Erickson*



Month	General index	Net TV	Spot TV	Mags.	News.
January	427	507	494	318	368
February	413	468	493	328	351
March	408	458	477	337	347
April	401	458	501	332	288
May	423	492	484	348	342
June	403	489	474	304	317
July	413	471	489	352	316
August	409	487	477	328	315
September	398	465	478	347	263
October	423	480	482	387	312
November	406	486	468	321	322
December	442	514	511	379	330
Average for 1983	414	482	485	340	323
Change over 1982	+12%	+13%	+10%	+14%	+12%

By ROBERT COEN

The advertising industry and the U.S. economy both advanced at a rapid clip during most quarters of last year, final figures show.

The nation's gross national product rose 7.7% in 1983, while advertising revenues again grew faster than the economy by posting a 13.9% gain. Expect more of the same in 1984, with ad revenues again rising by about 14% to more than $86 billion.

In the opening months of 1983, it was evident that the U.S. economy would be fighting its way up from the recession depths of 1982, but the extent of the recovery generally was underestimated.

Caution on predictions

The advertising industry also expected a fairly good year. But because ad budgets had held up so well in 1982, despite the bad economy, there was considerable caution about predicting another series of large gains until 1984, when the elections and the Olympics would contribute to above-average promotional activity.

But by spring, 1983, the economy was expanding at the fastest pace in nearly a decade. Despite record ad budget increases in the previous year, the advertising industry again outpaced the economy in 1983 for all quarters of the year with only minor deviations for a few media during isolated periods of the year.

Final figures for 1983 spelled out the strength of the economy and the even greater prosperity for the advertising industry as the combined spending by both local and national advertisers rose to about $75.9 billion.

Upturn in classified ads

The largest dollar gains in advertising spending came from a sharp upturn in classified newspaper advertising linage and a return to much stronger advertising and promotional activity by local retailers, whose business had been slumping since spring, 1980.

The consumer helped tug the economy out of the recession, and the anticipation of much better retail sales volume encouraged retailers to lead the upturn in higher 1983 advertising activity.

While local retail advertising activity soared in 1983, there also were sizable gains in media spending in many major national advertising categories. Automotive, apparel and entertainment advertisers increased their budgets by more than 20% in 1983.

The advertisers of beer, computers and financial services continued to offer new products and services supported by fatter advertising outlays.

Modest national ad increase

In total, national advertisers increased their spending by 12.5% in 1983—a relatively modest increase only in contrast with the local advertising gains of 15.7%.

The amounts spent for advertising may seem large but they are really very modest compared with the approximately $2.2 trillion consumers spent for the goods and services that these advertising budgets supported.

The economy has been advancing at a record pace in the opening quarter of 1984, and most of the media are reporting significant ad gains vs. their year-ago levels.

The biggest percentage gains in ad spending in 1984 are expected for the broadcast media, which will be getting their usual hyperstimulus from the quadrennial upturn in advertising activity from the elections and the Olympics.

Double-digit gains expected

Most of the other media also are projecting double-digit advertising revenue gains this year. The dramatic improvement in classified newspaper linage should last through most of 1984 despite the upward pressures on interest rates that could curtail some real estate and help-wanted listings.

Newspaper ad revenues also should continue to benefit from the growing optimism of retailers and other local marketers that use that medium importantly for distribution of sales and promotional information.

The ever-improving outlook for corporate profits should begin to lead to a reappearance of a lot of corporate image and advocacy advertising programs that have been trimmed in the past few years.

Not only has advertising grown faster than inflation, but it has significantly outpaced the nation's economic growth in each year since 1976. Despite recessions in 1980 and 1982, advertising as a percentage of GNP has increasd every year since 1976. Although total advertising in the U.S. is measured in

(Continued on Page 63)

Tv spots lack daring: FCB exec

By PAT STRNAD

SOUTHFIELD, MICH.—A dearth of daring has made American tv advertising a wasteland for innovation and originality, says an executive with experience in both the U.S. and British ad industries.

U.S. advertisers "use formula instead of original ideas," said Leonard Sugarman, executive creative director at Foote, Cone & Belding Communications, New York. Nearly all U.S. tv advertising is formula-ridden, he charged, adding, "American advertising has lost its daring and is running scared."

Mr. Sugarman made his remarks at a creative seminar here sponsored by the American Assn. of Advertising Agencies.

In Britain, advertisers have more confidence in their agencies, while in the U.S. agencies often are regarded—and perform—as mere suppliers, he said.

"American advertising is obsessed with research strategy, and it takes daring to be original. Innovative advertising rarely tests well," Mr. Sugarman said.

Products are "being researched to death," agreed Jack Frakes, exec vp-exec creative director of Ross Roy Inc., Detroit. "I don't want eight ladies in a shopping center to tell me if I have an arresting headline. I can figure that out for myself. . .Advertising isn't necessarily a team sport all the time."

Mr. Frakes was part of a panel of top creative directors who reacted to Mr. Sugarman's contentions.

Chuck Felt, vp-co-creative director, Young & Rubicam, Detroit, agreed: "To get outstanding ads, you have to be creative and die a little to get it through the creative process. We can't walk away from our responsibility of selling our creative work."

"If you give a client the opportunity to make a safe decision, he will. But we don't give the client an opportunity. The blame [for bad advertising] rests squarely on all our shoulders," said Bill Lane, exec vp-executive creative director of J. Walter Thompson Co., Detroit.#

'Tribune' promo offers free classified job ads

CHICAGO—The *Chicago Tribune* is planning to run a "Get a Summer Job" promotion making available free, five-line classified ads for students.

The promotion may run one to three times between May 14 and June 1 in one of the paper's six zones.

The *Tribune* tried another such promotion in 1982, offering free ads to any job-seekers.

A follow-up survey found that more than 70% of those placing ads received calls from prospective employers.#

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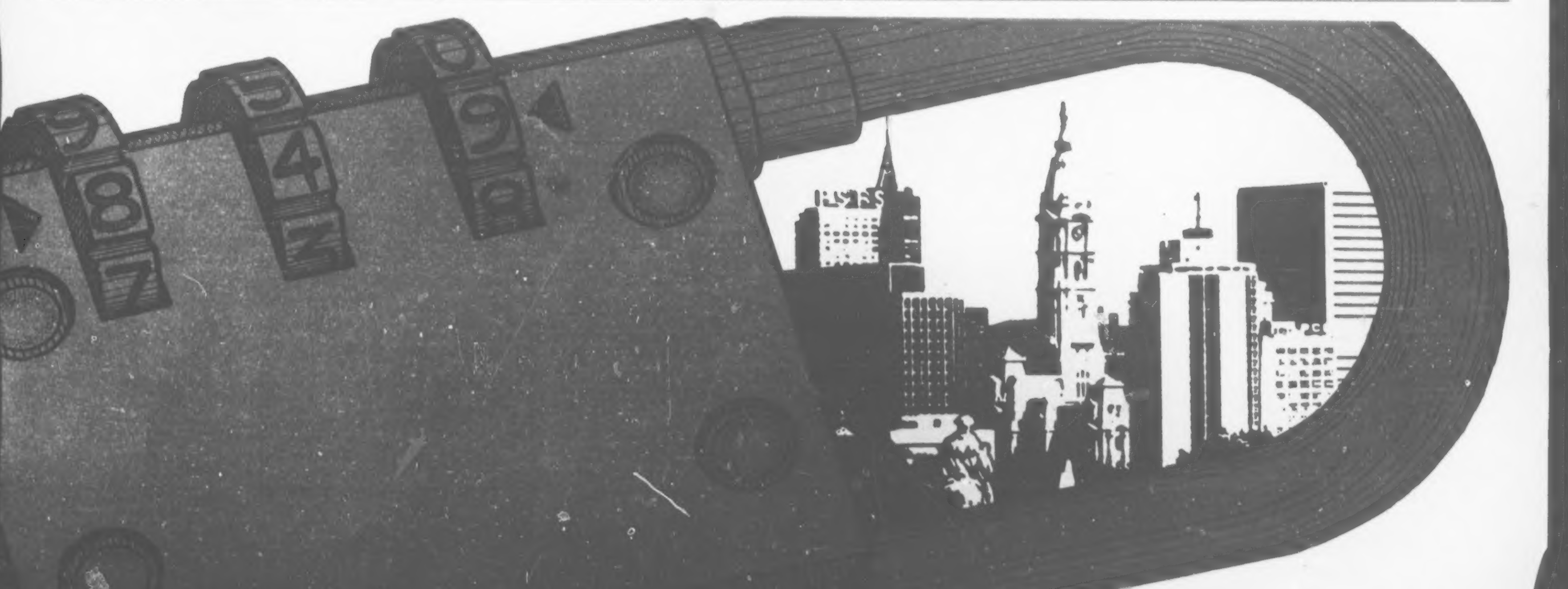

U.S. advertising volume

The double-digit gains advertising volume made during 1983 came on the recovering strength of the U.S. economy. ***Source: Prepared for Advertising Age by Robert J. Coen, McCann-Erickson.***

Medium	1982 $ millions	% of total	1983 $ millions	% of total	Per cent change
Newspapers					
National	2,734	3.6	2,452	3.7	+11.5
Local	17,848	23.5	15,242	22.9	+17.1
Total	20,582	27.1	17,694	26.6	+16.3
Magazines					
Weeklies	1,917	2.5	1,659	2.5	+15.5
Women's	1,056	1.4	904	1.4	+16.8
Monthlies	1,260	1.7	1,147	1.7	+9.9
Total	4,233	5.6	3,710	5.6	+14.1
Farm publications	163	0.2	148	0.2	+10.0
Television					
Network	7,017	9.3	6,210	9.3	+13.0
Spot	4,796	6.3	4,360	6.6	+10.0
Local	4,323	5.7	3,759	5.6	+15.0
Total	16,136	21.3	14,329	21.5	+12.6
Radio					
Network	296	0.4	255	0.4	+16.6
Spot	1,038	1.4	923	1.4	+12.5
Local	3,876	5.1	3,492	5.2	+11.1
Total	5,210	6.9	4,670	7.0	+11.6
Direct mail	11,795	15.6	10,319	15.5	+14.3
Business papers	1,990	2.6	1,876	2.8	+6.0
Outdoor					
National	512	0.7	465	0.7	+10.0
Local	282	0.4	256	0.4	+10.0
Total	794	1.1	721	1.1	+10.0
Miscellaneous					
National	7,951	10.5	7,067	10.6	+12.5
Local	6,996	9.1	6,046	9.1	+15.7
Total	14,947	19.6	13,113	19.7	+14.0
Total					
National	42,525	56.1	37,785	56.8	+12.5
Local	33,325	43.9	28,795	43.2	+15.7
Grand total	75,850	100.0	66,580	100.0	+13.9

Economy

(Continued from Page 62)

billions of dollars, it is still relatively small at slightly more than 2% of the total economy.

Advertising is expected to grow faster than the economy in most years for the rest of this century. The general upward trend is explained by growing affluence, the expanding number of women in the labor force and other factors that have increased the use of mass advertising as a marketing tool.

For example, in 1982, a recession year, advertising as a percentage of GNP increased more than in any other recession year in memory. In fact, in most past recessions, advertising usually declined as a percentage of GNP.

But for the first time, in 1982 advertising was used to move backed-up inventory (rebates), to fill seats on deregulated airline flights and to air special promotions for hotels and resorts at a time when vacancy rates were going up.

High interest rates and fear of losing "share of market" have motivated marketers to promote aggressively especially when total market sales begin to soften. These trends are likely to continue for years as a greater proportion of consumer spending goes to heavily advertised discretionary goods and services.#

media people

O'Hearn adds exec vp title

ST. PETERSBURG, FLA.—John. H. O'Hearn, 46, general manager of the St. Petersburg *Times* and *Evening Independent*, has added the title of exec vp following the early retirement last month of John B. Lake, 63, formerly exec vp-publisher. The publisher's title has been retired. In addition, Andrew Barnes, formerly managing editor, moves up to editor and president. Those titles had been held by Eugene C. Patterson, who remains chairman.

During his career at the newspaper, Mr. Lake chaired several newspaper industry committees, most recently the research and production committee of the American Newspaper Publishers Assn.

Other people moving:

Edwin Phelps Jr. to vp-deputy director, new-business planning and operations, a new post, *Reader's Digest*, Pleasantville, N.Y., from vp-director, magazine circulation. Succeeding him is **Ronald Cole**, formerly subscription sales manager.

Liberta Abbondante to circulation director, *Success*, New York, one of a series of changes being made as HAL Publications assumes management of the magazine, from fulfillment director, Gruner & Jahr.

Stephen Traiman to director-promotion and special events, a new post, CES Publishing Corp., New York, from vp-executive director, Recording Industry Assn. of America and its RIAA/Video division.

Wendy Sherman to corporate advertising manager, a new post, *The Economist*, New York, from manager-consumer goods and travel advertising, *Vanity Fair*.

Maureen Klinges to associate advertising director, a new post, *Muppet*, New York, from sales rep.

John Condon to exec vp, a new post, Times Mirror Magazines, New York, from vp-assistant group publisher, CBS Magazines.

Elio Agostini to vp-marketing, *Houston Post*, from publisher, *Edmonton Sun*, both published by Toronto Sun Corp. Mr. Agostini succeeds **Harry Hayes**, who retires from the *Post* June 30 after 24 years with the paper. At the *Edmonton Sun*, Mr. Agostini is succeeded by **Patrick Harden**, formerly general manager.

Richard J. Warren to publisher of *Bangor Daily News* from assistant publisher; he continues as the paper's editor. His father, **Richard K. Warren** moves from publisher to chairman of the executive committee of the Bangor Publishing board, a new title. No successor was announced for the assistant publisher's position.

Janis Drew to the new post of associate manager, *Omni*, Los Angeles, from account exec.

Wesley D. Rolfe Jr. to Alaska manager, *Alaska Construction & Oil*, Anchorage, from account exec, Snohomish Publishing Co., Everett, Wash., succeeding **Laurie Bissell Whitley**, who left.

Alfred Reed to market manager-import automotive advertising, *Business Week*, New York, from publisher, McGraw-Hill's *Chemical Week*, succeeding **Walter Buchleitner**, recently named *BW's* associate advertising director. Succeeding Mr. Reed is **Charlton Calhoun III**, who continues as vp-publisher, process industries markets sector.

Richard Khaleel to vp-president, a new post, software group, Scholastic Inc., New York, from senior vp-account group supervisor, Wells, Rich, Greene, in charge of the Atari computer and software accounts. Also, **Al Froio** to national sales director-software, a new post from trade sales manager, Scholastic's book group.

Glenn Rosenbloom to eastern advertising manager, a post vacant for some time, *Sports Afield*, New York, from New York manager.

Marion Aaron to eastern sales manager, a new post, *Us*, New York, from account manager. Also joining *Us* as account managers are **Jennifer Cole**, formerly account manager, *Co-ed*, and **Nancy Switkis**, formerly account manager, *New York Daily News*.

Paul John Dean to editor-in-chief, *Cycle World*, Newport Beach, Cal., from editorial director, *Cycle Guide*, succeeding **Allan Girdler**, who resigned.

Laurence Cohen to publisher, *Corporate Meetings & Incentives*, New York, from advertising director, *Chain Signs*, succeeding **Michael Leeds**, who left.

Howard Clutterbuck to vp, a new post, Medical Economics Co., Oradell, N.J., in addition to his posts as publisher, *Diagnosis*, and vp, Medical Media International.

Rudy Bauser to U.S. advertising sales director, *Vision*, Chicago, from Midwest sales director, succeeding **Ron LaVilla**, who left the company.

Bill Congdon to marketing manager, a new post, *Golf Digest*, Norwalk, Conn., from account exec in the New York office.

Gary Gyss to national sales manager, a new post, *PDR/Physicians' Desk Reference, PDR for Nonprescription Drugs, PDR for Ophthalmology, Drug Topics Red Book* and *Red Book Update*, Oradell, N.J., from senior account manager, *Medical Economics* and *Medical Economics for Surgeons*.

Bill Reilly to New York advertising sales manager, *Newsweek*, New York, from automotive imports industry manager, succeeding **Virginia Mueller**, named category group marketing manager.

Cheri Blum to Southern California regional sales manager, a new post, *Personal Software*, Los Angeles, from advertising sales manager, *Micro Discovery*.

Brian Doyle and **Don Wilson** to senior account supervisors, *Food & Wine*, New York, from, respectively, account manager-marketing and sales, *Good Housekeeping*, and sales rep, *Family Circle*.

Phyllis Sparrow to account manager, a new post, *Working Woman*, New York, from account exec, Family Media.

Ernestine Grant to classified advertising manager, a new post, *Field & Stream*, New York, from classified display manager.

Eileen Rivkin Byrnes to associate publisher-advertising, a new post, *Mother Jones*, San Francisco, while continuing her duties as western advertising manager.

David Troath to director-telecommunications, a new post, Newsweek Inc., New York, from telecommunications manager, Mattel Toys, Hawthorne, Cal.

Amanda Boe to account manager, a new post, *American Health*, New York, from sales rep, *Pensions & Investment Age*.#

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Workshop zeros in on high-tech market

New York—The need for swift positioning in the fast-paced high-technology field; the risk factors inherent in high tech's rapid growth rate, and the specific marketing techniques required in the field will be covered at the Advertising Age Creative Workshop Aug. 19 to 22 here.

Larry Kerr, corporate marketing communication manager, Intel Corporation, will discusss the importance of strong positioning: To establish a product, set product standards before the competition does and sustain the product during its life cycle.

"A company has to be extremely swift in identifying and establishing position and has to move out quickly before the position is no longer relevant," Mr. Kerr maintains.

In substantiating the need for rapid positioning, he will identify a number of companies that entered the market a year ago and since have been ousted by even newer entries. Mr. Kerr will explain how to forestall that possibility by recognizing what product attributes consumers want and then positioning the product to mirror such attitudes.

Through this plotted positioning by which a company, in effect, tells the consumer what is important, the product "becomes the benchmark against which others are measured," he maintains.

The combination of fierce competition and shortened product life cycle that distinguishes high-tech marketing will be covered by Howard Anderson, president-director, Yankee Group. Noting that high-tech marketing and the real world are two different things, he will list the lessons high-tech marketers must learn in order to be successful.

"Many high-tech marketers don't know what they're doing or why," he said.

Mr. Anderson says the major mistake high-tech marketers make is ignoring a basic principle of brand marketing—the distributor. "Too many companies go around their distributors and, consequently, lose position and share."

Referring to the increasing fight for decreasing shelf space, Mr. Anderson emphasizes the need for a new breed of marketer—one who knows both high tech and brand management and can integrate the consumer marketing with the challenges of a new marketplace.

These are two of more than 40 sessions offered that cover a cross-section of industries, including financial, service, package goods, consumer durables, retail and business-to-business, as well as creativity in print, radio, tv, cable and direct marketing.

For more information about these and other sessions, write to: Advertising Age Creative Workshop, 220 E. 42nd St., New York 10017, or phone toll free: 1-800-233-3435.

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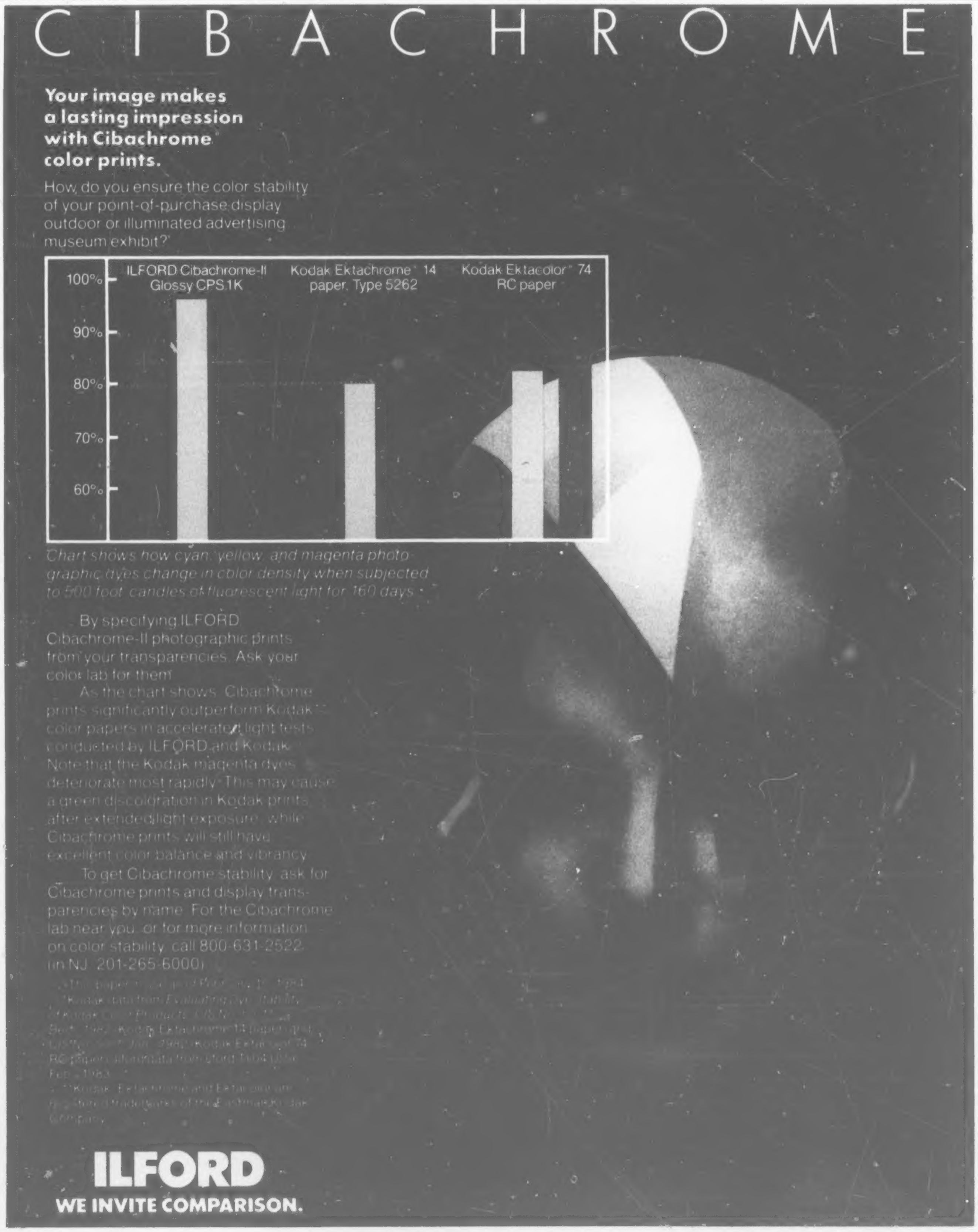
Foreign Agency issue addenda

The following additions and corrections refer to the recently published Foreign Agency Income report (AA, April 23).

Vickers & Benson Cos., Toronto, 1983 gross income of $8.6 million and billings of $55.7 million compared with 1982 figures of $8.1 million and $53.3 million; **Publicidad Artefilme,** Bogota, Colombia, 1983 gross income of $496,448 (AA estimate) and billings of $3.3 million. Figures for 1982: Gross income $1.4 million (AA estimate) and billings of $9.1 million.

Corbin Compton Ltd. figures for the main Caribbean office in Port of Spain, Trinidad, and another office in Bridgetown, Barbados, were reversed. Trinidad gross income and billings for 1983 should read $1.2 million and $7.7 million, respectively. Figures for the Barbados office were $309,575 and $2.2 million.#



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As the chart shows, Cibachrome prints significantly outperform Kodak color papers in accelerated light tests conducted by ILFORD and Kodak. Note that the Kodak magenta dyes deteriorate most rapidly. This may cause a green discoloration in Kodak prints after extended light exposure, while Cibachrome prints will still have excellent color balance and vibrancy.

To get Cibachrome stability, ask for Cibachrome prints and display transparencies by name. For the Cibachrome lab near you, or for more information on color stability, call 800-631-2522 (in NJ, 201-265-6000).

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DDB stars step in for Austrian

By STEWART ALTER

NEW YORK—Doyle Dane Bernbach International has turned management over to executives responsible for major billings growth at its star operations, DDB/West and DDB-London.

Barry E. Loughrane, 51, is new president and chief executive officer, succeeding Neil R. Austrian as top officer of the worldwide agency. John L. Bernbach has been named president of its newly created international division.

Mr. Austrian, 44, left to become chairman and ceo of Showtime/The Movie Channel, though as a major DDB stockholder, he remains on the agency's board.

Under Mr. Loughrane's stewardship, DDB/West billings doubled to $83 million between 1978 and 1983. DDB-London's billings doubled to $60 million in the two-and-a-half years it's been run by Mr. Bernbach, agency founder William Bernbach's 40-year-old son.

Mr. Loughrane also remains president and ceo of U.S. operations, a title he picked up in 1982.

As part of the same reorganization, Robert G. Pfundstein, 47,

(Continued on Page 5)

After our engineers perfected the Audi 4000S, look what they did for an encore.
Audi 4000 S
Introducing the Limited Edition Audi 4000S
PORSCHE AUDI
Audi: the art of engineering.

Ready to roll

Spring has come to Porsche-Audi with a Limited Edition Audi 4000S. Ads are set to break May 21 in buff books, newsweeklies and business publications; spot tv also supports. Doyle Dane Bernbach, Troy, Mich., handles.

Best Foods axes D'Arcy from roster

By JOHN J. O'CONNOR

ENGLEWOOD CLIFFS, N.J.—CPC International's Best Foods division severed its relationship with D'Arcy MacManus Masius this week when it moved a trio of brands, with combined ad spending of $13 million, to Dancer Fitzgerald Sample.

At the same time, Best Foods moved the $11 million Hellman's/Best Foods brand mayonnaise and spreads account to Ogilvy & Mather from DFS. The move also involved several unidentified new products. O&M had joined the Best Foods roster after Best acquired C.F. Mueller Co., which O&M had been handling.

David R. Newstadt, CPC corporate vp and president of Best Foods, said the decision to leave DMM was not due to "dissatisfaction with the work that they have done for us."

He noted that as a result of an evaluation it was decided that there were "mutual benefits to be achieved by consolidating to just two agencies—DFS and O&M."

The three accounts that DFS gained this week are Mazola oil, Golden Griddle pancake syrup and Karo syrup. Mazola's support exceeded $9.3 million in 1983, according to Leading National Advertisers. Next came Karo, with spending in excess of $2.5 million, and Golden Griddle, $1.2 million. The move also reunites Mazola oil with Mazola margarine, which DFS has handled for some time.

Other Best Foods products that DFS has are Argo/Kingsford cornstarch, Mazola No-Stick, Sahara bread, Mrs. Fanning's Bread & Butter pickles and Skippy peanut butter.

Another Best Foods agency, Young & Rubicam, has the $6 million Thomas' English muffins account, which DMM had handled.

The removal of DMM is another indication of the trend by major national advertisers to pare agency rosters. William Esty Co. last week was dealt a similar blow by both Colgate-Palmolive and Warner-Lambert (AA, May 10, *et seq.*).#

A-B rushes LA across the U.S.

By SCOTT HUME

Anheuser-Busch next week will begin a national rollout of its LA low-alcohol beer, a brand it introduced into test only last month.

Under a two-phase distribution plan the nation's largest brewer said is mandated by capacity limitations, LA will be introduced to 65% of the U.S. between May 21 and June 4. The rest of the country will get distribution in the fall.

At the same time, Heileman general counsel Randy Smith said the La Crosse, Wis., brewer planned to expand distribution of its Blatz LA and Carling Black Label LA brands to most major markets by mid-June. Both will be nationally available this year, he said.

Stroh Brewery, Detroit, revealed no immediate plans for moving its Schaeffer LA brand beyond its Houston test market.

Print advertising for A-B's brand will begin the week before LA is introduced to market. Television and radio support will begin the week of introduction. All will carry the theme "For the way you live today. . .LA," used in initial test-marketing (AA, April 23). D'Arcy MacManus Masius, St. Louis, handles.

An A-B spokesman said network buys for LA will begin the third or fourth week of May, with advertising for other A-B brands substituted in markets where LA will not yet have been introduced. He declined to estimate total ad spending for the brand introduction.

By becoming the first national marketer of a low-alcohol beer, A-B, St. Louis, may be hoping consumers will identify low-alcohol beer with its LA brand even if the courts rule other brewers may use the initials. To foster that awareness, A-B could add LA to

(Continued on Page 5)

Fiat to pick B&B?

By CLAIRE WILSON

MILAN—Fiat is planning to consolidate its entire $118.4 million worldwide advertising budget with a single agency, and the leading candidate so far is Benton & Bowles, sources say.

These sources expect B&B to gain the account first in Europe, where Fiat works with different agencies in each country, and then other regions of the world. B&B already has the lion's share of Fiat's $59.2 million advertising budget in Italy.

Fiat, which did all its advertising in-house until 1982, "doesn't want to create a global image or have a single campaign that is valid for each market," said Ruggiero Mazzini, a Fiat international advertising official. Mr. Mazzini said improving account service and saving money in the future are the main reasons for the change.

In the U.K., Ogilvy & Mather was forced to divest itself of a majority share of Davidson Pearce when that agency won the Fiat account, because of O&M conflicts with Ford.#

Lipton decaf goes south

By GAY JERVEY

Thomas J. Lipton Inc. this summer will move its decaffeinated tea entry into the South, promoting it as an iced-tea drink in tv spots that will not feature Lipton spokesman Don Meredith.

Lipton vp-beverage division Jerry Boyks said the decaffeinated iced-tea ads, though not formally approved yet, will follow the tack of test spots created by Lipton agency SSC&B. Those ads feature a couple who has discovered "the

(Continued on Page 5)

Tab uncorks sweetener switch

By NANCY GIGES

NEW YORK—Tab, a major diet soft-drink holdout in switching to an aspartame formula, finally is making its move.

At a press conference here May 16, Coca-Cola announced that the reformulation will be touted in a heavy multimedia campaign with the theme "Let's taste new Tab."

Once the leading diet cola, Tab sank to third place when Coca-Cola debuted the now highly successful Diet Coke.

Diet Pepsi remains the second-leading diet cola.

While Tab's business has been hurt drastically, it still is estimated to be about a $100 million business for Coca-Cola, one that the company is hoping to salvage with broader, distinct positioning from Diet Pepsi and even Diet Coke. The brand is described as having a cleaner, crisper, drier taste than competitive brands.

By midsummer, Coca-Cola hopes the new formula will be in 80% of the country. Network tv is scheduled to break on ABC during the Summer Olympics. A full range of print, couponing, in-store sampling and point-of-purchase programs also are planned. The campaign cost is expected to exceed $30 million.

Tv spots by McCann-Erickson show a variety of consumers drinking Tab, including a female athlete, mothers and working couples, as a voiceover repeats "Let's taste new Tab." The famous hourglass is shown in at least one of the three new spots.

The company also has updated packaging, using a dark magenta background with red pinstripes. Caffeine-free Tab continues to be sold in silver-and-white cans. Flags on both note that the cola is now sweetened with a blend including NutraSweet, the G.D. Searle & Co., Skokie, Ill., brand of aspartame.#

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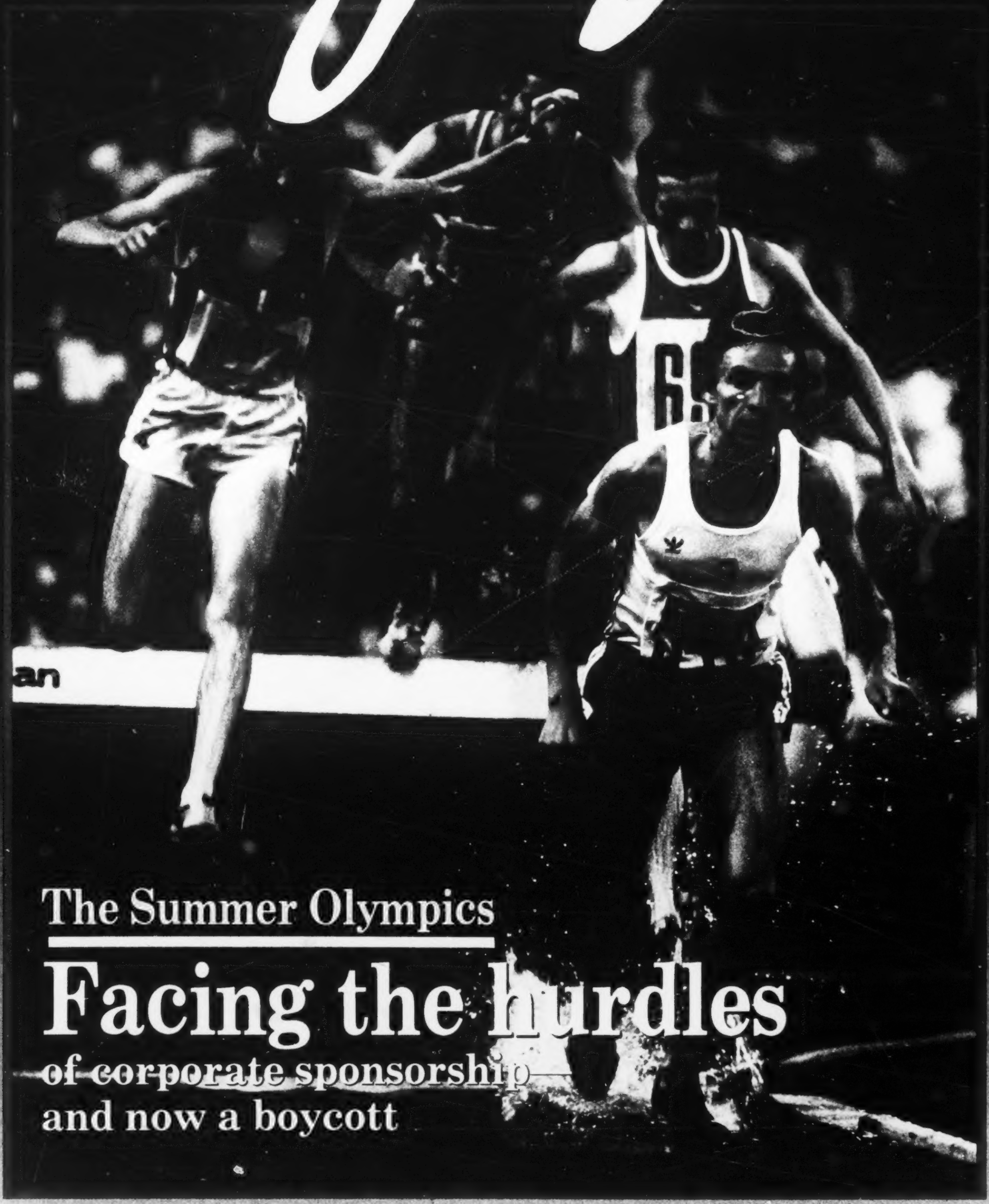
Advertising Age

Magazine

May 17, 1984



The Summer Olympics

Facing the hurdles

of corporate sponsorship—
and now a boycott

Special Report: Ranking the 'Top 35' research companies

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Advertising Age

Magazine

May 17, 1984

Robert Barsin

6 Marketing the Olympics

The 1984 Summer Olympics in Los Angeles have been plagued by political and commercial strife even before the start of the games in July. The Soviet announcement of withdrawal from the games was only the most recent controversy, joining the debate over commercialization, sponsorships and exclusivity, security and product endorsements by athletes.

12 Surveying entry-level training programs at agencies

A survey of the largest U.S. ad agencies found several training programs in account management and media departments but a lack of much formal training in creative and research.

Special Report Research Business Review

15 Management shifts shake up 1983

The U.S. marketing/advertising research industry, marked by changes in top management, reported an 11.3% increase in revenues in 1983 over 1982. The 35 top companies had gross worldwide revenues of $1.291 billion.

41 Nielsen plots a path for the future

A.C. Nielsen Jr., retired chairman-chief executive officer of A.C. Nielsen Co., issues a call to reduce the cost of marketing—the riskiest component of advertising.

43 How the research job market shapes up

Research professionals with two to five years of experience who can both analyze and verbalize research results are in great demand.

46 Slamming syndicated data

Sonia Yuspeh, president of the American Marketing Assn., says syndicated segmentation schemes are too simple, too remote, too rigid and too unreliable.

48 One entrepreneur's legacy

In more than 40 years in the research industry, Henry Brenner has touched many lives.

Research Business Review report coordinator: Robert Goldsborough
Cover photo: Index Stone International

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To our readers

The concept of Advertising Age's midweek edition was put to the test last week when news broke May 8 that the Soviets had announced they were boycotting the 1984 Summer Olympics in Los Angeles.

It was 11 a.m. Chicago time Tuesday and the news side was approaching its final deadline for the May 10 edition when the boycott news came. Immediately, all bureaus went into action to learn the details and ramifications of the announcement.

Files came in from Geneva, a team of reporters from our Los Angeles bureau met with ABC affiliates to find out what was in store for the network, while other West Coast reporters tracked down Los Angeles Olympic Organizing Committee members. Other reporters across the country contacted Olympics sponsors to learn their reactions to the news.

The news operation also quickly acted to tear up the front page that was in the works to accommodate the breaking developments, and they added a news page for the related stories.

While this flurry of activity was taking place on the news side, Magazine was not standing idly by. We were able to work on our Olympics package that begins on Page M-6 to make changes that would give it as much currency as possible given our deadlines.

As I write this, stories are being readied for the May 14 issue that will bring us up to date on Olympics-related reactions and events that have occurred since May 8 and how they affect sponsors and the media.

In a large sense, this was our first real test of how reactive to breaking news Advertising Age can be in its new twice-weekly frequency.

As Rick Gordon, managing editor, says, "Our entire staff—reporters in all our U.S. bureaus, our foreign correspondents, our editors—was mobilized in the span of just 30 minutes, and the first elements of our story began to arrive in Chicago less than an hour after the Tass announcement hit the news wires. It was breathless, down-to-the-wire journalism, just the sort we had in mind when we decided to add our midweek edition."

Marion Elmquist
Editor

Letters

Marketing to women

I was intrigued by your Marketing to Women report (April 2). But what struck me most was the observation that the Ford Motor Co. used an appeal to the upscale woman in a Thunderbird ad.

I'm here to tell you that marketing to women still has a long way to go. Recently the Ford Motor Co.—which has suddenly discovered direct mail—sent me a followup letter and "questionnaire" after I responded to an earlier questionnaire (what make of car do I own, demographic information, future car buying plans, etc.). The followup package contained a letter asking for my further "help"; it directed me to go to my local Ford dealership and try out a Ford, then fill out yet another questionnaire.

Also in this package were two pamphlets, one a reprint of a 1912 pamphlet aimed at women, the other its 1984 counterpart, "What Every Women Should Know Before Buying a Car."

Several things disturbed me about Ford's attempt. The first was its attempt to enlist me as an immediate prospect when my earlier responses suggested I was not. The second was the deceptive use of the "questionnaire." The third? I was not aware that women needed an entirely separate bank of knowledge before buying a car.

As a copywriter, I appreciated Ford's mailing, especially the two brochures. I will keep them as a reminder of how *not* to write copy to women. How did I chose my 1980 Honda? By looking it up in *Consumer Reports.*

Nancy Keating
Cohen Okerlund Smith
Minneapolis

Who does the waxing?

Gloria Steinem's article (Commentary Corner, April 2) on the role of the sexes in advertising made some interesting points about the need to show more couples doing things together around the house, as well as showing women in a better, more realistic light. However, I also think that the same goes for men in advertising. I think it would be refreshing to see more ads with men waxing floors, dusting or doing the laundry themselves—*without* needing to be "rescued" by their "smarter" wives. Today, with more women working, it is possible that the man knows more about taking care of the home than his wife.

At least if men do more of the housework—and are shown doing it—it will allow their wives to be able to be the seductresses they're "supposed to be."

Leslie Rosenberg
Fort Lauderdale, Fla

Powerful message

Congratulations on your Critic's brutal attack of R.J. Reynolds' public service ad (Critic's Corner, April 2). I congratulate you with some bitterness. I feel you have done a great misjustice to this ad and R.J. Reynolds by not mentioning the ad's good points. Does the heading attract the reader's attention? Does the copy, through entertaining subtle humor, urge the reader to read on? I think so. Does the copy end with a powerful message, one that promotes R.J. Reynolds as being socially responsible? Yes.

The tobacco industry takes its "licks" from just about every social organization in the U.S. You can't blame R.J. Reynolds for trying to better its image in the public's eye, in fact, it should be commended for its originality.

I am not an advocate of cigaret smoking by any means. I don't even smoke. I'm simply an admirer of imagination and creativity—this ad has both.

Bruce Birtwell
Northeastern University
Boston

A blessed relief

I am getting tired of people taking off after James Brady. Now it's his politics. My understanding is that a columnist can say anything he pleases about anything, short of libel. The reader is free to agree, disagree, not give a damn, skip his column, or all of the above. Brady is a blessed relief with his wit, charm, and sophistication because AA is mostly deadly serious and humorless. I do wish, however, that he would use one of the photos of himself taken by John Weitz, now on exhibit at the Museum of the City of New York ("New York Faces"), rather than the unflattering one that heads his column.

Virginia Miles
Ex-senior vp with
Young & Rubicam
Marketing Consultant
Englewood, N.J.

Magazine

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Fewer sponsors—but greater impact

This report on the Summer Olympics was produced by Advertising Age*'s Los Angeles bureau.*

Even before the apparent Soviet withdrawal and the subsequent withdrawals of other Eastern Bloc nations, the 1984 Summer Olympic Games in Los Angeles appeared to be like a house of cards. The use of the 1984 games as a political forum was a given.

Long before the shocking announcement that the Soviets wouldn't be coming it was evident that the politicizing of the Olympics was inevitable.

But politics aside there were and continue to be security, traffic, smog and other potential emergencies. Now, without the Russians, more than ever, the house of cards simile is valid.

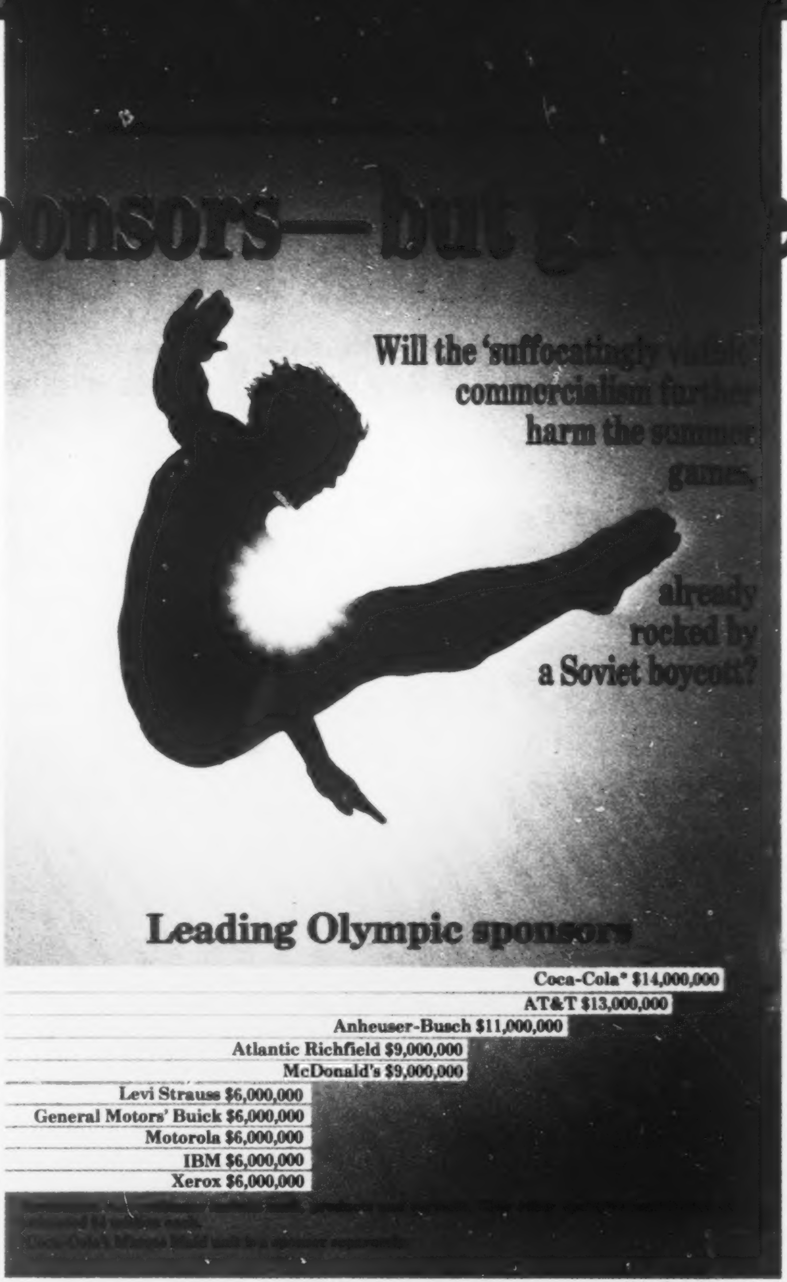
And until the Russian pullout, Peter Ueberroth, Harry Usher and other Los Angeles Olympic Organizing Committee members and staff people did a superb job of holding the house of cards together.

Mr. Ueberroth, president of the committee and soon to be Major League Baseball commissioner, strives for and demands excellence. Mr. Usher, the general manager, and his staff have prepared meticulously. They've had an overwhelming financial and logistical challenge, and they've met it until the Russians said *nyet*.

Yet private enterprise's involvement seems to be working.

However, critics remain concerned about the commercial aspect of the games, despite the fact there will be far fewer commercial sponsors than at recent previous games. Commercialism is still suffocatingly visible, from seat cushions, caps and calendars to phones, Christmas cards and beach towels.

It apparently had to be this way. Taxpayers in Southern California made it clear they didn't want to put government money into the Olympics. Blame it on the 1976 Montreal Olympics. The cost of those games was $1.2 billion and left the city a reported $1 billion in debt. The Soviet Union is said to have spent about $9 billion staging the 1980 Summer Olympics; their deficit is unknown.



Index Stone International

The pledge for the '84 Olympics is that the games will be conducted at no cost to local taxpayers. All of the financing will be private.

The games are being run as the product of a commercial company. Ironically, what the LAOOC is doing and attempting to prove, former International Olympic Committee president Lord Killanin says, might in the past have been construed "to be against the Olympic principles, if not actually against the rules."

Lord Killanin refers to the commercialism and the contracts into which the LAOOC has entered. To produce a financially secure Olympics, the committee has turned mostly to corporate America. Companies, including Atlantic Richfield, McDonald's Corp., Southland Corp. and American Telephone & Telegraph, have contributed money, material and services in return for the right to say in their advertising and marketing that they are supporting the Olympics.

That type of tie-in concerns the Assn. of European National Olympics Committees. The organization has drafted a resolution that, while sympathizing with attempts by the Los Angeles committee to provide the funding, stresses "the potential danger which lies in commercial and business influence to the detriment of sport and its organization."

Peter Ueberroth

But the commercial effort has its supporters. "We read all the time that the system doesn't work in this country," Mr. Ueberroth told ABC-TV's "20/20." "Well, this is an example of the system working."

Keeping it working through the two week Olympic period is going to be a challenge. As just one of several still shaky underpinnings for the games, a local tv station, KNBC, recently revealed street gangs are gearing up for the Olympics.

The station reported that some gang members consider the games "open season" for robberies and muggings, with both foreign tourists and local spectators possible victims.

Finally, there is the essential question as to whether the price paid for a commercial Olympics is worth it. The tv audience for the 1984 Winter Olympics in Sarajevo, Yugoslavia, was disappointing, causing ABC to provide advertisers with free ad time to compensate for low ratings.

An ABC News telephone poll last year of 505 people suggested that most respondents didn't know who the official LAOOC-sanctioned sponsors are of the 1984 Summer Olympics.

—Morrie Gelman

What price exclusivity?

The corporate Olympics is on trial in Los Angeles. The charge of excessive commercialism sits atop the 1984 Summer Olympics like a nuclear mushroom cloud threatening to obliterate every good thing in its path.

"We are a private company and are as commercial as you can get," says Daniel D. Greenwood, vp-corporate relations, the top sponsorship and licensing executive of the LAOOC.

No government—federal, state or local—is responsible for financing the 1984 Summer Olympics. Sponsors and licensees are responsible for 30% of the games' $500 million budget. They're the cornerstone of the plan to have the private sector finance the games. Without them, Mr. Greenwood says, there would be no Olympics.

Yet the cloud lingers and even grows, it seems, as the July 28 start of the games draws closer. A persistent grumbling from Olympic corporate sponsors, expected to provide $142 million in cash, goods and services, is turning to louder expressions of discontent about being undercut, about ripoff, about "exclusivity" not necessarily being exclusive.

Though they've paid dearly for what they understood to be a privileged and exclusive franchise, some sponsors designated by the LAOOC find competitors are locking up alternative sponsorships offered by the U.S. Olympic Committee, which fields the U.S. team for every Olympics, or similar tie-ins with a myriad of individual sport federations.

The exclusivity complaint is only one of a number charging the games with overcommercialization.

Maybe the loudest squawk is that the Olympics structure is trying to squeeze the last drop out of corporate sponsors, licensees and suppliers.

"There are as many ways to skin the cat as you can think of," says Alan Easton, vp-corporate affairs, Miller Brewing Co., Milwaukee.

Here's one way to skin the corporate Olympics cat: While Anheuser-Busch paid an estimated $11 million for the Los Angeles committee's beer sponsorship, arch rival Miller spent just $3 million to become official sponsor of the U.S. Olympic Committee's training center.

Miller since has developed a strong Olympic image through a tv campaign featuring heart-tugging vignettes of struggling athletes in run-down schoolyards who are catapulted to Olympian triumphs after stops at the USOC training center.

Miller also is a sponsor of ABC-TV's Olympic coverage. The brewer and other major ABC Olympics sponsors can use a special network tv logo that resembles the well-known Olympic symbol—five intertwined rings.

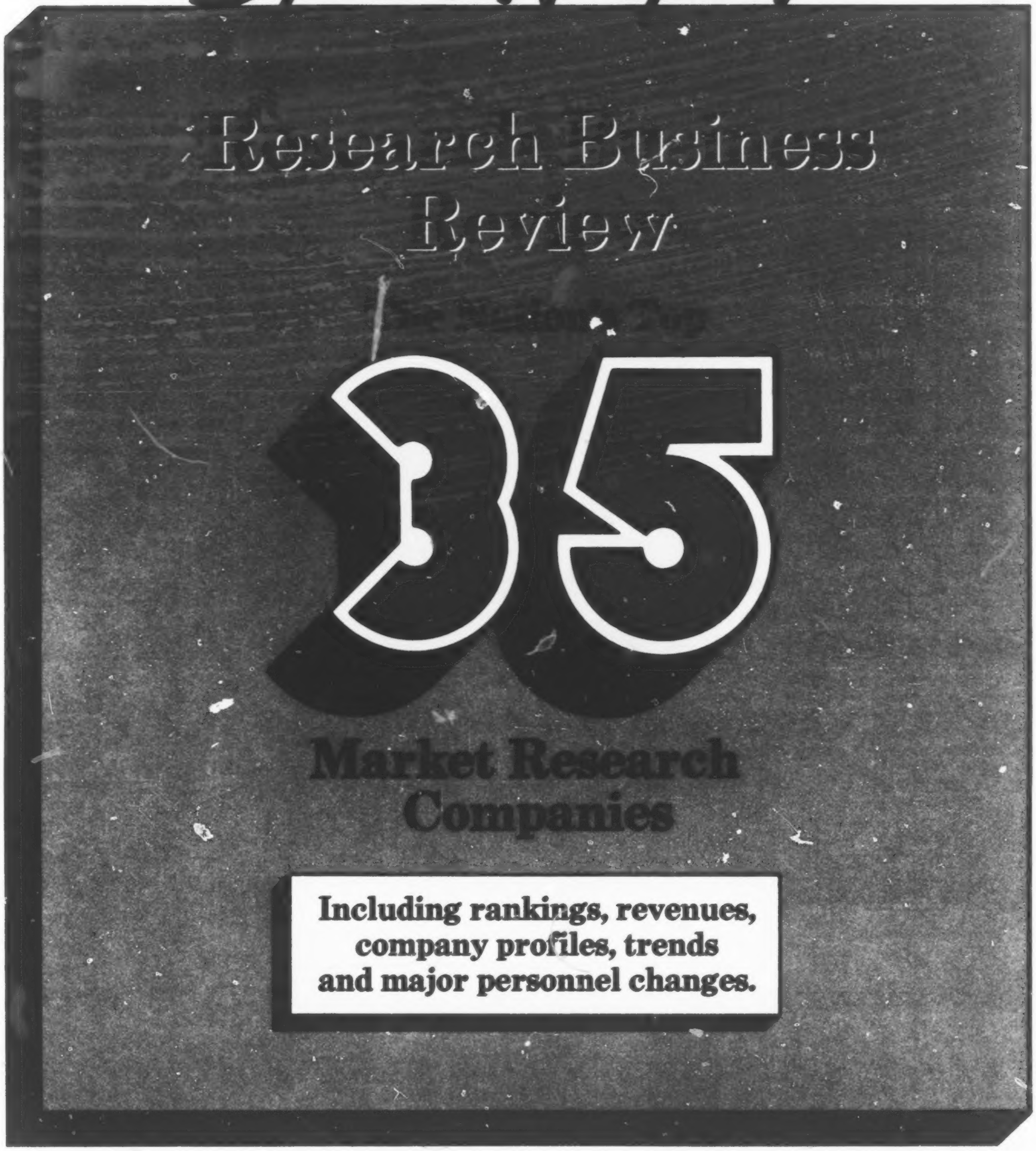
Then there's the example of Fuji Photo Film USA, New York, photo film products sponsor of the 1984 games. The risk by Fuji is considerable. Fuji's recent annual ad spending of $5 million pales against Eastman Kodak's $90 million budget, and Fuji is investing a large portion of its advertising budget in the Olympic sponsorship.

It may be paying off. Giving a clue as to why advertisers plunge into the murky waters of corporate sponsorship of the Olympics, Bill Lawrence, marketing director of Fuji film, says: "What it's done is given us a certain credibility" with con-

Robert Bersin

When Fuji got Olympic film sponsorship, Kodak countered by landing the U.S. track and field team.

Special Report


Research Business Review
The Nation's Top
35
Market Research Companies
Including rankings, revenues, company profiles, trends and major personnel changes.

Jeffrey Toth

Management shifts shake up 1983

By Jack J. Honomichl

The U.S. marketing/advertising research industry ended 1983—a year characterized by changes in top management—with an 11.3% increase in revenues over 1982, according to ADVERTISING AGE's 10th annual review of industry performance.

After adjustment for inflation—3.2% in 1983 according to the Department of Labor's Consumer Price Index-U monthly average—the industry's so-called "real growth" rate was 8.1%, a considerable improvement over the comparable figure for the four previous years, but still well below the heydays of 1975-78 when real growth exceeded 10% yearly.

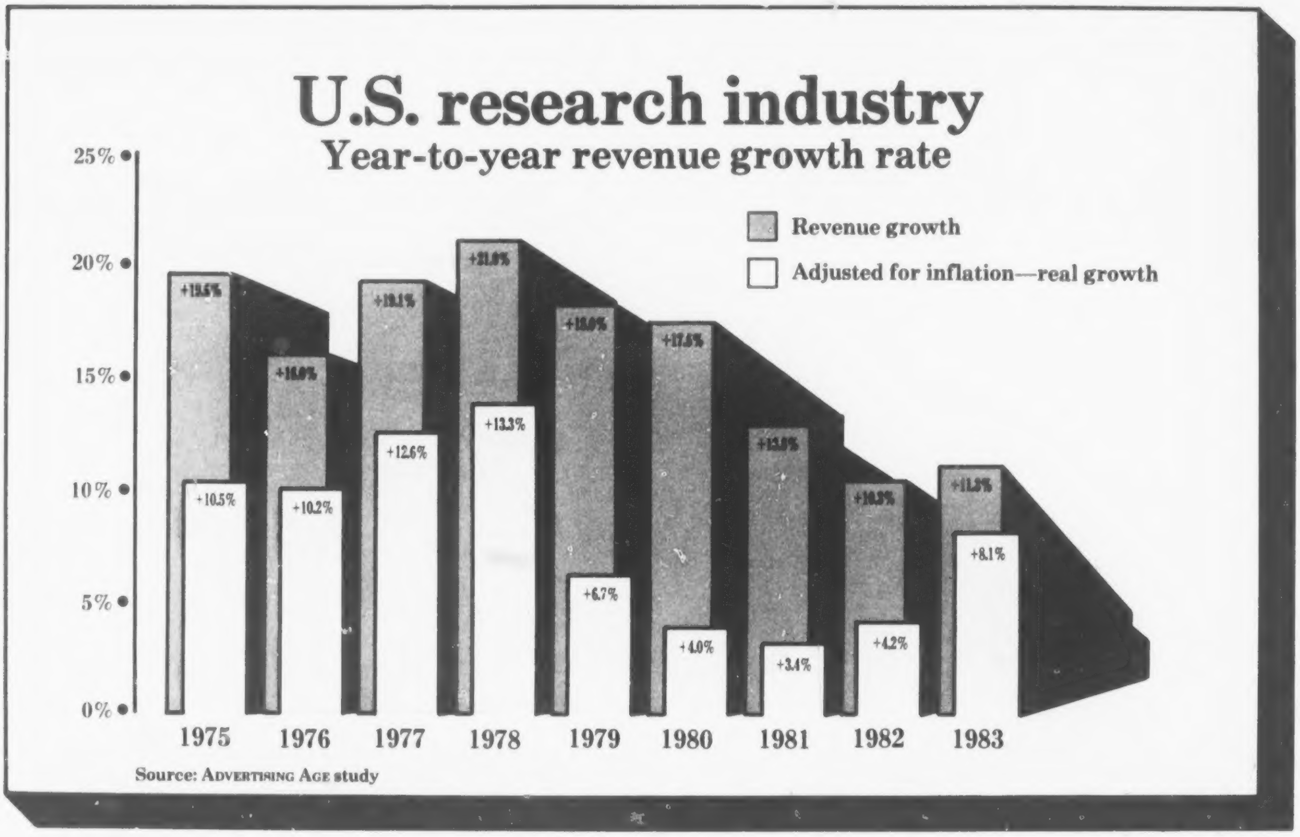
The industry's "real growth" rate was 8.1%, an improvement over . . . the four previous years.

This year's list, expanded to 35 top U.S. companies from 30 and including five newcomers (Gallup Organization, Admar Research Co., Mediamark Research, Simmons Market Research Bureau and Management Decision Systems), had gross worldwide revenues of $1.291 billion, with 25.9% coming from operations outside the U.S. As usual, the giant A.C. Nielsen Co., with research revenues of $463.6 million, dominated the list, and its relatively weak performance, hurt by a strengthening of the U.S. dollar overseas, detracted from the industry's performance.

The industry's growth, based on domestic operations ($956.3 million in 1983), was 15.6%. The overseas volume grew just 0.6%, and that was influenced most directly by Nielsen's overseas operations, which account for about 52% of the company's

(Continued on Page M-16)

Jack J. Honomichl writes a regular column on marketing research in ADVERTISING AGE.



U.S. research industry

Year-to-year revenue growth rate

Source: ADVERTISING AGE study

Top 35

(Continued from Page M-15)

total research revenues.

Generally, the larger the company and the more diversified its services, the better it did in 1983. The smaller the company and the more dependent it was on ad hoc survey research, the relatively poorer it did in 1983.

Three of the top 35 companies—Walker Research, Market Facts and Burke Marketing Services—made numerous changes in their organizational structure and top management during 1983, and eight companies appointed either a new president, chief executive officer or chief operating officer.

One of the top companies (ASI Market Research) was purchased by a nonresearch company, and three companies (Market and Research Counselors, Westat, ASI) acquired other research companies. Three companies (Burke, IMS International, ASI) divested some of their research properties.

To make sure these acquisitions did not inaccurately inflate the industry's growth rate calculations, the revenue changes for individual companies were calculated as follows: Assuming company A bought company B in 1983, the revenues of both for all of 1982 and 1983 were combined, and that base was used to calculate a rate of change. The specifics of these acquisitions are contained in the 35 individual company profiles that follow.

This year's top 35 organizations own and operate data collection facilities that, in addition to representing a huge capital investment, have an awesome capacity to gather data. In the U.S., the companies combined have central WATS telephone facilities with about 2,450 interviewing stations, about 60% of which are equipped for computer-assisted interviewing; fixed mail panels totaling 640,000 households; diary-type purchase panels totaling 50,000 households; 27,500 households in purchase panels linked to UPC scanner systems; permanent test market data collection systems in 50 markets, and 22 mall operations.

This annual roundup profiles the top executives who run our largest commercial research companies.

First, top management of the top 35 is overwhelmingly male; there are only three women (Judith S. Corson, partner in Custom Research; Lorraine C. Scarpa, president of Data Development Corp., and Florence R. Skelly, president-chief executive officer of Yankelovich, Skelly & White). Ages of top managers range from 36 (Gian Fulgoni, president of Information Resources Inc.) to 82 (George H. Gallup Sr., chairman of the Gallup Organization). The average age is 50.5, and 16% of these leaders are still in their 30s.

Surprisingly, only about half of the top managers have postgraduate degrees, and only 11% have doctorates. Five per cent did not graduate from college, and 44% stopped with an undergraduate degree (although many of those have done some postgraduate work).

The northern Midwest attracted a large portion of the executives for their postgraduate work. Big 10 Conference schools are most common, along with some of the big independent universities in the area, including Notre Dame and the University of Chicago. Of advanced degrees, the master of business administration is most common. Eleven per cent of the top executives obtained part of their education in European universities. The vast majority of top managers have spent almost all their working career with the company they now head.

In 14 of the top 35 companies this year, the executives report to themselves. They are owners (or part owners) of privately held companies. The rest report to a parent company or stockholders; 21 of the top 35 companies are either public companies or subsidiaries of larger companies, most of which are public. Of the list's total revenues of $1.3 billion in 1983, only 19% was attributable to privately controlled companies.

Following are the individual company profiles, which outline the company's traditional services, announcement of new services, any other changes that occurred in 1983—and changes that are expected in 1984.

How the top 35 U.S. research companies compare with the top 35 U.S. advertising agencies

	Top 35 U.S. advertising agencies*	Top 35 research companies**
Revenues—1983 (in millions)		
Worldwide	$5,030.1	$1,291.1
U.S. only	3,292.9	956.5
Growth rate—(1983 over '82)		
Worldwide	+11.4%	+11.3%
U.S. only	+14.0%	+15.6%

*Source: ADVERTISING AGE U.S. Agency Income Profiles, 3/28/84

**Top 35 (see accompanying article). These figures are for marketing/advertising research only. In fact, many of the companies listed have additional revenues from nonresearch activities, as noted in individual company profiles.

The Nation's Top 35 Market Research Companies

1 **A.C. Nielsen Co.**, Northbrook, Ill. Public company traded over the counter; founded in 1923. Research revenues in 1983 were $463.6 million, up 7% from 1982.

For the 12 months ended Nov. 30, the world's largest marketing/advertising research organization had gross revenues of $689.8 million, of which 67.2% was from research operations in 25 countries from Greece to South Korea.

(To put that number into perspective, Nielsen's research-only revenues of $463.6 million were $49.6 million *more* than the world gross income of the largest U.S. advertising agency, Young & Rubicam.)

Total A.C. Nielsen Co. research revenues were divided as follows: $368.4 million, or 79.5%, from the marketing research group (a 4.7% increase over 1982), and $95.2 million, or 20.5%, from the media research

How they rank

1983 revenue record*
35 leading U.S. research companies

1983 rank	1982 rank	Organization	Research revenues (millions)	% change vs. 1982	Research revenues from outside U.S. (millions)
1	1	A.C. Nielsen Co.	$463.6	+ 7.0%	$241.4
2	2	IMS International	137.5	+ 8.2	85.8
3	3	SAMI	99.5	+17.0	—
4	4	Arbitron Ratings Co.	94.2	+17.3	—
5	5	Burke Marketing Services	60.1	+18.2	1.7
6	7	Audits & Surveys	31.9	+28.9	—
7	6	Market Facts	28.4	+ 8.4	—
8	9	Marketing And Research Counselors	26.9	+12.6	—
9	8	NFO Research	26.8	+21.6	—
10	10	The NPD Group	24.8	+15.3	—
11	12	Westat	23.6	+24.9	—
12	18	Information Resources	21.1	+71.5	—
13	11	Maritz Market Research	19.9	+ 7.6	—
14	13	Elrick and Lavidge	19.2	+16.9	—
15	14	ASI Market Research	17.9	+ 9.8	.3
16	17	Walker Research	15.9	+25.8	—
17	19	Louis Harris and Associates	13.5	+11.6	4.0
18	15	Chilton Research Services	13.4	−17.3	—
19	16	Yankelovich, Skelly & White	13.3	− 1.0	.7
20	20	The Ehrhart-Babic Group	12.5	+ 5.0	.3
21	21	Data Development Corp.	12.1	+ 2.5	—
22	22	Winona Research	11.8	+ 4.4	—
23	23	Opinion Research Corp.	10.8	+ 5.9	—
24	24	Harte-Hanks Marketing Services Group	10.7	+11.8	—
25	—	Simmons Market Research Bureau	10.3	+11.0	—
26	25	Decisions Center	8.8	+ 5.2	
27	26	McCollum/Spielman Research	8.5	+19.7	—
28	—	Admar Research	8.5	+30.8	—
29	29	National Analysts	7.3	+10.6	—
30	—	Management Decision Systems	7.2	+ 8.5	—
31	—	The Gallup Organization	6.7	+24.0	—
32	30	Custom Research	6.4	0	—
33	27	Starch INRA Hooper	6.2	+ 2.0	.4
34	28	Market Opinion Research	6.0	−10.4	—
35	—	Mediamark Research	5.8	+28.5	—
			$1,291.1	+11.3%	$334.6

*Total revenues that include nonresearch activities, for some companies, are significantly higher. This information is given in the individual company profiles in the main article.

Source: ADVERTISING AGE study

group (a 17.4% increase over 1982).

During 1983, the media research group expanded the national Nielsen Television Index meter sample from 1,250 to 1,700 households. It also expanded its NHI cable network service and, before the end of 1984, plans to expand its local market meter panel to three additional areas: Washington, Dallas and Boston.

Henry Burk
A.C. Nielsen Co.

Nielsen's marketing research group provides basically custom and syndicated measures of product movement at retail on a national and local-market basis. The group does about 65% of its business outside the U.S., and for the second consecutive year, this portion of the total operation was hurt by foreign currency exchange problems. As chairman-chief executive officer Arthur C. Nielsen Jr. said in his annual speech to stockholders, "Five years ago, our overseas earnings accounted for 34% of the total. In 1983, they had dropped to 10%." The company showed a $1.6 million loss on foreign currency translation and exchange during its fiscal year 1983, ended Aug. 31.

During 1983, Arthur C. Nielsen Jr., son of Nielsen's founder, announced his intention to retire. Henry Burk, 57, took over as chairman-ceo May 1, moving up from executive vp-president of the marketing research group. Mr. Burk studied at the universities of Zurich, St. Gallen and Freiburg in Switzerland and has a degree in economics. N. Eugene Harden, 49, a graduate of Lawrence University, continues as president-chief operating officer. Richard W. Vipond replaces Mr. Burk as president, marketing research group, and James D. Lyons continues as president, media research group.

2 **IMS International**, New York. Public corporation traded over the counter; founded in 1954. Research revenues in 1983 were $137.5 million, up about 8.2% from 1982.

Of this worldwide conglomerate's total revenues of $205.6 million in 1983, about 67% was from its market research division. (To calculate growth rate, the bases for '82 and '83 were adjusted to reflect the divestment of Trendex, a survey research subsidiary, in mid-1983; growth was calculated for both years minus Trendex volume, estimated at $2.8 million in 1982.)

Of 1983 research volume, about $51.7 million, or 38%, was from the IMS subsidiary in the U.S., IMS America, Ambler, Pa., up about 16.2% from a year earlier. The balance was from IMS operations in 56 foreign countries, and this was up about 2.2% from a year earlier.

Lars H. Erickson
IMS International

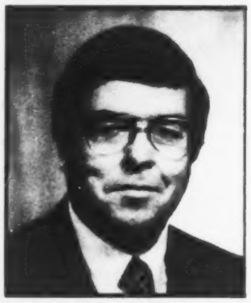
IMS market research division activities are divided into pharmaceutical audits, reports on the sales of ethical (and in some cases proprietary) pharmaceuticals collected from panels of drugstores; medical reports, based on information collected from panels of practicing physicians who report on the diagnosis and treatment of patients; other audits, syndicated audits of purchases made by hospitals and cosmetics and toiletries purchases in 14 countries; sales territory reports, share of market in the pharmaceutical market by client sales regions; custom ad hoc studies and surveys in such industries as cosmetics, veterinary pharmaceuticals, medical supplies and equipment, office equipment and agriculture.

The market research division of IMS employs about 2,000 fulltime salaried workers.

Lars H. Erickson, 49, is chairman-president-ceo, IMS International. He received his MBA from the Stockholm School of Economics. Serge Y. Okun, 37, is president of the U.S. subsidiary and is also a vp of the parent company. He is a graduate of the National School of Statistics and Economic Administration in Paris.

3 **Selling Areas-Marketing Inc.**, New York. Subsidiary of Time Inc.; founded in 1966. Revenues in 1983 were estimated at $99.5 million, up 17% from 1982.

SAMI amalgamates warehouse withdrawal data to produce continuous movement data on thousands of individual package goods items sold through food stores. This is done separately for each of 48 marketing areas. (Three areas will be added in 1984, meaning that SAMI reporting will be available in 86% of total U.S. all-commodity volume.)



Carlyle C. Daniel
SAMI

In addition, SAMI operates three minimarkets, each with 2,500 household panels where purchases can be recorded at point of sale via UPC scanners. Sales and service of this system, called SAMSCAN, is handled by the test marketing group of Burke Marketing Services. The SAMSCAN markets combined form the new SAMITRAC service, to which clients can have access on an individual product category basis. Also, in 1983, SAMI launched a service called SIS (Supermarket Information Service); it allows companies in the European Economic Community to buy an overview data package from the main SAMI system.

SAMI has 403 fulltime salaried employes in three U.S. offices. Carlyle C. Daniel, 53, a graduate of Lynchburg College, is president.

4 **Arbitron Ratings Co.**, New York. Wholly owned subsidiary of Control Data Corp.; founded in 1949. Revenues in 1983 were $94.2 million, up 17.3% from 1982.

Arbitron produces tv, radio and cable tv ratings in domestic local markets by using mail diaries and electronic meters. Surveys in 210 tv markets ac-

(Continued on Page M-20)

A.J. (Rick) Aurichio
Arbitron Ratings Co.

Top 35

(Continued from Page M-17)

counted for 53% of the revenue; 47% was from measurement of 257 radio markets. (This is a 16.1% increase for tv over 1982 and a 19.7% increase for radio.) Arbitron customers include radio and tv stations, advertisers and their agencies.

Tv revenues were affected by expansion of the Arbitron Television Meter Service into five new markets: Philadelphia, Dallas-Fort Worth, Washington, Detroit and Miami. Houston and Boston will be added in 1984.

In 1983, Arbitron introduced Target AID, a computer-based system that merges ratings data with information on consumer life styles. This allows stations to develop a profile of tv or radio audiences by standard demographics. AID is integrated with two systems that segment population data by life-style clusters: ClusterPlus from Donnelley Marketing Corp. and PRIZM from Claritas Corp.

In 1984, Arbitron will introduce a new computer-based system called Arbitrends, which will deliver ratings to radio stations over microcomputers.

Arbitron has 956 fulltime employees in eight U.S. offices.

Theodore F. Shaker, 62, is chairman-ceo, Arbitron, and a vp, Control Data. He attended Colgate, Northwestern and New York universities.

During 1983, A.J. (Rick) Aurichio, 47, was named president-chief operating officer. He is a graduate of Fairleigh Dickinson University.

(Continued on Page M-24)

Move

(Continued from Page M-18)

end" operation. It will be if we demonstrate to management that we have more than binary powers of thought and analysis that tell us why as well as what.

In the advertising agency business, we live or die according to standards that are defined in one word: Creative. If an ad works, it's creative. Our biggest department, the one with the most interesting, ornery, involved, original, artistic and hirsute individuals, is called Creative, with a capital letter. And while Creative can make the computer do magic tricks in producing tv graphics, you don't get creative ideas with binary thinking.

Let's let some of that iconoclastic creativity rub off on market research people. Let's take all that wonderful data and ability to compress time that the computer gives us and let it help rather than overwhelm us. Let's analyze both sides of the brains of the public we want to know, and let's use both sides of our own brains to develop strategies to reach people.

The crucial role for market research today is to help shape strategic direction. Our input, delivered face-to-face and with personal forcefulness, can and should influence major company decisions. We are the people who should be counted on not only to ascertain and report trends in the marketplace, but also to chart the corporate course that will take advantage of them. The knowledge we gain of consumers' wants and needs must be shaped into understanding and then into recommended action on meeting those needs.

This can be hard work. It requires that we be business-oriented first, people-oriented second and research-oriented third. It demands that we get out into the marketplace, that we converse with human beings like human beings, that we probe beyond the limits of structured questionnaires, that we use the computer as a complement rather than a substitute for firsthand knowledge.

The job demands that we integrate our information, our experience, our human insights and creativity, even our gut feelings and put them on the line in the board room. And, maybe when we're in there, we should throw away our notes and printouts and tell it as we see it, off the cuff.

If we are there, forceful and face-to-face with upper management, what we say stands a good chance of being heard and respected. If research is relegated to the back shop, by the time our opinions get through the chain of command, they will sound and look a lot different from the way we wanted.

That's what research people risk losing if we let the computer take over for the human personality and mind. Eight hours at the screen of a computer will never give us the leverage or the ability to contribute what 10 minutes in the board room can offer.

The back room spawns information. The board room is an arena for ideas. Ideas move a business.

Management needs the best of us in the board room. Our ideas give perspective to theirs.

We are a key link in the chain of developing strategy for a corporation, a product or both. When management operates from a consensus derived from bright people experienced in various business disciplines—including research—it has the best shot at producing good results.

The computer market research community is doing a fine job. It has its star analysts. We need them increasingly. But for most of us, our futures may be decided by our talents, our persuasiveness, our insights and our answer to the question of where we want to work: The back shop or the board room. ■

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Other on-air commercial testing services are just now starting to offer some of the advanced features that have been available from Westgate Research's ON-AIR LAB for years. But ON-AIR LAB continues to offer you the state-of-the-art product. Look closely and see why.

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Instead of sharing your test with as many as five other clients, as you might with other services, you'll be one of only three clients with ON-AIR LAB. This means respondents have twice the time and twice the attention span to answer questions about your commercial. And, you have a greater opportunity to customize your test and add special questions.

WATS Interviewing Consistency And Control
Callback interviews are conducted from our WATS center by a single, trained interviewing staff. You are assured of the same high quality and consistency of interviewing in your on-air commercial tests that you demand in your other telephone studies.

"Smart" Diagnostics
One of our diagnostic measures tells you how well a commercial performs the critical task of linking the impressions it projects with the sponsor's name. Another tells clients with strong, on-going campaigns whether people are recalling their campaign or the specific test commercial. Still others provide information about main point interpretation, overall viewer opinion of the commercial and specific likes and dislikes.

A Persuasion Measure That Doesn't Compromise Your Recall Test
Our unique, post-exposure persuasion measure doesn't require respondents to express brand preferences prior to viewing, eliminating the risk of viewers becoming brand sensitized and influencing commercial recall.

Confidential Markets For Top-Secret Testing
Sometimes you don't want the whole world to know you're testing a commercial for a new product or a new campaign. ON-AIR LAB makes available confidential markets where your commercial test is unlikely to be monitored and reported.

ON-AIR LAB continues to advance the state-of-the-art in commercial testing while maintaining the best absolute dollar value, as well. You'll be pleasantly surprised at how much lower our cost is than that of other services. To take an even closer look at ON-AIR LAB, just write or phone for our free brochure.

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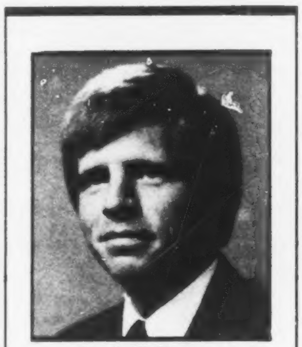
Top 35

(Continued from Page M-20)

5 **Burke Marketing Services**, Cincinnati. Employe-owned corporation; founded in 1947. Revenues were $60.1 million in 1983, up 18.2% from 1982.

This conglomerate consists of Test Marketing Group, a unit consisting of what was AdTel and Market Audits, which markets and services, through a joint venture, SAMI's SAMSCAN service; Burke Marketing Research, which specializes in pre- and post-tv copy testing and custom survey research and which recently announced a new tv copy testing system called Selector and a new "state-of-the-art" eye movement research service, an outgrowth of what was the Telcom service; BASES, which specializes in market modeling; Burke Canada, a wholly owned subsidiary that accounted for about $1.7 million of BMS' 1983 revenues; Professional Services, which conducts research educational seminars, and Burke International, a joint venture with the German company Infratest, in which Burke owns a 5% interest. (Infratest, in turn, owns a 5% interest in BMSI.)

Another business subsidiary, National Retail Services, was divested during 1983. National Retail Services revenues from both 1982 and 1983 were omitted in calculating Burke's growth rate.



Jack E. Brown
Burke

In April, Burke announced extensive changes in its marketing and organizational structure; 10 top executives were involved *(see Page M-54)*.

Burke has 430 fulltime salaried employes in 40 offices in the U.S. A central WATS phone center in Cincinnati has 117 stations, 100 of which are equipped with cathode ray tubes.

In 1983, Burke launched a joint venture with Infratest and the Gartner Group called COMTEC, a syndicated database covering a number of high-tech categories. Also, Burke closed the Telcom subsidiary operation in Teaneck, N.J., and moved the operation to Cincinnati.

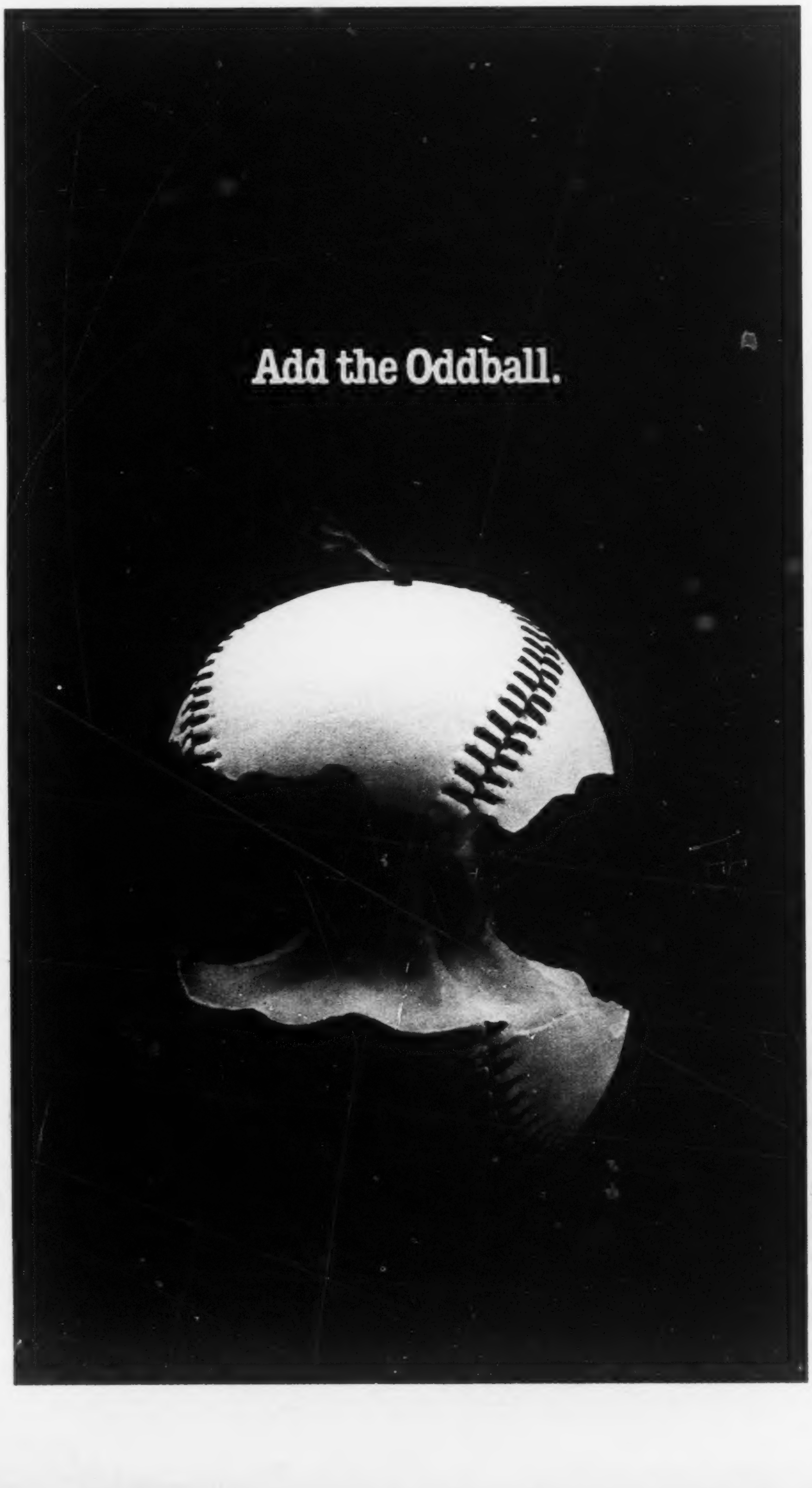
Jack E. Brown, 39, is chairman, Burke Marketing Services. He attended the University of Cincinnati.

Richard L. Lysaker
Audit & Surveys

6 **Audits & Surveys**, New York. Privately held corporation; founded in 1953. Revenues in 1983 were $31.9 million, up 28.9% from 1982.

A&S includes the following U.S. units: Survey division (custom ad hoc surveys); test audit division (local-market store audit programs); national total-market audit division (syndicated store audit programs); retail census of product distribution (annual study of U.S. retail store population); government research division (a Princeton-based survey group that does studies for federal agencies), and CTIS (for Central Telephone Interviewing System, a 125-station CATI facility outside Philadelphia that offers telephone

(Continued on Page M-26)



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The Des Moines Register

IOWA'S BEST TEST MARKET

*The Wall Street Journal, 11/27/83; Pg. 38.

Shuffling of top managers

An extraordinary amount of change took place in the upper management of top U.S. research companies over the past 15 months. In addition to key appointments noted here, two companies—Market Facts and Walker Research—reshuffled their entire management teams. *(See individual company profiles for details.)*

- **Henry Burk** to chairman-chief executive officer of A.C. Nielsen Co.
- **Richard W. Vipond** to president, marketing research group, A.C. Nielsen Co.
- **Verne B. Churchill** to ceo of Market Facts (in addition to president, a post he held previously).
- **A.J. (Rick) Aurichio** to president-chief operating officer of Arbitron Ratings Co.
- **Elmer L. (Jack) Taylor Jr.** to president of Marketing And Research Counselors (M/A/R/C). He maintains his post as chief operating officer.
- **James E. Sammer** to president-chief operating officer, Walker Research.
- **Lorraine C. Scarpa** to president, Data Development Corp.
- **William H. Lewellen** to president, Maritz Market Research.
- **James J. Findley** to manager, consumer research division, Management Decision Systems.

Top 35

(Contined from Page M-24)

field and tabulation services).

Not included are revenues from other organizations in which A&S or its principals have a financial position: A&S Latinoamerica, Total Market Index in Canada and Integrated Computer Systems.

Richard L. Lysaker, 51, a graduate of the University of Minnesota, is president, A&S. Solomon Dutka, 60, founder of A&S, is chairman. He received his Ph.D. from Century University.

7 **Market Facts**, Chicago. Public company traded over the counter; founded in 1946. Revenues in 1983 were $28.4 million, up 8.4% from 1982.

Revenues for this research conglomerate do not include those of a half-owned subsidiary, Market Facts Canada, which in 1983 had revenues of about $5.4 million.

Market Facts' U.S. operations include: the Consumer Mail Panel, a fixed mail panel expanded to 200,000 households in '83; Consumer Opinion Forums, six shopping mall interviewing facilities, two of which were opened in 1983; Marketest Store Audit Services, seven permanent market setups for controlled store tests and test markets; WATS telephone interviewing centers (three locations) with a total of 109 stations, and focus group facilities.

Verne B. Churchill
Market Facts

Market Facts has 720 fulltime employes (440 of whom are salaried), and client service offices are located in Chicago, New York, Washington and Los Angeles.

Market Facts in 1983 underwent an extensive management reorganization: President Verne B. Churchill in August added the ceo title, and Gregory J. Spanga assumed Mr. Churchill's former post as chief operating officer. In addition, Market Facts appointed a new executive vp, four new senior vps and three new vps. Jack Abrams, the former ceo, resigned as vice-chairman and director.

Early in 1984, Market Facts entered into a licensing agreement with PMRI, a Canadian company, for U.S. rights to market an unusual system called TRACE to evaluate tv commercials and entertainment material.

Mr. Churchill, 56, has an MBA from the Indiana University business school. David K. Hardin, 56, chairman, received his MBA from the University of Chicago.

8 **Marketing and Research Counselors**, Dallas. Subsidiary of Allcom Inc., a closely held public corporation; founded in 1965. Research revenues were $26.9 million in 1983, up 12.6% from 1982.

E.L. (Jack) Taylor
M/A/R/C

This survey research company, which emphasizes the application of computer technology to marketing research, set up two new divisions in 1983 and acquired Trendex, a Westport, Conn., survey organization that produces a syndicated buyership study produced from a national probability telephone sample by 2,250 local-market interviewers. (M/A/R/C revenues have been adjusted to reflect Trendex volume for both calendar 1982 and 1983, and the 12.6% gain is calculated on that combined base. The 1982 base also was adjusted to reflect the divestiture of M/A/R/C mall operations sold in 1982.)

The National Neighborhood Panel, a new concept in panel use for data collection that M/A/R/C started in 1982, was expanded to 70,000 households

(Continued on Page M-30)

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Marking corporate milestones

Several of this year's top 35 companies are celebrating significant anniversaries in their corporate history:

- **Yankelovich, Skelly & White** marked its 25th anniversary in 1983.
- **Ehrhart-Babic Associates** celebrates its 25th anniversary in 1984.
- **The Gallup Organization** marks its 50th year in 1984.
- **Mediamark Research Inc.** celebrated its fifth anniversary in January, 1984.
- 1983 was the 60th anniversary of **A.C. Nielsen Co.**
- **NPD Group** marked its 30th anniversary in 1983.
- **Custom Research Inc.** celebrates its 10th anniversary in 1984.

Top 35

(Continued from Page M-26)

Zip code clustered around local field supervisors in 24 markets. Plans are to increase to 100,000 households in 1984.

Also in 1983, M/A/R/C set up Local Market Network, an online network of independent field services equipped with CRTs and communications equipment in 16 markets; established ACRS Inc. to lease software, and launched Syntactics, a software development division.

M/A/R/C has 261 fulltime salaried employes plus 212 hourly staff members in 10 U.S. offices. The central WATS phone facilities have 240 stations, all CATI equipped.

William E. Lipner
NFO Research

President of Allcom Inc., chairman-ceo of M/A/R/C is Cecil (Bud) Phillips, 59, a graduate of Southern Methodist University. E.L. (Jack) Taylor, 57, has been president, M/A/R/C, since May, 1983. He has an MBA from the University of Texas.

9 **NFO Research**, Toledo, O. Wholly owned subsidiary of AGB Research Group, PLC; founded in 1946. Revenues were $26.8 million in 1983, up 21.6% from 1982.

NFO has 675 employes, 330 of whom are fulltime salaried, has branch offices in New York, Chicago, St. Louis, San Francisco and Greensboro, N.C.

NFO's main business is a fixed mail panel, which was expanded to 240,000 households in 1983. Mail purchase panel operated through NFO's TRAC syndicated research division offer the share of intake panel (consumption of all beverages); men's tailored apparel study; home furnishings tracking service; women's tailored apparel study, and the personal home computer and videogame study.

NFO operates two telephone interviewing facilities with more than 200 interviewing stations, about 112 of which will be CRT-equipped by year's end.

Early in 1984, NFO formed a new company in New York, NFO International Research, specializing in European research for American multinational companies.

William E. Lipner, 37, is president-ceo of NFO. He holds a bachelor's degree in business administration from the University of Toledo.

Tod Johnson
NPD Group

10 **NPD Group**, Port Washington, N.Y. Privately held corporation; founded in 1953. Research revenues were $24.8 million in 1983, up 15.3% from 1982.

The NPD Group, which has 540 employes, 279 of whom are fulltime salaried, is divided into NPD Research Inc., a 13,000-household national diary purchase panel specializing in package goods and more than 25 local-market panels with about 47,000 households; NPD Special Industry Services, purchase panels specializing in such product classes as toys/games, textile/apparel, petroleum products, sports equipment and records/tapes; CDR/CREST Enterprises, a panel reporting on meals eaten away from home and also providing custom research and consulting to the food-service industry; Home Testing Institute, a fixed mail panel of 130,000 households, and OPOC Computing Co., an electronic data processing service bureau. (OPOC revenues are not included in the NPD research revenues.) A sales/service office is located in Rosemont, Ill., and a new office was opened recently in Houston.

During 1983, NPD started Toy Retail Sales Tracking Service, which captures movement data via point-of-sale cash register information. Point-of-Sale Tracking Service recently was introduced for the apparel industry. Also, in 1983, NPD combined its Petroleum Market Index service with the services of Auto-Facts Inc. of Houston to form a new unit known as NPD Auto-Facts.

Joseph A. Hunt
Westat

Founder, chairman and joint owner of NPD is Henry Brenner, 69. President-ceo is Tod Johnson, 39, who holds an MSIA de-

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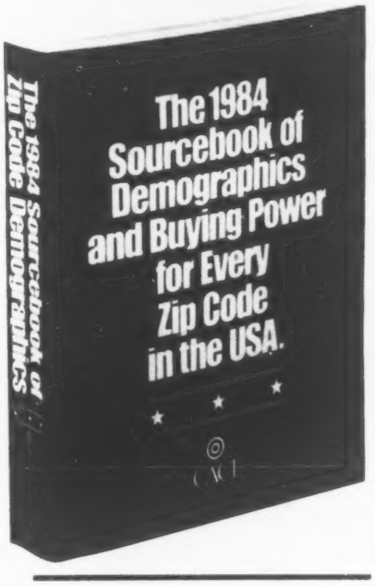
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gree from Carnegie-Mellon University.

11 Westat, Rockville, Md. An employe-owned corporation; founded in 1961. Revenues were $23.6 million, up 24.9% from 1982.

Westat, which gets about 85% of its revenues from survey research projects done for federal agencies, made news in 1983 by buying Crossley Surveys, a New York marketing research company. (Westat revenues have been adjusted to reflect Crossley volume for both calendar 1982 and 1983, and the 24.9% gain is calculated on that combined base.)

Westat's 220 fulltime salaried professional staff was an increase of about 12% over '82—in part because of increased federal spending for survey research and the company's expanding commercial marketing research base. In addition, Westat has an average parttime staff of 450 involved in telephone interviewing (75 stations), survey processing and national field studies.

Westat president-ceo is Joseph A. Hunt, 48, who has an MS degree from Massachusetts Institute of Technology. Edward C. Bryant, 68, the founder of Westat, is chairman; he has a Ph.D. from Iowa State University.

12 Information Resources Inc., Chicago. Public company traded over the counter; founded in 1977. Revenues in 1983 were $21.3 million, up 71.5% from 1982.

The main business of this fast-growth company—which in March, 1983, offered a block of its common stock to the public—is the BehaviorScan system, a group of eight minimarkets (four of which were opened during 1983) that are equipped for advertising and control store testing. In each BehaviorScan market, the service captures product movement data via UPC scanner equipment; collects purchase data from a panel of about 2,500 households via the use of identification cards that tie in with point-of-sale UPC scanners; alternates tv advertising over cable tv to groups of preselected households, and collects other measures of in-store merchandising/promotions.

Gian Fulgoni
IRI

The other major Information Resources service, called the Marketing Fact Book, provides access to a database of purchasing activity on a large number of package goods product classes. Starting in 1983, clients were offered access to this database on an on-line, interactive basis via a system called PROMPT.

IRI has about 357 fulltime salaried employes and 60 parttimers. The company has begun consolidating its Chicago operations into one building near the Loop.

President-chief operating officer is Gian Fulgoni, 36, who has a master's degree from Manchester University in England. Chairman-ceo is John Malec, 39, a graduate of the University of Wisconsin.

13 Maritz Market Research, Fenton, Mo. Wholly owned subsidiary of Maritz Inc.; founded in 1973. Revenues in 1983 were $19.9 million, up 7.6% from 1982.

Maritz, which has 183 fulltime salaried employes, is dividedinto two operations. One provides custom and syndicated market research services from divisional offices in Detroit, Toledo, St. Louis, Minneapolis and Los Angeles, with emphasis on automotive and agricultural industries. In addition, Maritz is involved in research in the food and beverage, healthcare, telecommunications, financial and recreation industries.

William H. Lewellen
Maritz

The other segment of Maritz is Quality Controlled Services, a network of 16 mall interviewing locations that do mall intercepts, focus groups, central and WATS telephone interviewing, taste tests, mail surveys and door-to-door interviewing. There are three WATS interviewing centers with 123 stations, all CRT-equipped.

William H. Lewellen, 53, became president in March, 1984. He has an MS degree from St. Louis University.

Robert J. Lavidge
Elrick & Lavidge

(Continued on Page M-32)

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- **Manufacturer Determines What Hispanics Drink.**
  An awareness and usage study is conducted annually among eligible Hispanics in top Hispanic population centers utilizing a telephone interview. Using an Hispanic Household Sample procedure developed by Chilton Research, telephone households are computer generated at the exchange level. All interviews are in Spanish.
- **N.Y. Stock Exchange Gains New Insight Into Investors.**
  A two-phase survey was undertaken to determine the incidence of stock ownership and to develop a profile of individual investors. In Phase I, computerized telephone interviews were conducted with a national sample of households to obtain information about ownership of stock by each member of the household. One adult shareholder was randomly selected to take part in Phase II, a mail phase of the project. This methodology enabled CRS to screen households on a national basis, and to collect detailed projectable data.

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Top 35

(Continued from Page M-31)

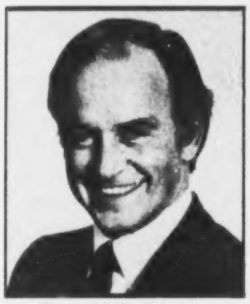
14 Elrick & Lavidge Inc., Chicago. Wholly owned subsidiary of Equifax Inc.; founded in 1951. Revenues were $19.2 million in 1983, up 16.9% from 1982.

E&L has two separate operations: Elrick & Lavidge, which specializes in survey research for consumer and business-to-business clients, and Quick Test Opinion Centers, a network of 17 shopping mall interviewing sites, eight of which were equipped for conducting computer-assisted personal surveys during 1983.

E&L operates six major telephone interviewing centers, two of which are part of the AT&T TELSAM system. The four facilities not committed to TELSAM have 100 interviewing stations, 52 of them CRT-equipped. There are 145 fulltime salaried employes in three sales/service offices in Chicago, Atlanta and San Francisco and 25 offices throughout the U.S., 20 of which are equipped with focus group facilities.

President-ceo of Elrick & Lavidge is Robert J. Lavidge, 62, who has an MBA from the University of Chicago.

15 ASI Market Research, New York. Wholly owned subsidiary of IDC Services; founded in 1962. Research revenues were $17.9 million in 1983, up 9.8% from 1982.



Gerald Lukeman
ASI Market Research

In August, 1983, ASI was purchased by IDC, a Chicago-based service bureau that does custom electronic data processing for a variety of entertainment and advertising industry clients. Also, in 1983, ASI sold its research company subsidiary in Hong Kong. In January, 1984, ASI purchased Teaman/Lehman Associates, a full-service marketing research company in Norwalk, Conn. (T/L revenues are not included.) About $300,000 of ASI's 1983 revenues came from outside the U.S.

ASI specializes in controlled audience pretesting and on-air (Recall Plus service) testing of tv commercials, custom research projects, focus groups, testing of print ads and evaluation of entertainment projects, including pilots for tv and movie films. The company operates a 75-station WATS telephone center in Los Angeles and has approximately 350 fulltime salaried employes.

Later in 1984, ASI plans to introduce APEX, a new advertising research system that will utilize cable tv to provide recall, persuasion and full diagnostics, all obtained in the home under natural viewing conditions.

Frank D. Walker
Walker Research

Gerald Lukeman, 52, a graduate of Dartmouth College, is president.

16 Walker Research, Indianapolis. Privately held company; founded in 1964. Revenues in 1983 were $15.9 million, up 25.8% from 1982.

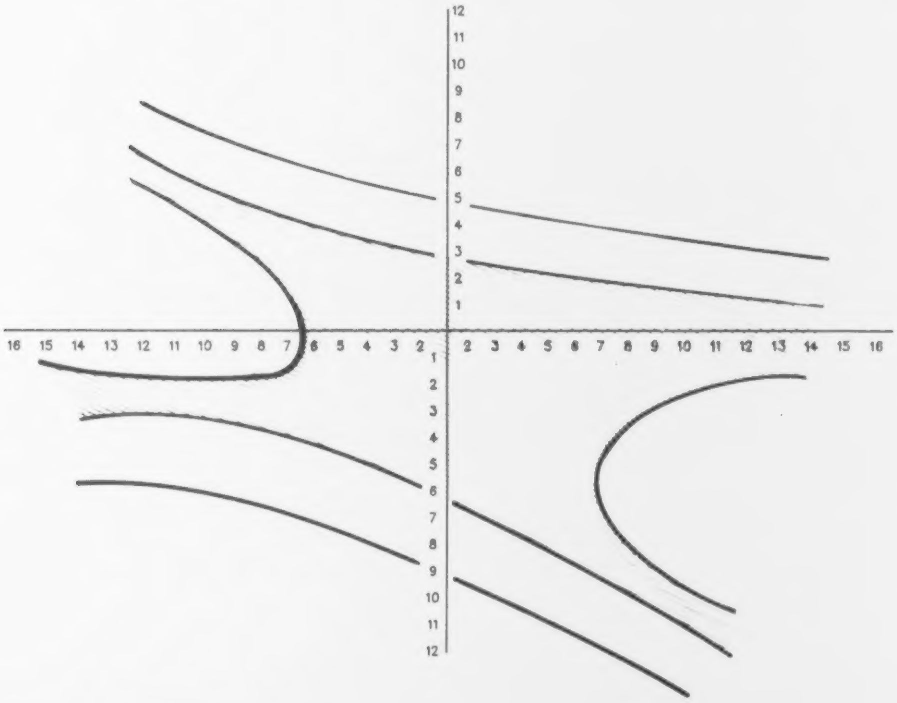
This survey research company, which is the descendant of a local field service company founded by Mrs. Tommie Walker Anderson in 1939, had an eventful 1983.

In addition to an extraordinary revenue gain, Walker underwent a major reorganization and named a new president, four new senior vps and six new vps.

Walker has 930 employes, of whom 216 are fulltime; of those, 93 are salaried. In addition to the home office in Indianapolis, there are direct data collection facilities in New Jersey, Florida, Texas and Arizona, and a variety of interviewing services—including telephone, mall intercept, prerecruited central location and mail—are offered. Walker operates more than 200 telephone interviewing stations, the majority of which are outfitted for CATI.

Chairman-ceo is Frank D. Walker, 49, son of the company's founder. He is a graduate of DePaul University. James E. Sammer, 45, became president-chief operating officer in October, 1983. He received his MBA from Michigan State University.

Louis Harris
Harris



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17 Louis Harris & Associates, New York. Wholly owned subsidiary of Gannett Co.; founded in 1956. Revenues were $13.5 million in 1983, up 11.6% from 1982.

Thirty per cent of the volume comes from subsidiaries outside the U.S.—Louis Harris International, headquartered in London, which handles research projects in 60 countries, and Louis Harris France, Paris. U.S. revenues were up 13.2% from 1982, thanks in part to an extensive research program conducted for the national rollout of Gannett's *USA Today*.

Louis Harris' U.S. operation is organized into 16 divisions specializing in distinct markets, such as telecommunications, computers, healthcare, banking and financial services, public policy and corporate affairs, and automotive. Multiclient surveys track corporate, financial and public leadership opinion on current issues.

Five Louis Harris divisions and the National Center for Telephone Research, a CATI-based telephone interviewing facility with 84 positions, are located in New York. Other divisions are based in Washington and in a new office in San Francisco.

Gilbert Barrish
Chilton

Chairman-ceo is the company's founder, Louis Harris, 63, whose syndicated column appears in 172 newspapers; he is a graduate of the University of North Carolina at Chapel Hill. President-chief operating officer is Humphrey Taylor, 49, a graduate of Cambridge University in England.

18 Chilton Research Services, Radnor, Pa. Wholly owned subsidiary of American Broadcasting Co.; founded in 1957. Revenues were $13.4 million in 1983, down 17.3% from 1982.

This survey organization does custom ad hoc marketing and social science research for industry and federal agencies. While a significant number of CRS surveys utilize mail or face-to-face interviewing, the majority of the surveys are conducted by telephone via one of the industry's largest and most sophisticated CATI systems, which has on-line sample control and interactive cross tabulations. This system has 165 stations and is tied into Chilton's twin IBM 4341 computers.

CRS has 142 fulltime salaried employes.

Director of CRS is Gilbert Barrish, 44, a graduate of Temple University with a BS in economics.

Florence R. Skelly
YSW

19 Yankelovich, Skelly & White, New York. Wholly owned subsidiary of Reliance Group; founded in 1958. Research revenues in 1983 were $13.3 million, down 1% from 1982.

About 76% of YSW's 1983 revenues of $17.4 million were attributable to marketing and social research for industry, governmental agencies and media—most notably Time Inc. publications, including *Time* and *Fortune*. About 5% of YSW research revenues are from outside the U.S.

Basic survey activities are organized along client category lines: Consumer marketing, new products, policy planning, human resources, government and industrial marketing. Two

(Continued on Page M-34)

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(Continued from Page M-33)

of the company's most widely used services are Monitor, tracking surveys of special social segments, and Laboratory Test Market, a market simulation facility widely used by package goods marketers for new product appraisals. Central telephone interviewing facilities have about 200 stations.

There are about 200 fulltime salaried employes at YSW, and, in addition to the home office in Manhattan, there are offices in Stamford, Conn., and Newport Beach, Cal.

Founder and chairman of YSW is Daniel Yankelovich, 59, a graduate of Harvard University. President-ceo is Florence R. Skelly, a graduate of Hunter College.

Thomas A. Ehrhart
Ehrhart-Babic Group

20 Ehrhart-Babic Group, Englewood Cliffs, N.J. Privately held corporation; founded in 1958. Research revenues were $12.5 million in 1983, up 5% from 1982.

The Ehrhart-Babic Group specializes in "in-store" research via three services: E-B Custom Research, which does controlled store tests including minimarkets, trended or projectable sales measurement studies, weekend audits and product purchases; National Retail Tracking Index, which conducts syndicated retail observational studies in 110 major markets on more than 8,000 food, drug, mass merchandisers, convenience and hardware/home outlets, and National Liquor, Wine and Beer Index, which provides distribution information quarterly in more than 2,600 off-premise outlets and semiannually in more than 3,100 outlets.

In 1984, E-B will launch Automotive Aftermarket Tracking Service, which will report nationally and regionally projected sales data from more than 500 auto supply stores and mass merchandisers.

The founders of the Ehrhart-Babic Group are its chairman, Thomas A. Ehrhart, 59, a graduate of Pace University, and its president, Louis J. Babic Jr., 51, a graduate of Boston University.

Jerry Rosenkranz
DDC

21 Data Development Corp., New York. Privately held corporation; founded in 1960. Revenues in 1983 were $12.1 million, up 2.5% from 1982.

This research organization, which has 130 fulltime salaried employes in four locations, included the following units in 1983: DDC; Central Location Testing; New York Conference Center, and Telephone Centre, which has 60 interviewing stations.

(As of April 1, 1984, DDC no longer held an equity position in Central Location Testing; it became a separate company.)

DDC is a full-service, custom research company emphasizing strategic research and its proprietary products. Its services are COMBO (product testing); COPY II (copy strategy development), and ADOPTER (pretest market measurement model). ADOPTER is a joint venture with Edward Tauber, a faculty member at the University of Southern California Graduate School of Business.

Lorraine C. Scarpa became president of DDC in January, 1984. She joined the company from Heublein Inc., and she holds a Ph.D. from Johns Hopkins University. Jerry Rosenkranz continues as chairman, and Joseph Goldstein as ceo. Both are 48 and graduates of the City College of New York.

Richard McCullough
Winona Research

22 Winona Research, Minneapolis. Privately held corporation; founded in 1953. Revenues were $11.8 million in 1983, up 4.4% from 1982.

This full-service survey research company has 125 fulltime salaried employes in three offices—Minneapolis, Phoenix and San Francisco. In early 1984, it opened another office in Dallas, and an East Coast office is planned for July. The Phoenix site houses a WATS line and

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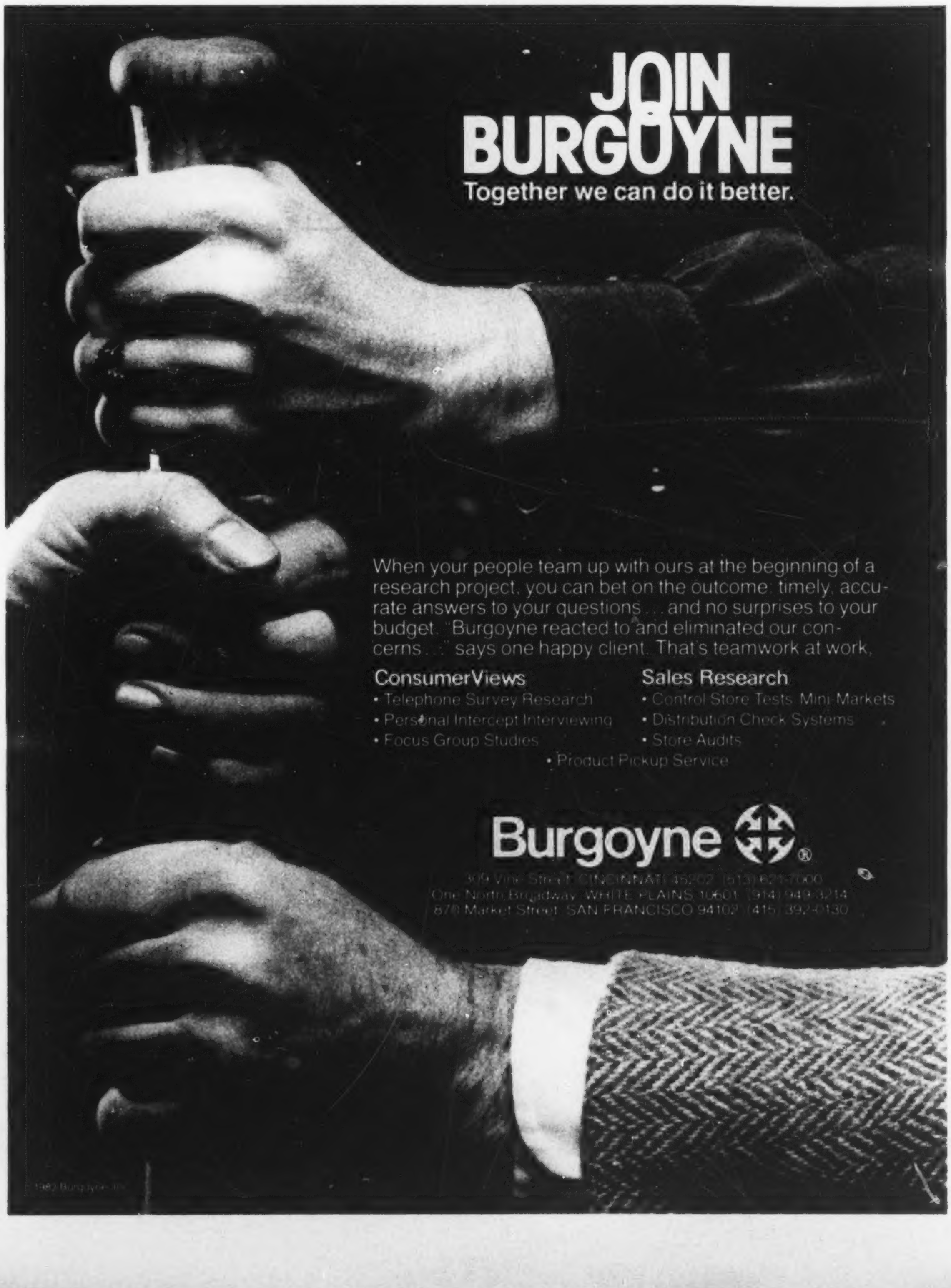

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1982 Burgoyne, Inc.

CATI interviewing facility with 160 stations, 120 of which are CRT-equipped.

In 1983, Winona divested its two mall operations in Minneapolis and Phoenix.

President of Winona Research is Richard McCullough, 40, a graduate of the University of Minnesota. He is also serving as chairman of the Council of American Survey Research Organizations.

Irwin Miller
Opinion Research

23 Opinion Research Corp., Princeton, N.J. Wholly owned subsidiary of Arthur D. Little Inc.; founded in 1938. Revenues in 1983 were $10.8 million, up 5.9% from 1982.

Opinion Research, which has 167 fulltime salaried employes, maintains four branch offices. They are located in Chicago, New York, San Francisco and Washington.

The company provides survey research, analytical and consulting services, with emphasis on the following: Market research, corporate relations, modeling and simulation, cable and video, financial services, telecommunications, government research, public opinion research and employe studies.

In addition, Opinion Research periodically conducts several shared-cost surveys—the Investment Community Survey, the Corporate Reputation Survey, the Business and the Media Survey, the Public Opinion Index, the Marketing Index and Caravan (omnibus) Surveys—among the general public and business executives.

Richard Hochhauser
Harte-Hanks

Chairman-ceo is Irwin Miller, 55, who has a doctorate from Virginia Polytechnic Institute. President is Harry O'Neill, 55, who has a master's degree from Pennsylvania State University.

24 Harte-Hanks Marketing Services Group, River Edge, N.J. The parent is a public company traded on the New York Stock Exchange. Marketing Services Group was founded in 1975. Revenues were $11.7 million in 1983, up 11.8% from 1982.

This research conglomerate, put together by a large Texas-based publishing company, Harte-Hanks Communications, consists of the following units: RMH Research, a full-service survey research company specializing in communications/media research; National WATS Services, a telephone interviewing facility with 75 stations (some equipped with CRTs during 1983); Tele-Research, specializing in tv copy testing; TRIM, specializing in controlled store tests, and Urban Data Processing, a Burlington, Mass.-based electronic data processing service specializing in custom processing of census data for marketing uses.

During 1983, the East Coast operations of RMH, National WATS Services and Tele-Research were consolidated in River Edge, N.J.

Harte-Hanks Marketing Services Group has 75 fulltime salaried employes in four offices.

President of Marketing Services Group is Richard Hochhauser, 39, the founder of RMH Research. He holds an MBA from Columbia University.

Frank S. Stanton
SMRB

25 Simmons Market Research Bureau, New York. A subsidiary of JWT Group; founded in 1978. Revenues in 1983 were $10.3 million, up 11% from 1982.

This survey research/databank organization was created in 1978 through the merger of W.R. Simmons & Associates Research and Axiom Market Research Bureau. W.R. Simmons was founded in 1952.

The main segment of SMRB's business is the annual Study of Media & Markets, which surveys 19,000 adults. Data are collected on media consumption, product purchasing behavior and demographic classification of the respondent, including the VALS Lifestyle battery. Data from this annual study also are merged with a Dun & Bradstreet databank to create a service called ClusterPlus, which can be used

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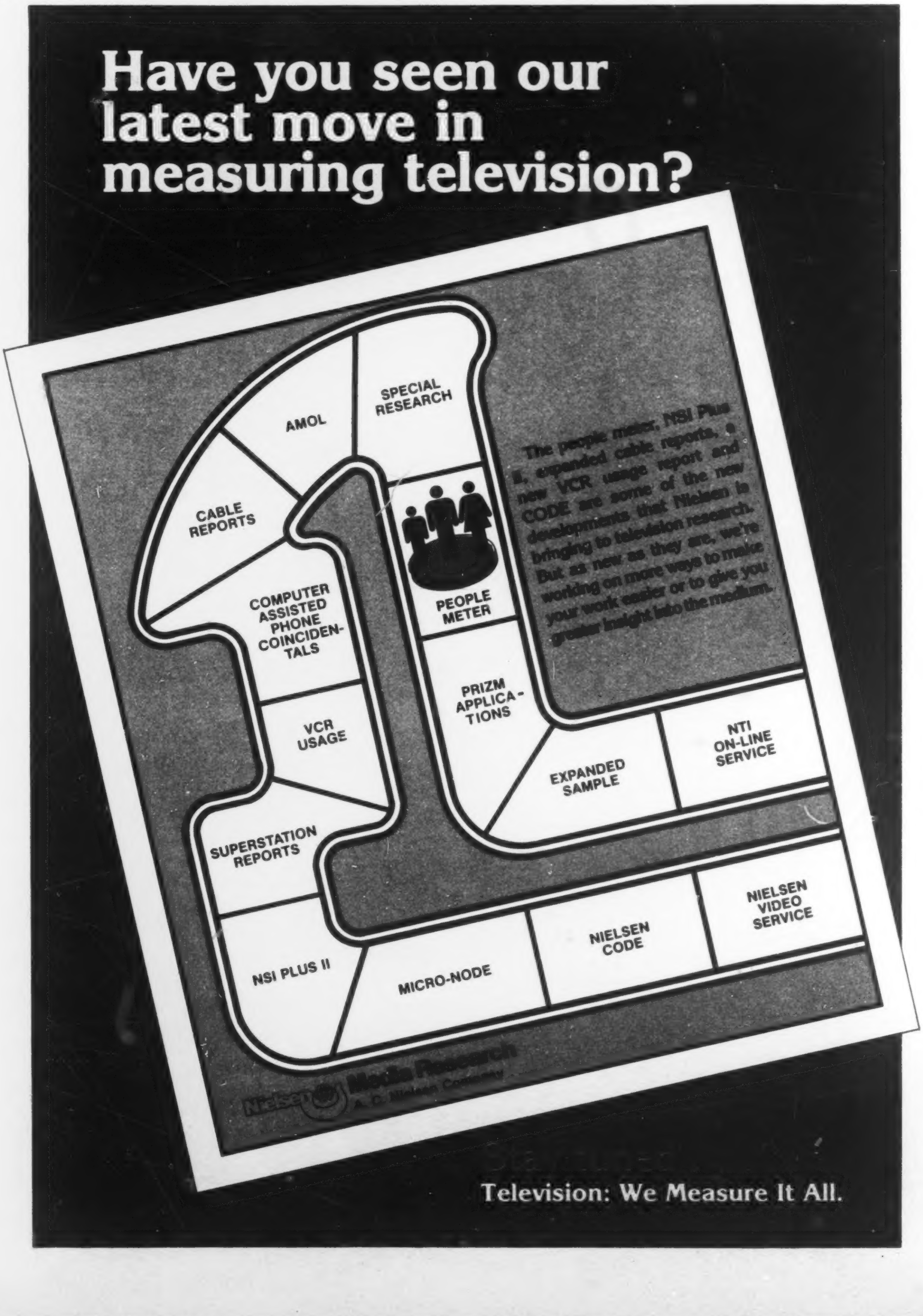

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Top 35

(Continued from Page M-35)

to geographically pinpoint key market segments.

Further, data from the annual study also are used to supplement tv and radio audience measurements developed by Arbitron Ratings Co.

The balance of SMRB's business comes from its Custom Studies Division, which does ad hoc survey work for a variety of media and nonmedia clients and includes an omnibus survey called ECHO.

Every two years SMRB conducts syndicated studies of the teen age and college student markets as well as audience studies in 40 top newspaper markets and for outdoor advertisers. It also conducts an annual study of Yellow Page usage.

Bernard Ruderman
Decisions Center Inc.

There are 110 fulltime salaried employes at SMRB.

President-ceo is Frank S. Stanton, 54, who has an MA degree from the University of Pennsylvania.

26 Decisions Center Inc., New York. Privately held corporation; founded in 1965. Revenues were $8.8 million in 1983, up 5.2% from 1982.

DCI, with offices in New York and Rochester, N.Y., has 106 fulltime salaried employes. The company is made up of Decisions Center, Qualitative Decisions Center, DCI International, Murray Hill Center (a focus group facility) and Facts Center, a WATS interviewing facility (recently expanded from 63 to 90 interviewing stations).

Harold M. Spielman
McCollum/Spielman

DCI specializes in survey research—concept and product tests, copy research, tracking and trade studies and large-scale market and strategy studies.

DCI is managed by three partners: Bernard Ruderman, 52, who has an MS from Pennsylvania State University; Bernard Levine, 58, and Steven Roth, 38, both of whom received their MBA degrees from New York University.

27 McCollum/Spielman Research, Great Neck, N.Y. Privately held corporation; founded in 1968. Revenues in 1983 were $8.5 million, up 19.7% from 1982.

McCollum/Spielman activities are divided into two divisions. The communications division does qualitative/effectiveness measurement of tv, radio and print advertising utilizing closed-circuit interviewing systems in 12 cities.

The associates division includes Child Research Services, tests of commercials, programs, packaging, product concepts among children; Syndicated Services, a large-scale annual tracking study of health-appearance concerns, attitudes; Kidstuff, a data source of information for marketing to children, and Special Services, custom ad hoc surveys of the adult population for a variety of marketing, image, awareness/usage and political purposes.

Henry D. Ostberg
Admar Research Co.

In late 1983, McCollum/Spielman opened a Chicago office and introduced its first systematic product-field advertising effectiveness audit in the automotive field. In early 1984, the associates division relocated from its offices in New York City to the headquarters building in Great Neck.

McCollum/Spielman now has sales/servicing representatives in Chicago, Los Angeles and San Francisco. There are 75 fulltime salaried employes.

McCollum/Spielman's chief executive officer is Harold M. Spielman, 57, who received his BBS degree from the City University of New York. President is Donald H. McCollum, 60, who has an MA degree from the University of Denver.

28 Admar Research Co., New York. Privately held corporation; founded in 1960. Revenues in 1983 were $8.5 million, up 30.8% from 1982.

Admar specializes in tracking surveys, product testing and advertising studies, employing research programs copyrighted by the company. One such service,

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Marshall Greenberg
National Analysts

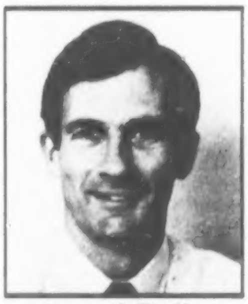
efficiency (the ability of advertising to reach a maximum number of consumers per dollars spent, compared with competitors) and its effectiveness (the ability to increase purchase interest).

Admar and three subsidiaries —Market Trends Inc., Amherst Research Group Inc. and Consumer Interviews Inc. (a central WATS phone facility with 28 interviewing stations)—have 60 fulltime salaried employes.

President-ceo is Henry D. Ostberg, who received his Ph.D. from Ohio State University.

29 National Analysts, Philadelphia. Marketing and survey division of Booz, Allen & Hamilton; founded in 1943. Revenues were $7.3 million in 1983, up 10.6% from 1982.

National Analysts focuses on strategic business decisions, using both qualitative and quantitative market research techniques. It specializes in market segmentation, tradeoff analysis, multi-variate modeling, focus group interviewing and litigation support. The professional staff (75 fulltime employes) are assigned to specific areas: Telecommunications, financial services, pharmaceuticals and medical equipment, automotive and package goods. About 80% of National Analysts' revenues come from not-for-profit institutions, government agencies and universities. National Analysts has a branch office in New York.



James J. Findley
MDS

Marshall G. Greenberg, 48, president, has a Ph.D. in mathematical psychology from the University of Michigan.

30 Management Decision Systems, Waltham, Mass. Privately held corporation; founded in 1967. Research revenues were $7.2 million in 1983, up 8.5% over 1982.

Of total MDS revenues of $25 million in 1983, 29%—or $7.2 million—was attributable to the consumer research division, the main business of which is the ASSESSOR simulated test market service that induces purchase in a laboratory retail store, exposes target group respondents to proposed tv copy and tracks repurchase.

In addition, MDS' consumer research division provides a complete range of services to assist the marketing and development of new products, the newest of which is DEFENDER, a model and market measurement system for determining the best response to a competitor's new product.

George H. Gallup Sr.
Gallup Organization

The consumer research division has 34 fulltime salaried employes in Waltham, Chicago and San Francisco.

Newly appointed manager of MDS consumer research division is James J. Findley, 39, who has an MS degree from the Sloan School of Management at Massachusetts Institute of Technology.

31 The Gallup Organization, Princeton, N.J. Privately held corporation; founded in 1935. Revenues in 1983 were $6.7 million, up 24% from 1982.

This survey organization, founded by the famous pollster George H. (Ted) Gallup Sr., whose syndicated newspaper column, Gallup Poll, appears in 100 newspapers, specializes in quantitative attitude and public opinion research. About one-half of this work is custom ad hoc. The rest comes from annual syndicated surveys in the area of financial services, package goods and video. Data collection is through face-to-face interviewing (national sample, 360 primary sampling units and about 50,000 personal interviews a year) and a WATS telephone facility with 60 stations.

There are 104 fulltime salaried employes in two Gallup buildings in Princeton.

In 1936, Mr. Gallup started a worldwide affiliate network of survey companies that were allowed to use the Gallup survey methodology and name. Today, that network is present in 35 countries and its activities are coordinated by Gallup Interna-

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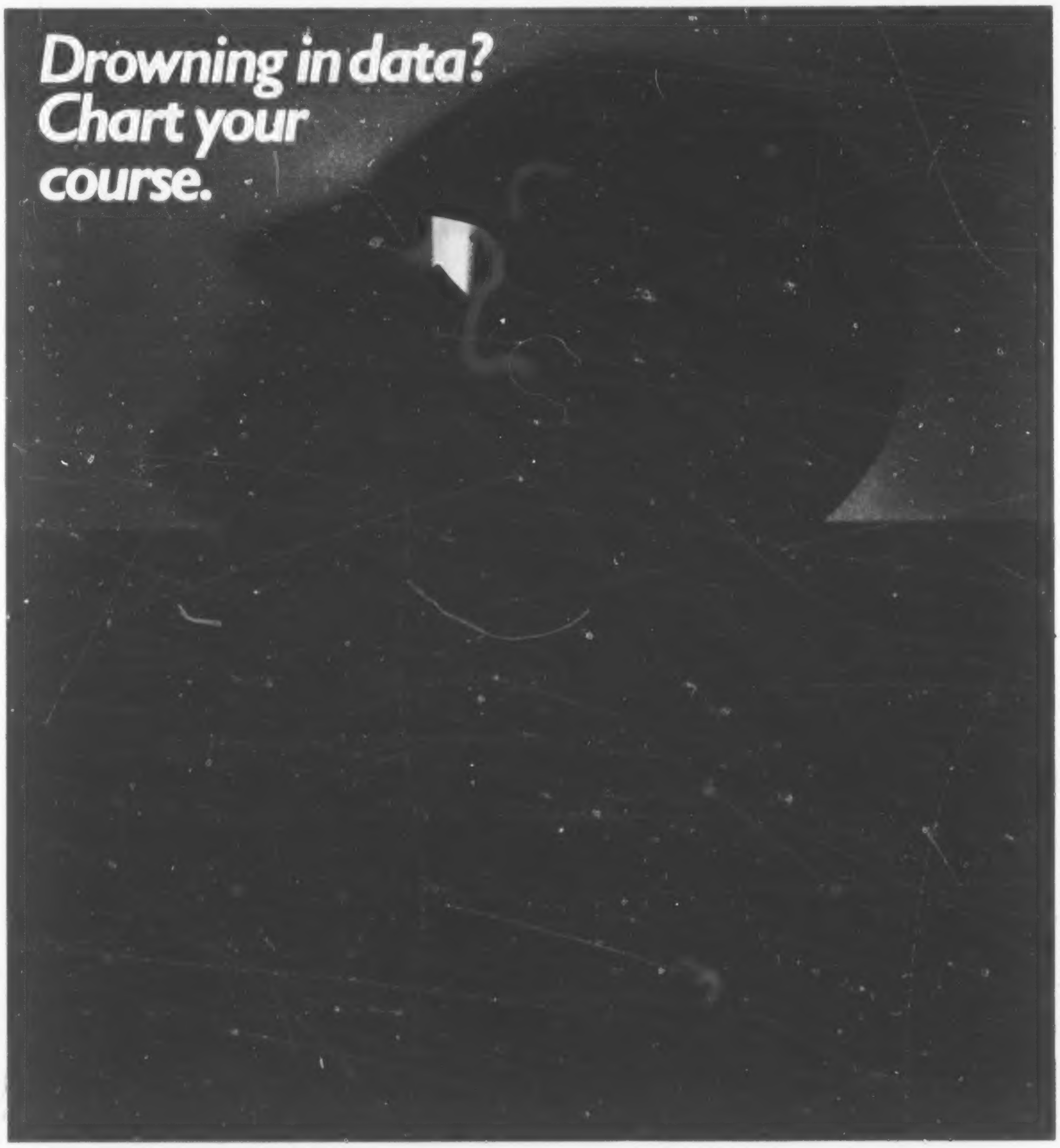
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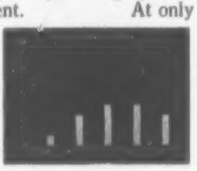

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(Continued from Page M-37)

tional.

George H. Gallup Sr., 82, is founder and chairman; he has a Ph.D. from the University of Iowa.

President/co-chief operating officer Andrew Kohut, 41, is a graduate of Seton Hall University. Co-chief operating officer is Leonard A. Wood, 44, who has an MBA from Rider College.

Judith S. Corson
Custom Research Inc.

32 Custom Research Inc., Minneapolis. Privately held corporation; founded in 1974. Revenues in 1983 were $6.4 million, unchanged from 1982.

This custom survey research company has five divisions: Consumer Research; Medical Research Bureau; Custom Business Research; Custom Research Telephone (central telephone WATS interviewing facility, CRT-equipped, with 36 stations), and Corporate Services. There are 65 fulltime salaried employes and branch offices in Union, N.J., and Chicago. CRI opened its Chicago office opened in 1983.

William J. Wilson
Starch INRA Hooper

During 1983, CRI launched two new services: CRITERION, for screening and developing new product concepts, and Tutor, a system that allows clients telephone access to Custom Research Inc. computers so the clients can develop required cross-tabulations from their own offices.

CRI is managed by two partners: Jeffrey L. Pope, 43, who received his master of business administration from the Kellogg School of Management, Northwestern University, and Judith S. Corson, 41, a University of Minnesota graduate.

33 Starch INRA Hooper, Mamaroneck, N.Y. Public corporation traded over the counter; founded in 1923. Revenues were $6.3 million in 1983, up 2% from 1982.

Revenues for this survey research company include a wholly owned subsidiary, the Roper Organization, but have been adjusted to reflect the divestment of another subsidiary, Daniel Starch Canada Ltd., in August, 1983. About 7% of SIH revenues come from outside the U.S.

SIH, best known for print ad and print media audience research, in 1983 launched a new syndicated service, FARMS (for Farm Audience Readership Measurement Service), which documents readership of farm magazines. In 1984, SIH will start a pilot study to determine the feasibility of doing a continuous large-scale print media audience study throughout Latin America.

About 150 fulltime salaried employes are located in SIH's two offices. Early in 1984, SIH acquired its main office building, a 19,000-sq.-ft. structure in Mamaroneck. The company has planned extensive renovation of the building.

Frederick P. Currier
MOR

President-ceo is William J. (Jay) Wilson, 47, a graduate of Yale University. He is also

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34 Market Opinion Research, Detroit. Privately held corporation; founded in 1941. Revenues were $6 million in 1983, down 10.4% from 1982.

Timothy Joyce
Mediamark

This survey research company is organized into the following divisions: Consumer and industrial, media, social, information systems and political.

Since Market Opinion Research is active in political polling for a large number of Republican senatorial, congressional and gubernatorial candidates and 1983 was not an election year, revenues were off compared with 1982, an election year.

Three divisions—consumer, media and social—were up from 1982 levels.

During 1983, Market Opinion Research developed a software package to integrate survey and nonsurvey information into a database that can be run on a client's computer.

One application: Matching attitude data established in a survey to census demographic data to identify high-potential target areas.

Market Opinion Research has 290 employes, 90 of whom are fulltime salaried, located in four offices, including one in Toronto.

Chairman-ceo is Frederick P. Currier, 60, who received his MA degree from the University of Illinois. The president is Robert N. Teeter, 45, who received his MA from Michigan State University.

35 Mediamark Research Inc., New York. Subsidiary of Mills & Allen International PLC; founded in 1979. Revenues were $5.8 million in 1983, up 28.3% from 1982.

Mediamark, with 24 fulltime salaried employes, operates a syndicated media/product research service based on personal interviews with 20,000 adults each year regarding their exposure to advertising media. They also supply information on consumer products, brands and services they buy via a leave-behind questionnaire.

Magazines, advertising agencies, advertisers, broadcasters and cable networks subscribe to MRI's 25 reports each year. MRI provides on-line access to its databank.

Mediamark also produces three special reports each year based on a two-year database: A business-to-business report; the Upper Deck (affluent market), and reports relating to each of the top 10 local markets, including data on newspapers and broadcast stations.

Early in 1984, Mediamark opened a sales and service office in Chicago and introduced a new page exposure (per issue, per reader) service for consumer magazines.

Timothy Joyce, 50, is chairman-chief executive officer; he has a Ph.D. from Cambridge University in England. Alain J. Tessier, 50, is president-chief operating officer; he has an MA degree from the University of Notre Dame.

Ten research companies that almost made the list

Publication of a list of the top 35 marketing/advertising research companies raises the question of which companies would be next in line.

Here is a list of those marketing/advertising research companies that most likely would follow if the list had included the top 45 (not necessarily listed in order of size of revenues):

- **AHF Marketing Research**, New York.
- **R.H. Bruskin Associates**, New Brunswick, N.J.
- **Burgoyne Inc.**, Cincinnati.
- **Decision/Making/Information**, Santa Ana, Cal. (during election years).
- **Kapuler & Associates**, Arlington Heights, Ill.
- **MRCA Information Services**, Stamford, Conn.
- **Frank N. Magid Associates**, Marion, Ia.
- **Oxtoby-Smith**, New York.
- **Research Systems Corp.**, Evansville, Ind.
- **Response Analysis**, Princeton, N.J.

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ATLANTA	●	●	●			●	●
SAN FRANCISCO	●	●●	●	●	●	●●	●
CHICAGO	●	●●	●	●	●	●●	●
NEW YORK		●●●		●●	●	●●●●	●
PHILADELPHIA		●●		●●	●	●●	●
TAMPA		●		●	●	●	
NASHVILLE		*●		●	●	●	●
MADISON		*					
MINNEAPOLIS		●		●			●
OKLAHOMA CITY		●		●		●	
HOUSTON		●		●	●	●	
SAN ANTONIO		●		●		●	
PHOENIX		●		●		●	●
SAN JOSE		●		●		●	●
LOS ANGELES		●●●		●●●	●	●●●	●

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Skyrocketing revenues

By Jack J. Honomichl

Several U.S. research organizations are becoming conspicuous for their fast growth in recent years, running far ahead of their peers and inflation.

It takes two lists to do justice to this subject. One is limited to companies where growth was internal. The other accounts for conglomerates put together via acquisitions.

These lists used 1979 as a base, and dollar revenues in 1983 have been compared with that year. The listings have been limited to organizations with revenues in excess of $5 million in 1983, partly because there is no reliable data on smaller companies. Even if there were, percentage changes could be volatile because of the small bases.

Given that, based on historical records of 45 major organizations (research revenues only), here are the lists:

No. 1, no matter how you figure it, is Chicago-based **Information Resources Inc.**, which started business in 1979 with revenues of $400,000. Revenues in 1983 were $21.1 million. Just calculating the growth on that one seems foolish. It's more than 5,000%!

The balance of the "internal growth" Top 10: (2) **Research Systems Inc.**, 176% (estimated); (3) **NFO Research**, 153%; (4) **Audits & Surveys**, 128%; (5) **Walker Research**, 127%; (6) **Arbitron Ratings Co.**, 114%; (7) **Market Opinion Research**, 107%; (8) **Marketing and Research Counselors**, 105%; (9) **The Gallup Organization**, 97%, and (10) **Selling Areas-Marketing Inc.**, 83%.

To put those numbers into perspective, using 1979 as a base year, a company would have had to grow 37% by 1983 to stay abreast of inflation.

The torrid acquisition pace has been of special interest in recent years. In large part this was because of the building of research conglomerates by large outside corporations in addition to one research company buying another. Here are the five most conspicuous examples of that phenomenon:

- **Harte-Hanks Marketing Services Group**. In 1979, Harte-Hanks Communications owned one research property, RMH Research. RMH revenues in 1979 were $1.8 million. Harte-Hanks went on to acquire TRIM, Tele-Research and Urban Data Processing. This group had revenues of $10.7 million in 1983, a 494% increase.
- **Winona Research**. In 1979, this Minneapolis-based research company had revenues of $4 million. It then acquired Research Information Center from Greyhound Corp., almost doubling its volume. Winona revenues in 1983 were $11.8 million, a 195% increase.
- **Elrick & Lavidge**. This Chicago-based survey company had revenues of $7.1 million in 1979. Then followed a merger with the research operation of its parent, Equifax Inc., Atlanta, and the acquisition of Quick Test. Revenues in 1983 were $19.2 million, making an increase of 170%.
- **Maritz Market Research**. The original research operation of this St. Louis-based company, Maritz Inc., had revenues of $7.4 million in 1979. Subsequently, Maritz acquired Quatra Marketing Research, Minneapolis; Houlahan/Parker Marketing Research, Los Angeles; Clare Brown Associates, Garwood, N.J., and Rogers National Research, Toledo. Total revenues of this group in 1983 were $19.9 million, an increase of 169%.
- **The NPD Group**. In 1979, NPD Research had revenues of $9.7 million. Later, the Home Testing Institute was merged with what is now known as The NPD Group, which in 1983 had revenues of $24.8 million, an increase of 156%.

If we merge these two lists, we get the 10 fastest growing organizations *(see table)*. It's a mixed bag. Five of the 10 grew via acquisition.

Only three are in the New York area. The rest are headquartered around the country—Toledo, Minneapolis, Indianapolis, St. Louis and Evansville, Ind. Two are located in Chicago. ■

Ten fastest growing research organizations

Revenue growth 1979 to 1983

1. **Information Resources Inc.**	—
2. **Harte-Hanks Marketing Research Group**	494
3. **Winona Research**	195
4. **Research Systems Corp. (ARS)**	176*
5. **Elrick & Lavidge**	170
6. **Maritz Market Research**	169
7. **The NPD Group**	156
8. **NFO Research**	153
9. **Audits & Surveys**	128
10. **Walker Research**	127

Source: Advertising Age survey, *AA estimate

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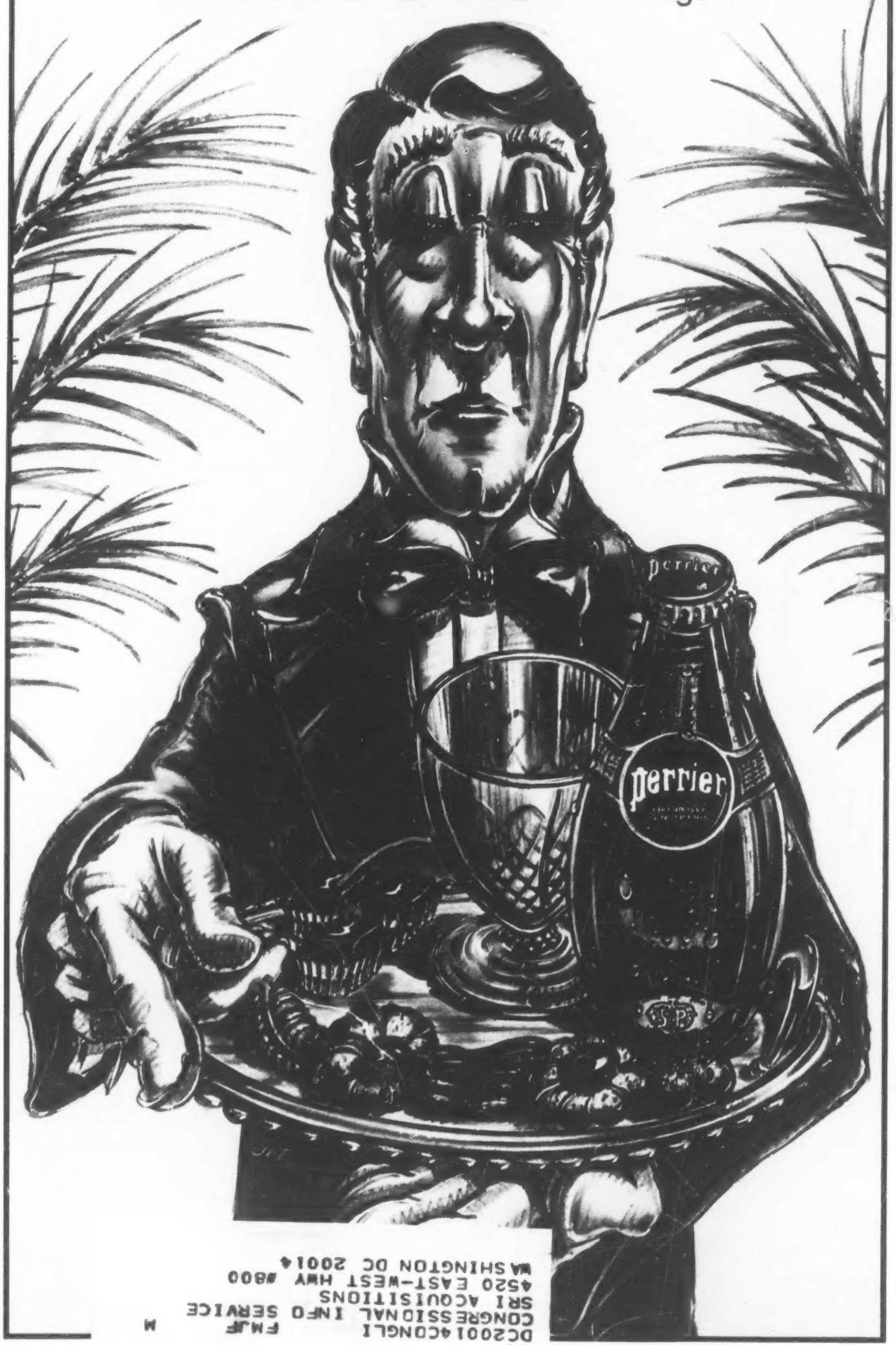
$1.25 a copy; $52 a year *The International Newspaper of Marketing* *May 21, 1984*

New products bubble up from Perrier

— Page 4



New entries blend into coffee-mix category

— Page 1

Reagan '84 vote team unleashes first ad blitz

— Page 3

7UP throws its loyalty to Indiana Jones

— Page 3

CBS affiliates rally around D.C. lobbying

— Page 6

Ignore what research says—at your risk

— Viewpoint, Page 18

Fellini strikes an ad chord

— International section

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NEWSPAPER

Why Coke delayed on reformulating Tab

By NANCY GIGES

The official word is that Coca-Cola Co. waited to reformulate Tab—and watched new Diet Coke cannibalize its sales—because it wanted the market to stabilize.

The company announced last week that Tab (until Diet Coke came along, the No. 1 low-calorie soft drink) will be repositioned nationally with a new formula containing aspartame as well as saccharin (AA, May 17). Ad spending, according to Sergio Zyman, senior vp-marketing, will be competitive with Diet Pepsi, estimated at about $50 million.

While Mr. Zyman offered the official rationale for holding off on the reformulation, he admits there's been a longstanding saying in Atlanta, "Don't mess up my Tab."

It has been known for some years that many consumers abhor the taste, but since the brand performed so well for so long and several key decision-makers in Atlanta also were Tab fanatics, there has been a lot of resistance to changing a winning product. Despite its fall from the No. 1 spot, it still is a $100 million seller for Coca-Cola.

Mr. Zyman readily admits that in Tab's 21-year history "we've turned off more people than we turned on. A lot of people took a sip, made a face and said, 'Yuk!' They never tried it again. It was a brand that polarized people very much."

What finally persuaded management to make the move was extensive research suggesting that the company had nothing to lose. Studies by Coca-Cola showed greater preference for Tab when it was indicated it contained NutraSweet, G.D. Searle & Co.'s brand of aspartame, than in blind taste tests of old Tab and new Tab.

The introductory plan includes heavy couponing and sampling, using some sophisticated promotions.

(Continued on Page 96)

Let's Taste New Tab!
Tab

New spots entitled "Let's taste new Tab" include segments with men and invite direct comparison with Diet Pepsi. Agency is McCann-Erickson.

Big spenders inspect ACTV's new system

By TOM BAYER

ACTV, the interactive tv system designed to revolutionize tv-watching, will be unveiled today at the system's Port Washington, N.Y., studio, where a steady stream of network, advertiser and agency officials have been quietly viewing its capabilities.

Sources indicated that Procter & Gamble has expressed some interest in being involved with ACTV, but neither Procter & Gamble nor ACTV would confirm talks are under way.

Sears, Roebuck & Co., Chicago, though, has reportedly expressed definite interest in participating in the consumer research and testing phase ACTV will soon enter with at least two unidentified cable tv systems.

ACTV president Lionel Schaen said that Prudential-Bache Securities, New York, has begun efforts to fulfill the company's financing needs with a private placement. The company hopes eventually to go public, he said.

Earlier, ESPN president Bill Grimes had confirmed ESPN was talking to ACTV about using the interactive technology on ESPN.

It is ACTV's intention to license its technology to various networks

(Continued on Page 94)

N.Y. dailies OK SAU deal

By WILLIAM GLOEDE

The American Assn. of Advertising Agencies' newspaper committee has accepted, somewhat begrudgingly, a compromise on standardizing advertising units with the *New York Daily News* and Long Island, N.Y.-based *Newsday*.

The new Standard Advertising Unit system is scheduled to become effective for national and regional newspaper advertising July 1.

The compromise agreement was necessary because both newspapers have a narrow page width divided into a six-column advertising format. Other daily tabloids either have or will convert to a standard five-column format developed by the committee. The *News* and *Newsday* could not accept the five-column format without making multi-million-dollar modifications to their printing presses.

Under the agreement, both the *News* and *Newsday* will accept SAU sizes, but some of those sizes will be floated in the paper's six-column advertising formats—with advertisers paying for the float space. The two tabloids are the only major-market newspapers in the industry in which the SAU sizes will not fit established column widths.

One committee member, who would not speak for attribution, said the compromise represented the committee's effort to "try and make the best of a difficult situation." He explained, "These aren't papers out in Podunk. They're very important papers in a very important market." Daily circulation of the *News* is 1,375,000; *Newsday's* is 533,400.

Because some SAU sizes will run wider than the newspapers' column widths, neither will be able to quote SAU inch rates. Rather, each SAU size will have a rate of its own, stated in a cost-per-unit, with the cost of the float included in the rate for the specific SAU sizes that will not fit the six-column format.

In the *News*, the worst fit will be one-column SAU ads, which will require 33% more paid space than the ad itself will occupy. A four-column SAU ad will require 12½% float. But, according to Raymond Cyrgalis, SAU project coordinator for the *News*, 75% to 80% of all SAU ads will fit within the paper's advertising format.

For its retail advertisers, or national advertisers who

(Continued on Page 96)

highlights

Monday, May 21, 1984

Most CBS affiliates apparently agree with the network's renewed desire to lobby in Washington. Top-level CBS management personnel recently began regular meetings with key legislators on Capitol Hill. *See Page 6.*

Ogilvy & Mather executives found 1983 to be a profitable year. Terming last year's financial results "satisfactory," forecasters at O&M's annual meeting last week said things also were looking up for 1984. *See Page 10.*

Officials at Metromedia Inc. deny that any of the company's valued tv stations will have to be sold to help finance their proposed leveraged buyout. However, recently released material indicates that some assets will have to be sold off to complete the deal. *See Page 12.*

Business and finance magazines scored well in first-quarter advertising revenues, according to Publishers Information Bureau. Business books showed a higher revenue increase, 26%, than any other magazine category. *See Page 24.*

New Burger King tv spots evoke memories of the late Rod Serling. BK hopes they will lure warm-weather, late-night customers into "The Midnight Zone." *See Page 28.*

Cover illustration by Jay Songero.

CORPORATE CLOSEUP

Once, Perrier was a one-product company saddled with a pompous image and a dubious future. Now, under Ron Davis, it has a new name, a new direction, profits and growth. *See Page 4.*

INTERNATIONAL

Federico Fellini, the internationally known film director, has brought his skills to advertising for the first time, in a tv spot for the Italian aperitif Campari Bitter. *See Page 52.*

Monahan Dayman Adams, one of the largest independent Australian agencies, is expanding internationally, and its main targets are the U.S. and Europe. *See Page 56.*

The president of Denison Propaganda, Sao Paulo, Ted Bates Worldwide's Brazilian subsidiary, is mounting a one-man ad campaign in favor of free enterprise in a country whose military government controls more than 70% of the economy. *See Page 58.*

U.S. cable system operators and program suppliers looking to take advantage of the recent decision to cable France will have to look elsewhere. *See Page 62.*

COMING THURSDAY IN Magazine

Euro sedans are bringing a taste of Europe to U.S. highways with their blackwall tires, good performance and outstanding handling. Their tasteful styling is carried over to the advertising as well.

Fitness Marketing: Adding to one of the largest U.S. industries, booming sales of home-fitness equipment have brought new entrants and with them new marketing tactics. *In special report.*

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Lehman link with Frank now shaky

By ROBERT RAISSMAN

New York—Lehman Bros. Kuhn Loeb's year-old corporate campaign, once expected to continue after the company's recent merger with Shearson/American Express, has been axed.

At the same time, Shearson execs have been meeting to decide the fate of Albert Frank-Guenther Law, the agency for the $5 million Lehman Bros. account.

That agency's position appears tenuous at best in view of the appearance last week of a spread ad in the *New York Times* and the *Wall Street Journal*. The ad touts the capabilities of the newly merged Shearson Lehman/American Express. McCann-Erickson, Shearson/American Express' agency, created the ad.

Cathleen Stewart, senior vp-director of consumer marketing for the new company, declined comment on the agency situation but said that Lehman's corporate campaign, although successful, had outlived its purpose.

"We have this new company now and what we want to do is put the two companies under the Shearson Lehman umbrella," she said.

The merged company will break

(Continued on Page 96)

Sunbelt cities lead growth

WASHINGTON—The "super metros" are growing again, according to new Census Bureau estimates that show 36 metropolitan areas with populations of at least 1 million.

By mid-1982, according to the bureau, Charlotte, N.C., had joined the select group as the 36th in the "more than 1 million" category. The bureau is predicting that Salt Lake City-Ogden will be No. 37 when estimates for 1983 are completed this summer.

The 36 super metros account for 111 million people, 48% of the national total.

From 1980 to 1982 they grew by 2.2%, slightly below the rate for the country (2.3%), but faster than in the 1970s, when their combined growth was well behind the national rate.

Bureau experts have not decided whether the new data pinpoint a trend toward growth in and near large cities or merely reflect short-term factors such as the recent recession.

Among the super metros, Houston-Galveston, Atlanta, Tampa-St. Petersburg-Clearwater, Phoenix, Norfolk-Virginia Beach-Newport News and San Antonio all moved up in rank.

Houston-Galveston, with an 11.5% gain, displaced Washington from eighth; Atlanta forged ahead of Baltimore to take 15th; Tampa-St. Petersburg-Clearwater moved up two slots to 20th, ahead of Denver-Boulder, which remained 21st, and Cincinnati-Hamilton, which dropped from 20th to 22nd.

Phoenix became 23rd, changing places with Milwaukee-Racine; Norfolk-Virginia Beach-Newport News moved into 30th, passing Indianapolis, and San Antonio, now 33rd, advanced past Providence-Pawtucket-Fall River.

Among the leaders, Los Angeles, No. 2 with 11,930,000 people, had a 3.8% growth rate and an increase of 432,000 from 1980 to 1982, the largest growth of any metro area.

New York, with 17,589,000, remained firmly in first place, with a growth rate of 0.3%, compared with a decline in the 1970s.

Chicago, third with 7,974,000, had a 0.5% growth. Philadelphia-Wilmington-Trenton, fourth with 5,713,000, registered a 0.6% gain compared with declines in the 1970s, remaining ahead of San Francisco, fifth with 5,515,000 and a 2.7% gain.

All the fastest-growing areas were in the South or West *(see accompanying chart)*.

The estimates showed that Milwaukee and St. Louis, both population losers in the 1970s, were holding their own, while Detroit, Buffalo, Cleveland and Pittsburgh still showed indications of dropping populations.#

IBM's PCjr misses market

WESTLAKE, CAL.—PCjr, the International Business Machines computer targeted for home use, is experiencing soft sales because it is neither fish nor fowl, concludes J.D. Power & Associates.

The market research company said PCjr "undershot the business-use market in capabilities and overshot the home-use market in price," after surveying 200 computer dealers.#

Top 50 metropolitan areas, 1982

The continued growth of the Houston area stands out in the latest census figures of the nation's top metropolitan markets. *Figures represent metropolitan statistical area. *Source: U.S. Census Bureau*

MSA*	July 1, 1982 Pop. (000)	Rank	April 1, 1980 Pop. (000)	Rank	Per cent Change
New York CMSA	17,589	1	17,539	1	+ 0.3
Los Angeles CMSA	11,930	2	11,498	2	+ 3.8
Chicago CMSA	7,974	3	7,937	3	+ 0.5
Philadelphia CMSA	5,713	4	5,631	4	+ 0.6
San Francisco CMSA	5,515	5	5,368	5	+ 2.7
Detroit/Ann Arbor CMSA	4,630	6	4,753	6	− 2.6
Boston/Lawrence CMSA	3,988	7	3,972	7	+ 0.4
Houston/Galveston CMSA	3,458	8	3,101	9	+11.5
Washington, D.C.	3,339	9	3,251	8	+ 2.7
Dallas/Fort Worth CMSA	3,143	10	2,931	10	+ 7.3
Cleveland/Akron CMSA	2,808	11	2,834	11	− 0.9
Miami CMSA	2,790	12	2,614	12	+ 5.5
Pittsburgh CMSA	2,403	13	2,423	13	− 0.9
St. Louis CMSA	2,377	14	2,377	14	—
Atlanta MSA	2,243	15	2,138	16	+ 4.9
Baltimore MSA	2,218	16	2,200	15	+ 0.8
Minneapolis/St. Paul MSA	2,194	17	2,137	17	+ 2.6
Seattle/Tacoma CMSA	2,178	18	2,093	18	+ 4.1
San Diego MSA	1,962	19	1,862	19	+ 5.4
Tampa MSA	1,721	20	1,614	22	+ 6.6
Denver/Boulder CMSA	1,721	21	1,618	21	+ 6.3
Cincinnati/Hamilton CMSA	1,672	22	1,630	20	+ 0.7
Phoenix MSA	1,609	23	1,509	24	+ 6.6
Milwaukee/Racine CMSA	1,572	24	1,570	23	+ 0.1
Kansas City CMSA	1,454	25	1,433	25	+ 1.4
Portland CMSA	1,332	26	1,298	26	+ 2.6
New Orleans MSA	1,300	27	1,256	27	+ 3.5
Columbus MSA	1,267	28	1,244	28	+ 1.8
Buffalo CMSA	1,218	29	1,243	29	− 2.0
Norfolk MSA	1,201	30	1,160	31	+ 3.5
Indianapolis MSA	1,182	31	1,167	30	+ 1.3
Sacramento MSA	1,165	32	1,100	32	+ 6.0
San Antonio MSA	1,135	33	1,072	34	+ 5.9
Providence CMSA	1,089	34	1,083	33	+ 0.5
Hartford CMSA	1,021	35	1,014	35	+ 0.7
Charlotte/Gastonia MSA	1,003	36	971	36	+ 3.2
Rochester, N.Y. MSA	979	37	971	37	+ 0.8
Salt Lake City/Ogden MSA	970	38	910	41	+ 6.5
Louisville MSA	955	39	957	38	− 0.2
Dayton/Springfield MSA	937	40	942	39	− 0.5
Memphis MSA	924	41	913	40	+ 1.1
Oklahoma City MSA	922	42	861	43	+ 7.1
Birmingham MSA	890	43	884	42	+ 0.7
Greensboro MSA	869	44	852	44	+ 2.0
Nashville MSA	865	45	851	45	+ 1.7
Albany/Schenectady MSA	833	46	836	46	− 0.4
Honolulu MSA	782	47	763	47	+ 2.5
Richmond MSA	773	48	761	48	+ 2.2
Orlando MSA	762	49	700	51	+ 8.9
Jacksonville MSA	756	50	722	50	+ 4.7

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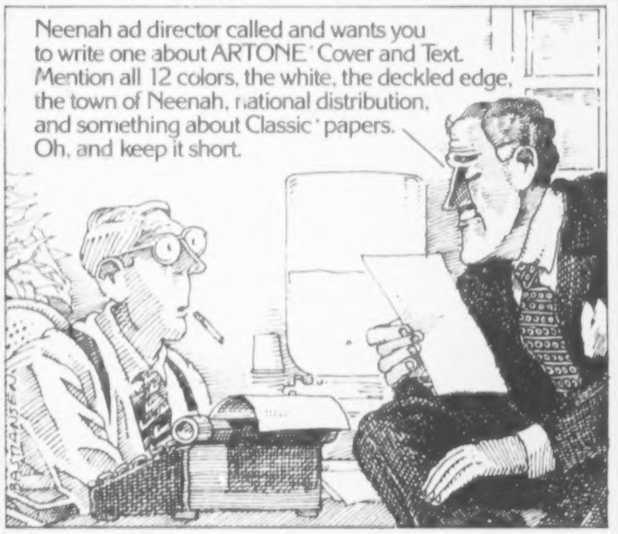
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— Art & Antiques —

	Current month		Year-to-date	
	1984	1983	1984	1983
American Artist	103.2	116.4	356.0	320.4
Antiques	165.3	147.7	774.7	700.2
Antique Monthly	33.5	28.6	166.5	151.2
Art in America (11X)	128.5	136.6	663.1	559.6
Plate World (6X)	66.0	77.0	200.0	237.0
Southwest Art	130.8	114.0	448.7	441.0
Total Group	**627.3**	**620.3**	**2,609.0**	**2,409.4**
% change		**+1.1%**		**+8.2%**

— Auto/cycle/rec. vehicles —

AutoWeek D.	128.5	158.9	582.0	662.1
Car & Driver	117.3	121.1	437.3	425.3
Car Collector & Car Classics	18.3	18.3	102.8	104.5
Car Craft	87.8	104.7	321.6	379.4
Cycle	55.8	84.4	273.8	387.8
Cycle Guide	44.8	61.3	292.6	318.9
Cycle World	82.4	86.5	321.7	333.8
Dune Buggies & Hot VWs	84.2	72.1	389.8	308.0
Family Motor Coaching	139.8	114.1	727.2	566.4
4 Wheel & Offroad	87.5	73.1	334.8	297.7
Four Wheeler	92.5	44.6	346.8	189.6
Hot Rod	83.1	62.1	275.1	278.8
Motorcyclist	55.9	54.6	212.9	238.6
Motor Trend	73.4	71.1	282.3	283.3
Motorhome	95.8	88.1	441.6	351.8
Pickup, Van & 4 WD	39.0	37.3	142.5	154.8
Road & Track	122.2	117.2	480.5	465.6
3 Wheeling	36.3	30.4	145.2	127.9
Trailer Life	150.9	122.5	645.3	523.1
Total Group	**1,595.5**	**1,522.4**	**6,755.8**	**6,397.4**
% change		**+4.8%**		**+5.6%**

— Boating & yachting —

Boating	158.0	128.9	800.8	627.8
Chesapeake Bay	29.0	31.7	143.7	140.2
Cruising World	145.7	135.3	709.0	673.7
Lakeland Boating	72.6	56.7	256.7	306.2
Motor Boating & Sailing	176.2	140.4	908.5	773.5
Sail	136.6	124.0	733.1	603.2
Sea & Pacific Skipper	70.7	71.7	314.5	375.3
Small Boat Journal (6X)	—	—	98.4	82.7
Trailer Boats	44.8	36.3	207.4	143.3
Western Boatman (6X)	23.4	—	83.0	56.1
Yachting	169.6	157.8	928.5	796.1
Total Group	**1,026.6**	**882.8**	**5,183.6**	**4,578.1**
% change		**+16.2%**		**+13.2%**

— Canadian —

L'Actualite	78.7	72.0	318.6	248.8
Chatelaine:				
English Edition A.	118.2	87.8	509.8	430.4
French Edition	105.9	81.0	432.0	389.2
City Woman (5X)	—	—	116.7	96.1
Equinox	47.5	33.5	127.8	120.5
Financial Post Magazine A.	54.9	43.9	224.3	179.4
Flare A.	82.2	72.8	265.2	247.2
Homemaker's Magazine	76.7	110.1	307.3	354.9
Madam Au Foyer	63.3	73.5	286.6	269.3
Macleans (52X) A.	136.6	127.8	599.2	485.4
Montreal Calendar	73.0	35.3	231.0	107.7
Montreal Ce Mois Ci	76.0	47.1	244.0	129.5
Quest Magazine (8X) A.	25.0	56.4	93.5	153.3
Reader's Digest:				
Canadian-English A.	76.6	97.6	418.7	390.3
Canadian-French A.	75.0	95.0	373.6	358.4
Toronto Life	100.3	92.1	425.2	391.2
Total Group	**1,189.9**	**1,125.9**	**4,973.5**	**4,351.6**
% change		**+5.6%**		**+14.2%**

— Civic/fraternal —

American Legion	19.7	23.2	136.1	158.9
Elks Magazine (10X)	16.7	23.1	123.0	138.3
Kiwanis Magazine	11.9	13.5	61.8	75.2
Lion (10X)	5.0	4.3	36.7	26.1
Moose Magazine	16.0	19.0	112.0	118.0
Rotarian	7.4	14.0	69.9	65.4
V.F.W. (10X)	25.9	27.7	146.2	165.4
Total Group	**102.6**	**125.4**	**685.7**	**747.3**
% change		**−18.1%**		**−8.2%**

— Comics —

Archie Comic Group (6X)	—	—	20.0	20.0
DC Comics	9.0	8.0	41.5	40.5
Marvel Comics Group	10.0	10.0	49.0	50.0
Total Group	**19.0**	**18.0**	**110.5**	**110.5**
% change		**+5.5%**		**+00.0%**

— General —

	Current month		Year-to-date	
	1984	1983	1984	1983
American Forests	5.0	6.0	38.3	49.5
American Health (6X)	53.3	44.8	164.1	111.7
American West (6X)	18.0	31.0	72.8	82.7
The Atlantic A.	47.1	35.2	234.1	191.1
Audubon Magazine (6X)	31.5	42.3	85.5	113.4
Bon Appetit A.	99.8	77.8	404.1	382.6
Changing Times	40.3	44.3	225.3	197.6
Cuisine Magazine	50.1	34.0	252.5	162.9
Ebony	112.3	100.3	424.8	434.4
Fifty Plus	32.7	26.8	187.5	139.2
Food & Wine	42.9	34.1	182.6	165.6
Games	20.9	26.6	113.3	139.7
Geo	31.8	24.3	184.2	134.8
Gourmet	100.3	82.8	390.0	342.0
Harper's Magazine A.	24.2	18.4	124.9	81.3
Life	69.9	62.6	285.3	271.0
Modern Maturity (6X)	34.1	40.4	79.3	81.0
Money	132.0	138.2	601.0	546.7
Moneysworth (4X)	—	—	27.0	34.6
Mother Earth News (6X)	47.2	56.0	161.0	196.5
Mother Jones	17.9	14.7	70.3	62.7
National Geographic	27.8	25.8	109.9	131.1
Prevention	71.7	91.1	351.6	386.6
Psychology Today	28.3	27.9	121.3	130.9
Reader's Digest A.	113.0	129.5	423.4	409.2
Saturday Evening Post (9X)	38.6	39.3	149.8	169.6
Signature	70.9	50.7	302.2	280.6
Smithsonian	89.3	70.6	446.5	368.4
Success	37.6	26.6	178.8	175.9
Town & Country	195.9	184.4	709.8	659.1
Travel/Holiday	52.0	46.2	271.5	239.7
Travel & Leisure	140.3	112.1	583.0	455.2
Vanity Fair	18.5	45.8	111.9	265.0
Video	57.0	50.7	348.1	305.4
Video Review	51.0	64.5	267.1	312.6
Writers Digest	23.6	25.4	127.1	122.0
Yankee	73.8	73.1	412.0	424.4
Total Group	**2,100.6**	**2,004.3**	**9,191.9**	**8,756.7**
% change		**+4.8%**		**+4.9%**

— Home —

Americana (6X)	39.1	31.0	119.6	101.8
Architectural Digest A.	192.2	173.0	670.2	628.1
Better Homes & Gardens	168.2	146.3	577.2	524.1
Country Journal	34.0	38.3	186.2	202.0
Country Living	77.4	49.0	311.2	233.4
Dallas/Ft. Worth				
Home & Garden	81.9	68.7	336.8	306.7
Early American Life (6X)	—	—	62.4	51.0
Family Food Garden (6X)	—	—	118.0	121.0
Family Handyman (10X) A.	97.5	78.6	403.1	350.7
Flower & Garden (6X)	—	—	103.4	102.2
Home	60.2	41.1	286.2	176.6
The Homeowner (10X) E.	26.2	23.1	100.3	77.3
Horticulture	36.1	26.7	149.3	159.9
House Beautiful	96.3	99.4	440.0	412.0
House & Garden	122.6	66.7	429.3	313.8
Houston Home/Garden	112.3	103.4	486.8	466.4
Metropolitan Home	162.6	67.6	380.5	285.7
New Shelter (9X)	41.5	46.4	235.7	229.1
1001 Home Ideas	45.1	31.9	193.4	155.3
Organic Gardening	60.3	63.8	391.7	423.7
Phoenix Home/Garden	52.5	48.0	286.3	226.3
San Diego Home/Garden	104.3	88.2	341.6	330.0
Southern Accents (4X)	83.5	69.8	214.3	151.1
Southern Living	193.5	166.8	705.1	655.0
Sunset Magazine A.	179.9	181.8	704.7	694.9
Texas Homes	90.9	72.3	385.4	347.9
Workbench (6X)	61.0	58.9	192.1	193.4
Total Group	**2,219.1**	**1,840.8**	**8,810.8**	**7,919.4**
% change		**+20.5%**		**+11.2%**

— In-flight & other passenger —

Aboard Group (7) (4X)	—	—	39.0	39.1
Alaskafest	50.3	41.3	224.7	195.0
American Way	105.2	103.6	516.9	435.7
East/West Network:				
Amtrak Express	46.3	53.7	173.1	206.7
Continental	79.8	81.2	324.6	317.3
Eastern Review	137.7	121.7	605.9	508.4
Ozark	54.5	60.5	234.9	216.8
PSA Magazine	122.5	109.5	486.1	415.5
Pan Am Clipper	75.3	47.2	308.5	207.3
Republic Scene	70.5	67.8	309.2	259.1
United	130.2	125.3	554.7	454.0
USAir	76.2	83.7	318.7	295.0
Western's World	76.2	71.7	315.2	291.5
Halsey Publications:				
Air Cal	46.5	44.6	238.2	170.0
Braniff	22.2	—	65.5	—
Delta Sky	91.8	61.6	398.5	306.2
Frontier	31.0	31.0	162.5	180.9
Northwest Orient	27.3	35.6	150.8	179.8
Skylite	21.2	19.5	97.5	73.0
TWA Ambassador	67.3	65.7	302.5	249.3
Hawaii	20.8	13.2	107.2	83.6
Pace (6X)	74.2	63.2	240.3	132.1
Southwest Airlines	100.8	123.7	453.0	504.9
Spirit of Aloha	22.0	13.0	105.3	74.4
Total Group	**1,549.8**	**1,438.3**	**6,732.8**	**5,510.0**
% change		**+7.7%**		**+22.1%**

— Men's —

Esquire A.	100.2	62.5	423.9	346.5
Firehouse Magazine	33.8	32.2	196.8	187.3
Gentlemen's Quarterly A.	131.8	96.5	696.1	488.1
Penthouse A.	54.9	58.3	235.6	267.1
Playboy A.	83.7	88.9	352.9	387.9
Total Group	**404.4**	**338.4**	**1,905.3**	**1,676.9**
% change		**+19.5%**		**+13.6%**

— Metropolitan —

Aloha (6X)	27.3	29.3	79.0	76.0
Atlanta	73.9	59.4	272.5	257.2
Baltimore	74.0	71.4	300.8	276.2
Boston	158.3	137.8	654.9	610.4
California	70.0	71.6	266.6	271.8
Charlotte (10X)	18.3	27.0	77.6	112.0
Chicago	146.8	146.7	635.5	617.7
Chicago's North Shore	93.3	81.8	407.4	388.9
Cincinnati	66.4	67.0	238.7	268.1
Cleveland	89.2	76.9	355.8	324.0
Coast (38X)	284.2	329.6	1,058.3	1,009.5
Columbus Monthly	70.2	78.0	301.8	296.5
Commonwealth	28.9	25.5	182.0	127.3
Connecticut	84.6	61.7	390.7	348.3
Country Magazine	44.4	25.0	196.2	128.4
D/Magazine, Dallas/Ft. Worth	151.8	123.1	587.6	518.8
Denver	30.0	28.9	131.9	151.8
Exclusively Yours,				
Wisconsin (15X)	88.4	62.5	344.8	335.2
Grand Rapids	54.0	50.3	246.3	229.4
Gulfshore Life (10X)	42.2	41.0	423.1	329.6
Honolulu E.	65.6	55.8	287.1	300.9
Houston City	96.8	70.6	386.6	306.7
Indianapolis	42.1	64.4	237.5	230.2
Kansas City	38.8	36.5	163.3	137.7
Los Angeles	227.0	185.0	926.0	840.5
Louisiana Life (6X)	90.5	58.1	219.8	196.0
Madison	46.0	45.0	231.0	205.0
Metropolitan Detroit	64.4	—	215.2	—
Miami/South Florida	91.9	84.6	465.7	427.6
Milwaukee	40.1	16.2	181.8	53.9
Minneapolis/St. Paul	100.1	73.0	432.6	371.1
Monthly Detroit	85.4	42.9	260.2	299.9
Nashville	52.0	43.0	199.0	245.0
New Jersey Monthly	59.3	54.2	255.1	242.3
New Mexico	37.7	29.4	143.2	87.5
Ohio	81.1	71.0	280.1	207.0
Oregon	31.3	23.0	148.3	101.0
Orlando	80.0	72.2	417.3	361.0
Palm Beach Life	36.3	35.9	479.3	425.0
Palm Springs Life	102.6	94.0	670.0	655.3
Philadelphia	120.1	119.3	596.5	583.6
Phoenix	73.1	67.0	426.8	372.2
Pittsburgh	55.8	48.0	290.2	265.0
St. Louis	63.5	60.5	290.5	262.0
San Diego	173.9	127.1	713.7	659.7
San Francisco	80.0	66.3	319.5	281.6
San Francisco Focus	66.8	48.7	260.8	208.0
Tampa Bay	48.3	—	247.7	—
Texas Monthly	157.3	138.4	618.1	543.1
Twin Cities	70.3	68.4	307.5	231.6
The Virginian (6X)	45.5	37.3	142.5	100.9
Washington Dossier	40.0	45.5	242.7	227.8
The Washingtonian	170.0	142.0	709.0	659.9
Total Group	**2,773.2**	**3,717.8**	**18,916.1**	**16,766.1**
% change		**−25.4%**		**+12.8%**

— Movie/romance/radio/tv —

Macfadden's Women's Group:				
Modern Romances	27.0	26.4	127.9	135.2
Secrets	27.0	26.4	127.9	135.2
True Confessions	27.0	26.4	127.9	135.2
True Experience	27.0	26.4	127.9	135.2
True Love	27.0	26.4	127.9	135.2
True Romance	27.0	26.4	127.9	135.2
Sterling Women's Group:				
Daytime TV	27.5	31.2	136.5	153.9
Modern Screen	—	31.2	41.0	97.3
Movie Mirror (6X)	—	28.2	61.5	59.5
Soap Opera Stars	—	25.3	56.5	123.1
TV Movie Screen (6X)	—	—	5.0	66.1
TV Picture Life (6X)	—	—	61.5	29.3
Teen Bag (6X)	6.0	—	25.4	11.1
Total Group	**195.5**	**274.3**	**1,154.8**	**1,351.5**
% change		**−28.7%**		**−14.5%**

— Music/entertainment —

American Film (10X)	19.3	26.5	119.0	114.5
Circus Magazine	26.9	23.3	168.5	121.2
Dance Magazine	91.8	91.3	356.5	348.8
Musician	57.7	66.9	302.2	302.8
Playbill	71.0	54.0	299.6	250.0
Record	25.1	14.4	113.6	36.1
Stereo Review	45.4	42.5	220.0	232.2
Total Group	**337.2**	**318.9**	**1,579.4**	**1,405.6**
% change		**+5.7%**		**+12.3%**

— Newspaper, Sun. magazines —

Family Weekly A.	54.7	77.4	304.1	403.6
Parade	48.2	63.8	277.7	351.0
Total Group	**102.9**	**141.2**	**581.8**	**754.6**
% change		**−27.1%**		**−22.8%**

— Outdoor & sport —

Alaska	44.5	47.4	208.3	199.8
The American Handgunner (6X)	40.2	37.3	119.2	115.2
American Hunter	15.5	18.1	78.3	79.4
American Rifleman	27.3	29.1	129.3	128.2
Backpacker (6X)	49.4	72.9	123.6	158.8
Bass Master (8X) A.	62.8	71.0	314.2	301.6
Bicycling (9X)	107.8	118.9	422.9	420.7
Field & Stream	110.8	138.1	464.5	538.1
Fins & Feathers A.	45.5	40.3	280.4	243.5
Fishing World (6X)	50.8	48.3	167.1	168.6
Florida Sportsman	91.1	73.6	507.7	406.6
Flying	52.1	43.8	207.8	187.5
Fur-Fish-Game	18.8	20.3	112.9	107.1
Golf Digest	105.4	108.8	510.0	493.5
Golf Magazine	92.6	61.5	514.4	430.1
Guns	26.6	24.2	138.1	127.3
Guns & Ammo	40.2	49.3	195.7	235.2
Muscle & Fitness	106.0	102.0	528.0	519.0
Outdoor Life	93.4	108.7	444.2	428.4
Outside Magazine	44.8	58.0	182.0	169.3
Petersen's Hunting	38.0	33.9	158.2	161.2
The Runner	49.4	35.2	219.4	195.1
Runner's World (13X)	59.9	58.3	230.2	231.0
Salt Water Sportsman	86.6	64.4	431.8	335.1

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. D. 1984 figure reflects four issues and 1983 figure reflects five issues. E. 1983 figure reflects a combined May/June issue. F. Reflects a revised 1984 year-to-date figure, due to erroneous reporting by the magazine for the first four months of the year. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 70)

ad linage

(Continued from Page 69)

	Current month		Year-to-date	
	1984	1983	1984	1983
Shooting Times	31.9	30.9	176.7	161.9
Ski (8X) A	—	—	249.2	209.7
Skiing (7X)	—	—	215.3	209.5
Skin Diver	91.9	88.7	411.5	383.0
Southern Outdoors (8X)	52.4	51.3	199.9	210.7
Sport	51.2	45.7	231.8	181.9
Sports Afield	103.4	85.0	472.1	462.0
Tennis	105.1	84.7	400.5	367.8
Western Outdoors (10X)	46.2	32.8	230.5	164.5
World Tennis	64.2	50.3	203.3	237.7
Total Group	**2,004.8**	**1,932.8**	**9,479.0**	**8,969.0**
% change		**+3.7%**		**+5.6%**

— Photography —

	Current month		Year-to-date	
	1984	1983	1984	1983
American Photographer	45.0	55.9	201.2	250.5
Petersen's Photographic	36.9	27.9	162.4	157.2
Popular Photography	98.5	111.8	466.7	570.7
Total Group	**180.4**	**195.6**	**830.3**	**978.4**
% change		**−7.7%**		**−15.1%**

— Religious —

	Current month		Year-to-date	
	1984	1983	1984	1983
BBI Jewish Monthly (10X)	29.4	21.7	122.6	111.6
Christian Herald	25.5	25.3	126.5	142.3
Christian Life	24.5	25.7	136.7	129.3
Christianity Today	70.3	41.5	331.5	324.0
Inside (4X)	62.2	64.7	152.5	134.7
Moody Monthly	53.1	40.3	269.9	260.3
Total Group	**265.0**	**219.2**	**1,139.7**	**1,102.2**
% change		**+20.8%**		**+3.4%**

— Science/electronic/mechanic —

	Current month		Year-to-date	
	1984	1983	1984	1983
Compute	79.5	147.2	456.5	651.2
Computers & Electronics	50.4	59.1	239.5	324.2
Creative Computing	122.8	181.7	665.3	906.6
Discover	35.4	49.4	189.9	215.9
Family Computing	55.2	—	297.9	—
Mechanix Illustrated	94.4	79.9	381.1	357.4
Omni	63.6	64.0	289.1	293.8
Natural History	45.1	39.2	239.8	195.7
Personal Computing	152.9	181.4	795.3	932.3
Popular Mechanics	135.0	121.8	516.3	503.6
Popular Science	110.6	97.6	459.1	427.3
Science Digest	37.7	26.5	142.6	151.7
Science 84 (10X)	27.4	33.0	148.2	150.3
Scientific American	73.4	76.7	325.8	255.5
Spectrum	115.3	98.4	491.9	410.1
Total Group	**1,198.7**	**1,255.9**	**5,638.3**	**5,775.6**
% change		**−4.5%**		**−2.3%**

— Women/fashion/service —

	Current month		Year-to-date	
	1984	1983	1984	1983
Bride's Magazine (6X) A	270.0	268.0	1,007.5	992.1
Cosmopolitan A	270.2	232.7	1,042.2	960.2
Essence	99.0	84.9	406.8	384.0
Family Circle A	199.1	202.8	715.2	751.0
Glamour	220.6	172.4	876.5	782.9
Good Housekeeping A	164.9	170.8	768.9	802.1
Handmade (6X)	14.5	—	67.3	56.7
Harper's Bazaar	145.9	124.2	712.2	619.0
Health	46.2	44.5	185.7	159.0
Ladies' Home Journal	113.5	107.3	505.5	450.7
Ladycom	40.2	37.3	187.1	157.8
Lady's Circle	7.1	7.0	37.0	44.5
Mademoiselle	168.3	149.6	687.8	614.0
McCall's	110.7	92.9	445.0	405.9
Modern Bride (6X)	218.5	183.9	843.2	781.8
Ms	77.4	63.3	248.5	209.7
New Woman	56.0	51.0	243.5	224.0
Parents Magazine A	80.5	82.4	361.2	364.6
Playgirl	31.3	39.7	175.2	194.9
Redbook	110.6	97.3	443.5	397.4
Self	116.3	88.3	470.3	363.5
Seventeen	127.9	122.4	602.4	491.8
Shape	60.0	56.0	274.0	232.0
Soap Opera Digest	31.1	27.5	140.0	114.7
'Teen Magazine	68.8	63.4	240.2	233.8
True Story A	56.5	68.4	282.3	288.6
Vogue	255.7	212.2	1,251.4	1,098.0
W Magazine	64.8	63.2	536.8	458.5
Weight Watchers	33.2	26.5	151.1	134.7
Woman's Day A	114.3	129.0	599.6	620.7
The Workbasket (10X)	31.0	30.0	187.2	188.2
Working Mother	84.8	74.6	341.4	314.6
Working Woman	128.8	100.7	485.0	443.9
Total Group	**3,617.7**	**3,274.2**	**15,521.5**	**14,335.3**
% change		**+10.4%**		**+8.2%**

— Youth —

	Current month		Year-to-date	
	1984	1983	1984	1983
Boys' Life	20.3	19.3	88.0	109.4
Campus Life	30.1	29.8	224.1	216.3
Total Group	**50.4**	**49.1**	**312.1**	**325.7**
% change		**+2.6%**		**−4.1%**

April

— Business —

	Current month		Year-to-date	
	1984	1983	1984	1983
Atlanta Bus. Chronicle (52X)	68.0	34.3	197.3	117.7
Barron's (52X)	239.8	196.7	808.5	763.3
Black Enterprise	55.7	44.6	234.2	223.4
Boston Business Journal	111.7	60.4	351.2	232.5
Business Week (52X) A	455.7	334.8	1,469.6	1,293.8
California Business	97.1	56.1	298.8	198.7
Capital District Bus. Review	48.1	33.9	168.4	138.2
Corporate Report/Kansas City	69.1	49.6	265.4	181.0
Corporate Report/Minnesota	94.5	67.8	330.3	296.8
Crain's Chicago Bus. (52X)	157.8	138.5	533.6	448.5
Crain's Cleveland Bus.	68.2	56.3	245.4	194.7
Dallas/Ft. Worth Bus. (52X)	45.5	24.8	160.2	127.9
Dun's Business Month	77.0	60.0	260.0	234.0
Financial World (24X)	39.0	44.8	125.8	165.6
Florida Trend	137.9	107.7	380.3	302.9
Forbes (28X) F	394.7	250.0	1,167.9	897.3
Fortune (26X) A	462.9	244.5	1,117.4	739.7
Frequent Flyer	72.0	54.6	223.1	204.9
Hawaii Business	55.3	44.1	180.1	178.4
High Technology	32.4	30.2	112.8	104.6
Houston Bus. Journal (52X)	162.5	138.3	562.9	575.3
Inc. Magazine A	150.0	100.3	442.8	352.5
Income Opportunities (10X)	55.8	47.5	174.5	164.2
Industry Week (26X) A	132.6	81.4	414.9	336.2
Indianapolis Business Journal	114.9	84.4	416.7	349.7
New Orleans Citibusiness	149.4	121.0	487.1	451.0
Nation's Business A	26.0	26.8	88.8	104.9
New England Bus. (20X) B	76.2	54.0	255.8	221.5
Pacific Business News (52X)	129.0	97.7	424.3	374.6
Philadelphia Bus. Journal	129.6	59.3	391.8	221.1
Pittsburgh Bus. Times (52X)	63.8	53.6	207.7	189.3
Savvy	54.7	52.5	183.0	173.4
St. Louis Business Journal	150.1	110.9	524.5	394.5
Texas Business	81.8	67.1	252.5	195.2
Venture	85.8	49.8	268.3	205.0
Total Group	**4,344.9**	**3,078.3**	**13,725.9**	**11,352.3**
% change		**+41.1%**		**+20.9%**

— Newspaper Sunday magazines* —

	Current month		Year-to-date	
	1984	1983	1984	1983
Arizona Republic	95.0	55.0	270.7	278.9
Boston Globe	256.0	255.0	797.1	717.1
California Living	63.3	46.9	218.8	186.8
Chicago Tribune	120.5	95.3	295.4	327.3
Cincinnati Enquirer	107.7	93.5	301.9	312.3
Cleveland Plain Dealer	91.1	87.3	239.8	294.7
Columbus Dispatch	63.0	49.1	188.9	161.7
Dallas Times Herald	99.3	57.6	225.6	184.6
Denver Post	204.0	252.0	593.0	748.0
L.A. Times Home Magazine	106.6	87.2	420.8	285.6
Louisville Courier-Journal	94.2	118.1	295.0	379.2
Miami Herald	66.7	45.9	210.6	219.3
New York News	17.4	71.4	155.7	213.4
New York Times Magazine	434.3	345.7	1,558.0	1,315.3
Philadelphia Inquirer	72.8	65.3	243.3	254.3
Toledo Blade Magazine	64.9	41.9	176.8	183.3
Washington Post	145.5	117.4	449.0	410.4
Total Group	**2,102.6**	**1,884.6**	**6,640.4**	**6,472.2**
% change		**+11.5%**		**+2.5%**

— Weeklies/bi-weeklies —

	Current month		Year-to-date	
	1984	1983	1984	1983
The Advocate (25X)	83.0	94.8	385.3	422.6
Army Times Military Group:				
Air Force Times (52X)	173.0	136.4	580.5	543.4
Army Times (52X)	167.0	131.5	558.1	522.5
Navy Times (52X)	185.0	143.3	631.8	611.8
The Times Magazine	37.2	33.5	81.0	69.3
The Blood-Horse (52X)	499.3	362.5	2,262.6	2,081.5
Capper's Weekly (26X)	21.1	23.7	120.5	122.8
Commonweal (22X)	7.5	9.2	33.5	32.0
Golf World (43X)	111.2	128.3	323.8	334.7
Grit (52X) A	26.7	26.3	112.2	121.3
National Journal	30.0	26.0	112.5	98.0
National Review	32.0	34.5	107.0	128.1
New Republic (48X)	38.6	33.3	120.4	117.4
New York Magazine (50X)	289.5	375.3	835.7	926.4
New Yorker (52X)	392.0	404.0	1,161.5	1,185.5
Newsweek (52X) A	316.0	280.2	932.7	857.6
People (52X)	370.9	282.3	1,088.2	969.8
Rolling Stone (25X)	72.1	114.8	325.1	322.0
Sporting News (52X)	64.9	62.5	208.8	213.3
Sports Illustrated (52X) A	257.0	246.9	848.8	826.3
Time (52X) A	265.3	261.6	851.9	852.0
TV Guide (52X) A	241.5	353.3	1,268.9	1,357.0
Us Magazine (26X)	44.0	96.2	301.0	333.8
U.S. News & World Report (52X) A	178.2	141.5	516.4	531.9
Total Group	**3,903.0**	**3,801.9**	**13,768.2**	**13,581.0**
% change		**+2.6%**		**+1.3%**

— Foreign —

	Current month		Year-to-date	
	1984	1983	1984	1983
Good Housekeeping Foreign Editions				
Australia	28.0	42.4	117.7	125.9
Great Britain	147.3	140.4	378.1	339.2
Japan	75.6	45.5	257.0	198.9
Buenhogar:				
Central America	1.0	5.0	1.0	7.0
Chile	—	3.0	—	4.0
Colombia	30.5	52.7	69.2	130.7
Dominican Republic	4.0	15.2	16.5	42.2
Ecuador	12.0	14.0	37.0	27.3
Mexico	46.7	31.8	118.5	187.5
Peru	13.5	31.5	42.5	60.3
Puerto Rico	20.5	18.0	53.0	47.8
U.S.	8.0	7.0	41.0	27.3
Venezuela	20.5	24.8	56.5	84.8
Geomundo:				
Central America	7.0	2.0	15.8	10.0
Chile	7.0	2.0	14.8	13.0
Colombia	13.0	8.0	27.0	27.5
Ecuador	4.0	1.0	10.0	10.0
Mexico	9.0	6.0	19.8	22.5
Peru	7.0	4.0	14.8	14.0
Puerto Rico	4.0	3.0	9.8	11.0
U.S.	7.0	3.0	15.5	5.0
Venezuela	12.0	8.5	36.3	38.7
Hombre De Mundo:				
Central America	6.0	6.0	18.0	20.3
Chile	7.0	5.0	20.0	18.0
Colombia	7.0	7.0	25.0	30.5
Ecuador	5.0	5.0	18.0	20.0
Mexico	16.5	10.0	34.0	36.0
Peru	5.0	4.0	17.0	13.0
Puerto Rico	6.0	5.5	17.0	19.3
U.S.	7.0	2.0	14.0	5.0
Venezuela	15.5	16.0	45.5	60.3
Ideas Para Su Hogar:				
Central America	—	1.0	—	1.0
Colombia	16.0	23.5	42.0	66.0
Ecuador	5.0	2.0	16.0	6.0
Mexico	9.0	12.3	20.5	67.3
Peru	5.0	5.0	16.5	12.0
Puerto Rico	1.5	2.3	2.0	3.3
U.S.	7.0	3.3	24.5	5.3
Venezuela	16.0	11.5	40.2	45.5
Mecanica Popular:				
Argentina	4.2	7.7	23.0	27.7
Central America	14.3	10.5	49.5	47.0
Chile	7.5	5.8	22.3	23.3
Colombia	13.5	15.8	46.0	63.8
Mexico	13.2	7.0	39.2	37.5
Peru	18.5	18.8	58.2	65.3
Puerto Rico	15.0	15.7	54.0	54.8
U.S.	7.0	2.0	16.7	6.0
Venezuela	14.7	16.5	53.7	80.5
The Ring en Espanol:				
Colombia	1.0	—	1.0	—
U.S.	5.0	2.0	11.3	8.0
Venezuela	1.0	—	3.0	3.0
Vanidades Continental:				
Central America	12.0	10.2	19.5	22.3
Chile	3.0	4.7	3.0	16.0
Colombia	101.2	83.7	173.8	199.5
Dominican Republic	12.5	27.5	23.8	23.7
Ecuador	32.5	16.7	60.5	39.5
Mexico	116.8	94.3	256.3	382.3
Peru	40.5	34.0	70.0	88.0
Puerto Rico	89.0	66.7	149.7	160.5
U.S.	61.2	45.7	159.5	171.2
Venezuela	67.5	72.2	135.7	208.3
Business Week Int'l.	163.7	137.3	448.2	486.1
Cosmopolitan Foreign Editions:				
Australia	69.1	71.7	187.8	212.0
Brazil	37.0	44.0	118.0	146.5
France	178.0	154.0	550.2	307.4
Germany	117.1	73.8	333.0	186.4
Great Britain	130.0	119.0	362.3	324.0
Greece	90.0	53.0	200.0	168.0
Holland	72.0	49.0	156.0	94.0
Italy	81.0	85.7	182.7	177.9
Japan	30.0	54.5	106.7	146.6
South Africa	56.2	—	124.3	—
Cosmopolitan en Espanol:				
Central America	—	3.8	—	9.8
Colombia	12.2	15.0	20.3	41.5
Ecuador	1.0	1.7	1.0	4.7
Mexico	45.5	53.3	119.0	199.0
Peru	1.0	9.7	2.0	26.7
Puerto Rico	42.3	21.3	86.8	67.5
U.S. (Spanish language)	17.2	13.5	67.7	55.2
Venezuela	28.2	17.2	52.2	53.0
International Communications:				
African Business	54.0	17.8	105.7	110.2
New African	9.8	27.0	61.1	95.8
The Middle East	28.6	27.0	83.5	106.4
International Management:				
Africa	15.5	16.7	48.3	61.7
Europe	53.3	50.7	135.2	147.0
Latin America	12.8	33.0	32.2	55.0
Middle East	10.5	23.0	50.7	65.2
Pacific	16.5	18.7	47.7	61.8
Johnston International:				
Alam Attijarat	48.5	57.2	182.8	213.8
Ejecutivo	4.2	12.0	10.5	20.3
Modern Africa	20.0	19.3	32.7	37.8
Modern Asia	26.2	28.0	65.1	96.8
Newsweek International A:				
Atlantic	122.8	98.5	320.5	296.7
Latin America	30.7	27.3	97.2	98.4
Pacific	78.3	69.5	236.1	248.8
Progreso (9X)	—	13.7	9.8	33.0
Reader's Digest:				
Arabic	—	16.0	18.0	42.0
Asian	168.5	167.0	751.5	866.5
Australian	86.8	59.8	361.2	283.9
Belgian-Flemish	159.5	177.0	362.5	492.0
Belgian-French	117.0	134.0	282.0	389.5
British	83.3	59.0	251.7	299.2
Chinese B	105.5	80.0	452.0	329.8
Danish	29.8	33.0	141.4	200.6
Dutch	71.3	46.0	196.8	149.1
Finnish	62.0	95.0	201.0	262.5
French	53.8	74.2	172.8	284.6
German	99.2	90.1	365.9	359.9
Greek	—	—	7.5	—
Iberian	30.5	13.0	76.5	73.5
Indian-English	69.5	78.5	206.5	312.0
Indian-Hindi	4.0	4.5	11.0	12.5
Italian	62.0	62.0	210.5	238.0
Japanese	46.5	45.4	190.8	236.7
Korean	28.5	24.3	106.5	78.2
Latin American:				
Argentina	14.0	13.5	74.5	42.5
Brazil	3.0	2.0	7.0	44.0
Central American	8.0	14.5	31.0	46.5
Chile	9.5	13.5	55.5	46.5
Colombia	35.0	40.0	82.0	119.5
Ecuador	5.5	11.0	37.5	37.0
Mexico	56.3	46.1	168.0	215.4
Peru	6.0	12.0	39.0	36.5
Puerto Rico	5.0	4.5	39.0	36.5
U.P.B.	6.5	11.0	29.0	23.0
U.S. Spanish	12.5	14.0	32.5	42.0
Venezuela	12.5	16.0	35.5	57.0
New Zealand	60.5	82.5	251.0	367.0
Norwegian	41.0	48.3	177.6	183.8
Portugal	44.5	36.5	43.5	186.5
South African	69.0	96.5	374.3	368.5
Swedish	7.0	18.0	74.0	113.5
Swiss-French	38.0	39.0	141.9	158.7
Swiss-German	35.0	48.0	176.4	200.2
Time International:				
Time-Asia	119.4	119.6	322.3	312.4
Time-Atlantic	147.3	108.0	368.6	324.4
Time-Canada	226.9	174.1	682.4	529.9
Time-Latin America	52.9	54.0	142.7	152.1
Time-South Pacific	128.2	115.1	377.0	395.8
Visao (52X)	183.5	143.3	535.8	501.2
Vision/Latin America (26X) A	27.6	27.1	79.7	87.9
Total Group	**5,598.7**	**5,231.5**	**16,532.8**	**17,555.1**
% change		**+7.0%**		**−5.8%**

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Advertising Age®

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Worn oil grinds your engine's life away at 200 strokes per second.
New life-saving fluid eases the grind.
Goodwrench Motor Oil
Mr. Goodwrench

Mr. Goodwrench now selling oil

GM Parts is seeking to capitalize on the Mr. Goodwrench name with its first marketing of a GM-branded consumer-use item. D'Arcy MacManus Masius handles. *(See story on Page 26.)*

Colgate joins shift to pump for dentifrice

By NANCY GIGES and GAY JERVEY

New York—Colgate-Palmolive, latching on to what may be a growing trend in the dentifrice market, is rolling national with a pump-dispenser toothpaste under its Colgate brand name.

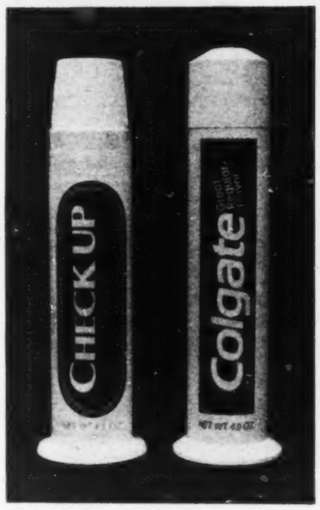
Colgate's move comes on the heels of Minnetonka's Inc.'s national introduction of Check-up, a pump-dispenser toothpaste supported by a $20 million ad campaign that broke May 14 (AA, May 14). With the $30 million that sources expect Colgate to invest in its product, a $50 million ad battle could be expected this summer.

In addition, further competition is likely to come from both Lever Bros., already working on an Aim pump-dispenser product, plus Procter & Gamble. Analysts and trade sources expect P&G to follow quickly with a line extension of Crest.

In introducing these new products, dentifrice marketers hope to maintain the momentum they gained through the gel extensions introduced in recent years.

Colgate's product has been testing in Minneapolis—Chaska, Minn.-based Minnetonka's backyard—since August, but tv commercials were tested in Bakersfield, Cal., even earlier (AA, July 18). In Minneapolis, the pump dispenser gained a 5% market share but has since fallen back to about 2%, sources report.

Rollout plans call for the product to go into the New York market first this summer, to be followed quickly by national expansion.



Colgate's new pump dispenser will go up against Check-up brand from Minnetonka Inc.

The $30 million in ad support the company plans during the introductory period matches the 1983 measured media spending for all Colgate toothpaste lines, according to Leading National Advertisers.

Colgate, with a 22% market share, holds the No. 2 slot nationally among toothpastes. P&G's Crest is the unquestioned leader with 35% of the category. Other brands and their shares are Beecham's Aqua-fresh, 11%; Lever's Aim, 10%; Lever's Close-up and

(Continued on Page 64)

Upfront pace quickens

New York—The network tv prime time upfront market is expected to break this week, coming at least six weeks sooner than in recent years and apparently matching the dizzying pace already set in news and daytime upfront sales.

However, advertisers and agencies remain adamant that prime time prices will increase only between 4% and 7%, by far the smallest price hikes in recent years. Last year, prime time upfront prices jumped about 11% over 1982-83, when prices soared about 16% over the previous season.

The networks report that at least four agencies and media-buying services, including Paul Schulman Co., New York, and Western Media International, Los Angeles, have submitted plans for upfront prime time, the first step following the screening of fall pilots in the negotiating process. The networks this week will put prices against the submitted plans and the annual dickering will commence.

Paul Schulman, president of Paul Schulman Co., the network tv-buying arm of Gardner Advertising on behalf of client Ralston Purina, said that while he was "nowhere near wrapping up prime time [upfront buying]" he did hope "to make some strides" this week.

Mr. Schulman, who traditionally places the first upfront buy every year, added, "I know what I want to buy and where I want to be."

The explanations from network and agency officials for why upfront prime time will move so early this year range from the "big event distractions" of the summer (the Los Angeles Olympic Games and the political conventions) to the rush in news and daytime sales in this year's scatter market and next season's upfront sales. Networks also report advertiser budgets for next season are ahead of last year.

"The amount of the budgets in all three dayparts [daytime, news and prime time] are all way up," said Jake Keever, vp in charge of sales, ABC-TV Network. He said upfront news is "almost over" and daytime is as much as three-quarters sold out.#

Court serves A-B the rights to 'LA'

By SCOTT HUME

Anheuser-Busch has won Round 1 in the "LA" beer trademark battle.

Judge Roy W. Harper of federal district court in St. Louis last week permanently enjoined Stroh Brewery, Detroit, from marketing its low-alcohol brand under the Schaefer L.A. name, ruling in favor of Anheuser-Busch's contention that the LA brand name for its low-alcohol beer is a protectable trademark.

Judge Harper, hearing a suit and countersuit between A-B and Stroh, noted in his ruling that A-B already has spent $8.5 million advertising and promoting the LA brand and "has committed an additional $13 million to network tv" advertising this summer. A-B,

(Continued on Page 64)

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last minute news

Geers Gross laces up $5 million Bass account

Wilton, Me.—G.H. Bass & Co. has moved its $5 million-plus account to Geers Gross Advertising after successfully completing a project assigned seven weeks ago to develop a women's shoes campaign. Lord, Geller, Federico, Einstein is the previous agency. New York-based Geers Gross will move Bass into tv advertising for the first time this fall. Also, the women's shoe line advertising will be tied together visually with the men's line ads in magazines this summer.

Most strikers return to work in Las Vegas

Las Vegas—The culinary and bartenders' unions ratified an agreement Friday with 11 hotels and resorts in Las Vegas. Workers are slated to return to their jobs May 29. That settlement will leave less than 1,800 of the original 17,000 strikers still out. Three properties continue to be struck.

Reiser shop expected to get Pizza Hut division

Wichita, Kan.—Pizza Hut is expected to move its estimated $3 million-to-$5 million Pacific division account to Reiser Williams DeYong/Cunningham & Walsh, Irvine, Cal. Previous agency is W.B. Doner & Co., Los Angeles. The action comes amid Pizza Hut's review of its $20 million national account (AA, May 24). Foote, Cone and Belding Communications, Chicago, previously had that account.

(Continued on Page 8)

Hart adds spots via Cal. shop

By JENNIFER PENDLETON

Los Angeles—Presidential hopeful Gary Hart, in a close race with Walter Mondale in the June 5 Democratic primary in California, last week named Santa Monica-based political ad specialist Zimmerman, Galanty & Fiman to direct a $500,000-to-$600,000 statewide tv and radio ad campaign.

With Mr. Mondale already close to his mandated spending limit, Sen. Hart is waging one of his heaviest media campaigns in this "Yuppie country" state. Ads will begin May 30 and run through June 5.

Executives of the agency, who

(Continued on Page 66)

MCI
The nation's long distance phone company
1-800-624-2222

MCI can save money over Bell's long-distance rates, claims Joan Rivers in a new MCI campaign.

Joan Rivers zaps Bell

By ROBERT RAISSMAN

MCI Communications is stepping up its celebrity campaign by unleashing the frenetic comedienne Joan Rivers in an assault on Ma Bell's long-distance rates.

The spots, created by Ally & Gargano, New York, have begun airing in a few markets but will be expanded to 100 markets by the end of this week.

Ms. Rivers' commercials are targeted for cities where MCI is beginning its marketing effort in advance of the arrival of "equal access," a federally mandated process through which local telephone companies are gradually upgrading their switches to provide carriers such as MCI with the same connections used by AT&T. MCI began an "equal-access" print campaign two weeks ago (AA, May 14).

In the spots, Ms. Rivers cranks her motor-mouth into overdrive, directing her acerbic wit at AT&T. "Have you heard AT&T's latest promise?" she says. "Now they're not just reaching out. They're reaching out in new directions. Oh, please! They are reaching out in the same direction that they always have: For your wallet. . .Alright? So take my advice, call MCI. They'll save you up to 30, 40, even 50% on long-distance calls to any phone in any other state from coast to coast and they'll keep their hands to themselves!"

The spots come on the heels of the recent airing of a Burt Lancaster commercial for MCI. Merv Griffin inaugurated the celebrity campaign. Gary Tobin, a spokesman for MCI, said two more unidentified stars will be introduced into the campaign.

"From the initial reaction we've had for Burt, Merv and Joan, we may stay with the three longer," Mr. Tobin said. "They seem to be doing very well."#

J&J sues FDA over ibuprofen

By NANCY GIGES

Johnson & Johnson's McNeilab Inc. has gone to court to stop Bristol-Myers and American Home Products from selling ibuprofen, the nonaspirin pain reliever approved by the Food & Drug Administration (AA, May 21).

As expected, J&J has sued the FDA in federal district court in Washington, charging that the agency made an arrangement regarding control of ad claims with the two companies before it would give them the green light to sell the drug over the counter.

J&J filed a citizen's petition arguing that the FDA has "no legal authority to make arrangements or agreements, whether on a voluntary or mandatory basis, to regulate the advertising for an otc drug."

For its part, Bristol-Myers said in an official statement, "This is not only an attack on the FDA, but also on the American consumer. It is an arrogant and unconscionable effort by J&J to keep an important new drug off the nonprescription pain relief market."

As the marketer of Tylenol, the leading analgesic in the $1.3 billion category, J&J could lose substantial business to these new brands, Bristol's Nuprin and AHP's Advil. Other companies cannot introduce ibuprofen products for a year, until the patent on the drug expires.

In its complaint, J&J says an arthritis advisory committee reviewing the appropriateness of otc marketing issued a conditional recommendation last fall that the drug was suitable if the FDA could regulate or control advertising. Its concerns were that ads may not clearly indicate the drug is unsuitable for certain patients, such as those who are aspirin-sensitive.

The lawsuit states that the commit-

(Continued on Page 66)

Pillsbury cooks up microwave pizza line

By JANET NEIMAN

Pillsbury Co. is introducing nationally a four-item line of microwave pizzas to be followed by other Pillsbury microwave products now in the works.

The new frozen pizza, marketed under the Pillsbury label, is entering national distribution, except for the East Coast, this month. East Coast distribution begins in August.

Pillsbury Microwave Pizza—a single-serve item in sausage, pepperoni, cheese or combination sausage and pepperoni—is said to use a technology that provides a crisp crust. It cooks in 4½ to six minutes. Suggested retail price is $1.69.

The new item is the company's second nationally marketed product intended for microwave ovens. Pillsbury microwave popcorn,

(Continued on Page 66)

'GM feeling' is spreading

By JESSE SNYDER

DETROIT—General Motors may be putting its "mark of excellence" on a lot more than cars and trucks.

GM is moving to diversify by buying other companies and using its auto technology in other fields.

Its Delco Electronics division is already peddling pressure sensors, orginally developed for car controls, to monitor blood pressure, industrial boilers and aircraft controls.

That puts new meaning in the GM Parts ad slogan "Get that great GM feeling with genuine GM parts."

GM's Delco Remy division is producing a rare-earth alloy magnet that cuts the weight of engine-starter motors in half. Nonautomotive applications include industrial motors and generators and appliances.

GM's latest candidate for acquisition is Electronic Data Systems of Dallas, which could help GM with its internal computing needs. EDS' main business is proving programing for computer management systems—another possible outlet for the GM trademark.

With a cash value of $2 billion or more, based on stock price, EDS would be a major investment for GM. But the auto maker's cash on hand climbed to $9.13 billion at the end of the first quarter of 1984 and analysts have said they expect GM's available cash to grow to $12 billion by yearend.

GM is looking for an investment for its cash reserves, a solid company with a proven track record and good prospects, but one that would be salable if GM needed the cash for transportation needs later.

EDS would be part of the diversification effort. GM chairman Roger Smith has said he wants to enter other fields and expects that eventually 10% of GM's sales would be in nonautomotive areas.

Much of the speculation has concentrated on GM diversifying by buying whole companies. Recent nonautomotive acquisitions include Teknowledge, a small computer concern, and a 10% share of Philip Crosby & Associates, a quality-control consulting company.#

highlights

Monday, May 28, 1984

Campbell Soup corporate ads are taking to the air—lines, that is. Beginning June 1, Campbell will break a series of "infomercials" on American and United Airlines flights. *See Page 10.*

De Armas Publications, a publisher of Spanish-language magazines, will begin a three-year effort to try to entice subscribers for its Hispanic Magazine Network. Up to now, magazines aimed at the Hispanic market have relied heavily on newsstands sales. *See Page 26.*

Officials of the *Washington Times* say publicity that the newspaper's link to the Unification Church has hurt its efforts to get subscribers in California for its new national edition. They say, however, that rollouts into new markets will continue. *See Page 30.*

CORPORATE CLOSEUP

Church's Fried Chicken management gave its shareholders an old-fashioned revival session at the company's recent annual meeting. What they want to revive is the marketer's flagging performance in an increasingly competitive and growing fast-food chicken market. And company officials believe they can do it. *See Page 4.*

INTERNATIONAL

Atari Inc., citing unexpectedly poor sales, is substantially reducing its presence in Japan only a year after it set up Atari International Nippon Inc. to market home videogames and cassettes there. *See Page 36.*

Britain's Fleet Street publishers will meet next month to consider creating a newspaper advertising bureau to promote the sagging British press. The effort is drawing support as a means to help gain back ad revenue now going to tv. See Page 36.

The Malaysian government has recently passed a law requiring foreign and domestic publishers to begin paying an undetermined fee to circulate their materials in the country. *See Page 37.*

The U.N.'s World Health Organization, despite U.S. objections, has come a step closer to adopting a pharmaceutical marketing code. *See Page 40.*

VIDEOTECH

The Summer Olympics and this year's presidential nominating conventions will make the major tv networks less aggressive in spending for original programing this summer. However, the nets will try to keep viewers interested by introducing fresh programs in June. *See Page 47.*

COMING THURSDAY IN Magazine

The best promotions of 1983 used free premiums, sweepstakes and special events to attract consumers to a variety of products.

The rocky Mexican economy is keeping many U.S.-made products out of Mexico and many travel-loving Mexicans in.

Cable Television: The embattled industry is fighting for its survival against city hall, advertiser reluctance and new technologies. *In special report.*

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FIGURES TO FILE

COLD CEREAL'S TOP 10 32
COLD CEREAL MARKET SHARES 32

$1.25 a copy, $52 a year, $95 two years. Add $99 per year for air delivery to Europe & Middle East. Add $31 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; ROGER DI GREGORIO, fulfillment director; HEIDI SCHULTZ, senior circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

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Celestial Seasonings drops DDB

By JENNIFER PENDLETON

Less than two months after it was purchased by Kraft Inc.'s retail food group (AA, March 26), Celestial Seasonings has ended its four-year relationship with Doyle Dane Bernbach/West, Los Angeles.

Keith Brenner, vp-marketing at the Boulder, Colo.-based herbal tea marketer, said the split, effective Aug. 1, reflects the company's need to reevaluate its marketing direction following the takeover by Glenview, Ill.-based Kraft.

But, said Mr. Brenner, that doesn't necessarily mean a Kraft agency will assume the business.

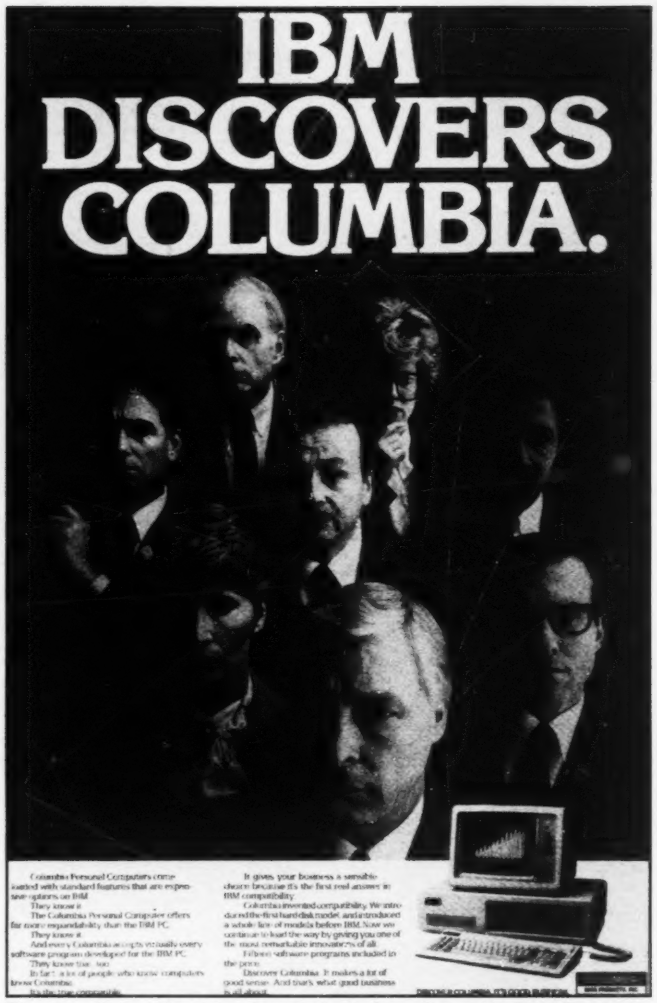
Mr. Brenner said he has drawn up a preliminary list of agencies from which he will select the finalists to compete for the Celestial account.

He said he hopes to select a new agency within the next two months.

Celestial now spends between $1.5 million and $2 million on advertising. But with the resources of Kraft behind it, that figure seems likely to rise.

Mr. Brenner, a longtime Celestial employe who held Celestial's top marketing position in the past, has been in his current post only

(Continued on Page 66)



Discover Columbia is the theme of ads from Columbia Data Products, including this one comparing its personal computers with IBM's.

Major Always effort marks P&G's 'return'

By JANET NEIMAN

Procter & Gamble will begin an advertising and promotion blitz for its new Always line of sanitary napkins July 2, when it breaks a daytime and nighttime schedule of 30 and 45-second network tv commercials.

Concurrently, the company will begin a radio campaign targeted at teen agers and start a direct-mail sampling effort planned to reach 80% of all households where sanitary pads are used. Each sample will contain four maxipads and five pantyliners, plus a $1-off coupon good on any Always product.

The Always line of beltless pads, now being introduced nationally (AA, May 7), includes deodorant and regular versions of maxipads, thin maxipads, pantyliners and minipads.

Always is P&G's first entry into the feminine-hygiene products category since its Rely tampons were pulled from the market because of health and safety factors; the heavy advertising and promotion it will receive illustrates that the company is eager to re-establish quickly its presence in the category.

The company is asking the trade to "aggressively merchandise Always during its introduction."

"We want to get our fair share of category growth during the Always introduction," some trade materials say.

Drexel Burnham Lambert analyst Hercules Segalas estimates P&G will spend more than $100 million in advertising and promotion of Always.

Always will compete in the $540 million sanitary-pad segment of the estimated $870 million feminine-protection category with market-leader Johnson & Johnson, Kimberly-Clark and Tambrands.

According to George Adler, vp at Smith Barney Inc., J&J holds an estimated 48% of the market via its Stayfree, Sure & Natural, Carefree, Silhouettes and Assure pads. No. 2 in the category, with about 37% of the market, is Kimberly-Clark, marketer of Kotex, New Freedom, Kotex Anyday and Lightdays brands, followed by Tambrands, whose Maxithins brand comprises about 8% of the market.

P&G will support the broadcast effort with spread ads beginning in August issues of women's, fashion, dual-audience, teen and black consumer magazines. Those ads, comparing Always with "a leading maxi," emphasize the absorbency of the P&G Dri-Weave technology, saying it "keeps you cleaner and drier than any other maxi."

P&G is telling the trade its print ads "will deliver our performance advantage message because it is the only medium where we can fully discuss the clean/dry benefit."

The print campaign will focus on the maxipad although it refers to the availability of the other Always products. Page ads will follow the spread ads begin-

(Continued on Page 63)

world news roundup

Sydney—USP Needham has sold its 50% interest in Standard & Hawkins to its Japanese partner, Standard Advertising, as part of an overall restructuring in Australia. The move makes S&H the first wholly-owned Japanese agency in Australia. USP also sold its 25% holding in Hyde Everett & Fuller, Melbourne, back to agency principals.

Taipei—Pillsbury Co. has signed a joint venture with Great Wall Enterprise Co., a food company, to produce food products in Taiwan.

London—Polaroid is replacing its U.S.-created advertising, featuring James Garner, with new British spots following a report that awareness of its cameras had dropped to 50%. The account moves from Doyle Dane Bernbach, New York, to DDB, London.

Geneva—Consumer groups from eight European countries are planning a campaign against West Germany's Milupa Co., which allegedly violated the World Health Organizations' baby-food marketing code.

London—Ponderosa Systems says it will open three more steak restaurants in the U.K. by the end of the year. Its first outlet opened three years ago. Bean Advertising is the agency.

Florence—Gucci has awarded its estimated $1.8 million fashion account to Troost Campbell-Ewald, Milan, which also will coordinate worldwide advertising. The account was previously handled in-house.

Madrid—Danis Benton & Bowles picked up more than $1 million in new business from Granjas Castello, a leading Spanish milk

(Continued on Page 36)

Chiat makes Big Apple Apple move

By BRIAN MORAN

New York—Chiat/Day last week shifted all network tv buying on its $50 million Apple Computer account to New York from San Francisco in what is viewed as a strengthening of the agency's New York media presence as it continues to compete for the Miller High Life account.

Chiat/Day has been vying for the $50 million Miller High Life business with incumbent Backer & Spielvogel and Leo Burnett USA (AA, Feb. 6, *et seq.*). Miller, a unit of Philip Morris Inc., has given "exploratory creative assignments" to the competing agencies.

However, sources close to the competition have speculated that should High Life's creative be as-

(Continued on Page 62)

Computers now angling for edge

By BOB MARICH
and BRIAN MORAN

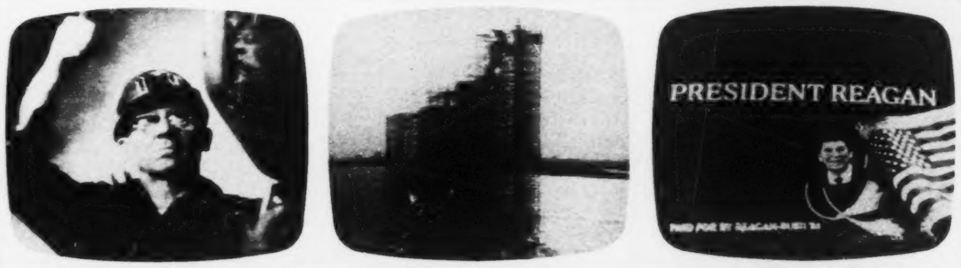
Atlanta—Computer companies, faced with an impending personal computer glut, are gathering arms for a reluctant marketing war.

"We are in a technology industry where promotion is more important than technology," lamented John Roach, chairman and president of Tandy Corp., Fort Worth, in his keynote address delivered to the Comdex computer show here last week.

A key message at the show, attended by 45,000 people, was that for the first time ever the supply of personal computers will exceed demand, beginning this year.

In addition, the volatile $12 million computer market has become a high-stakes poker game, and any

(Continued on Page 61)



Tuesday Team spots for President Reagan include this Statue of Liberty effort.

The vision of Reagan's America

Ad Age review

By FRED DANZIG

New York—If there's a reason the "reelect President Reagan" tv campaign is being likened to tv spots for Coca-Cola, it's that, more than anything else, they *are* Coca-Cola spots. Only the music is different. Mr. Reagan's ad hoc campaign agency, the Tuesday Team, has laced its commercials with stately, "Waltonfamilyesque" music instead of brassy, uptempo soft-drink jingles.

Creatively, the blend works. Imagine Norman Rockwell as art director. The Reagan spots are absolutely first-rate, so good they're scary. The eight glowing commercials—four 60s and their 30-second versions—are at once patriotic, soothing and optimistic. They occupy the middle ground as they tell voters that "President Reagan is doing what he was elected to do," ask "Why would we ever want to return to where we were less than four short years ago?" and boast that America is "prouder, and stronger and better" because in-

(Continued on Page 63)

Eastern, IBM ads are catching on

By SCOTT HUME

It took a little while, but two campaigns launched during January's Super Bowl telecast have caught on.

Showing the largest gains in Advertising Age's April adWatch survey were Eastern Air Lines and IBM. New campaigns for both advertisers debuted Super Sunday, Jan. 22 (AA, Jan. 23), and have been running since. Last month, when few people probably could recall the opposing Super Bowl teams, more consumers recalled the Eastern and IBM campaigns than had in the first few weeks after the game.

The IBM effort was the introductory campaign for its PCjr home computer.

The Chaplinesque "Little Tramp" character used in previous IBM advertising also appears in the spots for the new member of the family (initial spots showed him pushing a carriage).

Perhaps consumers just needed some time to get used to the new addition, but in April 14.6% of the

adWatch

1,250 adults asked to name the firstadvertising for computers that came to mind from all they had seen recently named IBM first. Many specifically named advertising for PCjr.

That response represented an increase of 2.9 percentage points over IBM's share in March, but wasn't enough to capture the No. 1 spot. Apple continued to lead in advertising awareness, being named by 23% of survey respondents. Com-

(Continued on Page 49)

Cereal milks '83 gains

Cold cereal's top 10

Familiar names dominate the list. All figures are share of market by pounds, and dollars. ***Source: John C. Maxwell Jr.***

Brand	1982 Pounds	1982 Dollars	1983 Pounds	1983 Dollars
Corn Flakes (K)	6.8	4.7	6.8	4.7
Cheerios (GIS)	5.6	5.9	5.5	5.8
Sugar Frosted Flakes (K)	5.2	4.8	5.2	4.8
Raisin Bran (K)	4.7	4.2	4.6	4.1
Chex (RAL)	4.2	4.0	4.3	4.4
Shredded Wheat (NAB)	4.0	3.1	4.0	3.1
Rice Krispies (K)	3.9	4.2	3.6	3.9
Raisin Bran (GF)	3.1	2.8	3.0	2.5
Cap'n Crunch (OAT)	3.2	3.8	2.9	3.5
Grape-Nuts (GF)	2.9	2.4	2.5	1.9
Total	43.6	39.9	42.4	38.7

By JOHN C. MAXWELL JR.

For the cold-cereal industry, 1983 was unusual.

For the year as a whole, units were up about 1%, but a good portion of this increase occurred in the last four or five months, when industry volume growth exceeded 2%. This brought total poundage for the industry for last year to about 2.1 billion.

Dollar volume was up about 8%, giving an increase to the industry to about $3.6 billion from $3.3 billion in 1982.

Individual company shares stayed fairly even compared to the previous year.

However, this, too, is misleading in terms of current shares, as Kellogg suffered in the first half but came back in the second half. Kellogg now holds somewhere in excess of a 38.5% share.

The General Foods story was the reverse, and it probably was under a 15% share by yearend. General Mills, Quaker Oats and Nabisco were all probably a touch weaker by yearend, while Ralston edged up slightly, helped by the success of Donkey Kong and Donkey Kong Junior products.

Kellogg's major dollar marketing thrust helped its Corn Flakes and Frosted Flakes, while adversely affecting the private labels. As General Foods' product portfolio is, to a degree, a mirror image of Kellogg's, it too was somewhat hurt by this.

A lot of Kellogg's growth related to its new Crispix product.

It appears that the current thrust of the industry is in the child segment, with Smurfberry, Pac Man, Strawberry Shortcake, Donkey Kong and Choco Crunch among the primary names. This ties in with the demographic tilt of the U.S., and consumption by children probably will be one of the more interesting growth areas for the next couple of years.

On a national basis, 87.4% of female homemakers report that they bought cold cereal within the last week, according to a 1983 report from Simmons Market Research.

Female homemakers most likely to purchase cold cereal have the following profile: 25 to 54 years old; employed parttime or not at all; household income of $10,000 per year or more, have children in the house 17 years or under.

Given the high rate of cereal use already achieved, we expect only modest growth in the cold-cereal industry.

The current baby boom, however, may have longer-term positive ramifications.#

Source: John C. Maxwell Jr. is a managing director at A.G. Becker & Paribas.

Cold cereal market shares

Individual company shares in the $3.6 billion industry stayed fairly even from 1982 to 1983. All figures are share of market by pounds and dollars. ***Source: John C. Maxwell Jr.***

Brand	1981 Lbs.	1981 $$	1982 Lbs.	1982 $$	1983 Lbs.	1983 $$
Kellogg						
Frosted Flakes	5.3	4.9	5.2	4.8	5.2	4.8
Corn Flakes	6.8	4.6	6.8	4.7	6.8	4.7
Raisin Bran	4.5	4.0	4.7	4.2	4.6	4.1
Rice Krispies	3.9	4.3	3.9	4.2	3.6	3.9
Froot Loops	2.3	2.9	2.2	2.8	2.2	2.8
Special K	1.6	2.2	1.5	2.1	1.7	2.3
Bran Products	2.9	2.2	2.7	2.0	2.8	2.1
Frosted Mini-Wheats	1.6	1.6	1.8	1.8	1.8	1.8
Apple Jacks	1.0	1.5	1.0	1.5	1.0	1.5
Sugar Smacks	1.5	1.5	1.3	1.3	1.3	1.3
Sugar Pops	1.2	1.4	1.1	1.3	1.0	1.2
Product 19	0.9	1.2	0.8	1.1	0.8	1.1
Nutri-Grain	0.7	0.8	1.0	1.0	1.0	1.0
Crispix	—	—	—	—	0.7	0.7
Honey & Nut Corn Flakes	0.8	0.9	0.6	0.7	0.6	0.7
Marshmallow Krispies	—	—	0.5	0.7	0.5	0.7
Cocoa Krispies	0.5	0.7	0.5	0.7	0.5	0.7
Frosted Rice	0.7	0.9	0.6	0.8	0.5	0.6
Raisins Rice & Rye	0.8	0.9	0.5	0.6	0.3	0.4
Most	0.4	0.5	0.3	0.4	0.3	0.4
Cracklin' Oat Bran	0.4	0.5	0.3	0.4	0.3	0.4
Others	1.3	1.6	1.2	1.4	1.0	1.3
Total	39.1	39.1	38.5	38.5	38.5	38.5
General Mills						
Cheerios	5.6	5.9	5.6	5.9	5.5	5.8
Honey Nut Cheerios	2.0	2.3	2.1	2.4	2.3	2.6
Total	1.7	2.4	1.7	2.4	1.9	2.6
Lucky Charms	1.8	2.3	2.2	1.7	1.6	2.1
Trix	1.5	2.0	1.5	1.9	1.5	1.9
Wheaties	2.7	2.0	2.5	1.9	2.3	1.7
Golden Grahams	1.3	1.5	1.3	1.3	1.3	1.3
Crispy Wheats 'n Raisins	1.2	1.4	1.1	1.3	1.1	1.3
Licensed Products	—	—	0.4	0.5	1.1	1.3
Monsters, etc.	0.7	1.0	0.7	1.0	0.6	0.9
Cocoa Puffs	0.7	0.8	0.7	0.8	0.7	0.8
Buc*Wheats	0.4	0.5	0.5	0.6	0.4	0.5
Donutz	0.4	0.5	0.6	0.7	—	—
Others	0.5	0.4	0.3	0.2	0.5	0.4
Total	20.5	23.0	20.7	23.1	20.8	23.2
General Foods						
Post Raisin Bran	3.6	3.2	3.1	2.8	3.0	2.5
Grape-Nuts	3.3	2.6	2.9	2.4	2.5	1.9
Super Sugar Crisp	1.6	1.8	1.4	1.6	1.5	1.6
Honeycombs	1.2	1.6	1.1	1.5	1.2	1.5
Post Fruit & Fibre	0.3	0.4	1.5	1.7	1.3	1.4
Pebbles	1.3	1.6	1.2	1.4	1.2	1.4
Smurf-Berry Crunch	—	—	—	—	1.0	1.1
Post Toasties	1.2	0.8	1.3	0.9	1.2	0.9
Alpha-Bits	0.9	1.0	0.8	0.9	0.8	0.9
Bran Flakes	0.8	0.8	0.8	0.8	0.8	0.8
Honey-Nut Crunch Raisin Bran	—	—	0.3	0.3	0.7	0.7
Raisin Grape-Nuts	—	—	0.8	0.8	0.6	0.6
Fortified Oat Flakes	0.7	0.6	0.6	0.5	0.6	0.5
C.W. Post Hearty Granola	0.4	0.5	0.2	0.2	—	0.1
Others	0.3	0.1	0.4	0.2	0.2	0.2
Total	15.6	15.0	16.4	16.0	16.6	16.1
Quaker Oats						
Cap'n Crunch	3.1	3.7	3.2	3.8	2.9	3.5
Life	2.4	2.2	2.5	2.3	2.4	2.2
100% Natural	1.4	1.3	1.6	1.5	1.6	1.5
Halfsies	—	—	—	—	0.7	0.7
Corn Bran	0.7	0.6	0.7	0.6	0.7	0.6
Others	1.0	0.8	0.9	0.7	0.6	0.4
Total	8.6	8.6	8.9	8.9	8.9	8.9
Ralston Purina						
Chex	4.2	4.0	4.2	4.0	4.3	4.4
Donkey Kong	—	—	—	—	0.7	0.7
Cookie Crisp	0.7	0.7	0.6	0.6	0.5	0.7
Waffelos	0.7	0.8	0.4	0.4	0.1	0.1
Dinky Donuts	0.2	0.2	0.3	0.3	—	—
Honey Bran	0.3	0.3	0.1	0.1	—	—
Others	0.3	0.1	0.3	0.2	0.3	0.2
Total	6.4	6.1	5.9	5.6	5.9	6.1
Nabisco						
Shredded Wheat	4.2	3.2	4.0	3.1	4.0	3.1
Others	0.8	0.7	0.9	0.7	0.9	0.7
Total	5.0	3.9	4.9	3.8	4.9	3.8
Pet						
Heartland	0.1	0.1	0.1	0.1	0.1	0.1
All Others	4.7	4.2	4.6	4.0	4.3	3.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

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Radio Network Assn. taps Brescia for senior vp spot

NEW YORK—Radio Network Assn. has elected Richard Brescia, senior vp, CBS Radio Networks, as the association's vp. He succeeds Thomas Burchill, who resigned his RNA post upon leaving RKO Radio and the radio industry to become president, ABC/Hearst/Viacom Services. RNA also elected Nicholas Verbitsky, United Stations president, to Mr. Brescia's former RNA post as secretary-treasurer.

Robinson Associates moves

BOSTON—Robinson Associates has moved to new offices in Dexter House, 393 Commonwealth Avenue, 02115. Telephone: (617) 267-1400.

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State tourism ad spending to hit $47 million this year

WASHINGTON—New York and Florida will lead all other states in tourism advertising during the 1983-84 fiscal year, according to a nationwide study.

The U.S. Travel Data Center, which conducted the study, reports that tourism departments in 48 states will spend a total of $47 million on travel advertising, with New York's $5.3 million ad budget and Florida's $4.3 million ad program leading the pack.

Other large tourism advertisers include Alaska, $3.4 million ad budget; Michigan, $2.6 million, and Ohio, $2.5 million.

Tourism advertising budgets in all states increased an average of 14% over last year's allocations, the report says. Over-all travel and tourism development totaled $147 million, a 15% increase over 1982-83.#

AdWatch

(Continued from Page 3)

modore, with a 6.2% share of first mentions, held the No. 3 spot.

IBM's advertising for all models has much higher recall among men than women. The same is true for Commodore. Conversely, more women than men recalled advertising for Apple, Atari, Texas Instruments and Coleco computer products.

Employes are the stars of the Eastern advertising, which took off last month. The ads carry the "We earn our wings every day" theme. Tv spots show passengers pinning wings on Eastern employes to reward them for their excellent service.

Eastern's advertising came to mind first for 15% of the sample, a 3.9 point increase over March results. With that gain, Eastern landed in the No. 1 spot in the airline category for the first time since January.

United, whose Winter Olympics campaigns had flown the carrier into the top spot in February and March, received 10.9% of first mentions, almost 2 points below last month's 12.7% share. American moved up from the No. 4 to the No. 3 spot with a 9.8% share of recall.

Advertising recall for airlines shows more regional variation than is true in most other categories. Eastern's awareness gain largely came from respondents in the Northeast, where it claimed 23% of first mentions to United's 6%. In the North Central region, however, United has the largest awareness share (16% to regional No. 2 TWA). Eastern also captured the top spot in the South Central region with Delta No. 2. United and American are No. 1 and No. 2 in ad recall in the West.

AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a nationally projectable sample of adults to name the advertising that first comes to mind in a variety of product and service categories from all they have seen, heard or read in the last 30 days.

Last month, 1,250 consumers were questioned by phone. Under adWatch methodology, an increase or decrease of 2.8 percentage points between monthly samplings is considered statistically significant and attributable to more than sampling variations.

What about those two unbeatable celebrity presenters Michael Jackson and Clara Peller, you ask? They remain where they have been since February: At the head of the pack.

Asked to name the first advertisement (of any sort) that came to mind, April's sample once again thought of dear Clara first. Wendy's share of first mentions was 19.3%, down a point from the March survey.

Advertising for the "New Pepsi generation" featuring that generation's biggest star, received 82 first mentions, good enough for a 6.6% share in April, the same as in March.

By the way, one respondent from among the 209 consumers age 65-plus surveyed said Pepsi's advertising was the most memorable.

Among noteworthy developments in other categories:

- The tight battle for advertising supremacy in the **coffee** category swung last month in favor of Maxwell House. Deadlocked in March with Folger's, Maxwell House's share of first mentions rose 2.8 percentage points to 24.8% in April. Folger's share dropped a point to 21%.

Still trying to close the gap in consumer recall are the No. 3, No. 4 and No. 5 brands, Sanka (6.5%), Hills Bros. (5.1%) and Brim (4.9%).

- Tide's advertising recall continued to slide in the **laundry products** category. After declining 2.8 points in March, Tide tumbled another 3.1 points to 22% of first mentions last month.

Still, Tide's commanding lead in advertising awareness remains. No. 2 Cheer's share rose 2 points, which gave it 6.4% of first mentions in April. All's 3.9% share kept it No. 3.

- The volatile **fast-food restaurant** category settled down last month, but the new order continued. McDonald's, with 32.5% of first mentions in April, remains within striking distance of the suddenly strong No. 2 Wendy's (28.7%).

Burger King continued to find itself in unaccustomed third place with 11.4% of mentions.

But Clara's been replaced by baked potatoes and salads. Burger King's "broiling vs. frying" attack is back. And McDonald's is preparing its new theme and bouncier jingle.

Watch this space.#

Kirin brews U.S. venture in research

By RUTH STROUD

Beer is not often associated with kidney cures. But one Japanese beer company plans to put its fermentation expertise to work manufacturing a hormone that will help in the treatment of kidney-dialysis patients.

Kirin Brewery Co. and Amgen, a Thousand Oaks, Cal.-based biotechnology company, have formed a $24 million joint venture for worldwide manufacturing and marketing of the hormone erythropoietin—or EPO. The hormone is crucial for controlling the production of red blood cells.

For Kirin, the world's third-largest brewer (after Anheuser-Busch and Guinness-Harp), the 50-50 venture marks a further expansion into pharmaceuticals.

In 1982, the company opened its own pharmaceutical research lab to develop therapeutic products and acquired an interest in a Japanese pharmaceutical company.

Kirin holds more than 60% of the Japanese beer market. As a result, the $4.3 billion beer, soft-drink and dairy products company's horizons have narrowed in that area. It views pharmaceuticals as an important growth industry.

Because many biotechnology products are, like beer, created through fermentation, the connection between the Japanese brewery and the American biotechnology company is a natural one, explained an Amgen spokesman.

Other American brewers also approached the Southern California company before it struck a deal with Kirin, he added.

The two companies plan several years of clinical testing and research before marketing EPO. Under terms of the joint venture, called Kirin-Amgen, Kirin will market the hormone in Japan, Amgen in the U.S. and both will share responsibility in other areas.

The worldwide market is projected at $100 million annually.#

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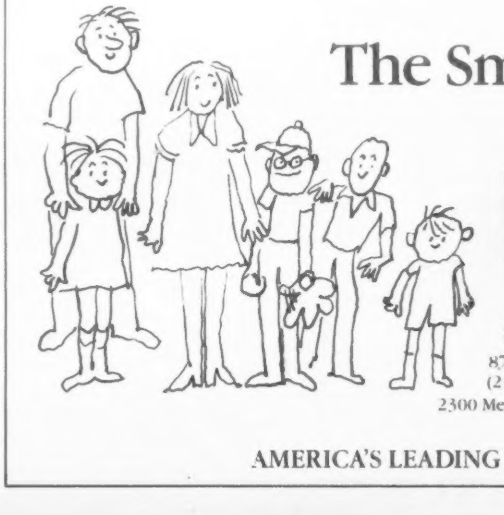

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Marketers hope for life after 55

By SUSIE YANAGI

Los Angeles—American businesses hope to respond to the graying of the U.S. with an array of new products aimed at the one out of five Americans who is older than 55.

That point was made at a recent seminar sponsored by the University of Southern California's Business Institute on Aging. At the seminar, executives from Mattel Toys, Ramada Hotel Group, BankAmerica Corp., Carl Karcher Enterprises, Colonial Penn and Mature Outlook shared new-product plans and offered their ideas on marketing to older consumers.

Thomas Hatch, Mattel's vp-new business and product development, discussed Mattel's hopes to develop entertainment products for the over-55 set (AA, May 14).

Mr. Hatch said Mattel will not try to find new uses for existing items. He said the company is particularly interested in products associated with gardening, home upkeep and crafts. Mattel also is considering games incorporating reading and remembering.

For would-be maturity marketers, the important thing to recognize is that persons over 55 do not change their buying habits easily, noted Mr. Hatch. A person who has been buying an antacid product for 22 years, he said, is so set in his ways he often displays an almost "catatonic reach" in the store. "For a major manufacturer to come along and say 'Now we've got an antacid designed for you because you're 56,' it's got a tough road ahead," he said.

Other participants shared their insights. "The senior citizen has a large amount of discretionary money and time," commented Gail Brewer, director-specialty markets, Ramada Hotel Group.

To meet the needs of the older traveler, Ramada has developed training programs for employes that teach, for instance, how to recognize someone with a hearing loss and communicate with him.

Bank of America has developed oversize checks with larger print. It also offers check-guarantee cards, making it easier to cash checks.

Fast-food marketer Carl Karcher Enterprises plans to charbroil rather than fry more of its menu items at its Carl's Jr. restaurants, to meet the nutritional needs of the older market.#

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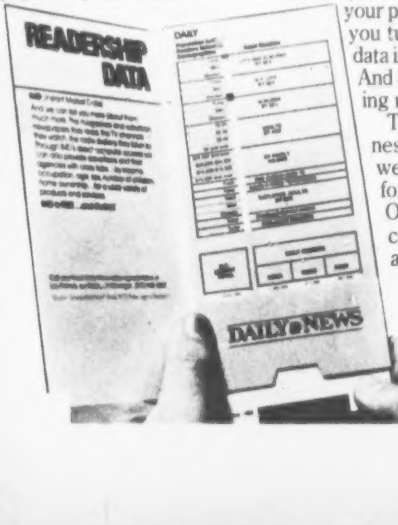

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Ad budgets workshop topic

New York—An insignificant advertising budget doesn't have to mean insignificant advertising.

At the Advertising Age Creative Workshop here Aug. 19 to 22, two sessions will address how to create effective commercials on a limited budget.

Richard Hall, vp at Griner/-Cuesta & Associates, maintains that many people do not know how to spend their production dollars effectively. The problem is compounded because no one wants to discuss cost.

In his session, "Why Do Television Commercials Cost So Much?" he will outline the steps that set realistic goals and lead to the successful production of commercials.

According to Mr. Hall, an agency often begins the creative process before a production budget is firmly established. This leads to inflated expectations on the part of the client.

A clear understanding of budget limits must be communicated from client to agency to production house in order to avoid wasted time and diminished agency credibility.

His session will cover what to look for when shopping for a production house and the different approaches to television production, depending on budget—including use of free-lance producers.

The case history of a low-budget, high-return radio campaign will be explored in "The Girl with the Molson Golden Laugh," led by William R. Hamilton and Lila M. Sternglass, both senior vps-creative directors, Rumrill-Hoyt Inc. They will detail the development of the successful Molson Golden ale campaign—a series of radio spots constructed around witty dialog.

Despite a modest budget, the radio campaign greatly increased sales and brand awareness, rocketing the Canadian beer from relative obscurity to a strong No. 2 position among all U.S. imports. Mr. Hamilton and Ms. Sternglass will reveal their marketing objectives and outline the creative process that led to the effective spots.

For information about these and other sessions, write to: Advertising Age Creative Workshop, 220 E. 42nd St., New York 10017, or phone toll free: 1-800-233-3435. In New York state, phone: (212) 210-0296. Telex: 64-0207.#

U.S. advertising volume

The double-digit gains advertising volume made during 1983 came on the recovering strength of the U.S. economy. ***Source: Prepared for Advertising Age by Robert J. Coen, McCann-Erickson.***

Medium	1983 $ millions	% of total	1982 $ millions	% of total	Per cent change
Newspapers					
National	2,734	3.6	2,452	3.7	+11.5
Local	17,848	23.5	15,242	22.9	+17.1
Total	20,582	27.1	17,694	26.6	+16.3
Magazines					
Weeklies	1,917	2.5	1,659	2.5	+15.5
Women's	1,056	1.4	904	1.4	+16.8
Monthlies	1,260	1.7	1,147	1.7	+9.9
Total	4,233	5.6	3,710	5.6	+14.1
Farm publications	163	0.2	148	0.2	+10.0
Television					
Network	7,017	9.3	6,210	9.3	+13.0
Spot	4,796	6.3	4,360	6.6	+10.0
Local	4,323	5.7	3,759	5.6	+15.0
Total	16,136	21.3	14,329	21.5	+12.6
Radio					
Network	296	0.4	255	0.4	+16.6
Spot	1,038	1.4	923	1.4	+12.5
Local	3,876	5.1	3,492	5.2	+11.1
Total	5,210	6.9	4,670	7.0	+11.6
Direct mail	11,795	15.6	10,319	15.5	+14.3
Business papers	1,990	2.6	1,876	2.8	+6.0
Outdoor					
National	512	0.7	465	0.7	+10.0
Local	282	0.4	256	0.4	+10.0
Total	794	1.1	721	1.1	+10.0
Miscellaneous					
National	7,951	10.5	7,067	10.6	+12.5
Local	6,996	9.1	6,046	9.1	+15.7
Total	14,947	19.6	13,113	19.7	+14.0
Total					
National	42,525	56.1	37,785	56.8	+12.5
Local	33,325	43.9	28,795	43.2	+15.7
Grand total	75,850	100.0	66,580	100.0	+13.9

This advertising volume chart is a corrected version of a chart that appeared on Page 63 in the May 14 issue of Advertising Age.

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Liggett & Myers generic cigarets using fair logo

Durham, N.C.—Liggett & Myers has placed an official logo of the Louisiana World Exposition on its generic cigarets to tie in with the fair.

Gold Seal cigarets will be promoted as the official cigarets of the World's Fair, according to Roy Jorstad, national sales manager for private label and generics at L&M's sister company, Gary Tobacco Co. Bloom Agency, Dallas, handles the print campaign.#

Several shops off to fast '84 start

By STEWART ALTER

The upturn in the economy that began last year suggested that ad agency financial results would be on the rebound in 1984. In fact, the first-quarter financial results for the public ad agencies have been even stronger than anticipated.

Results were "very favorable, better than I expected in most cases," said Jerry Levine, vp, Merrill Lynch, Pierce, Fenner & Smith.

Dean Witter Reynolds vp Fred Anschel said, "Generally speaking, I think the results were better than expected, with some exceptions, among them being Doyle Dane Bernbach," he said. "This year is really shaping up as an outstanding one for the industry and for most major public agencies. The problem that arises at a time like this is to make sure you don't get carried away."

Gains in new business last year by Interpublic Group of Cos., Ogilvy & Mather, JWT Group and BBDO International helped those agencies to strong first quarters, just as the lack of it hurt Doyle Dane Bernbach International. Noting that the first quarter is not as important in generating earnings as the second and fourth quarters, Mr. Anschel said it still was good that some of the shops had "a nice leg up for this year."

As the accompanying chart indicates, BBDO, Foote, Cone & Belding, Grey Advertising and Mickelberry Corp. all registered revenue gains of about 25%, with O&M and JWT reporting 17% higher revenues in the first quarter of 1984, compared with the same period in 1983.

DDB showed a small revenue increase (6%), though net income rose 15%. Ally & Gargano, for whom the first quarter of 1984 is its third fiscal quarter, saw a drop in revenue and a loss in earnings.

Saatchi & Saatchi Compton Worldwide, not listed in the chart because it doesn't break down quarterly figures, showed results in line with most of the other public ad agencies. For the six months ended March 31, 1984, the agency reported a 38.9% hike in revenues to $86.6 million and a 117.5% boost in net earnings.#

Agency first-quarter results

Financial results indicate that 1984 should be an outstanding one for most agencies. *Notes: For Ally, January through March is third quarter; for all other agencies, it's the first. Lorimar/K&E fiscal quarter ends in late April; its figures have not been released yet. Saatchi has only half-year figures, October through March; no quarterly breakout is available. NM notes not meaningful.* Source: *Advertising Age.*

	Income $000			Revenues $000		
Agency	1983	1984	%	1983	1984	%
Ally	312	(160)	NA	32,537	28,162	− 13
BBDO	3,736	5,172	+ 38	57,756	71,861	+ 24
DDB	1,140	1,310	+ 15	44,125	46,672	+ 6
FCB	341	1,969	+477	45,836	58,100	+ 27
Grey	634	1,014	+ 60	31,762	40,371	+ 27
Interpublic	1,603	4,844	+202	131,179	146,410	+ 12
Mickelberry	512	801	+ 56	21,343	27,069	+ 27
O&M	2,202	3,127	+ 42	81,097	95,180	+ 17
JWT	1,060	3,754	+254	102,909	120,795	+ 17

Affiliates

(Continued from Page 10)

after the session, virtually all seemed enthused about the prime time ratings prospects and pleased with the promos.

In other convention news:

- Mr. Sohmer delivered a heartfelt appeal for the holdout daytime affiliates to come through this summer. Citing the daytime ratings turnaround, he said, "We've earned better clearances, and we deserved [them]." With a full lineup of stations he said, "We'd be ahead of ABC and could be thinking about catching CBS."
- Raymond Timothy, NBC group exec vp, said, "We are taking steps to protect your franchise, not only with aggressive daytime plans, but with a prime time programing budget of $1 billion-plus." The programing includes not only series, but also 44 tv movies and 12 mini-series.
- In news, NBC is taking delivery on "millions of dollars worth of computer-graphics devices" for improving NBC News' on-air illustration of stories. One affiliate executive grumbled, "They should have done that years ago."
- Sports ratings in general are down at all three networks, NBC Sports president Arthur Watson told affiliates. "This is a stark reality, due to the fragmentation of audiences and overexposure," he said. On the positive side, NBC's baseball ratings are on the rise and the National Football League schedule shapes up "as our best in years," Mr. Watson said.
- The first series to come from the news division's aggressive new program development will be "Summer Sundays USA," said NBC president Larry Grossman. The program is due July 1 at 7 p.m. (ET) opposite CBS-TV's "60 Minutes" as a live 11-week show.#

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$1.25 a copy; $52 a year | The International Newspaper of Marketing | Thursday, May 31, 1984

Battles for the buck

Summer fun found in the marketplace

An Advertising Age roundup

It's Indiana Jones against the Gremlins, Coca-Cola versus Pepsi, even Trailways on the road with Greyhound. There'll be no summer doldrums as competition heats up from coast to coast in virtually every segment of the American consumer market.

With reports from bureaus across the country, ADVERTISING AGE here profiles some of the hottest battles for the buck that are occurring or are likely to occur this summer. New products, spinoffs, tie-ins and other promotions promise to keep consumers busy, whether in the movie theater or at the supermarket.

Screen wars: Steven Spielberg and George Lucas again expect to set a blistering **movie** box office pace. Mr. Spielberg is behind "Gremlins," via Warner Bros., while he and Mr. Lucas teamed for "Indiana Jones and the Temple of Doom," the Paramount Pictures sequel to "Raiders of the Lost Ark" (a summer hit of two years ago).

"Gremlins" opens next week, with related products to follow among 40 or more licensees, from toys to apparel.

In addition, Procter & Gamble Co., Scott Paper, Ray-O-Vac, Hardee's and nearly 20 other marketers will spend a combined $20 million on "Gremlins" tie-ins (AA, April 16, *et seq.*).

LJN Toys has licensed toy rights to characters from "Indiana Jones" *and* "Gremlins." P&G, besides its premium tie with "Gremlins," also will link up with "Indiana Jones" and "The Muppets Take Manhattan" (AA, April 30).

Here comes the sunscreen: Although Coppertone remains the undisputed leader in the $230 million **suncare products** market, a fight is shaping up for second place. Until the end of last year, Daytona Beach, Fla.-based Tanning Research Lab's Hawaiian Tropic had a clear claim to No. 2. If sales in all retail outlets are considered, Hawaiian Tropic is still ranked as the second-largest selling brand.

But nipping at its heels is Charles of the Ritz Group's Bain de Soleil. Sold mostly in

(Continued on Page 53)

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Bus lines

Ogilvy, Scali ring up Seagram V.O., Izod

By GAY JERVEY and NANCY GIGES

NEW YORK—Ogilvy & Mather and its subsidiary, Scali, McCabe, Sloves, have picked up $16 million in new business, with O&M adding the more than $8 million Seagram V.O. Canadian whisky account and Scali winning one of equal size, Izod/LaCoste sportswear.

Scali's selection ended a review that included 10 agencies. Izod/LaCoste, the General Mills sportswear division that has elevated the alligator to the pinnacle of preppydom, had been handled by Grey Advertising.

In awarding O&M's New York office its V.O. account, Seagram Distillers separated the brand from Warwick Advertising, which gained it in 1957 when the agency was then known as Warwick & Legler. Warwick & Legler was founded in 1939 with Seagram as a charter client.

Philip Beekman, president of Joseph E. Seagram & Sons, said the assignment was "consistent with our belief that our larger competitive whiskies might better be handled by other agencies—Seagram 7 Crown by Warwick, and V.O. by Ogilvy & Mather."

However, the switch culminates many months of courting by O&M at Seagram's Park Avenue headquarters. As a Seagram agency worldwide, O&M long has craved a domestic brand, sources said.

Warwick, however, is by no means out in the cold. In addition to such assignments as Seagram's 7 Crown, Crown Royal, Glenlivet scotch and Boodles gin, Warwick is awaiting a "major assignment" from Seagram in the fast-growing wine category.

Seagram's V.O. has been under mounting competitive pressure of late. In 1983, V.O.—which last year dropped its proof level from the standard Canadian 86 to 80, but not its price—slipped both in ranking and sales. According to figures compiled by industry analyst John C. Maxwell Jr., the brand fell from the fifth-best-selling distilled spirit to seventh, with sales declining 8.2% from 3.8 million to 3.5-million case depletions.

Indeed, V.O.'s change comes at a time when sales of most darker distilled spirits have sagged, mainly due to changing drinking habits. Furthermore, the pure Canadian imports have been feeling the heat from such Canadian bulk whiskies (those bottled in America) as Windsor Supreme (ranked No. 8) and Canadian Mist (No. 5), which offer consumers a less expensive alternative to the North Country taste.

National Distillers' Windsor Supreme has been the sharpest thorn in V.O.'s side. The company has been running a comparative campaign claiming Windsor's taste superiority over V.O. At one time, the campaign was scrutinized by the National Advertising Division of the Council of Better Business Bureaus and also was in danger of facing a legal challenge from Seagram.

The most recent ad said "Windsor Canadian beats V.O. . . .New taste tests prove it."#

Standardize ad rules, IUAA tells Europe

Direction urged for dbs

By LAUREL WENTZ

RIO DE JANEIRO—The International Union of Advertisers' Assn., which met this week here, is concerned that national direct broadcast satellite restrictions in Europe will hamper advertisers' use of dbs if countries refuse to standardize their rules.

The IUAA is pinning its hopes on a "green paper" distributed by the European Economic Community last week that calls for setting common standards for advertising beer and alcohol, for example.

So far, however, European governments have refused to harmonize their rules.

"The problem is the rules for advertising are not the same [throughout Europe]," said IUAA director Paul P. de Win.

"Whether advertising is accepted on Sundays or after or before 8 p.m.—it's all different," he said.

Hans Merkle, Procter & Gamble Co.'s West German-based manager for external relations, ticked off European restrictions on tv advertising that could undercut dbs:

- Some countries cluster commercials in a few long blocks rather than in small groups during natural breaks in programs.
- Restrictions on tv spots for "sensitive products" range from alcoholic beverages in France to pet food in Italy and sweets in the Netherlands.
- Tv spots are limited to specific parts of the day in Germany (before 8 p.m.), the Netherlands and France and banned on Sundays and some legal holidays in Germany, the Netherlands, Italy and Greece.
- Sponsorship on tv is allowed only in Italy and Luxembourg.

Rupert Murdoch's pan-European Sky Channel, transmitted to Western Europe, has been blacked out in West Germany on Sundays for the past month because the station carries advertising, prohibited in Germany on Sundays, Mr. Merkle said.

"This will go on for years," he said. "We'd be very happy if anything is in operation by 1990."

Kenneth Fraser, head of Unilever's worldwide marketing division, said: "If you're in the food business like us, what you can say [in different countries] about food and nutrition varies. . .We don't have that many brands that are international."#

Fair's marketing chief fired

By SHARON DONOVAN

NEW ORLEANS—Struggling with attendance that is half of what was expected, the 1984 World's Fair here has fired its marketing director and has put together a new promotional plan that includes hefty price promotions.

Jeffrey Stack, vp-marketing, was fired after refusing to resign. The former marketing vp for the Great America amusement park in Palo Alto, Cal. (formerly owned by Marriott Corp. but now owned by the city), said he is exploring legal options and refused to discuss the reasons for his dismissal.

Mr. Stack was responsible for all of the fair's marketing, including the $7 million ad campaign being handled by McDonald & Little, Atlanta.

Fair officials say they have instituted price discounts for season passes and late-night admission to make the fair a family attraction New Orleanians will adopt as their own.

Officials have said the fair needs 12 million visitors to break even on the six-month event. Recent daily attendance has been in the 30,000-to-35,000 range, half of what is needed. After two weeks, fair attendance was at 448,225.

The new season pass was reduced to $99 from $150; the daily pass for children has been reduced to $9.95 from $14.

"There are a lot of minority people in the community who can benefit from the price reduction," said fair president Peter Spurney. Complaints about the fair's prices from the business community, rather than low attendance figures, prompted the discounts, he said.#

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Smith & Wesson aims its Mace at the public

Late nights and dark lots.
mace
just in case

"Just in case" is the theme of Smith & Wesson ads for Mace.

By ALLEN M. WIDEM

SPRINGFIELD, MASS.—After 16 years of selling its chemical Mace aerosol tear gas only to law enforcement and security agencies, Smith & Wesson is expanding into the public sector.

Test-marketing begins in late June in Columbus, O.; Kansas City, Mo.; Nashville; New Orleans, and Phoenix. Some $500,000 will be spent in broadcast and print advertising to introduce the product via supermarkets, pharmacies, hardware stores and discount outlets.

The five test markets' ads will, at the outset, include 30-second spots on a total of 12 tv stations plus print, both b&w and color. McKinlay Advertising, Simsbury, Conn., is S&W's agency.

The weapons market is maturing, said Roland Dowd, manager-new-product development for S&W, a division of Bangor Punta Corp. The move to sell Mace to the public is a natural marketing expansion for S&W, reaching out for people who have previously bought similar crime-deterrent products, he said. Those products have been manufactured by

(Continued on Page 53)

Travel industry wary of tourism slowdown

Waikiki ad wave rolls in

By JENNIFER PENDLETON

A newly formed promotional organization representing Hawaii's most popular travel destination, Waikiki Beach, will start an estimated $800,000 advertising campaign this summer and has named Starr Siegel McCombs, Honolulu, to direct it.

The Waikiki Beach Operators Assn., formed six months ago by Waikiki hotel operators and businesses to raise funds to finance an ad drive promoting the area, named SSM after a review in which four other Hawaiian agencies took part. They were: Fawcett McDermott Cavanagh Brinck; Milici/Valenti; Ogilvy & Mather, and Peck Sims Mueller.

WBOA president Gordon Hentschel, claiming that hotel occupancy rates are now healthy, denied that the group was founded to counteract a tourism slowdown in Waikiki. But other Hawaiian travel industry sources said Waikiki's hotel and restaurant operators privately are concerned over the growing numbers of tourists who are choosing other Hawaiian destinations.

Mr. Hentschel said other local promotional programs, such as the Maui County Visitors Assn., are models for WBOA.

Mr. Hentschel believes ads will start in July. They will run throughout the mainland U.S. and in Canada.

According to a representative of the Hawaii Visitors Bureau, Hawaiian tourism is rebounding nicely from a recessionary 1982 and a flat 1983. In the first two months of this year, tourist traffic increased 15%, compared with the same period a year earlier.#

NCTA braces for convention

By SUSAN SPILLMAN

A variety of pressing issues will be addressed when more than 15,000 cable tv executives gather at the Las Vegas Convention Center June 3 to 6 for the 33rd annual National Cable Television Assn. convention.

In panel sessions and in corridors throughout the four-day event, cable operators and programers will ponder such issues as pay tv's softening sales, the pending cable deregulation legislation before the House of Representatives (H.R. 4103), combating theft of service and new competition from videocassettes.

According to NCTA spokesman Ed Dooley, the cable tv industry is "entering a new phase in which costly construction is winding down and we're turning more to serve the consumers."

While this decrease in building will help the cash flow of cable companies, many of which already have borrowed to the limit, it also means these companies will have to better market their services in older systems to maintain growth.

Partly because of a lack of new systems launching, the sale of pay tv units slid dramatically during the first quarter of this year. However, basic cable continues to grow, said Mr. Dooley.

The NCTA reports that basic cable now penetrates about 43% of all tv households and is expected to increase by the end of next year.

Even with cable tv expected to be in one out of two homes, operators still are looking hard for more incremental dollars.

One way they could keep up is to raise the price of basic cable service through H.R. 4103. If passed, the law

(Continued on Page 54)

Image of advertising

Over-all quality of advertising

How would you rate the over-all quality of the advertising you are presently reading, seeing or hearing? *Source: SRI Research Center, Lincoln, Neb.*

Rating	August per cent	November per cent	February per cent
Excellent	12	12	11
Good	48	51	48
Fair	28	26	30
Poor	9	8	8
Don't know	3	3	3
Mean score*	2.66	2.70	2.65

Television advertising quality

Thinking specifically about television advertising, how would you rate its over-all quality? *Source: SRI Research Center, Lincoln, Neb..*

Rating	November per cent	February per cent
Excellent	12	12
Good	45	43
Fair	27	30
Poor	12	12
Don't know	3	3
Mean score*	2.59	2.55

*Derived by assigning 4-excellent, 3-good, 2-fair, 1-poor

Ad quality good; believability low

CHICAGO—The public continues to rate the over-all quality of advertising as "good," but believability still is low among consumers, and they are becoming less satisfied with the accuracy of the advertising they see.

These are among the findings of the third nationwide study of the image of advertising conducted for ADVERTISING AGE by SRI Research Center, Lincoln, Neb. The studies were conducted among a national sample of more than 1,200 people in August and November, 1983, and in February of this year.

In the latest study, 11% of the public rated the over-all quality of advertising as excellent and 48% rated it as good. Another 30% rated advertising quality as fair, 8% rated it as poor and 3% didn't know. These figures have remained fairly stable in the three studies. On a scale of 1 to 4, the average across the three studies has gone from 2.66 to 2.70 to 2.65. That is on the low end of the "good" scale.

Among individual groups within the national sample, blacks rated the over-all quality of advertising significantly higher (2.86), while Hispanics rated it lower (2.25).

The over-all quality of tv advertising is rated lower (2.55) than the mean of 2.65 for all advertising.

When asked to compare advertising they are seeing now with advertising a year ago in terms of creativity, respondents gave creativity a mean score of 3.55—about halfway between "same" and "better."

This score was similar to two previous studies. Households with more than a $40,000 annual income rated creativity higher than did the other groups.

The public continues to rate the believability of advertising claims low. Using a 1-to-5 scale (from "totally believable" to "totally unbe-

(Continued on Page 54)

Racing link keeps Grey staff in gear

By STEWART ALTER

Grey Advertising, New York, has formed a new unit, Grey Advertising Performance Group, designed to keep key account staff more informed about auto racing.

From Grey's point of view, racing is a sport to watch because it is on an upsurge.

"We're hitting a period where racing is becoming more popular, where the networks are giving it more time and where more people are attending races," said Bill Lucas, vp-management supervisor on the STP Corp. account at Grey.

Executives on the STP, AMC/Renault, B.F. Goodrich, Timex Corp., Canon USA and Holly Farms accounts at Grey met for the first time at a luncheon recently where they heard a presentation by STP-sponsored driver Richard Petty.

Mr. Petty noted that auto racing is a sport that depends on sponsorship and, in turn, provides promotional opportunities. "No other sport permits such commercial identification of company and product," he said.

STP's racing involvement has been quite heavy. Now other Grey clients also have been emphasizing this area. AMC/Renault has become increasingly involved in U.S. auto racing. And Renault intends to do "more and more" tie-ins with racing and to run more related advertising, said Grey exec vp Lou Maloof. B.F. Goodrich for the first time late last year began racing a car it built. At the same time, it introduced a new ad theme line, "We make cars perform."#

at presstime

Chiat/Day makes drive for Porsche account

LOS ANGELES—Chiat/Day here is among the agencies expected to make presentations this month for the $10 million Porsche Cars North America account. In addition, Pinne, Garvin, Herbers & Hock, San Francisco, will meet with the company next week to discuss handling the account. That agency has handled projects for Porsche since January.

Coleco begins new push for Adam computers

HARTFORD, CONN.—Coleco Industries begins a new ad push June 1 for its Adam Family Computer System. The effort will consist of page inserts in the *Boston Globe, Hartford Courant, New York Daily News, New York Times* and *Philadelphia Inquirer*. The ad also will run in the *Chicago Tribune* June 4 during the Consumer Electronics Show. A radio spot is scheduled to follow in New York, Boston and Philadelphia. The effort, part of Coleco's $10 million 1984 ad spending, is the first by Ketchum Advertising,/New York, which won the creative assignment earlier this

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Baby-boom generation productive

WASHINGTON—The U.S. Census Bureau estimates that there were 17.8 million children 5 years old or younger on July 1, 1983, an indication that the baby-boom generation has reversed the declining fertility rate.

The 1.5 million increase since the April, 1980, census was a 9% gain, and brings the 5-and-under population to a 15-year high.

Total U.S. population was estimated at 234,496,000, up 7.4 million.

As the baby boomers moved through the life cycle, the 25-to-34 age segment, with 40.3 million, had an 8.3% gain; the 35-to-44 segment, with 29.5 million, was up 14.8%.

Seniors—those over 75—numbered 11 million, up 10.5%.#

Networks stake survival on ad revenues

By Jack Myers

It appears that advertising-supported cable tv has evolved into two distinct media, one adhering to broadcast-like qualities and the other fulfilling cable's original promise of appealing to diverse, highly segmented audiences. Senior agency and client executives confirm that ad-supported cable suffers from an identity crisis that threatens to destroy its long-term growth potential.

Almost all of the 18 major ad-supported cable programing services are suffering losses. Only Turner Broadcasting System, which owns superstation WTBS, Cable News Network and CNN Headline News, and CBN Cable Network are profitable; Entertainment & Sports Programming Network and MTV: Music Television promise black ink by year's end, and Financial News Network and USA Cable Network say profits are imminent.

Dennis Liebowitz, vp-media analyst, Donaldson, Lufkin & Jenrette, New York, says he believes that this is a transition year for cable networks. "More networks will soon cross the line into profitability. In 1985, we'll see profits growing, and by 1986, the industry will be profitable," he says.

While no one seems willing to predict that all existing cable networks will survive, many say they believe the worst is over. Fred Brandt, vp-media research director, Ted Bates Advertising/New York, sums up the industry attitude: "There were too many entries. Any time you have sensible, financially sound consolidation, it is beneficial."

Jay James, senior vp-video technology/programing, Doyle Dane Bernbach, New York, adds: "Networks will still have to struggle and tighten their belts. There may be more consolidations or failures, but we may also have new network introductions in a few years."

Cable executives say ad-supported cable network viewing equals more than 11% of broadcast network viewing, but cable generates only 5% of broadcast's ad revenues. Gerald Hogan, vp-sales, TBS, Atlanta, says, "In the day-to-day sales process, there is a real problem in the amount of money going to cable and our revenue increases *vis-a-vis* viewing increases." Cable's future as an ad medium will hinge on its ability to reverse this disparity.

> **"Money required for franchise building will be redeployed into programing . . . and advertising sales."**
>
> *—Arnie Semsky*

Despite cable's identity crisis and skewed revenue/viewership ratio, most executives agree that it will continue to grow. Cable "will take its place alongside other major media," Robert Daubenspeck, senior vp-national broadcast director, Foote, Cone & Belding, New York, says.

Also most cities now either are cabled or are being cabled, says Arnie Semsky, executive vp, director-media and programing services, BBDO, New York. "Money required for franchise building will be redeployed into programing, consumer marketing and advertising sales. We'll go from a hardware to a marketing-driven business. We're in that transition period now."

DDB's Mr. James says there will be greater penetration and channel capacity in the future. He projects ad revenues will leap for some cable networks, followed by growth and profitability on a network-by-network basis. Peter Spengler, vp-advertising services, Bristol-Myers, New York, agrees that "cable's brighter days are ahead. The marketing choices that cable makes available will have more meaning in the future."

But now, cable is concentrating on maturing and evolving into a business. Ronald Kaatz, senior vp, director-media resources at J. Walter Thompson USA, Chicago, says, "Cable is not a business of extremes; it's a business and it's being treated that way."

Its growth as an ad medium depends on the continued growth of gross viewing audiences, led by mass appeal networks such as superstation WTBS, CBN and USA Cable. Both general-interest cable networks and segmented networks can find a place in the market, Mr. Semsky says. "We need to support cable and give it a chance to mature and evolve at its own pace."

Agency and client executives say cable should concentrate on original programing, demographic and geographic audience segmentation and creative ad opportunities. These executives challenge the cable industry to recognize, support and sell these

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Jack Myers is president of the InfoMarketing Group, which has performed in-depth studies of the cable market for several cable organizations.

Pipeline

(Continued from Page 26)

forth, but we have never fully communicated why all of this might *matter* to an individual. Over time, the resister just quit listening. Our job is to get those potential subscribers to start listening again.

Last year, as we began to define the objectives of the Council for Cable Information's industrywide marketing campaign, we identified two critical factors: The need to establish a more aggressive identity and the need to adopt a new benefit-oriented sales strategy. We concluded that both needs could be met with messages that emphasized the consumer's positive *experience* with the product.

Some marketers contend that cable is primarily a local business and cannot take advantage of a national campaign that is based on user experience. However, people subscribe because cable offers more choice and convenience than standard tv. Every cable system can deliver that simple promise.

As we shift cable's identity from one of "more tv" to one of "selectivity, diversity and choice," we will build the foundation for new marketing approaches that will define specific benefits for specific groups.

A long-term, industrywide campaign should open up a new market for cable by cultivating more positive attitudes toward cable among nonsubscribers. Although the investment needed to open up this new market will not be as large as the one that brought cable into America's urban centers, it nevertheless will require a considerable commitment from all sectors of the cable industry.

Fortunately, the rewards of such a commitment promise to be substantial. Just a 10% increase in penetration of homes passed—not an unreasonable result for a sustained image-building campaign—could double the operating profits of many cable operators.

In less than a decade, our industry has provided the nation with an exciting new entertainment and information medium. Don't we owe it to our investors, our customers and potential customers and, perhaps more importantly, to ourselves to do the best possible job of telling the story of what we've created?

Many people, I expect, are waiting to hear from us.

Addressing the issues

Inevitably, an unprecedented collective marketing effort such as the Council for Cable Information's industrywide campaign raises certain questions. Those questions deserve answers.

- Will a user-benefit campaign really produce a measurable shift in attitudes?

It will if it's good, if it touches upon the right emotions and if we are patient. Ultimately, you have to believe in the power of advertising to affect consumer perceptions of a product. We do.

Our industry has never attempted anything like this, so our first approaches may need to be refined. The anticipated shifts will not occur overnight.

- Will the CCI campaign produce the returns that more direct sale-oriented campaigns typically yield?

I believe it will because it communicates with an audience that has been "left behind" by previous marketing efforts. We know, for instance, that while over-all awareness of cable is high, in certain heavily marketed communities, nonsubscribers' recall of cable advertising is low or nonexistent. They're simply not hearing us, and that's our fault.

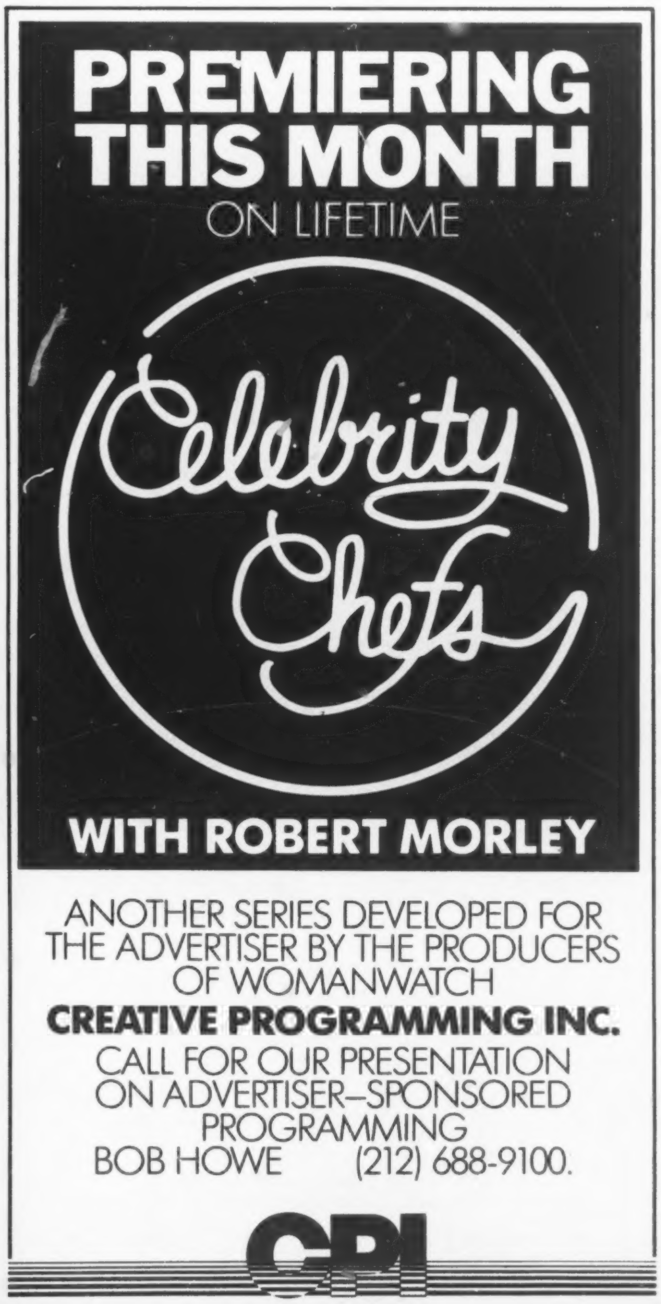
- Does the CCI campaign make any sense given the various operational difficulties facing the industry?

We know that many nonsubscribers reject cable because of reported service problems. Obviously, progress in operations and marketing must go hand in hand. After all, increased receptivity to our sales message won't do us any good if we don't answer our phones, honor our installation appointments and keep our billing records straight.

But the cable industry *is* making progress in servicing our customers. Last year, independent studies by Opinion Research Corp., Benton & Bowles and International Communications Research reported about 90% of cable subscribers are "satisfied" to "very satisfied" with their cable service.

As recent growth moderates and companies invest more revenue in training employes and updating equipment, solutions to our service difficulties will become even more evident. We need to ensure that interested consumers are still out there once the solutions are in place.

—K.H.C.



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Survival

(Continued from Page 30)

competitive strengths to agencies and advertisers. Substantial growth as an ad medium depends on directions and decisions taken by cable management on several key issues within the near future.

Battling internally, externally

Cable tv networks' willingness to compete against each other is tainting their efforts to become vehicles for advertising.

David Poltrack, vp-research, CBS/Broadcast Group, voiced the opinion of several advertising leaders: "Internecine warfare among cable networks doesn't help the industry."

Mr. Daubenspeck of FCB says, "There are so many cable networks, they're cannibalizing each other. We have 18 networks scrapping for a limited amount of dollars."

Another senior cable executive points to agency media planners and buyers, who he says "are not creating fair cable budgets and are pitting networks against each other for existing dollars. They are driving down prices, resulting in a blood bath."

The industry's best hope to reduce predatory competition may be to develop the total market—and the number of ad dollars allocated to it. "Cable networks have not been able to develop a solid foothold in the natural media buying process," Douglas Greenlaw, vp-sales, CBN Cable Network, says. "We have not been able to concentrate on developing new business. At our current level of sales, we're still going after shares of current cable business."

Clearly, internal battles cannot help the industry. But, says Robert Alter, president of the Cabletelevision Advertising Bureau, "Broadcasting has always been competitive—a supply and demand industry."

Mr. Alter senses "a growing feeling among networks that competition is counterproductive."

But if cable networks should avoid internal competition, where should they be focusing their competitive energies?

The CAB and several cable programers, most predominantly TBS, are taking on the broadcast networks and focusing their sales pitches to advertisers on cable as being an ideal supplement to the erosion of commercial network viewership. However, several ad executives question the long-term wisdom of cable's emphasis on gross numbers and the erosion issue.

"Cable is taking too much credit for erosion," says Jayne Zenaty, manager-cable research, Leo Burnett Co., Chicago. Erosion is a sign of many changes in the media environment. Cable just happens to be there, and it is part of the solution. Feathers get raised when cable presents itself as the *only* solution."

In selling itself as an alternative to network erosion, cable also may be positioning itself in a role it cannot satisfactorily fulfill.

Avrum Geller, director-marketing services, Block Drug Co., Jersey City, N.J., says broadcast tv advertisers primarily are dealing with mass audiences. "Cable still represents segmentation, and therefore is unlikely to get its corresponding share of mass dollars."

Although the erosion issue dominates cable's competitive efforts, the InfoMarketing Group, which surveyed 350 senior agency and advertiser executives, found that only one-third of those executives consider supplementing broadcast network erosion to be cable's greatest strength. More than 50% believe cable's real value is its ability to reach segmented audiences. Sixteen per cent identify sponsorship opportunities and infomercials as cable's most important offering, or, as Ms. Zenaty, says, "its qualitative attractiveness."

BBDO's Mr. Semsky says 99 of the top 100 advertisers use cable (General Electric being the lone holdout). He says cable's real competitive strength is to tailor the sale of ad slots to individual clients. "We can do things in cable that cannot be done in broadcast," he says. "The cable networks should be preaching this, not selling more of the same."

Ironically, cable's concentration on broadcast erosion may be aiding one of its more potent competitors. Although broadcast network audience erosion is an accepted fact, barter syndication and independent tv stations are viewed as the primary outlets for supplementing this loss.

"Cable has created the recognition of the need for alternatives by focusing attention on the erosion issue," Mr. Daubenspeck says. "But advertisers are looking for viable alternatives to network tv, and if syndication is a viable alternative, they'll turn to it. Cable has also promoted the growth of independents and syndication, by breaking up the monopoly of Channels 2 through 7 dialing and by enhancing the uhf signal.

"A few years ago barter syndication ratings weren't acceptable," he says. "Cable, with its .5 and 1 ratings, has become respectable, [but] advertisers have realized that 5 and 7 ratings are available through syndication."

CBS' Mr. Poltrack says cable's and barter's comparative effectiveness as complements to broadcast tv must be analyzed. "Both have their strong points, but they think they're in competition with network tv; they're really in competition with each other.

"Advertisers traditionally filled in their network buys with spot tv," he says, "and more recently began using cable, resulting in the initial infusion of cable revenues. Now dollars are going to barter syndication."

Most of the broadcast dollars being funneled to cable as a supplement to audience erosion are going to those cable networks that mimic broadcast. WTBS is a broadcast independent superstation and CBN Cable, Virginia Beach, Va., is programed like one.

Both are very effective in reaching broadcast-like audiences and both are profitable cable networks. Mr. Poltrack identifies ESPN's audience as being like broadcast sports' audiences, and CNN's as looking like broadcast news' audiences.

So the over-all ad revenue picture becomes even more unfocused. Barter syndication and some cable networks are competing effectively for cable dollars. But will only those cable networks that imitate broadcast tv networks survive?

Audience research holds the key

The cable industry appears convinced that the survival of its members depends on more research on the erosion issue, with the vast proportion of research dollars committed to A.C. Nielsen Co. household ratings.

Cable networks are being pressured into reaching the critical audience mass (15% of the total tv households) required to be metered by Nielsen. While Nielsen household data may help ad executives justify cable buys, it is apparently not enough to generate major defections from broadcast.

"Ratings give us information that a set is turned on and tuned into a specific network," says Ira Tumpowsky, vp-new media technologies, Young & Rubicam, New York. "After that, we have little to go on; little demographic information and little qualitative data. When you discuss selective environments, there has to be more qualitative information. The lack of information makes it difficult to assess cable's real worth."

Bates' Mr. Brandt disagrees: "With household information coming in on a regular basis for several networks, we can ensure that we are getting value for our dollars spent." Bates recently recommended that its clients update their budgets, shifting 15% of their media dollars to cable, instead of the previously suggested 5%, to supplement broadcast network erosion.

In general, however, ad executives concede that far more information is required before they confidently can make larger cable commitments. Gregory Blaine, director-new communications technologies, Foote, Cone & Belding, Chicago, has been outspoken in his belief that cable has sufficient documentation. However, he adds the ubiquitous caveat: "For the amount of money being committed."

To boost the dollar amount spent, cable networks need to be concerned on two fronts. First, revenues for the major cable networks probably won't come into line with viewing levels until more data is available. And, unfortunately, satisfactory research is unlikely in the near future.

Norman Hecht, president of Information & Analysis, a cable research company, pinpoints the problem as one of sample size. Current meter samples, he says, "are inadequate for the new media environment. With the average cable service generating small viewing audiences, agencies are being asked to make buying decisions with information based on very few metered homes. Information on what to buy in the cable universe and how to compare one service to another is inadequate.

"Agencies have to know the ratings," Mr. Hecht says, "and

(Continued on Page 36)

Cable's biggest subscribers: Top 10 advertisers

(Ad expenditures* in $ millions, Jan.-Sept. 1983)

1.	Anheuser-Busch Cos., Inc.	$13.6
2.	Procter & Gamble Co.	10.7
3.	General Foods Corp.	8.6
4.	General Mills, Inc.	6.3
5.	Toyota Motor Sales Co., Ltd.	4.7
6.	Bristol-Myers Co.	4.5
7.	Time Inc.	4.1
8.	Ford Motor Inc.	3.9
9.	Eastern Airlines	3.1
10.	American Home Products Corp.	2.7

*based on advertising placed on CNN, ESPN, USA, WTBS
Source: Cabletelevision Advertising Bureau

quality and experience in survey research

ORC

Opinion Research Corporation

The Cable/Video Research Center:

- ☐ Programming Research
- ☐ Basic Packaging and Pricing
- ☐ Subscriber Tracking
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Survival

(Continued from Page 32)

the networks have to spend $250,000 and more each to generate the information. Agencies and networks have to ask what $250,000 could do in other forms of research."

Y&R's Mr. Tumpowsky recommends that the cable industry and agencies coordinate research efforts, buying data on an as-used basis and performing in-depth local market studies and combining them into a single national study. This process, Mr. Tumpowsky says, will serve the long-term needs of both national and regional networks plus local cable interconnects.

The broadbased cable networks are really in a tough position, Mr. Hecht says. "If they drop Nielsen, they lose what they've accomplished. If they don't get substantially larger sample sizes, they won't grow in proportion to their viewing levels."

The research problem is amplified for the selective-audience networks. If cable's mass networks are experiencing sales difficulties because of inadequate sample size, the inadequacy of data for targeted networks will be even more dramatic.

Mr. James at DDB says household ratings should be expected only of the programing networks that mimic the broadcast networks, such as CBN, USA Cable and WTBS. He holds that the other networks should be sold not on numbers, but on a target audience basis.

"Lifetime and ARTS & Entertainment," Mr. James says, "should not be evaluated on a household cost-per-thousand basis. We need better research to support these networks. Agencies can take advantage of the situation today, because with only household information available, we price networks using this information. We're able to buy selective audiences using mass audience cpms."

Mr. Hecht emphasizes the potential of people meters, which provide some insight into the quality of the viewership, as a possible solution to cable's research woes. "But people meters alone will not be enough without significant increases in sample size," he says. Mr. James adds that "we all recognize the need to go further, but we need more action from the cable networks."

Top 10 ad-supported cable networks and superstations

(estimated ad revenues in $ millions)

1984		1983	
1. WTBS	$148.0	1. WTBS	$117.0
2. ESPN	60.0	2. ESPN	41.0
3. CNN	45.0	3. CNN	31.5
4. USA	41.6	4. USA	29.5
5. MTV	36.0	5. MTV	24.0
6. CBN	26.0	6. CBN	12.5
7. Lifetime	21.0	7. WGN	10.0
8. Nashville	17.5	8. CHN	6.8
9. WGN	12.0	9. Nashville	5.9
10. FNN	10.5	10. WOR	5.0

Source: Paul Kagan Associates' "Cable TV Advertising."

Putting sales skills to the test

Cable's salespeople and management face a difficult challenge. "Cable has not been around long enough for its value to be firmly established," Mr. Alter, CAB president, says. "The law of ad nature brings advertisers to value and to audience. Cable offers value delivered and, therefore, it will continue to grow."

For now, however, Robert Sieber, vp-research, TBS, says, "A mature cable network sells 40% to 50% of its inventory; a starting network sells an average of 20%. Cost per thousand is low in an effort to increase the sellout. Our need is to increase demand."

The viability of cable's ad sales may be a matter of supply and demand. "The reason the broadcast networks can increase their prices," Mr. James says, "is to increase demand for a fixed amount of inventory. The way for advertisers to put a ceiling on broadcast cpm increases is to support the creation of more inventory. It is in the advertisers' interests to support cable networks."

According to InfoMarketing Group's research, ad leaders give high marks to cable salespeople and management for working hard to overcome some difficult obstacles. "Cable salesmanship is three to four times as good today as two years ago," Mr. Daubenspeck says. "There is nothing like adversity to sharpen sales tools, and the networks are trying hard to improve."

Most executives say they believe that cable management's broadcast roots created early problems for the industry. Mr. Tumpowsky says salespeople who brought to cable a broadcast mentality and hands-out attitude did their cable networks more harm than good. Selling broadcast slots is a system of order taking, says Block Drug's Mr. Geller, while selling cable requires a great deal of effort and skill.

David Moore, vp-sales, Lifetime, New York, wants to assure agencies that the networks *are* putting a lot of effort into developing their sales personnel's skills. "We're spending a lot of time educating our salespeople and developing sales skills. There's always room for improvement."

Richard C. Anderson, executive vp-corporate media and programing, Needham, Harper & Steers, New York, says there is indeed room for improvement. "Cable networks have to get down to a numbers-oriented sell in order to get revenues. Yet there is a much greater opportunity if salespeople had a better understanding of how products are marketed and how advertisers use media to market a product."

This claim that the sales efforts of many cable networks are marred by inexperience is echoed by Mr. Semsky. "Salespeople need to understand that advertising is a small part of a client's business. They need to learn more about our clients' businesses and the dynamics of agency and client relationships. "But," he adds, "there have been some very heroic sales efforts by cable networks."

Lloyd Werner, vp, Group W Cable Communications, New York, stresses creativity in his organization's sales efforts for the Nashville Network. Mr. Werner says that when he first started selling for the ABC Television Network in the early 1960s, "we had only 18-to-49 demographics when agencies were buying total adults only. We persisted and, eventually, the agencies recognized women 18 to 49 as their primary demo. We believe the future of advertising today is the integration of commercials into the viewing product.

"We'll continue selling creative opportunities and wait for the world to catch up to us," he says.

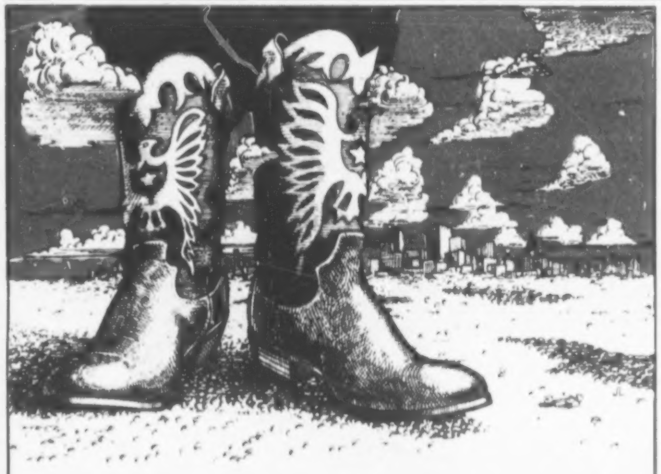
The Nashville Network has been particularly effective in bringing new advertisers into the medium.

Sales for the network are strong and, according to InfoMarketing Group's research, Group W's sales efforts are considered among the most innovative in the tv industry.

Fostering creativity

Advertising executives repeatedly mention cable's unusual and inherent strengths as the primary reasons they advertise in the medium. "Cable is creating a more compatible environment for many brands," Mr. Spengler of Bristol-Myers says. "Advertisers can afford to spend modest amounts of money helping to support the medium

(Continued on Page 38)



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Long spots long shots that pay

Long-form commercials have attracted enough interest to justify a full 24-hour network devoted to commercials. The real curiosity is that viewers appear to be willing to sit and watch nothing but commercials.

Tested last year in Peabody, Mass., this network, called CableShop, already has been rolled out to several cities. Originally, satellite delivery was scheduled for 1986. Viewer reaction has been so positive, however, that Adams-Russell, the network's developer, has targeted national satellite delivery for this year.

Garth Hallberg, general manager, CableShop, says the network has undergone enough testing. "We tested for nine months in Peabody and six months nationally. It's time to become a real player in cable." Mr. Hallberg headed J. Walter Thompson USA's exploration of infomercials with CableShop and became sufficiently convinced of the network's potential to change careers.

"The research [conducted by Polaris Research Associates] is extraordinary," he says. "Originally, many advertisers viewed CableShop as a shopping channel. But it's an information network for traditional package goods and services advertisers." National research established that CableShop has high appeal among those who are aware of it and that "the effectiveness of CableShop infomercials on viewers' awareness, attitudes and behavior is remarkable."

More than one-third of cable subscribers viewed CableShop regularly, with 67% of these viewers watching three or more infomercials a month. The researchers also determined that the infomercials improved attitudes toward both well known and lesser-known brands.

Advertisers, though, are hesitating. Jay James, senior vp-video technology/programing, Doyle Dane Bernbach, New York, is "waiting for CableShop to be in more than 250,000 homes. It doesn't justify a lot of analysis, and clients are not eager to be a part of it."

Arnie Semsky, executive vp, director-media and programing services, BBDO, New York, says, "It will be a long time before CableShop will be used on a regular basis. It has a role, but taking the 30-second creative mentality to a two-minute mentality will take some doing. The messages have to be entertaining as well as informative." However, Mr. Semsky says MTV's short viewing bursts, which are gaining viewer acceptance, complement infomercial viewing.

Mr. Hallberg recognizes that CableShop's growth will be measured, but says he believes initial advertiser and viewer acceptance justifies rapid expansion. "We have to prove to people over and over again that people are watching, and that infomercials have a remarkable impact," he says. "We'll keep repeating our research and advertisers will see their own results." —J.M.

Survival

(Continued from Page 36)

and build franchise positions for themselves."

Mr. Tumpowsky says, "Young & Rubicam looks at cable as a selective audience medium in which we can position clients whose brand personality matches the personality of a specific network." Programs developed for clients and client-originated programing help to provide a prime link between product and medium.

Mr. Semsky says cable's creative opportunities are just now being recognized. "MTV has become a part of the culture," he says. "Young people are becoming attuned to watching television in short bursts. They are accepting heavy repetition and looking at very colorful, lively productions.

"CNN is changing habits as well, by introducing news 24 hours a day, as it's happening," he says. Mr. Semsky is "looking to create commercials that are compatible to the environment in which they appear."

This emphasis on creative opportunities supports Mr. Werner's belief that "cable seems to be the only medium left that allows advertising to be integrated into the programing. Cable brings a whole new perspective to the viewer, and agencies will have to respond with new and different advertising."

To integrate advertising into cable programs, agencies will need to be satisfied with the quality of that programing. The key to this, according to most agency executives, is the networks' ability to produce high quality original programing.

The original programing for WTBS, one of the profitable ad-supported cable services, has done extremely well, Mr. Tumpowsky says. CBN's current programing mix of movies and off-network product "attracts substantial audiences that generate advertising revenues," Mr. Greenlaw says.

Surprisingly, agency and client leaders express positive and optimistic attitudes toward cable programing. There "aren't enough great programs to fill up seven days a week," Mr. James says, "but they are certainly available. And the vertical programing networks are generally of consistent high quality and offer advertisers a real advantage."

Needham's Mr. Anderson says, "One of cable's early errors was that the industry totally overestimated advertiser response and overspent on programing. Now they are finding more sophisticated ways of spreading their investment costs.

"Cynicism," he adds, "says that programing will fall to the lowest common denominator. But that's not happening. Eventually, cable networks will truly give viable options to viewers and advertisers."

Localization wins and loses

National cable networks' difficulties in generating ad support are magnified dramatically for regional networks and local cable systems. However, most industry experts affirm that both will become major elements in the ad mix.

Some experts suggest that local cable advertising may become even more important than national advertising because of advertisers' need and ability to pinpoint audiences demographically and geographically.

"There is tremendous localization in the United States," Needham's Mr. Anderson says. "Markets are more unalike than they are alike. To work out marketing plans, we are often forced to seek common denominators, but we know [that] media work differently in different markets. Business is very local, and local and regional marketing opportunities are very exciting."

Most executives recognize major obstacles to local cable buying within the next few years. Only 20% of all systems accept ad inserts now, and, as Burnett's Ms. Zenaty says, "everyone thinks out-of-pocket costs are low, but the costs per thousand can be very large."

The lack of measurement and the inability to buy complete markets appear to be the major obstacles. "Pricing tends not to have the logic of the pricing of national cable networks," Mr. James says. "And there is very little local measurement worth anything."

The CAB's Mr. Alter says the industry is working on these problems. "Every major multiple system operator has made a commitment to build local sales. They have not thought about advertising as part of their local business, but they now see it as a revenue stream."

Ms. Zenaty says cable's viability as a local ad medium will hinge on interconnects, which must approximate the system advertisers use to place spots on local commercial tv. It also must be priced accordingly, she says.

Cable Networks Inc. is launching interconnects in several markets; Gill Cable has been successful in the San Francisco market for years, and CBS is creating an interconnect in the Chicago market. Other ad hoc interconnects also have been formed in several cities. However, national sales efforts are uncoordinated, and most observers believe the initial support for local cable will come from the retailing industry.

BBDO's Mr. Semsky points to $21 billion spent annually in local newspapers and says he believes local cable systems and newspapers will develop joint ventures, offering both circulation and advertising opportunities.

However, the "Electronic Media Report for the Retailing Industry," published monthly by the American Media Council and Retail Advertising Conference, says, "Television itself is a secondary medium for most retailers. Cable television, therefore, is not a high priority."

The newsletter makes an exception for MTV. "MTV could be considered a specialty medium for juniors' promotions. MTV is having a significant impact on the fashion industry."

Wendy Levine, media director for Bloomingdale's, sums up retailers' general attitude toward cable: "We have a limited budget for tv and don't believe we are thoroughly covering that medium yet. It's not practical to move into cable."

Another strong prospect for local advertising lies in the sports arena. Several new regional sports networks were launched recently and others have expanded into more markets. Although televised sports seems to be overabundant, most agency and client experts say they believe expanded sports coverage will help support the regional networks. According to BBDO's Mr. Semsky, "The more sports there is on television, the more viewers will gravitate to their local teams where interest is highest.

"Regional networks will be successful to the extent that they offer programing not available on broadcast networks," he says. "They also have the advantage of combining subscriber and advertising revenues." ■

4,750,

The rides are rolling across the U.S.A.

An Advertising Age roundup

Memorial Day is the traditional summer kickoff for theme parks across America. From Disneyland in sunny California to Dogpatch U.S.A. in Arkansas, the parks have begun their summer campaigns to make sure fun-seekers know there are attractions all season long.

King's Island, **Cincinnati**, for example, unleashed its King Cobra, a roller coaster you ride standing up. Thirty-second tv spots boasting "Ride it if you can stand it" are airing in Cincinnati, Dayton, Columbus, Lexington, Ky., and Louisville and run through June 10.

Print, outdoor boards and radio support, some featuring surrounding attractions, including the Jack Nicklaus golf course and King's Island Inn. Sive Associates, Cincinnati, is agency for the $2.5 million advertising campaign.

Kennywood Park, outside **Pittsburgh**, tapped Pittsburgh Steelers linebacker Jack Lambert to tout its thrilling message. Outdoor boards in 25 locations show Mr. Lambert upside down on a roller coaster. Tv and radio support, with the tv spots from last year being recycled; they show Mr. Lambert losing a battle with Kennywood's roller coaster. MARC & Co., Pittsburgh, is handling.

Bally Mfg. recently purchased Marriott's Great America in **Gurnee, Ill.**, northwest of **Chicago**, and put it under control of its Six Flags unit. Now called Six Flags Great America, it is promoting a new attraction, the White Water Rampage, with two 30-second tv spots that beckon "Get carried away at Great America." A 30-second radio spot supports. Smith Burke & Azzam, Baltimore, handles. Three additional 30-second tv spots are planned.

Great America is involved in a tie-in campaign with Coca-Cola, a promotion centered around the Rampage. The theme park offers prizes—including free tickets, buy-one-get-one-free tickets, season passes and discount admissions—in specially marked Coke containers.

Jack flips for One Price Sundays
Kennywood

Jack Lambert, all-pro linebacker for the Pittsburgh Steelers, flips for the roller coaster at Kennywood Park outside Pittsburgh in a campaign created by MARC & Co. This is Mr. Lambert's second year in association with the park.

Six Flags has its theme parks spread all over the country. Each has its own agency and promotes specific attractions, according to Allen Edel, director-corporate marketing, although, in total, Six Flags has a $20 million annual ad budget. Six Flags promotes such "family-oriented rides" as the Sarajevo Bobsled (in California and New Jersey) and Air Racer (in Texas and Georgia).

Regional report

Media messages vary, depending on the audience; the bulk is in tv and some radio, print and outdoor.

Della Femina, Travisano & Partners, Los Angeles, handles Six Flags Magic Mountain in **Valencia, Cal.**, while the agency's New York office handles Great Adventure in **New Jersey** (where eight teen agers died recently when fire destroyed the Haunted Castle walk-through attraction).

McCann-Erickson, Dallas, handles Six Flags Over Texas (slogan: "Let us take you away"), which is located in **Arlington, Tex.**, and has a $1.5 million ad budget allocated mostly for tv. Radio and newspaper support special promotions, including teen-agers' concerts. J. Walter Thompson USA, Atlanta, handles Six Flags Over Georgia (slogan: "Come see what we dreamed up now") in **Atlanta**, which gets a $2 million budget used primarily for tv, with radio and newspaper support for special promotions.

St. Louis-based Six Flags Mid-America uses Stolz Advertising. Media for Mid-America is placed by Advanswers. Both agencies are based in St. Louis.

There's also Six Flags Atlantis near **Miami**, handled by Steve Walker & Associates, Fort Lauderdale, and Auto World, **Flint, Mich.**, handled by McCann-Erickson, Detroit.

In **Houston**, AstroWorld uses McCann-Erickson's office there and has a budget exceeding $2.5 million. Ads promote a new roller coaster and an Enchanted Kingdom park for adults and children.

There are few genuinely competitive geographic markets, but one is the **Los Angeles area**, where there is competition among Six Flags, the Universal Studios tour, Disneyland, Knott's Berry Farm and others.

One of those competitors, Walt Disney Productions, promotes attendance at both Disneyland in **Anaheim, Cal.**, and Walt Disney World in **Orlando, Fla.**, through special-events programing.

This summer, Disneyland celebrates Donald Duck's 50th birthday, and a tv campaign is planned in Southern California, plus additional spending in "gateway" cities, including **San Francisco**, **Las Vegas** and **Phoenix**.

A new Alice in Wonderland attraction opens and an "America the Beautiful" presentation, called "American Journeys," presented by Pacific South Airways, opens in July, the company said. Vista Advertising, an in-house agency, handles.

Disney is considering potential sites for new theme parks in Europe and has a licensing arrangement with Oriental Land Co. for Tokyo Disneyland.

"You cannot compete with Disney. It's the No. 1 attraction in the universe," said Thom Stork, marketing director of Busch Gardens in **Tampa, Fla.** But Mr. Stork said Busch Gardens' ad budget has increased in recent years, due to inflation and for test-marketing programs to youths and senior citizens. The youth crowd gets a Saturday morning tv cartoon effort. Needham, Harper & Steers/USA, Chicago, handles.#

Ad believability low

(Continued from Page 3)

lievable"), the mean score in February was 2.31, or slightly above "somewhat unbelievable." In general, the higher the income level, the lower the believability ranking. People in the South Central states ranked believability higher than the national average, and people in the western region rated it lower than average.

Respondents also were asked which media they rely on most to make day-to-day purchases and major-product purchases. For day-to-day purchases, newspapers continued to be the leading source of information. But for major purchases, more people listed in-store advertising.

In both instances, Yellow Pages advertising has continued to increase in mentions across the three studies.

Tv advertising as a source of day-to-day purchase information is more important among younger people and minority respondents. People in the 25-to-34 age group report more reliance on magazine advertising than do other groups.#

NCTA's convention

(Continued from Page 3)

would let cable operators set the price of their basic service without local restrictions.

"Our cost of basic service has gone up and we want to pass that on to the subscribers," says Ed Bennett, exec vp, Viacom Cable.

Another means of gaining incremental revenue is a stepped-up drive to crack down on illegal theft of service, said David Schreff, director of affiliate marketing for Showtime/Movie Channel.

According to Mr. Schreff, the cable tv industry is losing $500 million to $700 million annually through theft of service.

A Showtime survey of four states revealed that as many as 20% of the subscribers in a cable system may be stealing the service's signal.

Industry executives also fear they soon may lose paying subscribers to home video. "Almost in the last six months alone, the videocassette market has doubled. I find that a little concerning," says Mr. Bennett.#

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Set goals, then test

NEW YORK—Marketers can take the controversy out of testing copy for tv if they define their objectives better.

That's what Joseph Eastlack Jr., group manager-marketing research, Campbell Soup Co., told members of the Advertising Research Foundation at a conference on tv copy research in New York May 30.

He said that copy testing often is controversial because the purpose of the advertising is not defined clearly in the first place.

There isn't any field in marketing and advertising research subject to more opinion and controversy, he said in explaining why the association is devoting two days to the subject.

Researchers can argue for hours over which type of service proves to be the most valid, Mr. Eastlack noted.

Advertisers, he said, should determine whether the purpose of the commercial is, for example, to increase awareness, gain trial, remind consumers to buy or use up, encourage repeat purchase, reinforce present users' attitudes or resolve doubts.

When these are determined, then what the measure should be is quite clear, he indicated. For example, if the purpose is to increase awareness, advertisers should measure impact; if it is to gain trial, measure impact, name registration and benefit recall; if it is a reminder, measure the saliency to the use occasion.

Campbell, he said, has put this to work in its copy testing.

Mr. Eastlack said he is just arguing for a little sanity. "We just need to back up and do some homework before we decide on using a certain method of research."#

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New entrants bring tears to Visine market

By NANCY GIGES

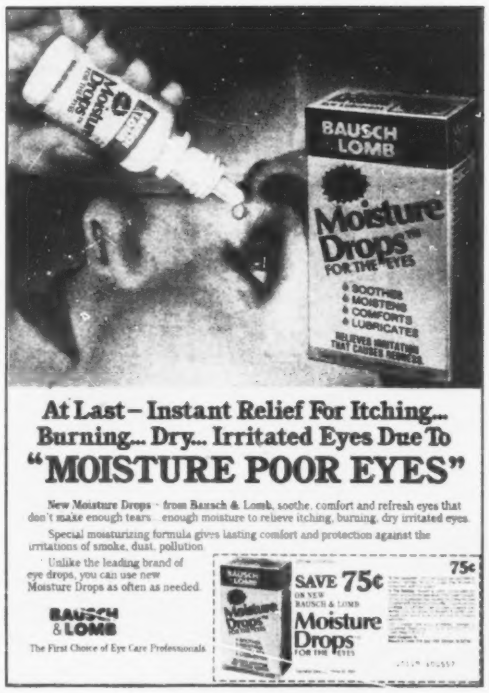
A new category of eyedrops is drawing interest from marketers that may be trying to cut into the lucrative Visine business.

Rochester, N.Y.-based Bausch & Lomb and Ketchum & Co.'s Bio-Products, New York, both are testing "tear replacement" eyedrops for people whose eyes don't produce enough tears.

Products such as these have been marketed professionally by eyecare specialists to contact-lens users for some time. There has been virtually no consumer advertising on these items.

Because the category is small, marketers view repositioning to general consumers as an attempt to

(Continued on Page 74)



For eyes that don't make enough tears, several marketers now are offering "tear replacement" drops. Bausch & Lomb is supporting a test of its Moisture Drops with this ad in Austin, Tex.

BAUSCH LOMB
Moisture Drops FOR THE EYES
SOOTHES
MOISTENS
COMFORTS
LUBRICATES
RELIEVES IRRITATION THAT CAUSES REDNESS

At Last – Instant Relief For Itching... Burning... Dry... Irritated Eyes Due To "MOISTURE POOR EYES"

New Moisture Drops – from Bausch & Lomb, soothe, comfort and refresh eyes that don't make enough tears ... enough moisture to relieve itching, burning, dry irritated eyes.

Special moisturizing formula gives lasting comfort and protection against the irritations of smoke, dust, pollution.

Unlike the leading brand of eye drops, you can use new Moisture Drops as often as needed.

BAUSCH & LOMB
The First Choice of Eye Care Professionals

SAVE 75¢ ON NEW BAUSCH & LOMB Moisture Drops FOR THE EYES 75¢

Competitors shrug off big AT&T promo

By ROBERT RAISSMAN

American Telephone & Telegraph will launch a multi-million-dollar campaign next week to support a new premium promotion.

But MCI Communications, its major competitor for long-distance phone customers, said it will wait and watch before deciding whether to get into a "dialing for dollars" showdown.

While reserving the right to make a similar move, MCI execs were highly skeptical of AT&T's promotion, calling it a "gimmick." They said the promotion was a clear sign that AT&T has given up the price battle. MCI has been stressing its lower prices in ads (AA, May 28).

Another competitor, GTE Sprint, a unit of GTE Corp., called the AT&T promotion a different type volume-discount package. Sprint says that since last January it has been offering a discount pricing plan, including volume discounts and no monthly fees.

There are 200 separate companies capable of providing discount long-distance service. However, none of them has yet made their presence felt in the way AT&T, MCI and Sprint have. Two

(Continued on Page 72)

Promo pinch at Gen. Mills?

By JANET NEIMAN

General Mills is disclaiming any liability on the results of a sweepstakes it advertised last month and then canceled a week later, but a source said there might be millions of dollars in winning game pieces outstanding.

General Mills called that report "ridiculous," saying it had "no significant liability" as a result of the sweeps cancelation. A

(Continued on Page 8)

Silver's in agency hunt

By SCOTT HUME

Add Long John Silver's Seafood Shoppes to the list of major restaurant chains shopping for agencies. That list already includes Pizza Hut and Godfather's Pizza.

The 1,342-store Long John Silver's chain, owned by Lexington, Ky.-based Jerrico, has terminated its relationship with Jordan, Case & McGrath, New York, which had handled the $20 million broadcast creative (only) account since 1980.

Jerrico's in-house Abbott Advertising handles media placement and newspaper advertising, and will continue to do so after a new creative shop is named.

Meanwhile, Pizza Hut indicated creative will not be the deciding factor in its search to replace Foote, Cone & Belding, Chicago, on its $20 million national account (AA, May 7). That chain last week narrowed the list of finalists to Ogilvy & Mather and Ammirati & Puris, both New York, and Chiat/Day, Los Angeles.

Pizza Hut vp-advertising Dave Ropes said the three presentations will involve "only agency personnel and business strategy observations." No creative presentations will be prepared.

"I think that's more professional," he added. "We're looking at the long-term rather than a single campaign."

A Jerrico spokesman said Jordan, Case & McGrath had been dropped because it "was not considered large enough" to handle "additional directions" Long John Silver's intends to pursue.

But some restaurant industry observers saw more than coincidence in Jerrico's move so soon after Pizza Hut left FCB open to find a new restaurant account.

They point to the recent appointment of Anthony Lavely as Jerrico's senior vp-marketing (AA,

(Continued on Page 72)

Tab moving to SSC&B

By NANCY GIGES

Just two weeks after unveiling a new Tab campaign introducing a new formula, Coca-Cola USA has moved the diet cola to SSC&B, which also handles Diet Coke.

Both SSC&B and the former Tab agency, McCann-Erickson, are part of the Interpublic Group of Cos. The Tab budget is estimated at $50 million.

Brian Dyson, president of

(Continued on Page 8)

last minute news

Ally gets bite of Polaroid's ad business

Cambridge, Mass.—Polaroid Corp. has assigned Ally & Gargano to its PerfectData floppy disc. The agency also has been given a creative assignment on a Polaroid camera. In the past, Polaroid has given special assignments to agencies other than its long-standing shop, Doyle Dane Bernbach. The marketer's 1984 billings are estimated at $40 to $50 million.

Saatchi's interest in DDB Int'l continues

New York—Saatchi & Saatchi reportedly is still interested in purchasing Doyle Dane Bernbach International, despite DDB's claim that it is not for sale (AA, May 21). DDB confirmed that Saatchi has expressed interest, but it maintains that there have been no new proposals recently.

Heileman's L.A. heads for Midwest

La Crosse, Wis.—G. Heileman Brewing Co. this week introduces Old Style L.A. in the Midwest, its third entry in the low-alcohol beer mar-

(Continued on Page 8)

Brickbats fly in California primary

Vote trail ends with harsh talk

By JENNIFER PENDLETON

'84 Marketing the Candidates

Los Angeles—The Democratic presidential candidates, ignoring calls to foster party unity, pushed their advertising bandwagons even further down the nasty track last week while campaigning in the make-or-break California primary.

In tv and radio commercials airing through the June 5 primary, both Walter Mondale and Sen. Gary Hart blast each other by name.

The importance of this last major primary may have spurred the candidates to pull no punches. The California race, observers agree, is too close to call.

According to a *Los Angeles Times* poll published last week, the two candidates are virtually even in the nation's most populous state, with Hart preferred by 29% of the Democrats likely to vote, compared with Mondale's 28% and Jesse Jackson's 11%. About 30% of the Democrats were undecided.

In addition, with the campaigns

(Continued on Page 70)

N.J. a 'tough buy'

By MARK LIFF

The Mondale and Hart campaigns found New Jersey to be a difficult media buy as they headed into the state's June 5 primary.

"It was a tough buy, an expensive buy," said Eleanor Tillinghast, a media consultant to Sen. Gary Hart's campaign. "It was difficult to target because we were not dealing with the local media."

For the candidates, New Jersey is unique because the target audience is scattered all over the state and reachable by broadcast media in New York and Philadelphia, two of the costliest markets.

In addition, there is no Arbitron ratings book for individual New Jersey markets, forcing the candidates to determine a radio station's reach before making commitments.

"From a media standpoint, it was difficult to ascertain who listens to what," said Judy Traboulsi, a media buyer for the Walter Mondale

(Continued on Page 70)

ABC victor in May

NEWSPAPER

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Suit hits N.J. legal ad rules

By JOSEPH LAURA

HACKENSACK, N.J.—A requirement that ads be presented with "dignity" has touched off a challenge to New Jersey's strict regulation of attorney advertising.

The legal action is the first attempt to overturn a recent state supreme court ruling mandating that all legal advertising be presented in a "dignified manner" and banning all "drawings, animations, dramatizations, music or lyrics."

The suit, filed last week by the Princeton Junction, N.J., law firm of Felmeister & Isaacs, challenges the ruling, which earlier this year upheld the guidelines set by the state's Office of Attorney Ethics.

A state superior court judge will hear the evidence and then present it to the state supreme court, which is expected to hear the case during its fall session.

The state's rules were issued to protect "the integrity of the legal profession and to protect the public from misleading legal advertising," according to the state attorney general's office. The New Jersey Bar Assn. supports the court's ruling.

In arguing for the guidelines, the attorney general's office wrote, "Any consumer-useful facts that might be conveyed by the use of jingles, lyrics, cartoons and the like can be communicated freely and explicitly via the written and spoken word. These devices would offer little if any consumer-useful information and are more likely to attract clients for reasons other than those that are relevant to the selection of appropriate counsel."

One of the plaintiffs, Hanan Isaacs, testified that his firm had used drawings depicting various

(Continued on Page 74)

abc
WE'RE WITH YOU
WE'VE GOT THE TOUCH
LET'S ALL BE THERE

ABC's "with you" this summer in promos featuring series stars; CBS still has "the touch," and NBC has new special effects for its "Be there."

Networks warm up fall promos

By DIANE MERMIGAS

NBC will resort to special-effects hype, CBS will try to establish more intimate ties between series stars and viewers and ABC will attempt to convert Olympics spectators into regular network fans with animated promos for its prime time shows.

Such will be the principal tactics of the networks in their promotional battle for viewers this summer as they approach the fall tv season.

A lot of things will change about the way the networks market themselves, but Steve Sohmer said his flair for unconventional promotions as senior vp of NBC Entertainment isn't one of them.

"What the competition has failed to grasp is that for the past several years, we have been engaged in the reinvention of the television promotion," Mr. Sohmer said of the NBC promotions that stirred so much interest and controversy last season.

"The humor we have used, the unusual way we have promoted our shows, the tongue-in-cheek picking on the other guys, all have been part of it," he said.

Some in the industry, however, thought Mr. Sohmer's efforts subsided last season after they yielded only lukewarm response and results. Some surmised that top NBC brass became impatient with the gimmickry and requested a more conventional, direct approach. Mr. Sohmer said that's not so.

"Early last season, when we were faced with the failure of so many shows at once, we suddenly had less time to spend on doing unusual things," he said. "But the promotional approaches we tried. . .regardless of whether the shows themselves worked, were very successful."

This coming season, with a revision of last year's call to arms—"Let's all be there"—NBC will enter the realm of special-effects

(Continued on Page 70)

Syndication buys may trim net hikes

By JAMES P. FORKAN

NEW YORK—Barter syndicators, in a break from tradition, have been conducting their own apparently successful version of an upfront tv selling season. It already may have held the networks' children's programing rate hikes to a minimum and many agency execs hope it will do the same for prime time.

According to various estimates, barter syndication's ad volume for 1984-85 could jump by nearly 15% to $350 million or so.

Some agency execs say there is no comparison between that figure and the anticipated $2 billion or so the three networks anticipate. But many agencies are supporting the concept of a barter upfront season as a bargaining wedge for their imminent network purchases.

"The number of advertisers buying 52-week barter syndication flights upfront is staggering compared to previous years," said one high-level exec at a major agency. " 'Entertainment Tonight' is sold out for the year. 'Solid Gold' is gone. 'Hour Magazine' and 'PM Magazine' are sold out on an upfront basis," he said. "There's been lip service about this before, but this year the blue-chip advertisers are really doing it. There's a couple hundred million dollars going into syndication before the network prime time upfront season. That $200 million or so is the money that was going to cover the networks' price increase. It isn't in the market any more, and it's going to force network prime time prices to increase only about 4% or 5%."

The tv networks' sales staffs remain bullish on the upfront prime time package buys, without going into projections on dollar figures or pricing for the various dayparts. Larry Hoffner, NBC's vp-national sales, said that its news upfront is virtually sold out. Pier Mapes, NBC-TV Network president, told his affiliates in late May that NBC, fresh from enjoying double-digit sales gains in the second quarter (due largely to "V" and strong sophomore series in prime time) and a nearly sold out third-quarter, has upfront sales well under way in daytime and sports. ABC's Jake

(Continued on Page 72)

highlights

Monday, June 4, 1984

Toro Co. executives could relax and stop studying the daily weather reports last week, as their winterlong promotion came to an end. Toro offered refunds to snowthrower buyers who "suffered" less snow than their hometown's average. *See Page 10.*

William Grant & Sons, importer of Frangelico liqueur, is suing an Italian distillery and the American marketer of Florenza liqueur. Grant claims Florenza is being "palmed off" as Frangelico. *See Page 12.*

Is your pet's healthcare making your wallet sick? Then get ready for Veterinary Pet Insurance. *See Page 14.*

CORPORATE CLOSEUP

In just 15 years, ChemLawn Corp. has gone from a small business to the top of the $500 million residential lawn-care market. Now, it's branching into other activities. *See Page 4.*

INTERNATIONAL

Burger King appears ready to establish a presence in Taiwan to challenge McDonald's, which opened its first Taiwanese outlet in January. A company spokesman says Burger King is actively considering a move into Taipei. *See Page 39.*

Even though commercial support for the Wimbledon Lawn Tennis Championships is growing, tv viewers will be hard-pressed to notice it when the famed tournament gets under way later this month. That's because corporate sponsors are forced to play a behind-the-scenes role in the tournament. *See Page 39.*

A.C. Nielsen Co. is expected to shake up the Chilean marketing scene this month when its nationwide coupon clearinghouse begins operations. Cents-off coupons have been a rarity in Chile and have been offered by only a few retail chains in the past. *See Page 40.*

Spanish ad agencies are becoming a hotbed of advertising creativity. In the last two years, increasing numbers of multinational advertisers have been turning to Spain for creative, pan-European ad campaigns. *See Page 40.*

VIDEOTECH

It has been tried before—unsuccessfully. However, backers of AdSat, a system of transmitting advertising to commercial tv stations by satellite, think the idea's time has come and expect to begin the service after Labor Day. *See Page 48.*

COMING THURSDAY IN Magazine

Three young achievers in the advertiser-marketing business have thrown themselves headfirst into their careers, and they have rapid advancement to show for it.

The consumer electronics industry is caught up in an unprecedented buying frenzy as more new products clamor for attention. *In special report.*

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FROZEN FISH SALES (TONNAGE) 42
U.S. WINE MARKET-SALES AND SHARE 50

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Chipwich sued by Leber Katz

By GAY JERVEY

NEW YORK—After months of frustrating negotiations, Leber Katz Partners—the agency for Chipwich Inc. since it first began peddling ice cream novelties three years ago—has sued the company for $128,515 in unpaid bills.

In its suit in state supreme court in Manhattan, LKP also charged that Chipwich misrepresented its insolvent financial condition. Chipwich, LKP contends, falsely promised that it could pay its debts in an attempt to encourage LKP to extend it further credit.

The Fort Lee, N.J.-based Chipwich also is being sued in Nassau County supreme court by its former food broker, Vantage Food Marketing of Port Washington, N.Y., which claims that for well over a year Chipwich has owed it about $50,000 in brokerage fees, as well as miscellaneous unpaid invoices and out-of-pocket expenses.

■ Chipwich chairman and founder Richard La Motta termed the LKP suit "self-explanatory."

"We have not had bad words with them [LKP]," he said, "but they have carried us for a long time, and it just came to the point where they wanted their money. We

(Continued on Page 74)

Mrs. Paul's drops breading

By BRIAN MORAN

Mrs. Paul : Kitchens hopes to bolster its position in the growing low-calorie frozen-fish business by testing seven new entrees in its Light and Natural line.

The Philadelphia-based subsidiary of Campbell Soup Co.—which has been battling two tough competitors for frozen-fish market share claims that its new offerings are free of breading, a first.

Mrs. Paul's began testing the entrees last fall in Harrisburg, Pa., and extended the trial to the St. Louis and Louisville-Lexington, markets in February. The effort has been supported with local tv commercials and inserts in local newspapers and regional editions of *Good Housekeeping*, *McCall's* and *Redbook*, according to George Piszek, senior vp-sales and marketing for Mrs. Paul's. Scali, McCabe, Sloves, New York, handles.

No date has been set for a national rollout, Mr. Piszek said.

The tv spots carry the tag lines: "Seven tempting food entrees that are low in calories and microwavable. For people who love seafood but don't love to cook it." The entrees, less than 300 calories each, are packaged in heat-resistant oven trays or boil bags.

Mrs. Paul's entered the low-calorie fray in January, 1983, with Light and Natural fish fillets. The company backed the Light and Natural fillets with $5.5 million in measured spending last year, $5.2 million of which went for network tv.

The new Light and Natural entrees—which include shrimp, scallop and sole dishes—are positioned to compete against low-cal single-dish offerings from Van de Kamp's Frozen Foods and Gorton's, as well as Stouffer Foods' Lean Cuisine line (which includes two fish items among its 10 entrees).

Gorton's, the Gloucester, Mass., subsidiary of General Mills, rolled out its low-calorie line, Light Recipe, last August. Gorton's supported introduction of the nine Light Recipe varieties with measured spending of $2.1 million in 1983.

Mrs. Paul's holds about 27% of the $500 million frozen prepared seafood market. Van de Kamp's, with 21%, is second, followed by Gorton's at 16%.#

Frozen fish sales (tonnage)

Per cent of market held by the different product classes of frozen fish. ***Source: SAMI.***

Product class	1979 Share	1983 Share	Change
Breaded fish sticks	25.2	29.6	+4.4
Breaded fillets/steaks	28.5	29.6	+1.1
Raw unbreaded fillets/steaks	15.3	16.2	+0.9
Breaded fish portions	13.5	7.6	−5.9
Breaded shrimp	6.7	5.7	−1.0
Peeled shrimp - cooked & raw	3.9	4.8	+0.9
Fried clams	0.8	1.3	+0.5
Deviled crab cakes	1.0	1.0	—
Scallops	1.2	0.4	−0.8
All others	3.9	3.8	−0.1
Total	100.0	100.0	

Frozen fish tread water, SAMI says

HONOLULU—New-product activity in the frozen fish category has not kept pace with the rest of the frozen food section, an executive of Selling Areas-Marketing Inc. told members of the National Fisheries Institute at a convention here recently.

New frozen fish items accounted for 1.83 million pounds during the year ending March 2, but those items accounted for only 0.6% of total frozen fish retail sales, according to figures supplied by Alan B. Miller Jr., vp-sales services manager at SAMI.

Of the 70 new brands of frozen fish introduced since the beginning of 1980, only two million-dollar brands have been launched, he said, while 58 million-dollar brands in other frozen categories have been introduced.

Mr. Miller told members of the institute that frozen fish and frozen fish entrees represent one-third of the $2.8 billion retail sales in the processed fish category (which includes canned and frozen fish), and 29% of the more than 1 billion pounds.

Canned fish, including salmon, sardines, shrimp, tuna and other products, comprise most of the category, he said.

- Dollar sales of frozen fish have increased during the 1980s, partially because of "a change in the mix of products offered featuring new high-quality items, especially among breaded and battered fish sticks, and gains in higher-price frozen shrimp in 1983."

During 1983, he said, frozen fish tonnage was 7.5% below the 1979 level.

In the huge canned fish category, Mr. Miller said dollar sales of canned tuna have increased 16%, but pound sales have increased only minimally.#

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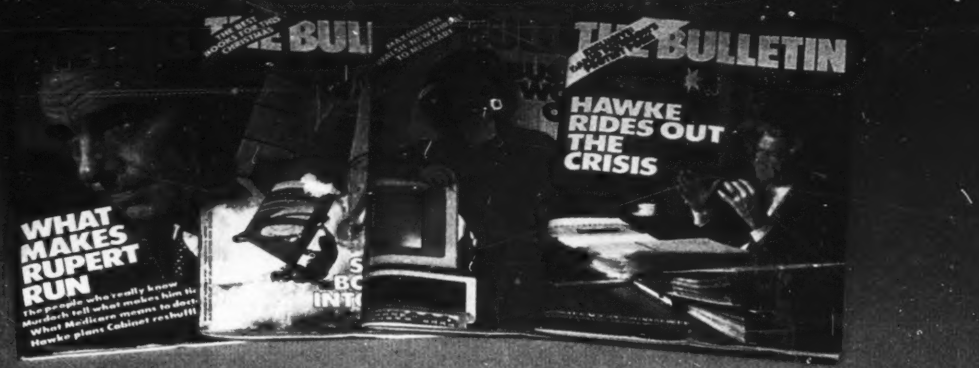

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Atypical

THE BULLETIN's audience is not a cross-section of 15 million Australians. Compared to the national average:
- Over three times as many BULLETIN readers earn $30,000+.
- Twice as many BULLETIN readers plan to take an overseas trip.
- Nearly one and a half times as many BULLETIN readers bought a new car in the last twelve months.
- Two-thirds more drank wine in the last week.

It is also unmatched among Australian media. More people in the $30,000+ income group read THE BULLETIN than any other news/business publication—40% more than Time, more than twice as many as Newsweek, and 32% more than The Financial Review.

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Advertisers, both local and international, recognize what THE BULLETIN can do for them. Compare its 1983 performance with the Australian editions of Newsweek & Time: 206% more pages than Newsweek, 87% more than Time. In revenue, 483% greater than Newsweek, 62% more than Time.

That means THE BULLETIN attracted more dollars *and* pages than the local editions of Time and Newsweek combined.

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Sources: McNair Anderson, Feburary—August 1983; Bruce Tart Research

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U.S. wine industry uncorks sales hike

By JOHN C. MAXWELL JR.

The U.S. wine industry increased its shipments by an estimated 2.4% in 1983, accounting for a total of about 560 million gals.

California's volume rose 1.1% but without the inclusion of California Cooler would have declined slightly. Other states' shipments buoyed the domestic market, which finished the year up an estimated 1.1% over-all. Shipments of imported wine to the U.S. rose 7.2% and now account for over 23% of the market, up from 22.2% in 1982.

Per capita consumption of wine in the U.S. was up in 1983 after showing a slight decline in 1982. The preliminary figure for last year is 2.41 gals. per person. The warm summer weather and the popularity of wine coolers aided wine consumption, as well as other beverages such as soft drinks.

E.&J. Gallo, the No. 1-ranked producer by a wide margin, continued to increase its market share and volume. Gallo's shipments rose 6.5% and it gained one percentage point in terms of market share. R.J. Reynolds' Heublein wine operation (formerly United Vintners) experienced a shipment decline of 16.8%, while losing share slightly. Comparisons were difficult because last September, Heublein divested its lower-price domestic wine brands. The operations retained by Heublein, chiefly Inglenook wines, increased shipments 1.9%.

Heublein retained the No. 2 position ahead of The Wine Spectrum, which was acquired by Seagram from Coca-Cola in 1983. Results were mixed as far as the rest of the top 10 domestic producers were concerned. Franzia fell from seventh to ninth place, as Monarch and Guild moved up to seventh and eighth, respectively. The rest of the rankings in the top 10 were unchanged from 1982.

California shipment figures may be inflated somewhat due to the tremendous success of wine coolers, particularly California Cooler, a combination of wine with carbonated citrus flavorings, which has enjoyed tremendous success since it was introduced by California Cooler in 1982.

In 1983 this brand, which now accounts for about 80% of the wine cooler market, had sales of approximately 5.4 million gals. compared to 400,000 gals. in 1982. The 1983 figure represents about 1.5% of the California market and about 1% of the total domestic market. Had it not been for the inclusion of California Cooler, the state's shipments would have been down about 0.3%.

Imports gained a share point in 1983, to 23.2% of all wine consumed in the U.S. Imports are expected to gain again in 1984; by year's end they should account for over one-quarter of the market.

Last year's strong performance was basically a result of the same factors that were at play in 1982: The continuing strength of the dollar, gluts in European markets in the face of declining per capita consumption in some countries and lower production and marketing costs, thanks to European producers being subsidized by their governments.

All of these factors combined to increase the price attractiveness of imported wines to the U.S. consumer.

In addition, wines such as Riunite and Cella seem to have found a special niche by offering consumers in a nation accustomed to soft drinks just what appeals to them: A fruity, sweet, lightly carbonated wine that is served cold.

U.S. wine market: Sales and shares

Shipments of imported wines grew faster in 1983 than the domestics. [1]Both Paul Masson and Wine Spectrum now owned by Seagram. (Combined 1983 volume would rank second). NC—Not comparable. [2]As of 1982, Sierra Wine Co. includes Perelli-Minetti. [3]Concannon transferred its accounts to Pacific Land & Viticulture in 1982 and re-emerged as Concannon in 1983. Figures are in millions of gallons and share of market. *Source: John C. Maxwell Jr.*

Rank 1982	Rank 1983	Company	1981 Amount	1981 Share	1982 Amount	1982 Share	1983 Amount	1983 Share	Change 1982-83
1	1	E.&J. Gallo	128.2	23.7	135.2	24.7	144.0	25.7	6.5
2	2	Heublein	49.8	9.2	47.5	8.7	39.5	7.0	(16.8)
3	3	Wine Spectrum[1]	27.1	5.0	31.6	5.8	32.0	5.7	1.3
4	4	Almaden	30.1	5.6	28.4	5.2	26.6	4.7	(6.3)
5	5	Canandaigua	15.3	2.8	17.6	3.2	18.9	3.4	7.4
6	6	Paul Masson[1]	16.5	3.0	15.9	2.9	17.9	3.2	12.6
8	7	Monarch	12.6	2.3	12.6	2.3	12.8	2.3	1.6
9	8	Guild	13.2	2.4	10.9	2.0	11.1	2.0	1.8
7	9	Franzia	22.9	4.2	15.7	2.9	10.8	1.9	(31.2)
10	10	Sebastiani	8.5	1.6	7.2	1.3	6.5	1.2	(9.7)
—	11	California Cooler	—	—	0.4	0.1	5.4	1.0	NC
12	12	Gibson	4.6	0.8	3.9	0.7	4.0	0.7	2.6
18	13	Mogen David	5.0	0.9	4.5	0.8	4.0	0.7	(11.1)
11	14	Beringer	4.0	0.7	4.1	0.7	3.8	0.7	(7.3)
14	15	C. Mondavi	4.5	0.8	3.5	0.6	3.7	0.7	5.7
16	16	Lamont	3.5	0.6	3.0	0.5	3.5	0.6	16.7
23	17	Robert Mondavi	0.9	0.2	1.3	0.2	3.5	0.6	169.2
13	18	Christian Bros.	4.1	0.8	3.7	0.7	3.3	0.6	(10.8)
15	19	Bronco	3.2	0.6	3.3	0.6	3.3	0.6	—
19	20	Giumarra	2.3	0.4	2.2	0.4	2.4	0.4	9.1
17	21	Delicato	1.9	0.4	2.6	0.5	2.2	0.4	(15.4)
20	22	Weibel	1.6	0.3	1.8	0.3	1.9	0.3	5.6
21	23	F. Korbel	1.2	0.2	1.5	0.3	1.8	0.3	20.0
22	24	Wente	1.6	0.3	1.3	0.2	1.5	0.3	15.4
25	25	Sonoma	1.3	0.2	1.1	0.2	1.0	0.2	(9.1)
33	26	Sierra Wines[2]	0.7	0.1	—	—	0.8	0.1	—
26	27	Mirassou	0.8	0.1	0.8	0.1	0.7	0.1	(12.5)
27	28	San Martin	0.6	0.1	0.7	0.1	0.7	0.1	—
29	29	Louis Martini	0.7	0.1	0.6	0.1	0.6	0.1	—
31	30	M&H	0.4	0.1	0.5	0.1	0.5	0.1	—
24	31	East-Side	1.3	0.2	1.1	0.2	0.4	0.1	(63.6)
30	32	California Growers	1.2	0.2	0.5	0.1	0.4	0.1	(20.0)
28	33	Brookside	0.9	0.2	0.6	0.1	0.3	0.1	(50.0)
32	34	Pacific Land & Viticulture	0.2	—	0.1	—	0.1	—	—
—	—	Concannon[3]	—	—	—	—	0.1	—	—
—	—	Subtotal	370.7	68.4	365.7	66.8	369.9	66.0	1.1
		Other Domestic	57.0	10.5	60.2	11.0	60.5	10.8	0.5
		Total Domestic	427.7	78.9	425.9	77.8	430.4	76.8	1.1
		Imports	114.2	21.1	121.5	22.2	130.2	23.2	7.2
		Total	541.9	100.0	547.4	100.0	560.6	100.0	2.4

It has become increasingly difficult for domestic producers to combat the continued erosion of the U.S. market by imports.

Although pressure for passage of the Wine Equity Act and similar types of legislation has increased, it is doubtful that a tax will be levied on European wines because wine is not a major agricultural product in the U.S. as it is in Europe.

If the U.S. instituted such a tax, the EEC could retaliate by instituting tax penalties on certain U.S. agricultural products such as soybeans. About the only thing domestic producers can do until the dollar levels off somewhat is fight imports through price reductions.

Another reason for the growth of imports has been their increased marketing pressure on domestics, possibly a result of better margins and government subsidy programs.

Domestic producers likely will respond with better in-store shelf and floor presentations for their products. There is also a strong possibility of the reestablishment of generic wine products, since it appears that price consciousness now is overriding brand loyalty. Also, the continuing pressure eventually could result in consolidations of a number of U.S. wineries.

France showed the largest increase in wine shipments to the U.S. in 1983, with its volume up 24.6%. France now accounts for 19.5% of the import market. Italy, the No. 1 exporter to the U.S., increased shipments by 2% but lost share slightly. Germany and Spain also posted gains in 1983—14.2% and 4.3%, respectively. Portugal was the only one of the major wine-producing countries to experience a decline in 1983, with shipments down 8.2%.

Domestic wine marketers should continue to have a rough time for at least the next two years. It appears there will be another large grape crop in 1984, and growers will suffer as a consequence.

One bright spot may be that baby boomers will support the expansion of the wine market, particularly table wines, over the next decade as about 2 million legal-age consumers are added to the market each year.

The U.S. may never reach the per capita consumption levels of many European countries, since about half the wine consumed in this country is accounted for by 4% of the population, but there is plenty of room for expansion for producers who can withstand the heat of these trying times.

Depending on the strength of the dollar and consequently the level of imports, the industry can be expected to grow by 2% over the next two years, with much of this coming from white wines. Whites now are estimated to represent about 65% of the total U.S. market as compared to about 19% for rosé and 16% for red. White wine will continue to grow, as evidenced by industry plans for many new-product introductions in that area.#

Source: John C. Maxwell Jr. is a managing director at A.G. Becker Paribas.

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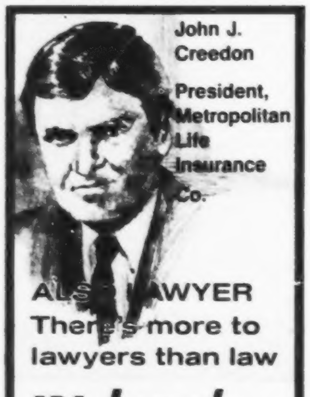

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$1.25 a copy; $52 a year | The International Newspaper of Marketing | Thursday, June 7, 1984

New spots for Atari—focusing on data-sending capabilities—again feature the familiar Alan Alda.

Computers borrow on past

By BRIAN MORAN
and BOB MARICH

CHICAGO—Two major home computer marketers, geared up with plans for heavy advertising support, unveiled "new" machines this week that clearly smacked of something old.

Commodore Business Machines and Coleco Industries displayed the two computers—overhauled versions of unsuccessful products—at the summer Consumer Electronics Show here. A third major computer, from Atari, was discussed but not shown before the 90,000 people attending the four-day show, which ended June 6; Atari is not expected to ship its machine until the Christmas season.

The reformulated Commodore and Coleco entries, the most significant new computers at the show, indicate that the once-frantic pace of product introduction in the home computer industry has settled down.

West Chester, Pa.-based Commodore, the home computer industry leader, mounted a lavish exhibit at the show to announce its Plus/4 computer, essen-

(Continued on Page 37)

Helene Curtis carries Atune in haircare

By PAT SLOAN

Helene Curtis Industries, making yet another entry in the new-product-filled haircare market, is preparing a national introduction in August of a line called Atune.

The line—comprising shampoo, conditioner and aerosol and non-aerosol hair spray—will join Curtis' established Finesse and a host of relatively new products.

Retail sources said Chicago-based Curtis will support Atune, aimed at women aged 30 to 50 with permed and color-treated hair, with $13.5 million in tv advertising, about $4.5 million in print and $30 million in promotions.

A spokesman for Helene Curtis declined to comment on Atune, and it is unclear which agency will handle the product. Executives at Backer & Spielvogel, which handles Finesse, said they do not have the Atune account.

The higher-price Atune—in the $3 to $4 range—is coming at a time when shares of low-end products are declining.

The "plethora of new-product launches" and the "quantity of promotional merchandise" that has accompanied them are taking their toll on that end of the market, said Diana Temple, an analyst with Salomon Bros.

She pointed out that food-store dollar shares for Curtis' economy-price Suave dropped from about 8.9% at the end of 1983 to 7.2% in March of this year.

At the same time, the more pricy Finesse had a 4.4% dollar share in food stores at the end of March, down only slightly from a 4.8% share in December.

Revlon's Flex, another less expensive brand, also declined in share from 6.2% to 5.2% in food-store sales.

The new entries that Atune will face include direct competition from Perma Soft, another line aimed at women with permed hair. The brand, marketed by Minneapolis-based La Maur, is also in the higher-price range.

Other recently introduced products are Johnson & Johnson's Affinity, Revlon's Hair's Daily Requirement, Lever Brothers' Dimension and Andrew Jergens' Squeek.

A recent study by Fairfield, N.J.-based Charles H. Kline & Co. noted that lines like Perma Soft, Affinity and Squeek—each targeted toward a specific population segment—dominated new-product activity in 1983 and can be expected to do so for the next few years. "Segmenting of products

(Continued on Page 39)

DYR extends Far East reach

By DENNIS CHASE

DYR, the joint venture between Dentsu and Young & Rubicam, will announce tomorrow that it is opening new offices in Hong Kong and Singapore. The agency will accomplish this by taking over its parents' offices there.

The offices will open on July 1 with $21 million in billings from Y&R's Hong Kong agency and more than $12 million from Y&R in Singapore.

Dentsu will not reveal its billings in those locations, but a news release claims that, after the consolidation, "DYR will rank among the top three agencies in these markets." DYR billed $220 million worldwide last year.

The agency also plans to open an office from scratch in Australia before the end of the year and possibly others in Thailand and Germany—DYR's first in Europe—after that.

"We're moving faster than any agency I know of," says Alexander Brody, president and chief executive officer of DYR, which currently has offices in New York, Los Angeles, Tokyo and Kuala Lumpur.

The new agency will inherit Y&R's clients in Hong Kong and Singapore. They include Du Pont in both Hong Kong and Singapore; also in Hong Kong, Colgate-Palmolive, Johnson & Johnson, Hong Kong Tourist, Richardson-Vicks, Westin Hotel group and Time, and in Singapore, Eastman Kodak.

It also will inherit Dentsu's in-

(Continued on Page 39)

Tanner Co. used sex, cash bribes: Lipton

By NANCY GIGES
and GAY JERVEY

Two former employes of Thomas J. Lipton Inc. allegedly funneled thousands of dollars in payoffs from the former William B. Tanner Co. into a pair of sham consulting companies, Media Counselors Ltd. and East Shore Marketing Inc.

The payoffs, according to Lipton, allegedly ran from cash to sexual favors to exotic birds.

Fresh details about the Tanner scandal, which rocked the world of media barter services last summer (AA, Aug. 15, *et seq.*), are starting to emerge now that Lipton has brought what is apparently the first lawsuit in the affair.

In legal papers on file in the Newark, N.J., federal district court, Englewood Cliffs, N.J.-based Lipton alleged that Tanner showered gifts on Norman Osborn, former director of Lipton's media department, and Stuart Kaufman, former media manager and Mr. Osborn's assistant.

According to the lawsuit, the list of illegal payments included "cash, automobiles, trips, the favors of women and other gifts" in return for using Tanner's media barter services.

The bribes and kickbacks began prior to 1975 and continued through 1982, Lipton charged. Also named as a defendant was Media General Broadcast Services, Tanner's corporate name since its '82

(Continued on Page 39)

Time limit stymies VOA research bids

By DAVID SNYDER

WASHINGTON—After a 20-year hiatus, the Voice of America is preparing to resume broadcasts to Western Europe, but U.S. market research companies say it has allowed so little lead time on its audience research contract they are unable to submit credible proposals.

Funding for the resumption of English-language programing to Western Europe has been approved by Congress in this year's United States Information Agency budget.

Forty years after the D-Day invasion, USIA will try to cultivate relationships with a new generation of Europeans.

The agency's request for audience research assistance noted that Western Europeans already have access to a wide variety of private and government media. Given this environment, it said, VOA's European success will depend on effective use of modern program-oriented research and marketing techniques.

Invitations to bid on the negotiated contract were published April 30, with a 30-day deadline. At deadline for bids, several major organizations confirmed they are nonbidders despite strong interest.

Large agencies and research companies, including the Gallup Organization, J. Walter Thompson USA and Needham Porter Novelli, an affiliate of Needham, Harper & Steers/USA, say they found the 30-day lead time unrealistic for a proposal covering seven countries from the U.K. to Norway.

Some said they requested an extension but were unsuccessful. "We wanted to bid on the project, but in such a short time we couldn't have done a credible job" said Gallup Organization president An-

(Continued on Page 39)

Paddington reaches for Pepsi exec

By GAY JERVEY

Paddington Corp., the importer of Baileys Original Irish Cream and J&B scotch, has named a Pepsi-Cola Co. executive as its new vp-marketing, the first step in a plan to double Paddington's U.S. sales in the next five years.

Chuck Nardizzi—an 11-year Pepsi alumnus who previously worked on package goods accounts at Young & Rubicam—was Pepsi's director of consumer promotions. He will join his former colleague, Peter Thompson, a onetime top Pepsi executive who six months ago became Paddington's exec vp-chief operating officer. Mr. Nardizzi's new position has been vacant since early this year when Robert Suhr left the company.

In addition to hiring executives with package-goods-marketing expertise—a growing trend among distilled-spirits companies—Paddington will accelerate new-prod-

(Continued on Page 39)

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Advertising Age

Magazine

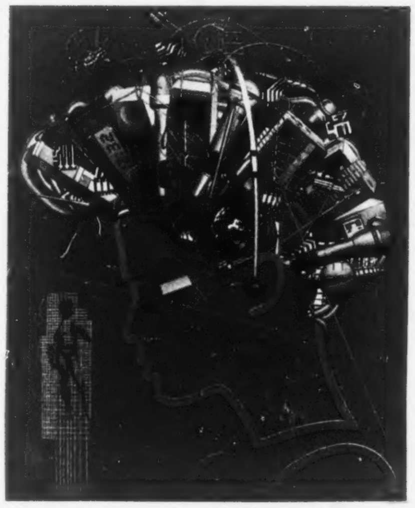
June 7, 1984

8 Personal computer marketing goes global
The world market for personal computers offers up a few surprises and forces flexibility in advertising in the different countries.

10 Three waste no time on fast track
Three young achievers in the advertising-marketing business have thrown themselves head first into their careers and have rapid advancement to show for it.

Special Report

Consumer Electronics



15 New technologies grab for consumer attention
The consumer electronics industry is in the midst of an unprecedented buying frenzy that has most marketers smiling and pushing even more new products.

16 Software putting computers to work
Software designed for use on the home computer is changing to reflect shifts in the whole consumer electronics industry. Productivity is joining entertainment as important functions for the home computer.

24 Personal robots ready to lend a helping hand
Personal robots are expected to represent a more than $2 billion market by 1990. The droids will help around the house, play with the children and more.

33 Tv sets wising up with innovations
Within five years, almost all new tv sets will be stereo-capable and computer-smart.

Consumer Electronics report coordinator: Cecelia Reed
Illustration above: John Rush

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6 Words from Gartner
12 Strategic Marketing
12 Parting Shot

To our readers

In writing today's lead Magazine article on the challenges of marketing personal computers internationally, Daniel Burstein was aided by reports from ADVERTISING AGE correspondents around the world. Among the most intriguing of these—and one worth a bit more space than we were able to give it in Dan's article—is that filed by Laurel Wentz, who covers Latin America and is based in Sao Paulo.

Laurel, who joined AD AGE as a fulltime correspondent in 1982 after having been a South American stringer for McGraw-Hill World News and *Time* magazine, confined her report to Brazil—but that Latin giant is a story in itself.

Consider, for example, that personal computer sales in Brazil have grown from 240 units in 1981 to an estimated 188,000 this year. That's only part of the tale, though. We'll let Laurel tell it:

"At first glance, Apple appears to have cornered Brazil's fledgling personal computer market with models called Apple II Plus, Appletronica, Elppa [Apple spelled backward] and a profusion of familiar six-color Apple-like logos. They are all ripoffs.

"Brazilian law bans multinationals from producing mini and microcomputers, leaving a product area that is growing rapidly to local companies with little, if any, technology of their own."

Laurel goes on to quote a Brazilian journalist who edits a computer publication: "Most personal computers are copies of Radio Shack, Apple or Sinclair models, and IBM's PC is beginning to be copied. They [the manufacturers] buy a computer abroad, open it up and make a copy, not as good as the original. It's scandalous."

Scandalous or no, ripoffs of American personal computers are prevalent not just in Brazil, but in other parts of the world too, among them Hong Kong, as Dan Burstein points out in today's article.

But taking a Pollyanna viewpoint, one might even find some good in this rather nefarious activity: To wit, isn't it nice to know that there are still made-in-American products that others *want* to copy?

Robert Goldsborough
Executive Editor

Letters

Videotex here to stay?

Rance Crain's column "Videotex: 2-way ticket to nowhere" (Parting Shot, May 10) was insightful, but (understandably) missed one of the most obvious truths about Viewtron known to most local observers: Viewtron's advertising stinks!

While most of Viewtron's (currently 980) subscribers agree the database is excellent, Viewtron's advertising is uninspired, vague and confusing. Its first slogan, "The waiting is over," was put aside when it was realized that, videotex being so new, nobody was actually waiting around for it. Its second slogan, "A little like a personal computer . . . but a lot more personal," evidently designed to ride the crest of the personal computer wave, instead has had the opposite effect. Informal surveys show that most South Floridians now think Viewtron *is* a personal computer and, having decided against buying one, are thus spared the trouble of looking into Viewtron as well.

Clark Nobil
Viewtron subscriber
Miami Beach

I, too, believe that videotex is much better suited to use as a business tool. But Rance Crain's comment that "if the whole package can pop upon . . . my terminal" leaves the impression that this kind of business service is not yet available.

Nothing could be further from the truth. ITT Dialcom offers a wide range of business information products. The utility and market desirability of this type of service are demonstrated by our more than 60,000 business and government users that have access to the information and who use electronic mail to distribute the data.

Of course, there are other services, too. The point is, business applications are leading the way into the general use of videotex. Business videotex is here, and demand is growing daily.

Paul D. Warren
Public relations coordinator
ITT Dialcom
Silver Spring, Md.

Rance Crain's dismissal of videotex is just the kind of criticism this burgeoning medium does not need.

In a classic chick-and-egg situation, the people at Viewtron have taken the steps to establish which comes first. By providing a complete videotex system, they have created the structural underpinnings that will allow information providers to develop programs that exploit the promise of the videotex concept.

Mr. Crain exposes a lack of current knowledge about videotex when he says, "The trouble will all these new services is that they're trying to make our lives more impersonal at the same time they're trying to make them more efficient." Many new developments in videotex are designed to increase efficiency while enhancing quality of life. Mr. Crain's remarks are classic computer phobia talk, and he only needs to take a look at the skyrocketing success of personal and home computers to realize what's happening. I for one am sorry to see the most respected journal in our industry using a "parting shot" as a cheap shot.

Glenn A. Osborn
Manager
Marketing Communications
Interior Products
Operating Division
Owens-Corning
Fiberglas Corp.
Toledo, O.

Unlikely justice?

James Brady's May 3 column, "Justice at Leavenworth" is incredible, but an announcement of the seven hangings took place at the very time of the Holocaust revelations and amidst the first "war crimes" results. Against that evil background, the story of seven hanged "Nazis" does not sound quite as unlikely.

John Weitz
New York

Brady on the Yankees

James Brady's column, "Worrying about the Yankees" (March 26) was sent to me by an advertising agency in Louisiana with which I am associated.

Like Mr. Brady, I too worry about the Yankees from time to time, but I feel confident that we will soon bounce back from this season's rocky start. I enjoyed reading his humorous recount of my fellow teammates and me, and I look forward to the day when he can write about the Yankees repeating as World Series champions.

Ron Guidry
New York Yankees
New York

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Personal computer marketing goes global

By Daniel Burstein

In Japan, popular tv star Atsumi Kiyoshi, looking cool, suave and Bogartesque with the brim of a blue felt hat shadowing his eyes, told poster and door board viewers in a recent advertising campaign, "Friend, the time is ripe" (for buying an IBM 5550 personal computer). The ad was designed to bolster the notion that the machine represented the class act from America.

In Europe, however, International Business Machines is trying to overcome a problem of being perceived as "too American." Stressing that IBM is actually a "European" company, a new advertising campaign tells of IBM's large factories, research facilities and tax-paying subsidiaries within the European Economic Community.

IBM's flexible tactics in two radically different markets are surface indications of the complexities to be found in the world marketplace. Reflecting the immaturity of this young industry, global personal computer marketing is highly fragmented, full of surprises and anomalies.

Take the issue of who's on top of the worldwide sales charts. Most Americans think of IBM and Apple Computer when they think personal computer, which is logical because the two companies control more than 50% of the U.S. market. But last year, Commodore International sold as many units as IBM and Apple put together on a worldwide basis—more than 2 million. An early entrant into the international market while Apple was focusing on the U.S. and IBM hadn't developed a personal computer, Pennsylvania-based Commodore now does business in 60 countries, with sales outside the U.S. accounting for about half its total volume.

There are very important niche differences between low-end home computers (costing less than $300) used mainly for games, more powerful home computers (less than $1,000), and full-fledged business computers ($1,500 and more).

Those who casually assume the U.S. is the most computer-crazed country in the world are in for a surprise: The U.K. holds the title for most computers per capita. There is a significantly higher penetration of *home* computers in Britain (11% of British homes compared with 7% in the U.S.), although most are low-end machines such as the British-produced Sinclair, (which failed as the Timex/Sinclair in the U.S. but continues to do well in Britain after selling more than 2 million units). According to a study by Intelligent Electronics Europe, published in *Mini-Micro Systems* magazine, the European market should experience a substantial growth during the next two years *(see chart)*.

The Cupertino, Cal., market research company Infocorp provided even more revealing statistics. Breaking down information geographically into the U.S., Europe, the Pacific basin and the rest of the world, the company came up with some impressive figures for the category of home/business computers ranging from $1,000 to $6,000.

In the U.S., the number shipped in 1983 totaled 1.73 million and should rise to 7.27 million by 1988. In Europe, the figure is expected to grow from 451,000 in 1983 to 2.87 million in 1988. The Pacific basin will see an increase from 526,000 in 1983 to 985,000 in 1988. The remaining markets will experience significantly lower numbers, rising from 114,000 in 1983 to 572,000 in 1988.

In France, where the pace of product diffusion has been slow, computer marketers are desperate for tv advertising time. But because of government policies, an American computer manufacturer trying to buy a spot has to wait up to 18 months for an allocation of airtime.

In Brazil, what appears at first glance to be booming sales for Apple is actually sales of Apple ripoffs. Brazilian law bans foreign manufacturers from building and selling small computers in the country, leaving the field protected for the home-grown ripoffs of popular models. Milmar Industria E. Comercio, a local Apple imitator, openly advertises that its so-called "Apple II Plus" is "made in Brazil with all the characteristics that made its twin brother the world's most used microcomputer."

But in the British crown colony of Hong Kong, where the Golden Shopping Centre in Kowloon has served as an emporium for Apple fakes and other ripoffs built mostly in Taiwan, the supply is starting to dry up. Taiwan's government, which long has tolerated the manufacture of pirated microcomputer designs, has announced plans to curtail the Apple fakes. Meanwhile, having been brought into the computer era via low-priced counterfeit Apples, Asia has turned into a mushrooming market for state-of-the-art machines from American and Japanese manufacturers.

In South Africa and Australia, the proliferation of computer makes and models is every bit as dizzying as in the U.S. More than 250 different models are on sale in both countries. The existence of English-speaking populations in those countries allows computer software and documentation to be transported easily from the U.S. and U.K. without the costly, time-consuming adaptations that have kept all but the most successful U.S. companies out of non-English-speaking markets.

In Canada, however, Coleco Industries' willingness to bring out a bilingual (English-French) version of its Adam home computer has boosted prospects for a product that at the moment appears unsuccessful in the U.S. market.

"By adding the bilingual feature to Adam, we've not only responded to the needs of French-speaking Canadians, but we're also creating a burgeoning demand [in French-speaking countries] overseas," says Michael Richards, a Coleco sales executive in Canada.

"Every market is different," says Chris Codrington, general manager of Interco Business Consultants, a U.K. company advising American companies on the European market. "No absolutes or universal trends have yet appeared."

That situation may change soon, however. With competition heightening in the U.S. market, and with the European and Asian markets poised for major growth, look for IBM and Apple, as well as several other major players from the U.S., U.K., West Germany and Japan, to begin to focus more of their activities on international marketing efforts.

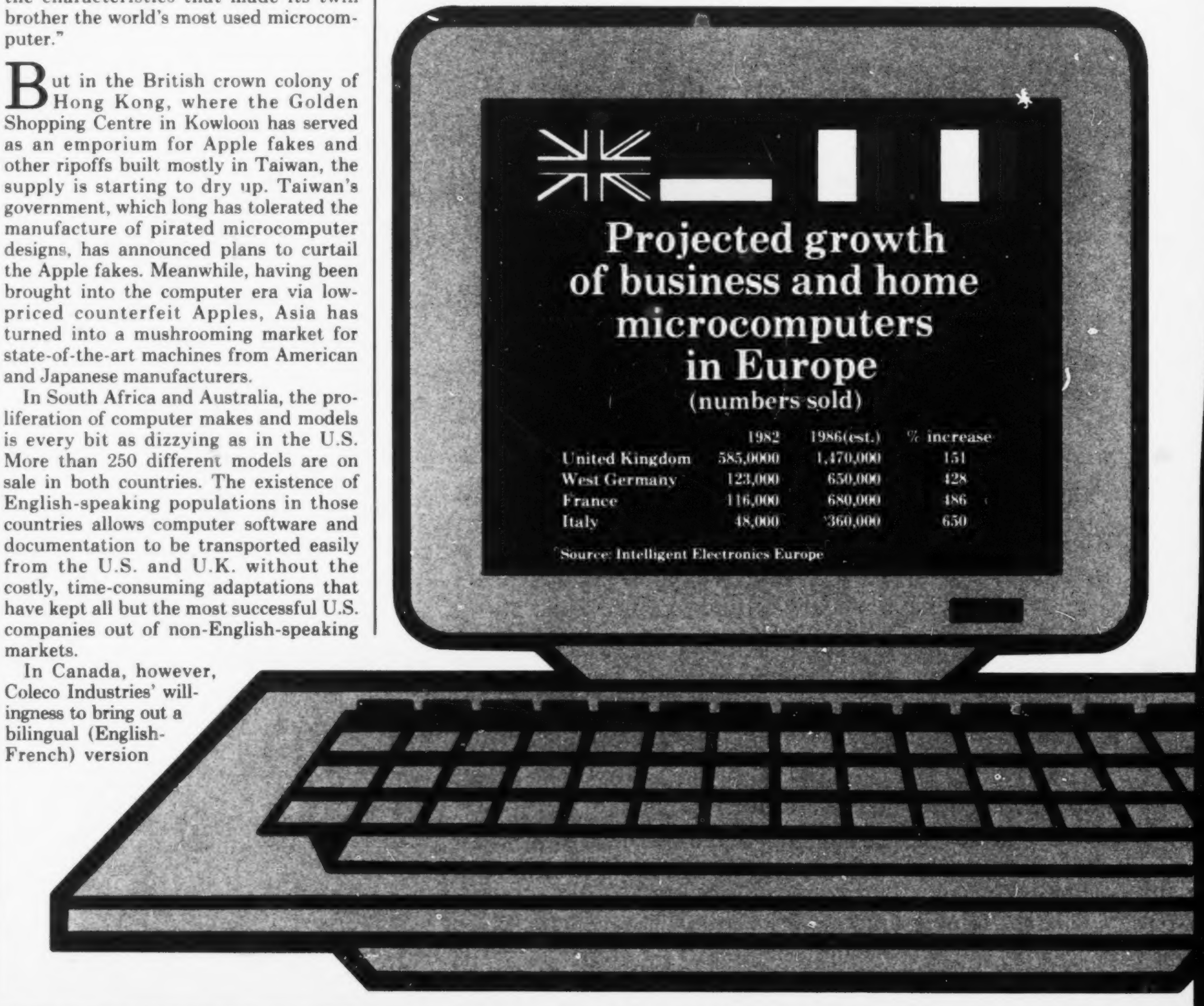
Breaking into foreign markets is not the same as increasing market share in the U.S. Requirements differ by country, and the manufacturer that uses the same techniques across the board is in for a big surprise. Physically, system requirements differ, and issues such as keyboard layout, multicharacter development, language command sequences, editing and directional issues with printers and terminals may change.

"Then there is the major issue of promotion," said Alex Stein, a former research analyst at Dataquest, a market research company in San Jose, Cal. "You've got to understand the needs of a particular area before you go in touting the benefits of your computer system. Many U.S. manufacturers are trying to penetrate Third World countries with business computers when those countries don't even use *typewriters* yet. You've got to do your homework before putting together a marketing plan for a foreign area."

One of the most common approaches to that issue is the formation of limited partnerships, such as Kaypro recently signed with Mitsui. The manufacturer finds a top-notch distribution organization in the targeted area and relies heavily on that organization's knowledge of market needs and buying trends.

"We need to get a lot more aggressive in our communications outside the U.S.," says Apple's director of promotion and advertising, Jean Richardson. "We will be doing much more advertising beginning this summer as we launch the Macintosh in Europe."

IBM won't be far behind, according to



Projected growth of business and home microcomputers in Europe

(numbers sold)

	1982	1986(est.)	% increase
United Kingdom	585,0000	1,470,000	151
West Germany	123,000	650,000	428
France	116,000	680,000	486
Italy	48,000	360,000	650

Source: Intelligent Electronics Europe

Daniel Burstein is a free lance writer and frequent contributor to Magazine. Another free lancer, Betsy Gilbert, also contributed to the article, as did the following Advertising Age *correspondents: Angela Chatburn, United Kingdom; Judith Matheson, Australia; Jack Burton, Japan; Phillip Hill, France; Dagmar Mussey, Germany; Tony Thompson, Canada; Laurel Wentz, Brazil, and Des Kilalea, South Africa.*

Flexibility in advertising is the password to success in the highly fragmented world marketplace, a mix of radically different countries that holds a few surprises.

Paine Webber computer stocks analyst Barbara Isgur. "IBM didn't bring its PC to Europe in a big way at first because of production constraints that kept it from fulfilling domestic U.S. demand," she says, crediting Commodore with a 40% market share in Europe, Apple 20% and IBM less than that. "This year, though, we're going to see IBM making a drive for European market share."

Indeed, IBM announced a dramatic and unexpected price cut in March of up to 30% on its personal computer in Europe, and it has begun rolling out its less-expensive PC*jr*, indicating that it is gearing up to be much more competitive in the price-sensitive European markets. IBM also has announced plans to increase its European retail outlets by 40% over the next year.

At Commodore, meanwhile, worldwide advertising is running at a $100 million annual pace, up from $60 million last year, according to Steven Greenberg, chairman of Anametrics, Commodore's U.S. advertising agency. Although pleased with the company's 125% domestic growth in dollar volume during the fourth quarter of 1983, compared with the like quarter in 1982, Mr. Greenberg illustrates the potential elsewhere by pointing out that over the same period, dollar volume was up 600% in Belgium, 700% in Italy, 420% in the Netherlands and 338% in Australia.

Non-U.S. manufacturers also are marketing more aggressively in Europe and around the world—even in the U.S. Nixdor, Germany's most successful manufacturer of small and medium-sized business computers, is raising a $125 million war chest to move more actively into the American market through the first public offering of its stock.

Acorn, a British entry that built a strong reputation through a tie-in with educational programs on the British Broadcasting Corp., is challenging Commodore, Apple and Atari on their home turf in the U.S with a computer priced at less than $1,000 and designed for the educational market. A $7 million advertising campaign launched last fall has started Acorn on its announced drive toward a 25% share of the U.S. public schools market.

Meanwhile, the U.K.'s Sinclair has unveiled a new model, the QL (Quantum Leap), designed to compete with the IBM PC and Apple's Macintosh at about a quarter of the price. "The QL could be the sleeper that comes out of the pack to have a profound effect on the European market," Paine Webber's Ms. Isgur says.

Not to be outdone, Applied Computer Technologies, maker of the Apricot, which already is selling well in the U.K. and the Far East, has announced its intention to buy the assets of Victor Technologies, a Silicon Valley maker of inexpensive computers that recently went into bankruptcy. ACT marketing director John Leftwich recently told the *New York Times*, "Our objective for the next three years is to be the No. 1 microcomputer company in Europe and in the top 20 worldwide."

Olivetti, the Italian office products giant, lately has shown new signs of wanting to flex its muscles in computers, which until now it has not done successfully outside of Italy. In late March, the company announced plans to sell two IBM-compatible units in Europe, with an entry into the U.S. forecast for late 1984. A $25 million promotional campaign will accompany the European effort, while in the U.S., American Telephone & Telegraph (which recently bought a 25% stake in Olivetti) may market the Olivetti machines as part of its strategy to gain a foothold in the U.S. personal computer marketplace.

AT&T is keeping a lot of options open. Since introducing a new line of computer products in April—several minicomputers and one sophisticated multiuser microcomputer—the company is rumored to have been in discussions with Santa Clara, Cal.-based Convergent Technologies on the development of a low-cost micro in the category of an Apple or IBM PC.

Japanese manufacturers continue to cast an enigmatic specter on the European computer scene, as they do in the U.S. Strong in their home market and elsewhere in Asia, Fujitsu, NEC and Sharp have yet to find their way into the West to any significant degree. Nor have the lower-end Japanese manufacturers met with much success, despite the agreement reached by 14 of them recently to standardize their design around the MSX operating system to promote the development of software that could be used on any of the machines.

"I don't believe U.S. manufacturers have to worry about being edged out of first place anytime soon," Dataquest's Mr. Stein says. "They've got a strong position in the market because they are able to offer the service and support foreign competitors can't. U.S. companies are more likely to make a strong impact on the European or Japanese markets than the other way around."

Yet experts agree the Japanese are coming. "They already have a share of Europe's low-end market," says Richard Imerschein, a computer analyst with the Gartner Group, who worked at IBM for 30 years. "Soon they will be ready to make a major move on the higher-end segment."

In another trend-setting move, Mitsui, one of Japan's giant trading companies, recently has decided to plunge into personal computer manufacture with a notebook-sized IBM-compatible portable unit. Rather than trying to crack the American market directly, Mitsui is negotiating a market agreement with Kaypro, a California-based manufacturer of personal computers. Other such joint ventures with European and American marketing partners appear imminent for other Japanese manufacturers.

Although advertising is regarded as a crucial function by every company trying to increase its share of international sales, there appears to be a consensus that it is less important outside the U.S. Price-consciousness and applications-orientation seem to be the rules abroad. Says Richard Beeman of Mayhoffer Stott, Commodore's agency in Australia, "The key to the whole thing is software; we've just produced a 72-page booklet of software available for our machine." The agency's $1 million ampaign for Commodore in Australia is designed to draw attention the extent of software available for the Commodore. It features the slogan, "Are you keeping up with the Commodore, because the Commodore is keeping up with you."

Apple's Ms. Richardson says that with so much less discretionary income outside the U.S. and lower ad budgets, advertising has to be focused carefully.

"In the U.S., we can do something eye-catching like we did with our '1984' ad on the Super Bowl, and then follow up in print. Outside the U.S., we can't use all those layers, so our advertising tends to be more straightforward." Even so, Ms. Richardson says BBDO, which handles Apple's foreign advertising, has used some of the life-style themes developed by Chiat/Day on the domestic side, helping to position Apple with a "younger, more adventurous, more entrepreneurial corporate image," than IBM.

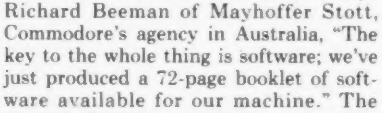
COMPUTER JOURNAL
Le Commodore VIC 20. Les jeunes cerveaux ne peuvent se contenter des jeux vidéo
Te regaliamo una vacanza più creativa...
...noi ti diamo questo tagliando-premio
VIC 20, ora puoi giocare con un vero computer.
THE MAGAZINE FOR COMPUTER AGE
VIC
3. Internationale Commodore Fachausstellung
commodore
Razor.
Razor Blades.
"THE COMMODORE 64 COULD BE THE MICROCOMPUTER INDUSTRY'S OUTSTANDING NEW PRODUCT INTRODUCTION SINCE THE BIRTH OF THIS INDUSTRY."

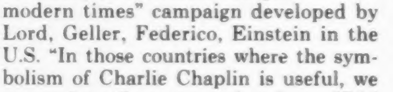
Commodore International's worldwide advertising is running at a $100 million annual pace, up from $60 million in 1983, says Anametrics, Commodore's U.S. agency.

IBM has used different versions internationally of the Charlie Chaplin "tool for modern times" campaign developed by Lord, Geller, Federico, Einstein in the U.S. "In those countries where the symbolism of Charlie Chaplin is useful, we are using that campaign," an IBM spokesman says.

But Mr. Greenberg says products, *not* advertising, will win the day abroad.

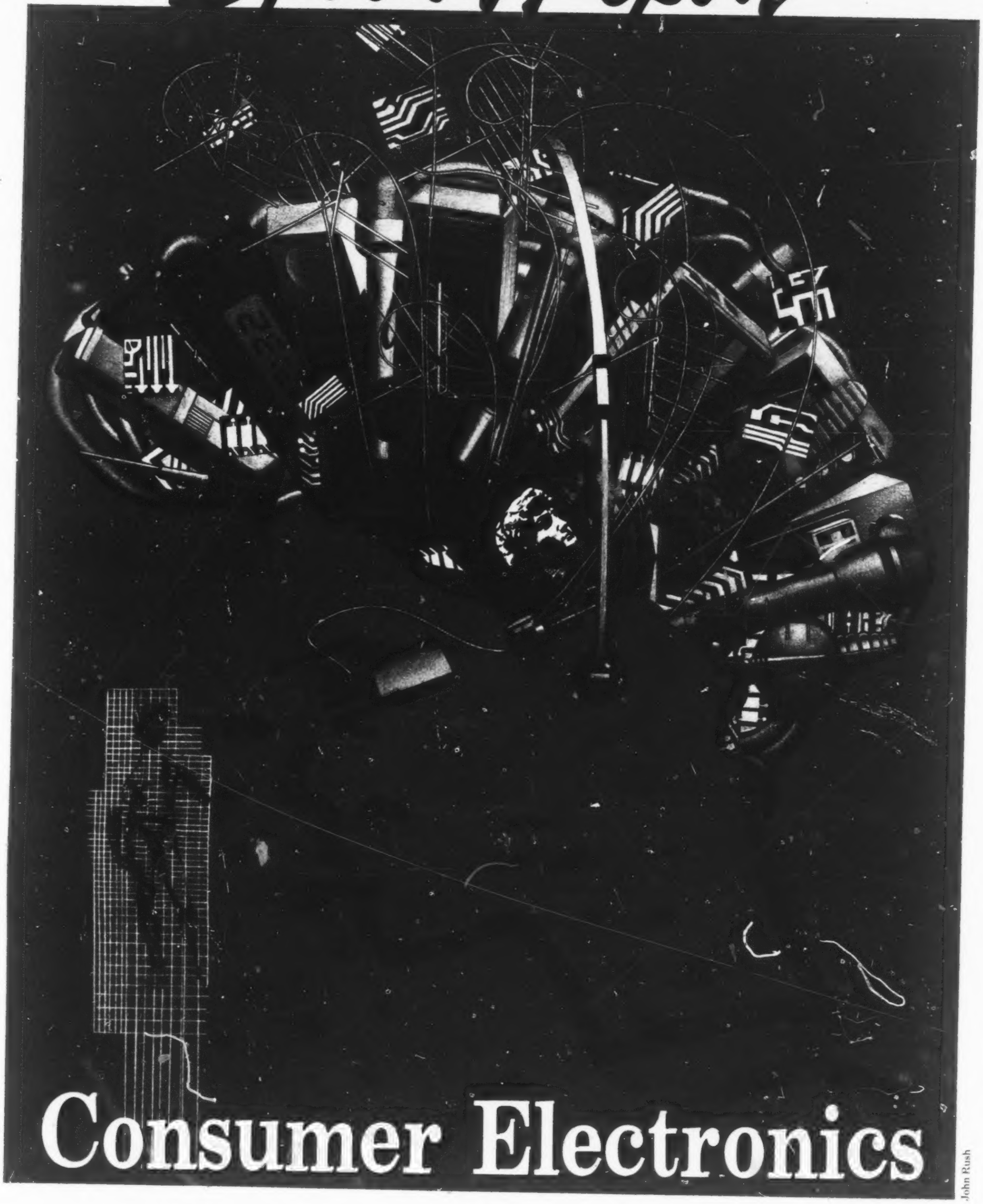
"The European market is much more serious than the U.S. If you attempt to fool the end-user with clever advertising, you won't succeed unless you have the product to match. Even then, the European audience wants hard information about price and functionality—not a lot of fluff."





Apple Computer mainly uses straightforward advertising outside the U.S. because of lower ad budgets and other factors.

Special Report



John Rush

Consumer Electronics

New technologies grab for consumer attention

By Udayan Gupta

Euphoric is a good word to describe the consumer electronics industry these days. Total factory sales for 1983 for consumer electronics goods were a record $20.6 billion, up 28% from 1982, according to the Electronic Industries Assn. There is unprecedented consumer enthusiasm, and a rash of new products has given rise to a new bullish mood.

"The industry is in the midst of an unprecedented buying frenzy. The closest thing we've had to this before was the introduction of black-and-white television," says Bob Gerson, managing editor of *Television Digest*.

Videocassette recorders, videogames and home computers have combined with a panoply of delivery systems—cable tv, direct broadcast satellites, satellite master antenna tv and multipoint distribution systems—to create a new electronic order.

"What we're witnessing is beyond home video and consumer electronics," says Barbara Dalton Russell, vp-research at Prudential-Bache Securities, New York.

"What we are looking at can best be described as a home entertainment and information service business."

The old tv set has been transformed into the centerpiece of a network that includes vcrs, videodisc players and home computers. Today, tv sets not only play back old or current film or tv show favorites, they also form the stage for videogames and a screen for a variety of editorial and financial data.

Given the scenario, it is perhaps not surprising that color tv sets had record sales of an estimated 14 million to 15 million units in 1983. The sales revival is in a mature industry, one that has penetrated more than 90% of consumer households. Sales have been fueled by a healthy replacement demand that "comes about eight to ten years after the first big selling years of color tv. It's a nice floor to build on," Mr. Gerson says.

The various uses of the tv set have created a need for more than one set. Indeed, with videogames and personal computers proliferating, second sets—even third and fourth—are not uncommon. "No matter how many you have, you may just need one more," one analyst says.

Fueling all this is the price. Tv sets have undergone reductions in price, a result of improved manufacturing technology, economies of scale and competition.

Although prices of tv sets are low, manufacturers are entering the market with high-ticket component video tv systems where the various elements of the tv set are marketed separately. By marketing the various elements—receiver, speakers, monitors—separately, it is possible to get a higher quality for each unit, manufacturers say.

With units being designed by computer and containing a large proportion of microprocessing hardware, component video makes a lot of sense, Prudential-Bache's Ms. Russell says. "The redundancy one builds into the hardware doesn't make sense," she says. "If I'm going to use the tv set for videotex, I'd like to use the same chip with the personal computer."

The concept of component video—a dominant theme in the

(Continued on Page 16)

Udayan Gupta, a frequent contributor to Magazine, specializes in writing on new technologies.

Software putting computers to work

By Prashanta Misra

If 1982 and 1983 were years of recreation, then 1984 is going to be the year of the home, where home productivity will be the utilitarian reason for buying a software product," says Dereck McLeish, vp-sales and marketing, Tronix Publishing, Inglewood, Cal.

Software designed for use on the home computer is changing, and the change reflects events in the whole consumer electronics industry. Products are providing not only entertainment opportunities, but they also are transforming hardware into budget planners, word processors and learning tools. They are being put to work.

Industry pundits say even the industry giant, International Business Machines, is changing its pitch on its home computer, PC*jr*, to the computer that brings your work home. Says Sanford R. Robertson, a partner with the San Francisco-based investment banking company Robertson, Colman & Stephens, "Such developments will impart the much-needed stability in a highly volatile marketplace."

Consumers' growing demand for this kind of software has caused a proliferation of different kinds of educational and productivity software. The demand also has come at a good time for game software marketers, which see it as an opportunity to diversify.

"Educational software is like the next generation of games software—software with depth and value," says Francis Pandolfi, president of the Tarrytown, N.Y.-based Scarborough Systems, whose MasterType educational program has topped *Billboard's* best-selling software chart for several weeks. "Both educational and home financial management software are offering people things to do with computers that finally are making these machines genuinely valuable in the home evironment."

Lowell, Mass.-based Hayden Software, which ventured into the field of educational software only last summer, doesn't regret its decision. "I'm personally convinced, based on our revenues, that the market for educational software products will get larger as an over-all market and is going to eclipse the market for the games software," company president Oscar Rodriguez says.

> **"... the market for educational software ... is going to eclipse the market for games software."**
>
> *—Oscar Rodriguez*

Future Computing, Richardson, Tex., a market research company, estimates that while entertainment will continue to be the largest selling home computer software, growth is occurring much more rapidly in educational and home productivity software. The U.S. market for home computer software in 1984 will grow 75%, to $1.4 billion, according to Tricia Parks, vp-consumer group division.

"The fact that educational and home productivity software are the fastest growing segments is indicated by the entry into the field by some very large players such as CBS Software, Reader's Digest and Xerox Publications," Ms. Parks says. According to Future Computing, the educational software market will grow 68% in 1984, to $314 million; home productivity software will grow 100%, to $242 million.

After making a false start in the game software market, CBS Software quickly reorganized its unit last spring to concentrate on making educational software. "But we are not the only ones making this shift—there are others who are doing it too," says Henry Kaplan, executive vp of the Greenwich, Conn.-based company.

Until January, Reader's Digest Assn. concentrated its efforts providing software exclusively for schools. But realizing the potential market that exists in homes, the Pleasantville, N.Y.-based company shifted its gears. "Right now, it looks like consumer sales are going to be the biggest part of our division's revenues," says Richard Scott, director-software division, who is also responsible for marketing and product development.

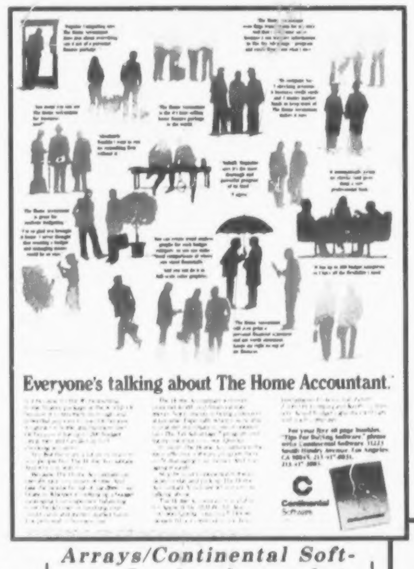
Similarly, the software division of Xerox Education Publications, Middletown, Conn., soon after entering the educational software market, has come to be regarded as one of its leaders, industry observers say.

Companies in the industry have taken a marketing clue from such consumer products companies as Procter & Gamble.

"In the home computer software industry, technology for all intents and purpose is a secondary element," says Sy Kaufman, a microcomputer analyst and a partner with Robertson, Colman & Stephens. "In sorting out winners from losers, it's very much a classical game in the mastery of channels of distribution, shelf space and effective advertising and promotional campaigns to cause industry leaders to rise above the hue and cry."

Venture capitalists, who in 1983 were willing to fund software companies in a big way, are reluctant to do that now because they realize that access to distribution and shelf space has become "at least to the power of ten more expensive," Mr. Rodriguez says. "If you are not prepared to spend $10 million or more, you just don't have a chance on marketing."

Soaring marketing costs and intense competition in the personal computer software industry also has led to the acquisition of some smaller companies by their bigger competitors.


Everyone's talking about The Home Accountant.

Arrays/Continental Software, Los Angeles, markets the best-selling Home Accountant, which has everyone talking in this ad by Ellis/Ross/Tani.

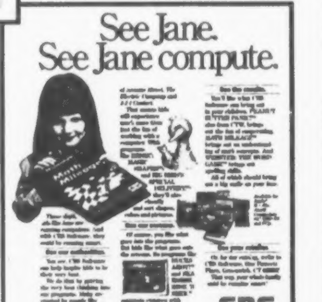
Recently, Gillette Co., the well known consumer goods company, bought a 40% interest in Datasoft Inc., a producer of software.

Also, late last year, Cox Enterprises of Atlanta, which owns 20 newspapers, bought a minority interest in Creative Software, Sunnyvale, Cal., and is likely to buy the remainder later this year, analysts say.

In addition, some of the big publishing houses such as Prentice-Hall, Simon & Schuster and Scholastic Inc. are looking for acquisitions, says Susan Currier, president of Softsync Inc., New York, a software publisher that also has been approached by several big companies for a possible takeover.

The presence of these big companies in the home computer software industry doesn't mean, however, that everybody will disappear, Ms. Parks says. "These small firms will have to be very clever in their advertising and have to have sound business strategies in terms of finding a particular niche they want to go for and focus on that, because they don't have the huge resources and market savvy of the bigger players."

Ms. Currier thinks most of the software advertising so far has been very unexciting. "People in the industry will have to look at the fashion and cosmetics industry to get an idea of some of the pet ways to package and market something that's basically a boring box," she says. "So, some companies are hiring people out of the cosmetics or some other package goods industries—and that's the way to go."


See Jane.
See Jane compute.
CBS SOFTWARE
Making you the best

CBS Software is advertising its educational software in mass market magazines.

Ms. Currier's Softsync Inc., which started out producing game software three years ago, is

Prashanta Misra specializes in writing about computers and consumer electronics.

The U.S. consumer electronics industry
Annual factory sales by type
($ million); 1974-1983

Category	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Monochrome receivers	500	416	495	530	549	561	588	505	507	465
Color receivers	2,533	2,268	2,755	3,289	3,674	3,685	4,210	4,349	4,253	5,002
Projection tv	na	na	na	na	na	na	na	287	236	268
Videocassette recorders	29	34	65	180	326	389	621	1,127	1,303	2,162
Color cameras	na	na	na	na	na	na	na	147	232	303
Videodisc players	na	na	na	na	na	na	na	55	54	81
Audio systems[1]	510	474	489	606	748	748	809[r]	720	573	630
Separate audio components	704	652	1,027	1,275	1,143	1,178	1,424	1,363	1,181	1,268
Home radio	557	372	356[r]	523	436[r]	436[r]	468	501	530	565
Portable audio tape equipment[2]	857	653	1,055	1,208	1,649	1,739	1,403	1,157	971	1,102
Car audio[3]	370	355	497	534	582	623	1,368	1,514	1,411	1,495
Blank audio cassettes	na	na	na	na	na	na	na	242	219	249
Blank videocassettes	na	na	na	na	na	na	na	na	357	580
Total	6,060	5,224	6,739[r]	8,145	9,107[r]	9,359[r]	10,891[r]	11,967[r]	[illegible],827[r]	14,170
Estimates by consensus[4]	na	na	na	na	na	na	7[e]	44[e]	4,310[r]	6,425[e]
Grand total	6,060	5,224	6,739[r]	8,145	9,107[r]	9,359[r]	10,898	12,011	16,137	20,595

1—Prior to 1981, data includes console phono

2—Prior to 1980, data includes some tape equipment other than portable

3—Prior to 1980, data reflects factory installed car audio products only

4—Includes home computers, software, programable videogames, videogame cartridges, tele[illegible]elephone answering devices, and videodiscs.

r—Revised e—Estimates

Source: Electronic Industries Assn. marketing services department

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Consumer

(Continued from Page 15)

advertising campaigns of marketers such as RCA and Sony Corp.—still has to catch on with the consumer. Sales last year of component video systems were disappointing, says David Lamb, a senior analyst with Link Resources, New York, a media and communications market research company.

Amid all the dramatic growth that color tv sets were experiencing, the center stage was occupied by vcrs. From sales of nearly 2 million units in 1982, the industry jumped above the 4 million mark in 1983. This year, analysts expect vcr sales to exceed 6 million units. Dollar sales were $2.2 billion, up 70% from 1982, according to the EIA.

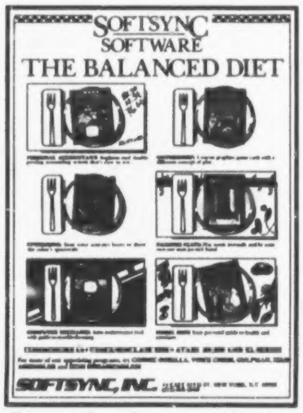
"It was the best year that the industry has experienced," says Richard O'Brien, executive vp, JVC, one of the major vcr marketers. Consumer demand is not likely to abate for the next few years. Vcrs are already in more than 11% of all tv households and that number will only get, higher, Ms. Russell says.

No one factor adequately can explain the meteoric growth of vcrs. Although declining prices have been a dominant factor (some vcrs can be purchased for less than $300), the increased availability of prerecorded cassettes as well as changing patterns of use have had their effect as well.

For the vcr user, the range of materials available in cassette form has expanded considerably. Also alluring is the appearance of major Hollywood motion pictures on cassettes before their showing on pay cable or network tv. (One example: "Terms of Endearment," the big 1983 Oscar getting more into home productivity software. "Essentially, what we're doing now is bringing the business software down to the home level," she says.

Companies such as Spinnaker Software Corp., Cambridge, Mass., and Software Publishing Co., Mountain View, Cal., already have started building their consumer-oriented marketing force, recruiting people from companies such as Procter & Gamble, Richardson-Vicks, General Foods and Chesebrough-Pond's.

"Because we have mostly mass market channels like K mart, J.C. Penney and Toys 'R' Us, we have hired and are hiring people with a classic package goods marketing background," says Jay Mixter, vp-marketing for Spinnaker, which within a few years has emerged as a leading manufacturer of educational software products.



Susan Currier, president of Softsync, says software companies need more exciting advertising.

Realizing there was a niche in the marketplace for "edu-tainment products," and modeling itself on Fisher-Price toy company, Spinnaker specializes in making "learning game" software that is not only fun to play with, but also is educationally sound, Mr. Mixter says.

Big publishers such as Random House have launched themselves into the "edu-tainment" software market, with about 10 titles debuting this month at the Consumer Electronics Show in Chicago.

According to David J. Fiore, advertising-promotion manager for the book company's electronic publishing division, and formerly marketing manager for Sony Corp., Random House will stress the theme: "We were here yesterday and we'll be here tomorrow."

Random House, like Hayden Software, will be spending almost 50% of its anticipated 1984 revenues on advertising. The ads will be only in print media. Says Mr. Fiore, "Since home computers only have 10% penentration into tv households, we'll be advertising in consumer-oriented publications as well as machine-specific magazines."

CBS Software has gone a step ahead of Random House by advertising not only in computer-user magazines, but also in mass market magazines such as *Better Homes & Gardens, Business Week, Money, Newsweek, People,* and *Woman's Day.*

Ms. Parks of Future Computing predicts that by the end of this year, there will be a lot of software advertising on prime-time tv and the dollar commitment on the part of companies will be quite substantial. Two companies that already have indicated their plans for using tv include CBS Software and Spinnaker Software.

Companies such as Arrays/Continental Software, Los Angeles, which specialize in making home financial management/productivity software, will capitalize on the theme of "fear and greed"—the two motivating factors on Wall Street, according to Hank Scheinberg, executive vp. "If you want a bigger house, want a bigger car or want to have more money to spend, we'll tell you how to do that through our Get Rich series on real estate planning, investment planning, retirement planning and insurance planning," he says. Continental also markets The Home Accountant and Tax Advantage—both best sellers.

Another personal finance program called Managing Your Money is written by Andrew

(Continued on Page 18)

Designer hooks mass market

By Cecelia Reed

A 31-year-old entrepreneur from Montana, who once tried to make it in the fashion world (with something called Foot Sweaters) and failed, has found success creating software for home computers.

On the 55th floor of Lake Point Tower in Chicago, Sat Tara Singh Khalsa (he's a convert to the Indian Sikh religion), president of two-year-old Kriya Systems, is seated behind a desk piled with the latest computer publications. His office is quiet, cool; he, too, is cool. He also is rich, as is currently the fashion among smart young hotshot software designers. And Typing Tutor III, the latest permutation of his two previous best-selling Typing Tutor programs, is without doubt going to make him richer.

Mr. Khalsa, a graduate in philosophical psychology from the University of Chicago, became interested in computers "before there were micros." In 1977, he worked in a private psychiatric hospital, where a director asked him if he would work on a computer that recognized speech. At that time, the first microcomputers were being developed. Later, at Image Producers, Northbrook, Ill., he met and teamed up with Dick Ainsworth and Ram Dass Khalsa (no relation), today creative director and vp, respectively, of the 12-person Kriya Systems.

Mr. Khalsa predicts that his young company's entry into the personal productivity/educational segment of the software market is going to be one hot number. Typing Tutor III is designed to teach people how to find their way around a keyboard (a must for getting friendly with any home computer). "We'll sell at least 200,000 units this year, but that's real conservative. My expectation is that we'll do twice that number," Mr. Khalsa says.

Mr. Khalsa's serene confidence is not unfounded. As home computer hardware loses its youthful dash, software is spurting ahead. Sales of software programs for personal computers—the fastest growing segment of the market—are estimated to approach $2 billion in 1984—and continue growing at an average annual rate of 47%.

Darryl Pitt

Sat Tara Singh Khalsa brings a distinct personal style to the mysterious world of computers.

"Software in the past has been marketed as a commodity. There was no authorship, no people recognition," Mr. Khalsa says. Now personal computers are becoming interchangeable commodities in the minds of many consumers looking for discounts rather than brand names.

"For the mass market, you need to have a hook," an image and brand recognition that will distinguish one package from its competition. "This is the kind of marketing approach that should work for software"—especially software of the functional variety, which is gaining on games as the consumer's choice, he says.

Mr. Khalsa is one of the new breed of software designers bringing glamor and a distinct personal style to the erstwhile gray and mysterious world of computers. Kriya Systems has found a new way to bring its products' message to the seekers of applications software: Give it a personality. That is, bring it out of the inaccessible world of computer whizzes who work by night right into the bright light of mass market America.

"Personal computers offer tremendous benefits," Mr. Khalsa says. "They can be a passive resource, but they can also be used as an active resource; you can create art, or music." The way to turn a machine into an "active" property is to have the right software, the guiding spirit of any computer.

Guiding the progress of Typing Tutor III is Kriya's "publisher," Simon & Schuster, which until recently was better known for success with more conventional "authors" than Mr. Khalsa. Simon & Schuster's electronic publishing group chose Kriya's products as its entry into the software market because "It happens to be a very high quality product, it had a name the trade knew and we saw inherent promotional possibilities in it," says Frank Schwartz, president of the electronic publishing group.

With Kriya's brains and Simon & Schuster's marketing brawn (the company could possibly spend up to $250,000 on advertising and promotion), the feeling is that Typing Tutor III will mop up in sales.

Mr. Khalsa is scheduled to go on a major promotional tour—a first for software "authors"—soon after this month's Consumer Electronics Show to promote Typing Tutor III in New York, Boston, Chicago, Los Angeles and Dallas. Mr. Khalsa, whose laid-back style and some-

(Continued on Page 18)

Cecelia Reed, senior editor of Magazine, is beginning to wonder if she's in the wrong business. The subject of her article drives a Rolls-Royce while she's still taking the subway.

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winner, became available on videocassettes in May, although it's still in theatrical release.) Not surprisingly, sales of prerecorded cassettes have boomed. In 1983, the total was an estimated 7 million units, according to Link Resources. This year, it could exceed 9 million.

Vcrs are changing viewing patterns. They are being used for time shifting and for library building. Pay cable also is fueling the use of vcrs. In 1983, vcrs were in nearly 35% of all pay cable homes.

The introduction of the 8mm camera-recorder by Eastman Kodak also has added a new dimension to the vcr industry. Although some analysts are skeptical about Kodak's attempts to enter the video market with a product that initially is priced at more than $1,500, Kodak feels confident about the product and its demand among home movie and home taping enthusiasts.

Other players include RCA and General Electric and a host of others waiting in the wings.

Not to be forgotten in the excitement surrounding color tv and vcrs is the role of the home computer (a low-end personal computer that has been used primarily for videogames and selected personal applications).

> **"That end of the market [home computers] will continue to rely on games."**
>
> *—Eugene Glazer*

For some time, the home computer phenomenon outshone all other events in the industry. Now that craze has all but vanished and companies such as Atari and Texas Instruments are licking their wounds.

"That end of the market will continue to rely on games," Eugene Glazer, first vp, Dean Witter Reynolds, says. "There really isn't any user-friendly software that can get these computers to do something difficult." Once the software becomes simpler and more relevant to the needs of users, the home computer market could boom. But that, according to many analysts, is still some distance away.

Of course, there are other products in the industry that also are competing for consumer attention. Some, such as the digital audio disc (Compact Disc), are just beginning to make their presence felt. Others, such as RCA's ill-fated videodisc, have been abandoned as costly ventures that didn't produce the desired results.

The demise of the RCA videodisc has demonstrated that consumers are looking for products that are departures from existing ones or provide new value. They're not interested in technology for technology's sake.

A good example of this may be the rise and fall of the first generation of cordless telephones. Sold as a mass consumer item with little emphasis on sophisticated applications, many of the models died a quick death. Some of the more established manufacturers are returning to the market with more functional products.

Of course, there is still the nagging question of whether the market is capable of withstanding this barrage of consumer electronics. Most analysts agree that each of the new products could have stood on their own at another time. Together, their future is a lot more doubtful.

In its "New Media Five-Year Outlook," Link Resources projects sustained growth for nearly all the industry's elements, including vcrs, video cameras, videocassettes and home computers.

More importantly, perhaps, the consumer electronics industry has captured the imagination of its buyers—not merely as a source of entertainment, but also as a conduit for essential services, from informational to transactional (such as home banking and shopping).

The focus now is on bringing business and pleasure together into the living room. Until consumers start feeling the need to go outside again, the future of consumer electronics seems more than assured. ■

Advertising Age

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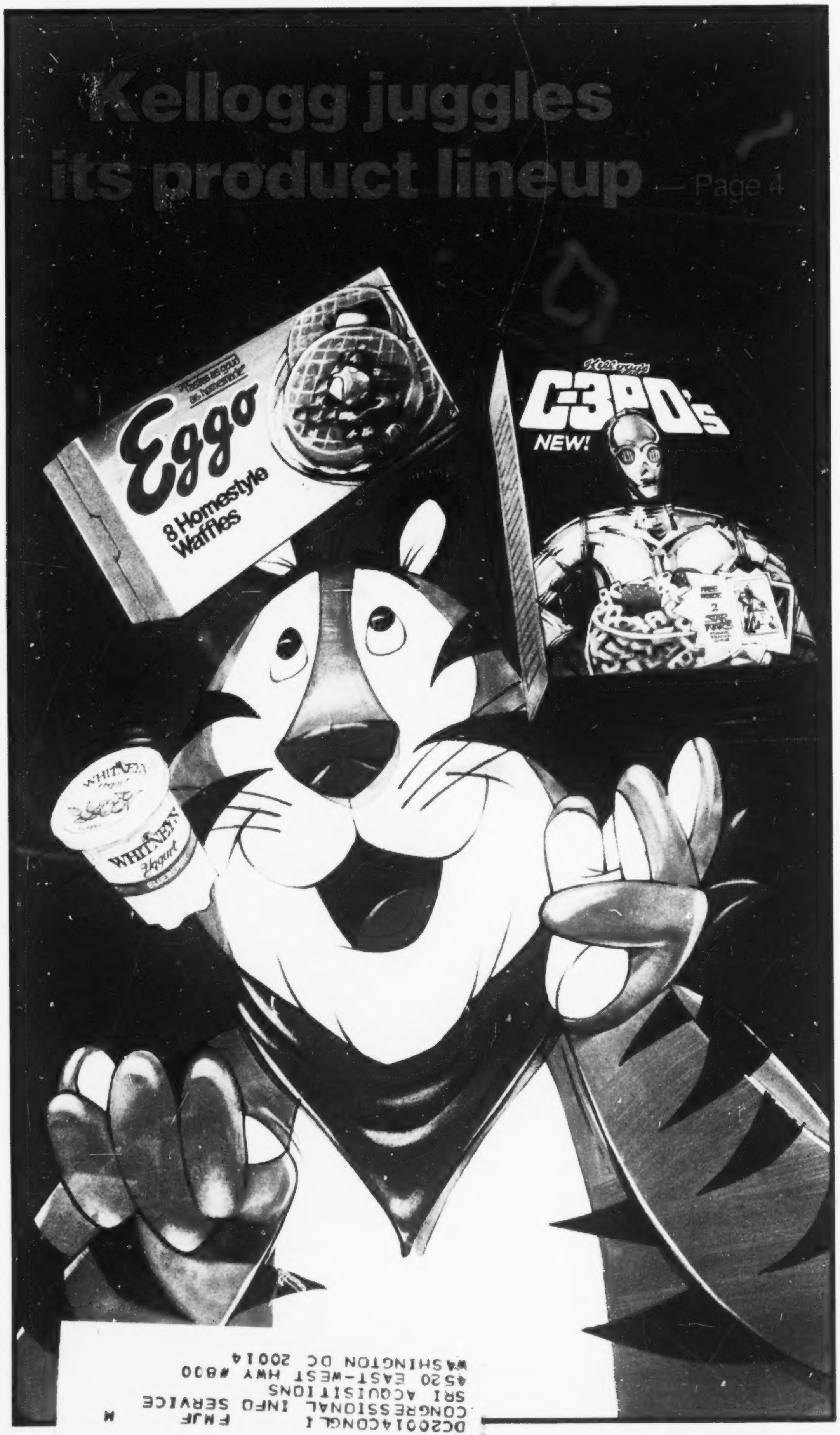
$1.25 a copy; $52 a year *The International Newspaper of Marketing* *June 11, 1984*

Kellogg juggles its product lineup

— Page 4


"Tastes as good as homemade"
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More shops in Polaroid's search for new creative

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Seagram ad stirs spirited retorts from competitors

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At electronics show:

- ·Software ABC's
- ·Tv shines bright
- ·Dialing up dollars

— Page 3

Continental's campaign won't fly with 2 foes

— Page 3

Hungry pets spur sales gain

— Page 49

Gallaher lights 'world' smoke

— International section

NEWSPAPER

Upfront buys in slow start

By JAMES P. FORKAN

NEW YORK—The network tv prime time upfront door now is open, but contrary to expectations agency buyers are not rushing in.

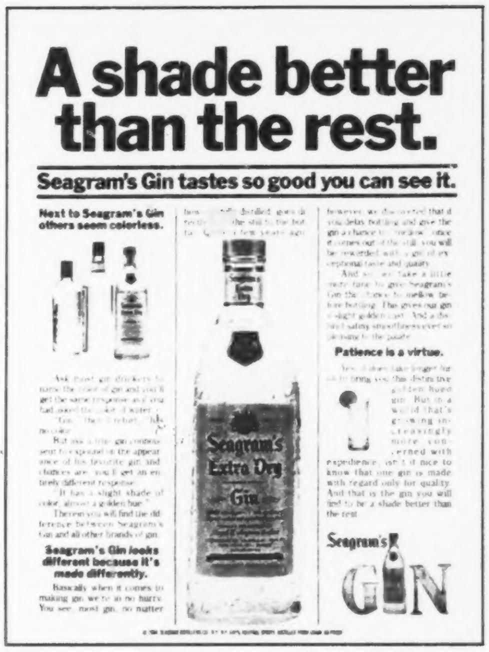
Various sources report the networks are seeking "exorbitant" price increases for prime time upfront—which advertisers and agency executives have been saying would increase this year no more than 7%—leaving the networks and most advertisers far apart in negotiations.

The prime time upfront market broke last week when Paul Schulman Co. completed its traditional opening buy for Ralston Purina (AA, June 7). All indications at that time were that prime time upfront, which in recent years had opened after the July 4 weekend, would follow the fast pace of daytime and news upfront this year. Both dayparts are close to sellouts in upfront for 1984-85. James Duffy, ABC-TV Network president, said last week that daytime upfront will top the $1 billion mark and prime time upfront will surpass $2.2 billion.

In spite of the slowdown by many advertisers, at least three buys are reported close to completion at ABC-TV. And sources say the three networks combined have "20 to 25 budgets working," which some estimated to be worth a combined $200 million-plus.

Not all the upfront activity is emanating from New York, some

(Continued on Page 94)



A shade better than the rest.

Seagram's Gin tastes so good you can see it.

Next to Seagram's Gin others seem colorless.

Seagram's Gin looks different because it's made differently.

Patience is a virtue.

Seagram's GIN

Seagram's primary gin competitors, Beefeater and Gordon's, are clearly evident in this controversial ad.

Seagram ad riles fellow gin players

By GAY JERVEY

NEW YORK—Joseph E. Seagram & Sons, determined to strengthen its franchise among upscale gin drinkers, has the competition riled up over a new campaign foi Seagram's extra-dry gin.

The campaign, themed "A shade better than the rest," includes a photo of a Seagram bottle with its label in full view, and bottles of Beefeater and Gordon's with their labels barely showing. The copy in the ad notes that "next to Seagram's gin others seem colorless."

The ad then cites the reason for Seagram's golden hue. Unlike other brands poured directly from the still into the bottle, the copy says, Seagram's is "mellowed"

(Continued on Page 98)

Former execs deny Paramount charges

By JAMES P. FORKAN

NEW YORK—When Gordon Weaver and Stephen Rose, two successful Paramount Pictures marketing veterans, left the studio early last week (AA, June 7) for the second time in five years to form their own company, their departure proved far less amicable than the first one.

In mid-1979, when they left as senior vp-marketing and advertising vp respectively, Messrs. Weaver and Rose retained some Paramount ties, since the studio agreed to finance several initial Barrich Productions projects (none of which reached the big screen).

This time, formation of Barrich Marketing as "an independent movie marketing company" is being overshadowed by rather vague Paramount allegations about "unethical practices with respect to suppliers," which were uncovered during a "preliminary investigation." That statement was issued just hours after the two execs had announced their departures, thereby leaving in doubt whether they jumped or were pushed from their posts as president of Paramount

(Continued on Page 98)

Detroit plan vs. imports

By RALPH GRAY

NEW ORLEANS—The lifting of import-car restraints in the U.S. will flip a few marketing chips. But the big hand is just being dealt.

It is likely that the import limits will not be renewed next spring. The immediate impact would be on small cars. U.S. marketers are likely to rely mainly on their own imports rather than on domestically made small cars to fight the Japanese auto makers.

The brand names will not change. The Chevrolet Sprint, now marketed in nine western states as a Chevy, will not be renamed a Suzuki, though Suzuki makes it for the General Motors division.

The big game in the post-limits arena, however, will come in the midsize "middle market." That is where the major profits have always been. And the restraints have kept that market shut to Japanese manufacturers.

"A new middle market is emerging," said Joseph Campana, Chrysler Corp.'s vp-marketing.

"The medium-size cars of the past were owned by people who wanted jewel-like versions of big cars but who didn't want the size. The new middle is a driver's car for those who like handling characteristics and road feel," Mr. Campana said.

Chrysler's entries in the new middle market, its H-body LeBaron GTS and Dodge Lancer, are due next January and will start out with four-cylinder engines.

Other cars that already have appeal for the middle market include the Honda Accord and Pontiac 6000STE.

While Chrysler is readying the H-bodies, it will rely on a new agreement with Mitsubishi for Chrysler-labeled small cars. That agreement has been extended to 1995. Chrysler chairman Lee Iacocca, here for the annual meeting of shareholders, said that will cover the bases for his company.

Chrysler is proceeding with a new high-tech, American-built small car for 1986½, Mr. Iacocca said. He called it "an exciting, world-class competitor," adding that it will be delayed three months to "change its styling to compete in a more upscale market segment." That indicates heavy use of Mitsubishi-made components.

Chrysler "possibly needs two [small] cars, one sourced from

(Continued on Page 94)

highlights

Monday, June 11, 1984

Liggett & Myers Tobacco Co. is ready to test Stride, a new branded, mid-price cigaret. It's also testing the notion that consumers will accept more price stratification in the cigaret market. *See Page 10.*

Robert Corr looks at the end of his long-running legal battle with Adolph Coors Co. over alleged trademark infringement as a beginning. What once were Corr's "natural sodas" now will be called Robert Corr sodas. *See Page 12.*

Women have begun to wield some influence in the highly visible broadcast industry, but there still should be room for more females in top-level management jobs. That was the message both speakers and audience gave at the recent annual gathering of American Women in Radio & Television in Chicago. *See Page 14.*

Cover illustration by Bill Ersland.

CORPORATE CLOSEUP

Kellogg's new C-3PO's ready-to-eat children's cereal was more than just another entry into that highly competitive market. It was a message that the Battle Creek, Mich., marketer intends to regain its lost momentum among U.S. cereals. *See Page 4.*

INTERNATIONAL

Gallaher, American Brands' U.K.-based subsidiary, plans to launch a "world brand"-type campaign for its Silk Cut cigaret this year. The campaign will start with the U.K. market, probably around October, and then move into Europe. *See Page 58.*

The United Nations Educational, Scientific & Cultural Organization appears to be considering some changes that will allow the Reagan administration to back away from its threat to withdraw from UNESCO. *See Page 62.*

Since Saatchi & Saatchi opened a Hong Kong office last year under controversial ad veteran Mike Holbeche, the industry has been waiting for the magic the combination seemed to promise. So far, it seems to have had little impact on the local market. *See Page 64.*

VIDEOTECH

A U.S. sales representative has found resistance to a plan to sell tv spots on China's Olympic coverage to multinational companies. The problems range from the Eastern-bloc boycott of the Olympics to Hong Kong competition. *See Page 68.*

COMING THURSDAY IN Magazine

Ethnic stereotypes have been present in advertising almost since its earliest days. Both positive and negative images are displayed by the Balch Institute for Ethnic Studies in Philadelphia.

Total market coverage programs are sweeping the country. They are a dream come true for most retailers, and newspapers and shared mail companies are flocking to fulfill that dream. *In special report.*

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FIGURES TO FILE

DOG FOOD SALES 49
CAT FOOD SALES 49

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New shop netted by cruise line

By RUTH STROUD

Holland America Westours, formed last year through the merger of two cruise/tour operators, last week decided to consolidate its $13 million advertising account, too.

The Seattle-based company has selected Elgin Syferd, Seattle. That agency replaces Chiat/Day, San Francisco, which handled the Holland America Cruises' Caribbean and Mexican tour business, and Livingston & Co., Seattle, which directed the company's Westours Alaskan and Canadian cruises and tours.

Chiat shifted the account from its New York office to San Francisco after Holland America Cruises decided to merge operations with its Seattle-based Westours subsidiary. Chiat and Livingston (formerly Chiat/Day/Livingston) handled the account since early 1982.

The news surprised both agencies, but Elgin Syferd clearly was not a random choice. The agency resigned its $1.5 million account with Princess Tours, Seattle, on June 1 to tackle the more lucrative Holland America business at the request of Robert Brennan, who

(Continued on Page 100)

Dog food sales

The greatest growth potential among dog foods comes in dog-treat specialties. Dry foods have shown growth, but wet and semimoist categories declined. All figures in million of dollars. ***Source: John C. Maxwell Jr.***

Brand	Manufacturer	1982	1983
Dry dog food			
Dog Chow	Ralston Purina	255.0	254.0
Puppy Chow	Ralston Purina	155.0	167.0
Gravy Train	General Foods	113.0	116.0
Dog Meal (Hi-Pro)	Ralston Purina	86.0	87.3
Come 'N Get It	Carnation	60.0	67.9
Meal Time	Mars	62.0	67.8
Praise	Ralston Purina	—	66.9
Alpo Beef Flavored Dinner	Grand Met USA	58.0	62.0
Dry Cycle	General Foods	80.0	60.8
Chuck Wagon	Ralston Purina	54.0	59.3
New Breed	Carnation	—	53.7
Purina Blends	Ralston Purina	57.0	49.5
Fit & Trim	Ralston Purina	22.0	23.6
Mainstay	Ralston Purina	19.0	21.8
Hunters Choice	Jim Dandy	22.0	21.6
Jim Dandy Chunx	Jim Dandy	14.0	13.1
Alamo Brand	Grand Met USA	12.7	12.9
Ken-L Ration Biscuit & Meal	Quaker Oats	9.7	9.2
Bow Wow	Plasa	7.0	8.3
Kasco	Plasa	8.0	7.3
Friskies Dinner & Cubes	Carnation	28.0	5.9
Blue Mountain	Associated Prod.	5.0	3.9
Field 'n Farm	Ralston Purina	7.0	3.6
Gaines Meal	General Foods	3.0	2.6
Strongheart	Strongheart	2.5	2.0
Vets Nuggets	C.H.B. Foods	2.0	1.9
Hero	Ralston Purina	4.0	—
Purina Dinner Mix	Ralston Purina	1.0	—
All Other		463.1	475.1
Total		$1,610.0	$1,725.0
Moist dog food			
Gaines Burgers	General Foods	71.0	65.0
Top Choice	General Foods	54.0	46.5
Ken-L Ration Special Cuts	Quaker Oats	30.4	27.9
Ken-L Burgers	Quaker Oats	30.1	10.1
Moist & Meaty	Benco	7.5	11.2
Ken-L Ration Cheeseburger	Quaker Oats	26.6	9.6
Prime/Puppy Choice	General Foods	9.0	5.7
Gaines Variety/Complete	General Foods	7.0	—
All Others		22.9	10.5
Total		$258.5	$186.5
Snack dog food			
Milk Bone, Flavor Snacks Bonz	Nabisco Brands	122.0	137.0
Jerky Treats	Heinz	27.2	35.4
Bonz	Ralston Purina	38.0	33.6
Liv-A-Snaps, Beef-Char-O-Snaps, Chik-N-Snaps	Grand Met USA	11.0	18.5
Meaty Bones	Heinz	—	14.0
Ken-L Ration Beef Bite Treats	Quaker Oats	5.3	4.5
Say Cheese, People Crackers and Doggie Donuts	Hi-Life	3.0	3.2
Recipe	Campbell	1.7	1.6
Gaines Biscuits & Bits	General Foods	0.9	—
All Others		40.9	27.2
Total		$250.0	$275.0
Canned dog food			
Alpo	Grand Met USA	189.0	200.0
Kal Kan	Mars	110.0	140.0
Mighty Dog	Carnation	80.0	91.0
Ken-L Ration	Quaker Oats	74.1	71.5
Cycle	General Foods	63.0	67.9
Skippy, Premium	C.H.B. Foods	23.6	36.6
Friskies	Carnation	48.0	23.6
Recipe	Campbell	23.0	21.4
Cadillac	Cadillac	18.5	21.2
Vets	C.H.B. Foods	19.1	18.3
Skippy	C.H.B. Foods	14.1	11.3
Blue Mountain	Associated Prod.	9.7	10.4
MPS	Mars	13.0	9.4
Strongheart	Strongheart	8.0	8.5
Tender Chunk Dinners	Quaker Oats	12.3	5.4
Twin Pet	Allied Foods	3.7	5.4
Laddie Boy	Laddie Pet Food	4.8	5.0
Thoro Fed	Mars	5.0	0.3
All Others		101.1	80.1
Total		$820.0	$827.3
Soft-dry dog food			
Tender Chunks	Quaker Oats	$81.0	$63.9
Kibble 'n Bits 'n Bits 'n Bits	Quaker Oats	49.5	26.8
Moist 'n Chunky	Ralston Purina	24.0	23.7
Dinner Rounds	Campbell	4.5	4.5
Tender Moist Chunks	Jim Dandy	4.0	3.9
Total		$159.0	$118.9

Pet foods see sales gains

By JOHN C. MAXWELL JR.

During 1983, the pet food industry realized a 4.1% gain in dollar sales. Ralston Purina maintained its No. 1 position in terms of market share, with 28.5%. Most of the dollar sales growth came from the cat food area, which showed a year-to-year increase of 9.7%, while dog food sales increased a modest 1.1%.

In units, cat food also showed the best gains. The moist category had a tonnage increase of approximately 6%, while dry cat food was up about 7%. However, the semimoist area experienced a 10% drop in units. It should be noted that although Ralston Purina's Happy Cat is regarded by many in the industry as a "semimoist" cat food, we have included it in the "dry" category at the company's request and because it can be left in the dish like dry products.

The big growth story in dog food in 1984 probably will be in the treats area. Treats were up about 1.5% last year in terms of tonnage. Dry dog food showed a healthy 2% increase. The wet and semimoist categories registered declines of about 1.5% and 6%, respectively.

The trends noted above likely will continue through 1984. The greatest growth potential appears to be in dog-treat specialties and the cat food area over-all. One reason for the continuing growth in dry products for both cats and dogs may be that this type of food is less messy and easier to handle. The strength in cat food may be attributed to an increase in working couples as well as the growth of single-family homes. In this type of environment, cats are more logical pets, as they are practically self-sufficient. On this basis, we believe that cat food will provide the principal real growth in the future.

Pricing should have a definite influence on growth in the future. The industry has not taken a price increase in three years, and we expect that as packaging and ingredient costs escalate there will have to be an increase soon. The timing likely will be determined by industry leaders in the respective categories, but a price increase of approximately 5% may be seen across the board by early fall and perhaps even sooner for certain areas of the business.#

Mr. Maxwell is with A.G. Becker Paribas, New York.

Cat food sales

The increase in working couples and in single-family homes stands behind the growth in cat food sales. All figures in millions of dollars. ***Source: John C. Maxwell Jr.***

Brand	Manufacturer	1982	1983
Canned cat food			
9-Lives	Heinz	233.0	259.0
Kal Kan	Mars	138.0	151.0
Friskies Buffet	Carnation	151.0	147.0
Purina	Ralston Purina	65.0	64.1
Fancy Feast	Carnation	—	55.0
Puss 'n Boots	Quaker Oats	25.3	23.9
Bright Eyes	Carnation	16.0	22.3
Friskies	Carnation	20.0	13.6
Tabby	Grand Met USA	7.0	3.1
All Others		169.7	159.0
Total		$825.0	$898.0
Dry cat food			
Cat Chow	Ralston Purina	155.0	146.0
Meow Mix	Ralston Purina	95.0	95.8
Friskies	Carnation	53.0	65.6
Happy Cat	Ralston Purina	2.7	58.2
Crave	Mars	38.0	53.3
Thrive	Ralston Purina	43.8	46.3
Special Dinners	Ralston Purina	50.0	45.9
9-Lives	Heinz	38.0	34.3
Chef's Blend	Carnation	20.0	32.6
Kitten Chow	Ralston Purina	11.0	14.9
Fish Ahoy	Carnation	10.0	7.1
All Others		68.5	84.0
Total		$585.0	$684.0
Moist cat food			
Tender Vittles	Ralston Purina	141.5	137.0
9-Lives Moist/Square Meal	Heinz	27.0	25.1
Moist Meals	Quaker Oats	19.2	19.9
Moist & Tender	Benco	1.0	1.6
Whisker Lickins	Ralston Purina	6.5	—
All Others		14.8	11.0
Total		$210.0	$194.6

Annual sales by type of product

Cat foods, especially dry varieties, led the industry's sales gains. All figures in millions of dollars. ***Source: John C. Maxwell Jr.***

Brand	1982	1983	Change
Dry dog food	1,610.0	1,725.0	+ 7.1
Canned dog food	820.0	827.3	+ 0.9
Whole-biscuit snack dog food	250.0	275.0	+10.0
Moist dog food	258.5	186.5	-27.9
Soft-dry dog food	163.0	122.8	-24.7
Total dog food	$3,101.5	$3,136.6	+ 1.1
Canned cat food	825.0	898.0	+ 8.8
Dry cat food	585.0	684.0	+16.9
Moist cat food	210.0	194.6	- 7.3
Total cat food	$1,620.0	$1,776.6	+ 9.7
Total dog & cat food	$4,721.5	$4,913.2	+ 4.1

Market share by company

Ralston Purina maintained about the same lead margin it held in 1982 over No. 2 Carnation Co. Figures in millions of dollars and share of market. ***Source: John C. Maxwell Jr.***

Company	1982	Per cent share	1983	Per cent share
Ralston Purina	1,282.0	27.2	1,398.5	28.5
Carnation	486.0	10.3	585.3	11.9
General Foods	400.9	8.5	364.5	7.4
Grand Met USA	270.7	5.7	296.5	6.0
Quaker Oats	363.5	7.7	272.7	5.6
All Others	1,918.4	40.6	1,995.7	40.6
Total	$4,721.5	100.0	$4,913.2	100.0

Cole buys TAD Enterprises

PHOENIX—Bruce H. Cole Co. here has acquired TAD Enterprises, a company specializing in ad services to dentists, as a new division. TAD will change its name to Kleisley-Cole to incorporate the name of TAD founder Pat Kleisley, vp and director of Cole.

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$1.25 a copy; $52 a year | The International Newspaper of Marketing | Thursday, June 14, 1984

Tropicana puts ad squeeze on foes

By NANCY GIGES

Tropicana Products, already 10 share points ahead of the pack in the $1.2 billion ready-to-serve orange juice market, is pouring 35% more ad dollars into the fight this year to support a new ad campaign.

The new effort, which will help bring ad spending to more than $15 million this year, is the first from Tropicana's new agency, Benton & Bowles, New York. The Beatrice Cos. subsidiary is set to break the multimedia campaign June 18 with an umbrella theme "Squeeze me with a glass of Tropicana," for Pure Premium and Gold 'n Pure varieties.

The company claims Pure Premium is the only major ready-to-serve orange juice not reconstituted with water from concentrate. Gold 'n Pure competes directly with Minute Maid and Citrus Hill brands.

According to Tom Thompson, senior vp at the Bradenton, Fla.-based marketer, the campaign for Pure Premium is designed to illustrate Tropicana's point of difference from competitors: "We come as close as possible to fresh squeezed in a ready-to-serve product."

Unlike the previous "Only one can be the best" campaign created by former agency MCA Advertising, New York, the new one focuses on taste, the "consumer yardstick for evaluating orange juice," Mr. Thompson said.

Tropicana
me
a glass
of
Tropicana

Research shows that the squeezing of the carton in new Tropicana ads has high recall, the company says.

The commercial opens at mealtime with Dad asking, "Somebody squeeze me a glass of Tropicana." Then as music and song begin, a carton of Tropicana is squeezed and poured into a glass. Mr. Thompson said research indicates that this device, seen several times during the spot, has high recall value.

The campaign for Gold 'n Pure will use the same visuals but different audio. The two items—one in a white carton and the other in an orange container—are not advertised in the same markets and often only one of the two is avail-

(Continued on Page 43)

Marks set for Yankee entrance

By ANGELA CHATBURN

London—Marks & Spencer, one of the most successful clothing manufacturers and retailers in the U.K., will enter the U.S. for the first time next month.

The company plans to launch a trial run of knitwear at Lord & Taylor's New York department store and other Lord & Taylor-owned stores throughout the U.S.

Marks & Spencer—known as "Marks and Sparks" in Britain—said it has no plans now to open stores in the U.S. and will initially be selling only exported goods under its St. Michael label.

But British retail observers say the Lord & Taylor deal might be only the first step in an expansive

(Continued on Page 43)

Advertisers rapped on Lanham Act use

By NANCY GIGES

New York—In refusing to stop two competitors' advertising, a federal district judge here questioned whether the Lanham Act can be invoked in cases of disputed advertising claims (AA, Jan. 9).

Judge Gerard Goettel refused to grant preliminary injunctions against advertising for Chesebrough-Pond's Vaseline Intensive Care and Procter & Gamble's Wondra lotions. In his opinion, the judge wrote that the Lanham Act, under which this case was brought, was not addressed primarily to advertising and, in fact, was rarely invoked for several decades after its passage.

In recent years, however, that law has been invoked with increasing frequency, the judge pointed out, and this case tries to push the court further by calling on it to evaluate the standards for conducting tests used as a basis for comparative ad claims.

In theory, an argument could be made for creating standards, Judge Goettel said, but in fact, he expressed doubts about whether trial judges could fully comprehend such complicated scientific testimony.

On one hand, the judge played down advertising, calling it "a pervasive part of modern life. . .[that] most of us do not take too

(Continued on Page 43)

Dailey favored by Godfather's

By SCOTT HUME

Godfather's Pizza has ended a methodical, five-month agency search by naming Dailey & Associates, Los Angeles, as its new creative shop.

Dailey, an Interpublic Group of Cos. subsidiary, succeeds Rick Ellis & Associates, Santa Fe, New Mexico, which provided creative since Mr. Ellis resigned his partnership in Ellis & Guy, Omaha, Godfather's former full-service agency (AA, Dec. 5). Cole & Weber, Seattle, will continue to handle media buying for company-owned and some franchised stores.

Total advertising spending this year for Costa Mesa, Cal.-based Godfather's will be about $15 million, although Dailey will work on a creative-fee basis.

The selection of Dailey caps a lengthy, multistage evaluation for the 900-store Godfather's chain, which, under new parent Diversifoods, has been looking at new strategies to catch up with category-leader Pizza Hut (AA, May 7).

"Instead of asking what the agency thinks about the chain and its advertising, we wanted to know what specific people, who would be working on the account, think about Godfather's," vp-marketing Ted Murphy said. They also were asked to provide two reels, one with all work from '83, the other with what they considered their five all-time best creative efforts.

Some special-project creative from Dailey could appear by August, but the first full-scale campaign will not air until September.#

U.S. News staff awaits riches, answers

By DAVID SNYDER

Washington—Staffers, advertisers and competitors have few clues on what's in store once Mortimer Zuckerman, the Boston real estate mogul, locks up his $168.5 million buyout of U.S. News & World Report Inc.

At a crowded news conference this week, where nervous *U.S. News* staffers outnumbered working reporters, Mr. Zuckerman's only comment was that he will continue the publication's "rich and important tradition" and that the magazine's longtime editor, Marvin Stone, will remain at the magazine's helm.

Mr. Zuckerman stressed he wants to keep much of the U.S. News management team intact, but he did not elaborate on who would stay once the deal is approved by the employe-stockholders. Several of them, he noted, would become instant millionaires because of their holdings.

Employes, weighing the significance of Mr. Zuckerman's stated intentions, recalled his similar approach after he acquired the *Atlantic Monthly*—now the *Atlantic*—in 1981 and the subsequent resignations and firings, beginning with editor Robert Manning.

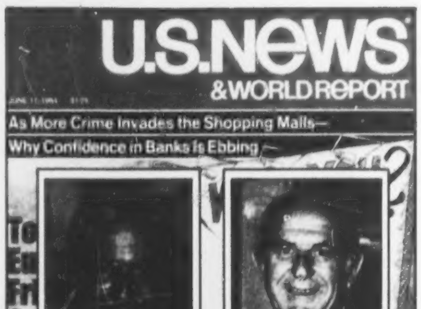
Mr. Zuckerman left his plans for U.S. News sketchy. While he said there are no drastic editorial changes in the works, *U.S. News* under his direction will place a stronger emphasis on graphics and will continue to "keep pace" with its readership.

"There was not a lot of grumbling," one staffer said of the proposal. "It's a pretty nifty multiple." The acquisition price is 57 times earnings.

Under provisions of the package, employe-stockholders will receive $3,000 in cash for each U.S News share owned. In addition, Mr. Zuckerman has agreed to buy out all shares held by company directors in a deferred compensation plan, giving each of the seven directors a $3.6 million bonus.

Aside from Mr. Stone, the fate of other top U.S. News executives re-

(Continued on Page 43)


U.S.News & World Report
As More Crime Invades the Shopping Malls—
Why Confidence in Banks Is Ebbing

Staffers and observers alike are wondering what will happen to *U.S. News & World Report* under its new owner, real estate executive Mortimer Zuckerman (left). This week's sale of the U.S.' third-best-selling newsweekly was expected, but its future course is uncertain. But longtime editor Marvin Stone (right), came out a big winner, maintaining his position and in line to benefit financially from the sale.

NEWSPAPER
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Advertising Age Magazine

June 14, 1984

8 Using ethnic images—an advertising retrospective
Almost since its earliest days, American advertising has used ethnic images. An exhibit at the Balch Institute for Ethnic Studies in Philadelphia shows both positive and negative symbols.

12 Comparing notes on agency salaries
Dick Wasserman's survey of headhunters, agency personnel directors and certified public accountants outlines some salary ranges for advertising agencies' creative and account people.

Special Report

Total Market Coverage

17 Newspapers, shared mail digging in
Total market coverage can be a retailer's dream come true. But the retailer has to decide whether to use newspaper or shared mail programs to reach 100% of the area.

18 Paper carriers transmit *Newsday's* success
Newsday's carriers deliver the paper's total market coverage vehicle, contributing to its success in reaching the market.

20 *Post-Dispatch* enters turbulent waters
February marked the launch of *YOU*, the *St. Louis Post-Dispatch's* effort to reach nonsubscribers. *YOU* faces tough competition from a powerful chain of free-circulation weeklies.

26 Many ad agencies cool to coverage
An advertising agency's client list, the effectiveness of newspaper representatives and the awareness of media executives influence how involved an agency becomes in the use of total market coverage.

Total Market Coverage report coordinator: Eileen Norris
Illustration above: Tom Herzberg

DEPARTMENTS

6 James Brady
6 Words from Gartner
14 Strategic Marketing
14 Parting Shot

To our readers

From time to time, it's entertaining and informative to just look at a portfolio of advertising or to stroll through a gallery of ads—good and bad—from the past to the present. It's even more rewarding if the exhibit is tied together by a theme.

Such a display is currently on exhibit at the Balch Institute for Ethnic Studies in Philadelphia, and the collection is our lead Magazine feature this week. The display is called "Ethnic Images in Advertising," and it contains some 300 advertisements, including posters, magazine and newspaper ads, trade cards and tv storyboards.

The story of the Balch Institute is an interesting one in its own right. It was established out of the proceeds of a trust set up by Emily Swift Balch and her two sons, Edwin Swift Balch and Thomas Willing Balch. Under the trust agreement, when assets grew large enough, which they did in 1957, the trustees would set up an institute for the benefit of the city.

The various courts and public bodies involved decided there was a need for an institute to study ethnicity. The Balch Institute was chartered in 1971 and opened its doors in 1976. It contains archives, a library and a museum.

The Balch Institute

The Balch Institute is in downtown Philadelphia.

Gail Stern, curator of the museum, says response to the ethnic advertising exhibit, which is co-sponsored with the Anti-Defamation League of B'nai Brith, has been overwhelming.

There is enough interest to take the show on the road after it closes at the Balch Institute on Sept. 7. There are already 11 bookings for the exhibit—New York, Long Island, Palm Beach, Boca Raton, Miami, Atlanta, Birmingham, Columbia, S.C., Memphis, Dallas and San Francisco.

Marion Elmquist
Editor

Letters

Changing the mix

In your special report on "The Nation's Top 35 Market Research Companies" (May 17), an unfortunate typesetting error has created an impression of National Analysts that I wish to correct.

More than 80% of National Analysts' revenues in 1983 were derived from commercial clients, with the remainder attributable to government agencies and other not-for-profit institutions. There was a period during the 1960s and early 1970s where the majority of our work consisted of survey research for federal agencies. Since that time, our staff's focus on industry and functional specialization has led to steady growth in strategically oriented marketing research for commercial clients, thereby dramatically changing the mix of our business.

Marshall G. Greenberg
President
National Analysts
Division of Booz Allen & Hamilton
Philadelphia

Morality not at issue

The article "Without a plan, the carrots just dangle" (Premiums and Promotions, May 10) contains a typo. Frankel & Co. pre-tests premiums with *mall* intercept interviews, not "moral intercept interviews." Researchers are probably about as moral as anyone, but so far we haven't introduced morals into any of our pre-tests!

I also would like to correct the impression that may have been left that it's impossible to measure the motivational value of premiums. As one of the few marketing services agencies with its own research department, Frankel & Co. has often evaluated effectiveness with controlled market tests, payout analyses and opinion surveys with the trade and consumers.

Marji Simon
Director of marketing research
Frankel & Co.
Chicago

Frequent flying

I read with interest Kurt Hoffman's "Airlines Soaring With Frequent Fliers" (Premiums and Promotions, May 10) and found it very informative. However, I was disappointed to read about American's claim of launching the "prototype" frequent flier program. While American, the alleged "founder of the frequent flier frenzy," was still pondering the development of its program, Western Airlines was running a successful frequent flier program in 16 cities.

For the record, the first major airline to launch a frequent flier program was Western Airlines. It was created by Western and McCann-Erickson (Los Angeles) in 1980. Called Western's $50 Travel Pass, it was first introduced on the Los Angeles to San Francisco route in May, 1980. The program proved to be highly successful, and within one year Western had expanded the program to 16 cities and more than 40 flight segments.

It's interesting to note that American began working on a frequent flier program in mid-1980, after Western had successfully launched Travel Pass. The creation of the industry's first frequent flier program was so successful that the American Marketing Assn. awarded Western a 1980 MARSY Award for its pioneering effort.

Mark T. Dennett
Senior director
advertising & sales promotion
Western Airlines
Los Angeles

Thrifty's success

Your feature, "Rental car giveaways a blowout" (Premiums and Promotions, May 10), is a good example of simplistic distortion. The headline would have been much more accurate had it been a little longer: "Rental car giveaways a blowout to most rental companies."

We were pleased that you featured the premium ad of our client, Thrifty Rent-A-Car System, but the article failed to quote a line of the interview made with a Thrifty spokesman when the article was developed.

For the record, Thrifty's phone promotion successfully achieved its purpose, which was twofold. The phone premium attracted a high proportion of new customers who had not heard of or tried Thrifty's service prior to the offer. Just as important is the selection of the phone as the premium; it supported and emphasized our continuing theme of "Call on Thrifty."

Jack B. Harwood
Senior vp
Advertising Inc.
Tulsa, Okla.

Magazine

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Postal rate increases deliver latest skirmish

By Gary M. Levin

The direct-mail business and the newspaper industry are involved in a steamy battle over postal rate increases that each says the other should have to face.

On one side, direct-mail companies say some newspapers take unfair advantage of generally lower second-class rates to mail their shoppers, the common term for advertising vehicles delivered free by newspapers to their nonsubscribers.

Meanwhile, newspaper publishers complain that third-class mail users often are subsidized by other mailers. They argue that direct-mail companies such as Hartford, Conn.-based Advo-System benefit unfairly from rates that make it more profitable to mail several pieces with a single address label.

The dispute likely will intensify through the summer. The Postal Rate Commission must decide in September how to structure its latest round of across-the-board rate increases.

In recent months, the American Newspaper Publishers Assn. has denounced what it considers favoritism in the U.S. Postal Service's third-class mail rates. "The fact is that first and second-class mailers have long recognized that if they're going to mail something that weighs more, they're going to have to pay more for it," says W. Terry Maguire, ANPA's vp-general counsel.

The ANPA takes issue with third-class mail rates that allow companies to mail up to 4 ozs. of preprints for the same price as 1 oz. It also says Advo-System's detached label address card—with paid advertising on the back—should not get a free ride through the mail, and argues instead for a discounted third-class rate.

The direct mailers respond with cries of foul play and say the detached label makes their product easier for the post office to handle.

"They still have the lion's share [of insert business], and now they want all of it," says Robert Huse, executive director, Mail Advertising Service Assn. International, an industry trade group. "They specifically went after Advo on the detached-label issue. The Postal Service approved the technique, and ANPA went to the Postal Rate Commission and said it was unfair. In some shared mail, the ad on the back of the address card makes it break even."

> **"If you start giving permission to anybody putting anything into your mailbox, you would truly be getting a lot of junk."**
>
> *—Robert Huse*

Jack Valentine, president, Advo-System, called ANPA's latest proposal "punitive and self-serving," and said the third-class rate increases sought were aimed at pricing shared mail programs such as Advo's out of existence.

"I don't think they'll succeed because their proposals are too transparent to be adopted," Mr. Valentine says. "And if they were [adopted], the odds are good, based on history, that newspapers would take advantage of higher third-class rates to raise their own rates."

Advo proposed a new subclass of nonaddressed mail in March to skirt the detached label issue, suggesting a separate rate for circulars with no label that could be delivered to the Postal Service's distribution centers. But the rate commission declined to consider that proposal, saying it had no authority to consider such a far-reaching plan in a normal rate hearing.

Some within the direct-mail industry are against such a subclass of mail. "We're absolutely, unequivocally opposed to that," Mr. Huse says. "If you start giving permission to anybody putting anything in your mailbox, you would truly be getting a lot of junk."

The dispute over who should pay how much for what is complicated further by what even a spokesman for the Postal Service called its "enormously convoluted" rate structure.

Basically, the Postal Service says, second-class mail is reserved for timely publications with at least 25% editorial material, while third-class rates apply to advertisers mailing catalogs and circulars. The gray area comes when newspapers use total market coverage vehicles as adjuncts to their regular editions.

To qualify for second-class postal rates, the post office stipulates that at least half the copies go to households that have paid for or requested the

(Continued on Page 32)

Gary M. Levin is a marketing reporter for Crain's Cleveland Business.

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THE BEST OF BOTH WORLDS.

In Portland, if total household reach is critical to your sales and merchandising efforts, we have the answer. The Best of Both Worlds — subscriber and non-subscriber households.

IT'S CALLED FOODday.

FOODday is a powerful food advertising package with a distribution system that effectively combines the quality paid circulation world with the mailed non-subscriber world.

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The inherent receptiveness that comes from paid circulation allows you to get the consistently better demographics that offer you greater sales potential. With FOODday, every Wednesday in the paid circulation of The Oregonian, this is especially true.

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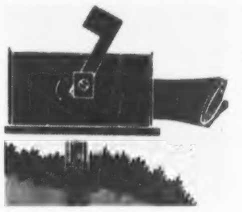
In the Portland three-county market, food sales account for 37% of the state total. It is in this vital metro area that all non-subscribing households receive the same complete FOODday by mail that subscribing homes receive in their Oregonians.



558,000 CIRCULATION/ DISTRIBUTION.*

The Oregonian
FOODday

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*ABC FAS FAX 3/31/84; Portland Mailing Service 5/16/84

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The Oregonian
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In The Oregonian or in the mail.

Represented nationally by Newhouse Newspapers: New York, Atlanta, Chicago, Birmingham (MI), Los Angeles, San Francisco

Postal

(Continued from Page 30)

publication.

Some papers reportedly lump their TMC circulation together with the paid newspaper's to qualify the TMC vehicle for the lower rate.

The newspaper industry's involvement in setting rates puts it on thin ice as far as direct mailers are concerned, especially since a December jury verdict found a Virginia publisher guilty of a "willful attempt to monopolize" the local print advertising business.

That antitrust case involved the *Newport News Daily Press* and *Times Herald*, both owned by Daily Press Inc. A jury ruled the paper had set ad rates for its *Smart Shopper* TMC vehicle artificially low and awarded the plaintiff, Ad-Vantage Publications, $1 in slap-on-the-wrist damages. At issue in the case was how the cost of preparing a TMC should be allocated to its publisher, and whether a company could continue to sustain a new product despite mounting losses.

"Some bad law could emerge from this decision if it is allowed to stand," says Norman L. Freeman, general manager of the Virginia papers. He says the case will be appealed this summer.

"We never felt the relevant product market was clearly defined," Mr. Freeman says. "All print advertising seemed to be included, and I don't think the court ever fully grasped that Advo and other direct mailers are in competition with newspapers."

A 'class' struggle of its own

Total revenues of the post office by class of mail, 1983

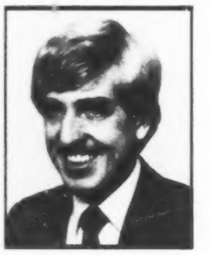
Class of mail	Number of pieces	Weight	Revenue/% of total
First	64.2 billion	2.3 billion lbs.	$14.2 billion/75%
Second	9.2 billion	3.5 billion lbs.	$958 million/5%
Third	40.7 billion	5.0 billion lbs.	$3.67 billion/19%

Sources: Mail Advertising Service Assn., U.S. Postal Service.

Despite what he says were losses of $1,000 a week in its first 15 months of operation, however, Mr. Freeman says he would have lost $250,000 a year in r.o.p. and shopper business from major advertisers had he not provided a TMC package.

"You can't make every product stand on its own," he says. "And we kept them [advertisers] from going to Advo."

Now, however, Daily Press charges advertisers the same-cost-per-thousand rates for the 53,000-circulation shopper as it does for its two daily editions, whose combined circulation its twice that figure.



". . . if they're going to mail something that weighs more, they're going to have to pay more for it."

—W. Terry Maguire

As for cost allocation, the court agreed with Mr. Freeman's contention that existing labor and equipment costs would be paid by the newspaper whether or not it published a TMC shopper.

The Postal Service takes a different view on allocating its costs and pricing structure, and says the labor-intensive nature of its business makes the time spent sorting mail the determining factor of its price.

"It's simply untrue that third-class mail is being subsidized by first-class," a Postal Service spokeswoman says. "Rates are set strictly on a cost basis."

Current rates allow direct mailers using several pieces with a single address label to send 4 ozs. of mail at $74 per thousand, the same rate that applies to a 1-oz. mailing.

While the Postal Service proposes an increase in that figure to $95, the ANPA wants to shift some of the overhead costs now assigned to first-class pieces over to third-class. It also suggests charging Advo and others 5 cents per detached label card, while lowering the per-ounce rate to 6.9 cents.

Mr. Maguire of ANPA says the narrow gap between first and third-class delivery schedules contradicts the ever-widening gap of rates assigned to both classes. He says the low rates now charged by direct mailers ultimately may affect the success of future antitrust actions against newspapers.

"Nothing else in the country, that I'm aware of, even comes close to *This Week*. . . its almost like they are in a league by themselves."

OREGON BUSINESS January 1984

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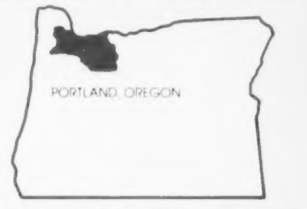

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ESPN inks USFL deal: $70 million for 3 years

By SUSAN SPILLMAN

New York—ABC Inc.'s Entertainment & Sports Programming Network has reached a tentative agreement to pay more than $70 million for the three-year exclusive cable rights to U.S. Football League games, more than four times what the cable sports network paid for the games in 1983 and 1984.

The price tag, which shocked some agency execs, is seen both as a desperation ploy by ESPN to hold onto its last high-profile professional sports franchise and as a certain money-loser for the network, which recently was purchased by ABC Video Enterprises for $202 million in cash. ESPN recently lost its National Basketball Assn. cable rights to Ted Turner's WTBS cable superstation, which paid $20 million for the games.

The whopping USFL price tag far exceeds the $9 million a year ABC paid for the network tv rights to the league's games in 1983 and 1984. It is more than four times the $5.5 million ESPN paid for the cable rights in each of those same years. It remains unclear whether ABC-TV Network, which is negotiating a renewal of its current broadcast package with the USFL, will soon reach an agreement with the league, or how the hefty ESPN price will affect those negotiations.

The tentative agreement reportedly was reached last Tuesday, the day before ABC Video Enterprises announced it was ending its experiment in home videotaping and shutting down its TeleFirst venture after six months of testing the service in Chicago *(see story on Page 94)*. The USFL deal, combined with the hefty cash outlay by ABC Video to purchase ESPN, has increased speculation that the ABC unit will press its search for a partner in the cable sports network.

"That's a preposterous sum of money," said Steve Leff, exec vp, Backer & Spielvogel, whose client, Miller Brewing, is a current sponsor of the USFL games. "I honestly wonder if there is enough money in the marketplace to cover it. It's mind-boggling that they could go out and make such a deal without

(Continued on Page 94)

Carlton
LUCKY STRIKE
LIGHTS
ONLY 8mg TAR
DORAL
MENTHOL
FILTER LIGHTS

Line extensions Carlton Slims and Lucky Strike Lights and branded "generic" Doral ride the new tide in cigaret marketing.

Cigaret marketers come out smokin' with innovations

By WILLIAM GLOEDE

Marketing activity in the cigaret business is on the upswing, with brand extensions, new brand introductions and a new twist—price stratification—beginning to heat up after nearly 18 months of relative calm.

The cigaret industry was hit at the beginning of 1983 with the doubling of the federal cigaret excise tax from 8¢ to 16¢ per package. Marketers at the major tobacco companies believe it was the tax increase that cost the industry 5% to 6% in total unit sales volume last year.

But today, says William Campbell, exec vp-marketing for Philip Morris USA, the industry "is in a state of change. How revolutionary that state of change is is not sure yet." But, he adds, "It's unlikely that the industry will ever be quite the same."

Among the recent developments:

- Philip Morris last week confirmed it will test a 25-cigaret package of Marlboro Red in Spokane, Wash., and Indianapolis, and a 25-cigaret package of Marlboro Lights in Indianapolis, beginning July 2. Tobacco industry sources said the new Marlboro packaging, both Red and Lights, has also been spotted in the New England area.

The new package will sell for 25% more per package than the 20-unit pack, but cartons will still contain 200 smokes and will be

(Continued on Page 98)

Grey forms 2nd world agency net

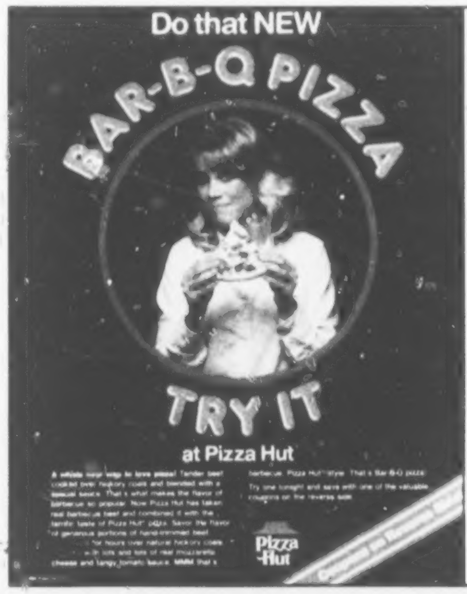
By VALERIE MACKIE

Grey Advertising formed a second international agency network last week that unites offices in 13 countries in Europe, Australia and North and South America.

Grey follows other multinational agencies, including Ogilvy & Mather and Young & Rubicam, in forming dual agency networks worldwide to handle conflicting accounts. This has become important as many advertisers move to global "world brand" assignments, increasing the chance of conflict.

Grey's second network, called

(Continued on Page 98)



Pizza Hut cues ads

Pizza Hut is using couponed inserts to boost the Bar-B-Q pizza it has rolled to 25% of its 4,000 stores (AA, June 14). The campaign, which includes tv, radio and outdoor, was created by former agency Foote, Cone & Belding, Chicago. A new agency may be named next month.

New dairy group has two choices

Who gets milk fund millions?

By JANET NEIMAN

A new dairy promotion board is expected to choose soon between a federation of industry organizations and a top-10 ad agency to handle a $65 million-to-$190 million ad effort.

The National Dairy Promotion & Research Board, the newly formed organization administering the funds, will hear presentations this week from the federation and agencies vying for the money, which would be used to promote dairy products.

The federation, not officially formed at press time, would comprise the United Dairy Industry Assn., which represents 20 state and local dairy organizations; the California Milk Advisory Board, and the Oregon and Washington dairy products commissions. Sources said establishment of the federation was almost certain.

If the federation wins approval from the NDPRB, it would oversee the funds and use its existing agencies and creative to execute the campaign.

The alternative is for the NDPRB to select its own agency to create a campaign. The agency finalists had not been determined at press time. Louis Calcagno, NDPRB advertising and sales promotion committee chairman and also the chairman of the California Milk Advisory Board, said the nation's 10 highest-billing agencies were invited to compete for the assignment. Of those that expressed interest, three or four will be asked to make presentations in Chicago this week, Mr. Calcagno said.

The funds stem from an assessment on dairy farmers created by the Tobacco & Dairy Readjustment Act of 1983, which also established the NDPRB. The assessment, col-

(Continued on Page 96)

AMC now looking up

3

NEWSPAPER
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WASHINGTON DC 20014

last minute news

Ayer stands alone in roll call for Army account

Washington—Incumbent N W Ayer is reportedly the only agency slated to give an oral presentation for the U.S. Army's tantalizing $80 million account. The presentation is slated for July 9. Neither the Army nor Ayer would comment, but if the agency is the only contestant, it would be the first time in the history of the account that Ayer has reached this stage with no competition.

Motorola corporate account stays with Y&R

Schaumburg, Ill.—Motorola has decided to keep its $5 million corporate advertising account at Young & Rubicam Chicago, which has handled it for six years. Dancer Fitzgerald Sample, San Francisco, was the only other agency involved in the review.

Seven-Up tests JuiceUp frozen concentrates

Ventura, Cal.—Seven-Up Co.'s Ventura Coastal/Seven-Up Foods division is testing JuiceUp lemonade and lemon-limeade frozen concentrates in Erie, Pa., and Phoenix, Ariz. Packaging carries the 7UP logo. Tv and print advertising from Workshop West, Beverly Hills, supports the test, stressing that the product contains fresh-squeezed lemon juice. Ventura Coastal has been talking with several Los Angeles agencies about the permanent assignment for JuiceUp and possibly another new product (AA, May 24), sources say.

(Continued on Page 8)

Cookies shift war to East

New York—The latest instalment of "cookie wars" is coming to the eastern U.S., where Cincinnati-based Procter & Gamble is introducing its Duncan Hines chocolate-chip cookie line amid heightened competition from its top rivals.

The Duncan Hines line last week moved into most of New England and parts of New York state, including New York City, along with parts of Texas and Louisiana. That situates the brand in most of the South Central and East, except upper New England and the Southeast.

Advertising for the Duncan Hines line, from Grey Advertising, New York, is expected to start in about six weeks and include the same "crispy, chewy" theme P&G began in test market to convey the outside crispness-inside chewiness formula used in the cookies.

In New York, Duncan Hines will meet its newest soft cookies competitor: A chewy version of Chips Ahoy! Nabisco's popular chocolate-chip line. Nabisco, which has been rolling out its competitive Almost Home soft-cookie line as fast as possible, is introducing the new item in New York now, and will roll it into the rest of the country by yearend.

The move is seen as protection for the country's best-selling chocolate-chip cookie. Heavy advertising is planned via Dancer Fitzgerald Sample, New York, which also handles Nabisco's new Almost Home cookie line.

That line also includes a chocolate-chip cookie, but analysts

(Continued on Page 96)

Buyers plunge into upfront

By JAMES P. FORKAN

New York—"All hell broke loose" said one agency executive as the first major sales rush of the 1984-85 network tv upfront sales season hit last Thursday and Friday, with movie companies and Coca-Cola among the buyers set.

The late week buying spree materialized despite statements from agency executives that unreasonable network pricing was forcing the market to slow down in the wake of Paul Schulman Co.'s traditional opening buy for Ralston Purina (AA, June 11).

Network executives also were bullishly predicting that network combined upfront prime time sales would top $2.2 billion this year, a $350 million gain over last season, excluding Olympics dollars. However, much of the increase will come from advertiser dollars normally slated for the scatter market, with lesser amounts coming from new brands or brands spending more than a year ago.

If that is the case, it appears the networks expect the scatter market, especially in the first quarter of 1985, will not be strong and it will be more profitable to get the ad dollars upfront than wait for the normally higher-price scatter buys. The network increases in prime time upfront dollar volume, then, may reflect greater available inventory more than increased total spending or prices.

One buyer last week estimated the nets now are about two weeks ahead of a year ago.

ABC still seems bent on finishing upfront by the start of the Los Angeles Olympics. That is forcing CBS to match its aggressive pace, as some agencies see it, while NBC "goes its own way," at its own rate, as one buyer put it.

Jake Keever, ABC vp-sales, said, "Business is very good at all three networks." ABC could wrap up its negotiations by July 17 or 18, about 10 days before the Summer Olympics begin.

Rick Busciglio, exec vp-director of media services, McCann-Erickson, New York, declined to comment on his clients' upfront status. However, sources say McCann, for Coca-Cola USA and Western Media International, Los Angeles, now has finished upfront purchases on two or more networks. Coca-Cola earlier made major commitments in barter syndication's version of an upfront selling season, and last month channeled some additional buys into barter, according to Lexington Broadcast Services and others.

Mr. Busciglio said, "The dam is breaking right now" in the number of agencies closing upfront deals. "It's proven a stronger marketplace than anticipated," so much so that he said the nets could reach $2.3 billion in upfront volume. Some of that will be "new money" and some will "come from moving scatter [availabilities] up."

As for those stalling in hopes of lowering rates, Mr. Busciglio felt they are "only going to pay more, as has happened the last five years, and we don't see any reason for that to change this year."

Aaron Cohen, vp-general manager/broadcast, Grey Advertising, said, "A lot of money" was spent last week and he added the upfront selling could be closed "within two weeks."

Movie advertising was perhaps the busiest

(Continued on Page 94)

Old Style L.A. brews comparative pitch

By SCOTT HUME

Barely six months old, the low-alcohol beer category already has gotten its first comparative advertising.

A tv spot for G. Heileman Brewing's Old Style L.A. that broke June 16 in Chicago places the brand beside a can of Anheuser-Busch's LA. The voiceover explains that LA's 110 calories per can are "50% more" than Old Style L.A.'s 73 calories.

The tv spot, as well as print ads that broke June 15, carry the theme "Half the alcohol. Half the calories." Campbell-Mithun, Chicago, is the agency for Heileman's Old Style line.

Old Style L.A. will be Heileman's primary low-alcohol brand in the Midwest, but the brewer plans to have at least one such brand in every region by the end of July. Heileman also is producing Blatz L.A., Carling Black Label L.A., Rainier L.A. and Lone Star L.A. It has not ruled out using similar comparative advertising to introduce those other brands.

The positioning Heileman has chosen for Old Style L.A. has several benefits, chairman Russell Cleary said in an interview. The name ties the low-alcohol brand to regular Old Style, the dominant brand in the Chicago market (with a better than 30% share, compared with less than 10% for Anheuser-Busch's Budweiser). Heileman can't compete with the more than $20 million A-B said it will spend

(Continued on Page 96)

Nets defend against 'Kickoff Classic'

By JAMES P. FORKAN

New York—The tv networks, fearing mounting affiliate defections Aug. 27 to carry Katz Sports' syndicated "Kickoff Classic" college football game, are making major counterprograming moves for that night.

NBC is planning a rebroadcast of the miniseries "V" to tie in with the show's becoming a regular series in the fall. Since its affiliate convention in May, NBC has told its stations that preempting "V" for the Kickoff Classic would hurt the series' chances in the fall. As a result, NBC has refused to allow affiliates to show the "V" miniseries repeat on a delayed basis.

Nevertheless, Katz Sports reports it has cleared more than 104 stations, including 75 network affiliates, for the game. Thirty NBC and 25 ABC affiliates have signed up. About 20 CBS affiliates also are signed on.

It is the second year in a row that the barter-syndicated special has created havoc with affiliate loyalty. While NBC last year tried to counterprogram with a rebroadcast of "The Godfather Saga," its efforts this year are striking closer to the heart of affiliate interests.

(Continued on Page 94)

highlights

Monday, June 18, 1984

Hyatt Legal Services plans no immediate marketing changes, despite a federal court's ruling last week that it must change its name. Kansas City-based HLS was sued by Rosemont, Ill.-based Hyatt Hotels for trademark infringement. *See Page 10.*

Cable systems around the country are turning to advertising and public relations campaigns to fight cable "pirates," people who profit from illegal cable hookups. The illicit business is estimated to cost cable companies $500 million a year. *See Page 12.*

The end seemed to be in sight for the pitching career of Baltimore Orioles' and Jockey International star Jim Palmer, whom the Orioles released in May. It was so clear to Jockey, in fact, that a commercial using that fact was filmed before the ax fell. *See Page 24.*

"Quality" and "education" were the bywords stressed by consumer electronics companies at the recent Consumer Electronics Show. A flood of low-end products in 1983 began to shake consumer confidence in marketers in the $25 billion industry. *See Page 37.*

CORPORATE CLOSEUP

Since its inception, the founders of Nike Inc. have prided themselves on doing things differently. Now, though, as competition in the athletic-shoe market has begun to chip away at their lead, Nike executives are beginning to find some uses for more traditional marketing tactics. *See Page 4.*

INTERNATIONAL

The U.N. and its agencies are becoming the No. 1 international nemesis of U.S. marketers doing business abroad. There is fear among businessmen that the U.N. is drifting toward an anti-free-market stance on a number of issues, ranging from political ideology to the marketing of baby foods. *See Page 58.*

The French government, fearing mass import of American tv shows and loss of a tv monopoly, is preparing to battle a new Luxembourg-based, pan-European tv satellite company, the Grand Duchy of Luxembourg Coronet. *See Page 58.*

Soviet-built Lada automobile sales in Canada have nose-dived in the past year, apparently because of disenchantment with Soviet politics, specifically the 1983 downing of a Korean Air Lines 747 jumbo jet by a Soviet jet fighter and the recent pullout from the Summer Olympics. The decline has caused Lada of Canada to cut its ad budget. *See Page 62.*

COMING THURSDAY IN Magazine

Ridley Scott, the British film/tv commercials director, doesn't rest until things are perfect.

The new entrepreneurial society calls for changes in marketing and advertising techniques.

Automotive marketing has put image back in the driver's seat. Fun and style are key ingredients in pushing sales of minivans, convertibles, two-seaters and utility vehicles. *In special report.*

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New h&ba items tried by Norman

By RUTH STROUD

Los Angeles—Merle Norman Cosmetics is hoping to double its skincare-products sales—one of the fastest-growing segments in the health & beauty aids business—with four new products aimed at working women.

The 54-year-old company will start a $5.5 million print campaign using a variation on the distinctive before-and-after approach it has used in past advertising for its makeup line (AA, June 7).

Merle Norman's new products are aimed at women in households with more than $25,000 in income who are 25 to 54, a slightly older group than the company has targeted in its long-running makeover campaigns.

The new line includes a soapless facial bar, cleansing lotion, new toner called Refining Lotion and tinted moisturizer, which comes in four shades and two formulations. Suggested retail prices range from $7.50 for the facial bar to $12 for the moisturizer.

All four are dermatologically tested and fragrance-free, new designations for the company's products. Those designations are among the hottest areas in the $2.5

(Continued on Page 96)

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*June*

Art & Antiques

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
American Artist	62.2	45.3	418.2	365.7
Antiques	137.7	105.7	912.4	805.9
Art in America (11X)	130.0	105.1	786.5	664.6
Plate World (6X)	—	—	200.0	237.0
Southwest Art	90.8	70.5	539.5	511.5
Total Group	**420.7**	**326.6**	**2,856.6**	**2,584.7**
% change		**+28.8%**		**+11.1%**

Auto/cycle/rec. vehicles

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
AutoWeek	211.7	175.2	793.7	837.3
Car & Driver	122.1	130.9	559.4	556.2
Car Collector & Car Classics	18.3	21.5	121.1	126.0
Car Craft	111.2	98.3	432.9	477.7
Cycle	46.1	64.8	319.9	452.6
Cycle Guide	44.8	61.3	291.9	318.9
Cycle World	58.2	59.6	379.9	393.4
Dune Buggies & Hot VWs	84.7	75.7	474.5	383.7
Family Motor Coaching	137.2	111.7	864.4	678.1
4 Wheel & Offroad	104.8	91.7	439.6	389.4
Four Wheeler	84.4	39.2	431.2	228.8
Hot Rod	85.8	73.3	360.9	351.1
Motorcyclist	35.3	45.3	248.3	283.9
Motor Trend	98.1	101.5	380.4	384.8
Motorhome	99.4	79.8	541.0	431.6
Pickup, Van & 4 WD	33.3	39.7	175.8	194.5
Road & Track	113.9	125.7	594.4	591.3
3 Wheeling	34.2	24.8	179.4	152.8
Trailer Life	134.3	120.9	779.6	644.0
Total Group	**1,657.0**	**1,540.9**	**8,368.3**	**7,876.1**
% change		**+7.5%**		**+6.3%**

Boating & yachting

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Boating	128.7	121.9	929.5	749.7
Chesapeake Bay	28.0	28.3	171.7	168.5
Cruising World	131.8	135.5	840.8	809.3
Motor Boating & Sailing	150.3	126.6	1,059.3	900.1
Sail	137.9	124.0	871.0	727.2
Sea & Pacific Skipper	58.3	66.8	372.8	442.1
Small Boat Journal (6X)	41.4	43.4	139.8	126.1
Western Boatman (6X)	—	—	83.0	56.1
Yachting	149.9	143.0	1,078.4	939.1
Total Group	**826.3**	**789.5**	**5,546.3**	**4,918.2**
% change		**+4.6%**		**+12.7%**

Canadian

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
L'Actualite	75.2	50.7	393.8	299.4
Chatelaine				
English Edition A	100.5	89.9	610.3	520.3
French Edition	79.8	82.3	511.8	471.5
City Woman (5X)	—	—	116.7	96.1
Equinox	—	—	127.8	120.5
Financial Post Magazine A	44.3	27.3	268.6	206.8
Flare A	62.2	53.2	347.4	300.4
Homemaker's Magazine	57.2	76.7	364.5	431.6
Madam Au Foyer	50.5	67.5	337.1	336.8
Macleans (52X) A	94.4	72.6	729.2	542.1
Montreal Calendar	47.0	23.6	278.0	128.0
Montreal Ce Mois C	45.0	34.0	289.0	164.0
Quest Magazine (8X) A	29.7	56.9	123.2	210.2
Reader's Digest				
Canadian-English A	104.3	84.9	342.1	292.7
Canadian-French A	75.0	78.5	281.6	263.4
Toronto Life	101.9	102.9	527.1	494.1
Vancouver	72.2	66.0	381.0	422.1
Total Group	**1,059.2**	**967.0**	**6,029.2**	**5,300.0**
% change		**+9.5%**		**+13.7%**

Civic/fraternal

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
American Legion	20.2	21.0	156.3	179.9
Elks Magazine (10X)	17.2	19.2	140.2	157.5
Kiwanis Magazine	11.2	13.0	73.0	88.2
Lion (10X)	2.5	3.3	39.2	29.4
Moose Magazine	16.0	18.0	128.0	136.0
Rotarian	6.9	7.2	76.8	72.6
V.F.W. (11X)	26.1	28.7	191.5	196.5
Total Group	**100.1**	**110.4**	**805.0**	**860.4**
% change		**-9.3%**		**-6.4%**

Comics

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Archie Comic Group (6X)	10.0	10.0	30.0	30.0
DC Comics	7.5	7.0	49.0	47.5
Marvel Comics Group	8.5	10.0	57.5	60.0
Total Group	**26.0**	**27.0**	**136.5**	**137.5**
% change		**-3.7%**		**-0.7%**

General

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
American Health (6X)	37.6	—	199.8	117.4
American West (6X)	—	—	72.8	82.7
The Atlantic A	44.4	35.8	278.6	226.9
Audubon Magazine (6X)	—	—	85.5	113.4
Bon Appetit A	84.7	72.3	484.8	454.9
Changing Times	45.0	47.7	270.2	245.3
Cuisine Magazine	53.3	42.8	305.8	205.6
Ebony	100.5	90.4	525.3	524.8
Fifty Plus	34.3	19.3	221.9	158.5
Food & Wine	33.1	43.2	215.6	208.9
Games	15.9	28.4	129.1	168.1
Geo	26.3	26.0	210.4	160.7
Gourmet	80.5	77.0	470.3	419.7
Home Entertainment (6X)	35.5	—	116.1	78.0
Harper's Magazine A	22.0	15.5	146.9	96.8
Life D	76.4	59.2	361.7	330.2
Modern Maturity (6X)	46.1	36.7	125.4	117.7
Money	147.2	126.8	748.2	673.5
Moneysworth (4X)	13.0	17.2	40.0	51.8
Mother Earth News (6X)	47.2	56.0	161.0	196.5
Mother Jones	14.8	12.9	85.1	75.6
National Geographic	40.4	21.1	150.3	152.2
Natural History	32.0	25.2	271.8	220.9
Prevention	71.6	73.8	423.2	460.4
Psychology Today	25.9	27.9	147.3	158.8
Reader's Digest A	113.0	129.5	423.4	409.2
Saturday Evening Post (9X)	44.6	42.4	155.8	172.7
Signature	46.9	52.4	349.1	333.0
Smithsonian	77.7	55.1	524.3	423.8
Success	26.3	27.3	205.0	203.3
Town & Country	113.9	106.3	823.7	765.3
Travel/Holiday	34.1	31.3	305.5	270.9
Travel & Leisure	108.9	96.1	691.9	551.2
Vanity Fair	22.6	31.0	134.5	296.0
Video Review	59.7	65.8	326.8	378.4
Writers Digest	22.8	22.0	149.9	144.0
Yankee	69.4	70.9	481.4	495.2
Total Group	**1,867.6**	**1,685.3**	**10,818.4**	**10,142.3**
% change		**+10.8%**		**+6.6%**

Home

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Americana (6X)	—	—	119.6	101.8
Architectural Digest A	144.4	122.3	807.8	750.3
Better Homes & Gardens	123.8	112.7	698.0	636.8
Colonial Homes (6X)	76.7	65.5	206.5	188.2
Country Journal	22.6	32.8	208.8	234.8
Country Living	74.6	50.2	385.8	283.6
Dallas/Ft. Worth				
Home & Garden	87.5	85.8	424.3	392.6
Early American Life (6X)	28.2	23.2	90.6	74.2
Family Food Garden (6X) E	35.0	42.8	153.0	227.2
Family Handyman (10X) A	—	—	403.1	350.7
Flower & Garden (6X)	26.5	29.6	129.9	131.8
Home	53.7	37.7	339.5	214.3
The Homeowner (10X)	25.3	23.1	125.6	77.3
House Beautiful	123.5	74.1	563.5	486.1
House & Garden	93.2	68.2	522.6	382.1
Houston Home/Garden	111.2	111.7	598.0	578.1
Metropolitan Home	46.8	58.6	427.5	344.4
New Shelter (9X)	—	—	235.7	229.1
1001 Home Ideas	33.4	29.4	226.8	184.7
Organic Gardening	45.0	51.8	436.7	475.5
Phoenix Home/Garden	48.0	45.0	334.3	271.3
San Diego Home/Garden	61.0	69.0	402.6	399.0
Southern Accents (6X)	—	—	214.3	151.1
Southern Living	130.5	122.1	835.6	777.1
Sunset Magazine A	164.7	152.0	869.4	846.9
Workbench (6X)	—	—	192.1	193.4
Total Group	**1,555.6**	**1,407.6**	**9,951.6**	**8,982.4**
% change		**+10.5%**		**+10.8%**

In-flight & other passenger

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Aboard Group (7) (4X)	—	—	39.0	39.1
Alaskafest	54.2	52.3	278.9	247.3
American Way	94.5	98.9	629.1	534.6
East/West Network				
Amtrak Express	43.6	42.5	216.7	249.2
Continental	74.5	65.7	399.1	383.0
Eastern Review	106.2	106.2	712.1	614.6
Ozark	61.8	55.5	296.7	272.3
PSA Magazine	96.6	85.0	582.7	500.5
Pan Am Clipper	61.6	39.3	370.1	246.6
Republic Scene	70.0	61.7	379.2	320.8
United	114.8	103.3	669.5	557.3
USAir	70.5	59.7	389.2	354.6
Western's World	76.0	63.3	391.2	354.8
Halsey Publications				
Air Cal	46.3	44.3	284.5	214.3
Braniff	23.5	—	89.0	—
Delta Sky	75.7	71.5	474.1	377.7
Frontier	31.0	36.7	193.5	217.6
Northwest Orient	31.6	29.3	182.4	209.1
Skylite	20.0	20.3	117.5	99.3
TWA Ambassador	57.3	50.6	359.8	300.0
Hawaii	22.8	14.7	132.0	98.3
Pace (6X)	—	—	240.3	132.1
Southwest Airlines	98.5	93.5	551.5	598.4
Spirit of Aloha	23.3	15.5	129.9	89.9
Total Group	**1,354.3**	**1,209.0**	**8,108.0**	**7,002.4**
% change		**+12.0%**		**+15.7%**

Men's

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Esquire A	143.9	225.5	567.7	572.0
[illegible]ouse Magazine	80.5	77.1	277.3	264.4
[illegible]men's Quarterly A	121.1	94.0	817.1	582.1
Penthouse A	54.2	76.9	289.8	344.0
Total Group	**399.7**	**473.5**	**1,951.9**	**1,762.5**
% change		**-15.5%**		**+10.7%**

Metropolitan

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Aloha (6X)	—	—	79.0	76.0
Atlanta	60.2	54.5	332.8	311.7
Baltimore	57.6	63.3	358.3	339.5
Boston	137.4	124.5	792.4	734.9
California	75.3	70.2	362.1	357.3
California Living	60.2	74.5	279.0	261.3
Chicago F	137.5	200.7	773.0	818.4
Chicago's North Shore	91.3	73.7	498.7	462.6
Cincinnati	59.5	47.1	298.2	315.2
Cleveland	75.4	83.2	431.2	407.1
Coast (38X)	370.9	329.6	1,470.2	1,339.1
Columbus Monthly	71.2	60.3	373.0	356.8
Commonwealth	61.3	28.0	243.0	188.3
Connecticut	95.2	88.7	485.9	369.1
Country Magazine	42.5	32.3	238.7	160.7
D/Magazine, Dallas/Ft. Worth	127.5	115.3	715.1	634.7
Denver	36.0	39.0	167.9	190.8
Exclusively Yours,				
Wisconsin (15X)	56.8	57.3	401.5	392.5
Grand Rapids	67.3	38.0	313.6	267.4
Gulfshore Life (10X)	53.3	43.4	476.3	373.0
Honolulu	53.6	76.6	352.5	377.5
Houston City	97.7	72.3	484.3	379.0
Indianapolis	37.6	34.6	275.1	264.8
Kansas City	29.4	36.4	192.7	174.1
Los Angeles	202.5	206.0	1,128.5	1,046.5
Louisiana Life (6X)	90.5	58.1	219.8	196.0
Madison	44.0	59.0	275.0	272.0
Metropolitan Detroit	55.3	—	270.5	—
Miami/South Florida	104.4	96.0	569.7	523.6
Milwaukee	40.5	18.3	222.3	72.1
Minneapolis/St. Paul	108.3	62.3	540.9	433.4
Monthly Detroit	129.1	55.9	389.3	355.8
Nashville	55.0	48.0	254.0	293.0
New Jersey Monthly	65.1	65.2	320.2	307.5
New Mexico	47.0	27.4	190.2	114.9
Ohio	70.3	58.5	350.4	265.5
Orlando	83.2	71.8	500.5	432.8
Palm Beach Life	33.8	30.5	513.1	475.1
Palm Springs Life	83.7	61.4	753.7	716.7
Philadelphia	141.6	128.8	738.1	712.4
Phoenix	65.6	64.3	492.5	436.5
Pittsburgh	87.5	75.2	377.7	340.2
St. Louis	55.0	53.0	345.0	315.0
San Diego	152.0	138.3	865.7	798.0
San Francisco	72.0	67.0	391.6	348.6
San Francisco Focus	68.5	56.5	329.3	264.5
Tampa Bay Monthly	25.0	55.5	272.7	55.5
Texas Monthly	145.2	133.5	763.2	676.6
Twin Cities	88.3	66.1	395.8	297.7
Ultra Magazine	74.4	48.2	435.6	356.5
Virginian Magazine	—	—	142.5	100.9
Washington Dossier	52.5	42.5	295.2	270.3
The Washingtonian	135.6	149.3	844.5	809.2
Total Group	**4,330.6**	**3,830.1**	**23,582.0**	**20,838.6**
% change		**+13.0%**		**+13.2%**

Movie/romance/radio/tv

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Macfadden's Women's Group				
Modern Romances	21.5	24.1	149.4	159.3
Secrets	21.5	24.1	149.4	159.3
True Confessions	21.5	24.1	149.4	159.3
True Experience	21.5	24.1	149.4	159.3
True Love	21.5	24.1	149.4	159.3
True Romance	21.5	24.1	149.4	159.3
Sterling Women's Group				
Daytime TV	28.5	29.2	165.0	183.1
Modern Screen	20.5	31.2	61.5	128.5
Movie Mirror (6X)	—	31.2	61.5	90.7
Soap Opera Stars	16.5	24.6	73.0	147.7
TV Movie Screen (6X)	5.0	31.2	10.0	97.3
TV Picture Life (6X)	20.5	—	82.0	29.3
Teen Bag (6X)	5.6	8.3	31.0	19.4
Total Group	**225.6**	**300.3**	**1,380.4**	**1,651.8**
% change		**-24.9%**		**-16.4%**

Music/entertainment

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
American Film (10X)	18.9	—	144.0	148.0
Audio	69.2	62.2	356.3	285.2
Circus Magazine	44.9	43.3	213.3	164.5
Dance Magazine	54.4	56.0	410.9	404.8
Musician	62.7	79.1	364.8	381.9
Playbill	61.5	60.3	361.1	310.3
Record	23.5	11.5	137.2	47.6
Stereo Review	50.6	59.1	270.6	291.3
Total Group	**385.7**	**371.5**	**2,258.2**	**2,033.6**
% change		**+3.8%**		**+11.0%**

Newspaper, Sun. magazines

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Family Weekly A	47.5	51.6	351.6	455.2
Parade	45.5	49.6	323.2	400.7
Total Group	**93.0**	**101.2**	**674.8**	**855.9**
% change		**-8.1%**		**-21.1%**

Outdoor & sport

	Current month 1984	Current month 1983	Year to date 1984	Year to date 1983
Alaska	43.5	45.5	251.8	245.3
The American				
Handgunner (6X)	—	—	119.2	115.2
American Hunter	16.7	17.6	95.0	97.0
American Rifleman	26.2	23.8	155.5	152.0
Backpacker (6X)	—	—	123.6	158.8
Bass Master (8X) A	—	—	314.2	301.6
Bicycling (9X)	131.6	112.8	554.5	533.5
Field & Stream	76.2	78.6	540.8	616.6
Fins & Feathers A	25.9	45.5	306.3	243.5
Fishing World (6X)	—	—	167.1	168.6
Florida Sportsman	80.0	59.6	587.7	466.2
Flying	46.8	57.3	254.6	244.8
Golf Digest	115.8	87.6	625.8	581.1
Golf Magazine	52.4	65.7	566.8	495.8
Guns	25.5	30.7	163.6	158.0
Guns & Ammo	41.4	48.1	244.0	283.3
Muscle & Fitness	113.0	98.0	641.0	617.0
Outdoor Life	73.1	64.9	517.3	493.3
Outside Magazine	41.2	49.2	223.2	218.5
Petersen's Hunting	29.4	35.5	187.6	196.7
The Runner	43.3	33.2	262.7	228.3

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. 1984 figure includes 20 pages from special Olympics issue. E. 1984 figure reflects 3 issues and 1983 figure reflects 4 issues. F. Does not include special restaurant section. Will be included next month. G. 1984 figure reflects 2 issues and 1983 figure reflects 3 issues. H. 1984 year-to-date figure reflects corrected Jan.-April figures that were reported erroneously by Industry Week. I. 1984 year-to-date figure reflects corrected Jan.-April figures that were reported erroneously by Nation's Business. J. 1984 figure reflects 3 issues and 1983 figure reflects 2 issues. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 82)

ad linage

(Continued from Page 81)

	Current month		Year-to-date	
	1984	1983	1984	1983
Runner's World (13X)	47.3	52.5	277.5	283.5
Salt Water Sportsman	65.5	48.7	497.3	383.8
Shooting Times	32.5	36.7	209.1	198.6
Ski (7X) A	—	—	249.2	209.7
Skiing (7X)	—	—	215.3	209.5
Skin Diver	77.2	73.1	489.0	456.1
Southern Outdoors (8X)	—	—	199.9	210.7
Sport	43.5	51.4	275.3	233.2
Sports Afield	84.9	80.7	557.0	542.7
Tennis	89.3	90.6	489.7	458.4
Western Outdoors (10X)	39.7	27.2	270.2	191.7
World Tennis	—	—	—	—
Total Group	**1,461.9**	**1,414.5**	**10,631.8**	**9,993.0**
% change		**+3.3%**		**+6.3%**

Photography

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Photographer	43.8	51.5	249.9	302.0
Petersen's Photographic	36.7	38.2	199.1	195.5
Popular Photography	106.5	121.1	573.2	691.8
Total Group	**187.0**	**210.8**	**1,022.2**	**1,189.3**
% change		**−11.3%**		**−14.0%**

Religious

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
BBI Jewish Monthly (10X)	27.1	22.6	149.7	134.2
Christian Herald	20.2	23.3	167.4	165.6
Christian Life	20.8	29.9	159.2	157.5
Christianity Today	39.5	39.3	371.0	363.3
Inside (4X)	—	—	152.5	134.7
Moody Monthly	41.9	48.3	311.8	308.6
Today's Christian Woman (6X)	38.2	41.0	103.8	73.7
Total Group	**187.7**	**204.4**	**1,415.4**	**1,337.6**
% change		**−8.1%**		**+5.8%**

Science/electronic/mechanic

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Compute	69.2	153.0	525.2	804.8
Computers & Electronics	42.8	47.4	282.3	371.6
Creative Computing	109.4	190.8	774.7	1,097.4
Discover	40.7	53.7	230.6	269.5
Family Computing	57.0	—	354.9	—
Mechanix Illustrated	60.4	68.4	441.5	425.8
Omni	73.0	64.2	362.2	358.0
Natural History	31.9	25.2	271.7	220.9
Personal Computing	163.7	215.0	959.1	1,147.6
Popular Mechanics	86.9	103.8	603.2	607.4
Popular Science	83.7	92.7	542.8	520.0
Science Digest	35.1	39.5	177.7	191.2
Science 84 (10X)	22.5	36.7	170.7	187.0
Scientific American	69.0	48.5	385.8	304.0
Spectrum	113.4	66.0	605.3	476.9
Total Group	**1,058.7**	**1,204.9**	**6,687.7**	**6,982.1**
% change		**−12.1%**		**−4.2%**

Women/fashion/service

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Bride's Magazine (6X) A	—	—	1,007.5	992.1
Cosmopolitan A	220.7	196.0	1,262.9	1,115.2
Essence	86.0	89.3	492.8	473.3
Family Circle A	113.1	106.5	828.3	875.4
Glamour	156.6	146.4	1,033.1	929.3
Good Housekeeping A	184.5	156.3	953.4	958.4
Handmade (6X)	—	—	67.3	56.7
Harper's Bazaar	97.1	74.1	809.4	693.1
Health	33.8	28.2	219.5	203.5
Ladies' Home Journal	104.9	81.3	610.4	532.0
Ladycom	33.5	39.7	220.6	197.5
Lady's Circle	7.4	7.7	44.4	52.2
Mademoiselle	118.1	114.1	805.9	728.0
McCall's	85.3	83.2	530.1	494.7
Modern Bride (6X)	—	—	843.2	781.8
Ms	52.9	40.5	301.4	250.2
Parents Magazine A	76.2	71.7	437.4	436.2
Playgirl	28.3	41.5	203.5	236.4
Redbook	95.5	82.6	539.0	480.0
Self	105.5	72.2	575.8	435.7
Seventeen	105.8	85.9	708.2	577.7
Soap Opera Digest	24.3	30.9	164.3	145.6
'Teen Magazine	60.2	49.4	300.5	283.4
True Story A	59.6	52.2	341.9	340.8
Vogue	175.6	129.9	1,427.0	1,227.8
W Magazine J	70.4	43.6	607.2	502.1
Weight Watchers	28.3	26.9	179.3	161.6
Woman's Day A	111.0	102.5	710.6	723.2
The Workbasket (10X)	35.0	38.2	222.2	226.4
Working Mother	71.1	62.9	412.5	377.5
Working Woman	106.3	78.8	591.3	522.7
Total Group	**2,447.0**	**2,132.5**	**17,450.9**	**16,010.5**
% change		**+14.7%**		**+8.9%**

Youth

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Boys' Life	17.7	21.4	105.8	130.8
Campus Life	—	—	224.1	216.3
Total Group	**17.7**	**21.4**	**329.9**	**347.1**
% change		**−17.2%**		**−4.9%**

May

Business

	Current month		Year-to-date	
	1984	1983	1984	1983
Atlanta Bus. Chronicle (52X)	49.6	46.3	246.8	165.1
Barron's (52X)	210.5	259.1	1,019.0	1,022.4
Black Enterprise	55.7	44.6	234.2	223.4
Boston Business Journal	92.5	82.4	443.7	314.9
Business Week (52X) A	474.5	477.9	1,944.1	1,771.7
California Business	159.6	134.9	458.4	333.6
Capital District Bus. Review	70.2	39.5	238.5	177.8
Corporate Report/Kansas City	51.5	46.5	316.9	227.5
Corporate Report/Minnesota	106.8	103.1	437.1	399.1
Crain's Chicago Bus. (52X)	150.0	149.0	682.1	597.5
Crain's Cleveland Bus.	52.9	73.7	247.6	319.0
Dun's Business Month	71.3	67.7	330.9	302.1
The Executive	42.0	30.8	164.3	140.8
Financial World (24X)	32.6	45.4	158.4	211.0
Florida Trend	82.8	54.8	463.0	357.7
Forbes (26X)	303.3	336.2	1,470.9	1,233.5
Fortune (26X) G	326.5	449.3	1,443.9	1,188.9
Frequent Flyer	70.1	53.0	293.2	246.8
Futures Magazine	83.0	82.0	294.0	294.0
Hawaii Business	56.7	48.8	236.8	227.2
High Technology D	47.7	27.8	160.5	132.4
Houston Bus. Journal (52X)	155.6	172.0	718.5	747.3
Inc. Magazine A	177.3	145.4	620.1	497.8
Income Opportunities (10X)	55.7	42.3	230.2	206.4
Industry Week (26X) A & H	145.6	108.6	559.2	444.8
Indianapolis Business Journal	107.5	86.9	524.2	436.6
Minnesota Bus. Journal	68.4	58.7	261.0	201.5
New Orleans Citibusiness	114.2	149.6	601.3	600.6
Nation's Business A & I	32.5	40.6	158.9	171.5
New England Bus. (20X) B	93.1	78.5	348.9	300.0
Pacific Business News (52X)	93.1	109.9	517.4	484.5
Philadelphia Bus. Journal	140.8	57.1	532.6	278.2
Pittsburgh Bus. Times (52X)	46.1	57.5	253.9	246.9
Savvy	40.0	37.9	223.0	211.3
St. Louis Business Journal	117.9	129.4	642.4	523.9
Texas Business	—	—	—	—
Venture	115.4	70.2	383.7	275.2
Total Group	**4,093.0**	**3,997.4**	**17,859.6**	**15,512.9**
% change		**+2.3%**		**+15.1%**

Newspaper Sunday magazines*

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Arizona Republic	74.0	75.7	344.6	354.4
Boston Globe	209.8	164.2	1,006.9	881.3
Chicago Tribune	59.9	103.3	355.3	430.6
Cincinnati Enquirer	70.8	75.8	372.7	366.8
Cleveland Plain Dealer	68.8	111.2	308.6	405.8
Columbus Dispatch	47.2	59.9	236.1	221.6
Dallas Times Herald	—	—	—	—
Denver Post	80.2	92.4	372.2	508.0
Detroit News	120.6	82.9	454.0	477.0
L.A. Times Home Magazine	100.8	110.6	521.6	396.2
Louisville Courier-Journal	—	—	—	—
Miami Herald	49.2	58.8	259.8	278.1
New York News	45.3	81.2	201.0	294.6
New York Times Magazine	351.5	347.7	1,909.5	1,663.0
Philadelphia Inquirer	56.8	67.6	300.1	321.9
Toledo Blade Magazine	62.2	59.2	239.0	242.5
Washington Post	128.3	130.0	577.3	540.4
Total Group	**1,525.4**	**1,620.3**	**7,458.7**	**7,382.2**
% change		**−5.8%**		**+1.0%**

Weeklies/bi-weeklies

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
The Advocate (25X)	93.5	108.6	478.8	531.2
Army Times Military Group				
Air Force Times (52X)	156.4	174.2	736.9	717.6
Army Times (52X)	147.8	170.9	705.9	693.4
Navy Times (52X)	165.8	193.6	797.6	815.4
The Times Magazine	5.7	5.8	86.7	75.1
The Blood-Horse (52X)	223.8	241.1	2,486.4	2,322.6
Capper's Weekly (26X)	24.3	22.9	144.8	145.7
Commonweal (22X)	7.0	7.6	40.5	39.6
Golf World (43X)	87.3	92.0	411.1	426.7
Grit (52X) A	15.9	21.7	128.0	143.0
National Journal	35.0	22.0	146.7	125.0
National Review	25.9	27.9	133.0	156.0
New Republic (48X)	28.8	41.8	149.2	159.2
New York Magazine (50X)	244.4	223.5	1,080.1	1,149.9
New Yorker (52X)	313.0	329.7	1,474.5	1,443.1
Newsweek (52X) A	238.0	310.3	1,154.5	1,109.3
People (52X)	394.8	375.8	1,483.0	1,345.7
Rolling Stone (25X)	81.5	92.4	406.5	414.4
Sporting News (52X)	40.0	69.8	248.9	283.1
Sports Illustrated (52X) A	239.9	290.9	1,088.7	1,117.2
Time (52X) A	253.7	264.7	1,105.6	1,116.6
Travelhost (52X) C	—	—	—	—
TV Guide (52X) A	315.8	238.7	1,584.8	1,595.7
Us Magazine (26X)	34.2	46.9	195.3	225.6
U.S. News & World Report (52X) A	148.0	217.6	664.4	749.5
Total Group	**3,320.5**	**3,590.4**	**16,931.9**	**16,900.6**
% change		**−7.5%**		**+0.1%**

Foreign

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Good Housekeeping Foreign Editions:				
Australia	31.0	48.4	148.7	174.3
Japan	66.1	56.7	323.1	255.6
Great Britain	169.7	157.4	547.8	496.6
Buenhogar:				
Central America	3.5	2.0	4.5	9.0
Chile	2.0	1.0	2.0	5.0
Colombia	39.5	43.2	108.7	173.8
Dominican Republic	12.5	19.2	29.0	61.3
Ecuador	19.5	8.0	56.5	35.3
Mexico	38.8	210.2	157.3	229.7
Peru	26.0	14.7	68.5	75.0
Puerto Rico	21.5	11.5	74.5	59.3
U.S.	10.5	6.7	51.5	34.0
Venezuela	29.2	17.7	85.7	102.5
Geomundo:				
Central America	6.0	12.0	21.8	22.0
Chile	6.0	12.0	20.8	25.0
Colombia	6.0	17.5	33.0	45.0
Ecuador	4.0	10.0	14.0	20.0
Mexico	9.0	10.0	28.8	32.5
Peru	7.0	12.0	21.8	26.0
Puerto Rico	4.0	8.0	13.8	19.0
U.S.	4.0	3.0	19.5	8.0
Venezuela	9.0	17.0	45.3	55.7
Hombre De Mundo:				
Central America	5.0	6.0	23.0	26.3
Chile	7.0	7.0	27.0	25.0
Colombia	10.0	9.5	35.0	40.0
Ecuador	4.0	5.0	22.0	25.0
Mexico	13.5	12.5	47.5	48.5
Peru	5.0	4.0	22.0	17.0
Puerto Rico	14.0	3.0	31.0	22.3
U.S.	5.0	3.0	19.0	8.0
Venezuela	15.0	16.5	60.5	76.8
Ideas Para Su Hogar:				
Central America	1.5	1.0	1.5	2.0
Chile	1.0	—	1.0	—
Colombia	18.0	39.5	60.0	105.5
Ecuador	5.5	4.0	21.5	10.0
Mexico	13.5	17.2	34.0	84.5
Peru	7.5	3.0	24.0	15.0
Puerto Rico	1.0	1.7	3.0	5.0
U.S.	6.5	4.5	31.0	9.8
Venezuela	19.0	15.5	59.2	61.0
Mecanica Popular:				
Argentina	5.8	8.0	28.8	35.7
Central America	14.7	15.0	64.2	62.0
Chile	5.8	7.7	28.2	31.0
Colombia	14.0	21.8	60.0	85.7
Mexico	10.5	10.7	49.7	48.2
Peru	19.2	18.2	77.3	83.5
Puerto Rico	17.7	17.0	71.7	71.8
U.S.	4.0	3.0	20.7	9.0
Venezuela	17.7	30.7	71.3	111.2
The Ring en Espanol:				
Colombia	—	—	1.0	—
Mexico	—	—	—	—
Puerto Rico	—	—	—	—
U.S.	4.0	4.3	15.3	12.3
Venezuela	3.0	—	6.0	3.0
Vanidades Continental:				
Central America	9.3	10.8	28.8	33.2
Chile	3.0	5.5	6.0	21.5
Colombia	61.5	68.0	235.3	267.5
Dominican Republic	17.7	25.3	41.5	99.0
Ecuador	19.8	10.7	80.3	50.2
Mexico	60.5	88.5	316.8	470.8
Peru	22.2	21.5	92.2	102.5
Puerto Rico	40.3	37.2	190.0	197.7
U.S.	46.5	58.7	206.0	229.8
Venezuela	41.8	46.2	177.5	254.5
Business Week Int'l	158.6	184.3	606.8	670.4
Cosmopolitan Foreign Editions:				
Australia	78.8	84.4	266.6	296.4
Brazil	41.0	50.0	159.0	196.5
France	184.0	150.6	734.2	458.0
Germany	120.0	88.6	453.0	275.0
Great Britain	143.0	143.5	505.3	467.5
Greece	71.0	71.0	271.0	239.0
Holland	81.0	52.0	237.0	220.0
Italy	77.0	96.7	259.7	274.6
Japan	36.0	41.3	142.7	187.9
South Africa	67.0	—	191.3	—
Cosmopolitan en Espanol:				
Central America	4.0	2.3	4.0	12.2
Colombia	16.7	18.8	37.0	60.3
Ecuador	1.0	0.7	2.0	5.3
Mexico	71.2	61.3	190.2	260.3
Peru	5.0	8.7	7.0	35.3
Puerto Rico	58.8	37.7	144.8	105.2
U.S. (Spanish language)	19.8	16.2	87.5	71.3
Venezuela	14.8	17.3	67.0	70.3
International Communications:				
African Business	38.0	31.7	143.7	143.1
New African	20.5	21.7	81.6	116.8
The Middle East	20.4	27.4	103.9	136.0
Johnston International:				
Alam Attijarat	67.7	54.8	251.0	268.6
Ejecutivo	12.3	16.6	22.8	37.0
Modern Africa	29.8	29.3	62.5	67.1
Modern Asia	48.7	49.7	113.0	146.4
Newsweek International A:				
Atlantic	104.6	130.3	425.1	427.0
Latin America	25.3	42.6	122.5	140.9
Pacific	81.2	101.9	317.3	320.7
Progreso (9X)	8.3	13.7	18.1	33.0
Reader's Digest:				
Arabic	14.0	16.0	46.0	42.0
Asian	168.5	167.0	751.5	866.5
Australian	86.8	59.8	361.2	283.9
Belgian-Flemish	76.5	88.5	279.5	403.5
Belgian-French	54.5	61.0	219.5	316.5
British	83.3	59.0	251.7	299.2
Chinese B.	105.5	80.0	452.0	329.8
Danish	29.8	33.0	191.4	200.6
Dutch	71.3	46.0	196.8	149.1
Finnish	46.0	85.0	185.0	252.5
French	53.8	74.2	172.8	284.6
German	99.2	90.1	365.9	359.9
Greek	16.0	—	39.5	—
Iberian	30.5	13.0	76.5	73.5
Indian-English	69.5	78.5	381.5	312.0
Indian-Hindi	4.0	4.5	17.0	12.5
Italian	62.0	62.0	210.5	238.0
Japanese	46.5	45.4	190.8	236.7
Korean	30.0	25.0	108.0	78.9
Latin American:				
Argentina	14.5	13.5	75.0	42.5
Brazil	3.0	2.0	7.0	44.0
Central American	8.0	14.5	31.0	46.5
Chile	8.5	13.5	54.5	46.5
Colombia	42.0	40.0	89.0	119.5
Ecuador	5.5	11.0	32.5	37.0
Mexico	56.3	46.1	168.0	215.4
Peru	6.0	12.0	39.0	36.5
Puerto Rico	5.0	4.5	29.0	23.0
U.P.B.	6.5	11.0	32.5	42.0
U.S. Spanish	12.5	14.0	35.5	57.0
Venezuela	12.5	16.0	43.5	57.0
New Zealand	70.0	82.5	260.5	367.0
Norwegian	44.0	48.3	180.6	183.8
Portugal	44.1	36.5	156.3	186.5
South African	69.0	96.5	374.3	368.5
Swedish	7.0	18.0	74.0	113.5
Swiss-French	38.0	39.0	141.9	158.7
Swiss-German	35.0	48.0	176.4	200.2
Time International:				
Time-Asia	99.6	129.8	421.9	442.2
Time-Atlantic	98.8	125.4	468.0	449.8
Time-Canada	209.1	209.2	893.5	738.6
Time-Latin America	53.4	58.3	196.3	210.9
Time-South Pacific	99.3	154.3	476.3	551.1
Visao (52X)	145.0	194.7	680.8	695.9
Vision/Latin America (26X) A	39.0	34.9	118.7	122.8
Total Group	**5,200.6**	**5,566.5**	**20,053.1**	**20,864.6**
% change		**−6.5%**		**−3.8%**

C2710-1

Advertising Age

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Cable ruling leaves issues unanswered

By STANLEY E. COHEN

WASHINGTON—The Supreme Court ruled this week that states can't keep wine commercials off cable systems, but stopped short of deciding the free speech issues that advertising and media associations hoped to resolve.

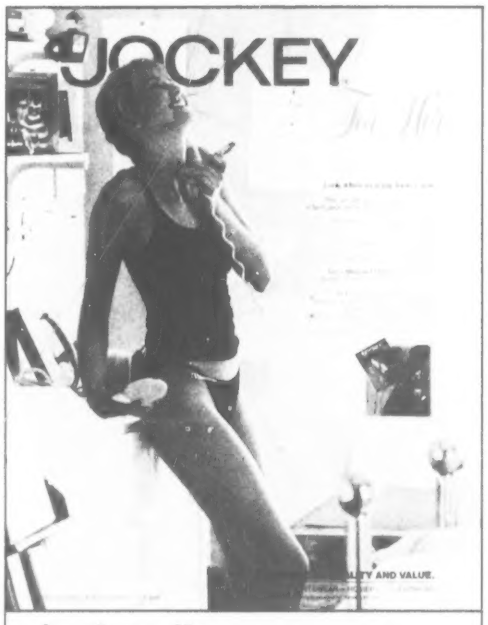
The National Assn. of Broadcasters, American Advertising Federation and National Cable Television Assn. were among groups expressing relief that the court struck down Oklahoma's law requiring in-state cable systems to strip wine commercials from imported tv signals.

At the same time they were openly disappointed that the court did not address what they regarded as the overriding question: Their contention that governments can't stop the distribution of truthful advertising for legally available products and services.

The ruling creates an ambiguous situation in which Oklahoma, at least for the present, can continue enforcing laws requiring in-state tv stations to strip wine commercials from network signals, but can't keep in-state cable systems from importing the same network commercials along with signals from out-of-state network affiliates.

Ron Kirby, general manager of KSWO-TV, Lawton, Okla., and president of the Oklahoma Broadcasters

(Continued on Page 47)



Jockey line

New color print ads from Jockey International will break later this summer for the Jockey For Her line of women's underwear, featuring biographies on each model. Shown here: Sharon O'Brien. The agency handling is Campbell-Mithun, Minneapolis.

Commission savings eyed for units

RJR print buys move in-house

By WILLIAM GLOEDE

NEW YORK—The in-house media department of the R.J. Reynolds Tobacco Co. has begun buying all print media for three R.J. Reynolds Industries subsidiaries: Heublein Spirits and Wine Co., Kentucky Fried Chicken Corp. and the Del Monte Corp.

The move has made R.J. Reynold's media services department the print agency of record for all RJR, Heublein and Del Monte brands. And it has caused RJR to cut the standard 15% commission it had paid agencies for print advertising for Heublein and Del Monte brands, although RJR executives will not specify how the commission structure has been changed, or at which agencies.

Among the agencies with Del Monte or Heublein assignments are BBDO/West, San Francisco; McCann-Erickson, San Francisco; Marschalk Co., New York; Young & Rubicam, Chicago; Castor Spanish International, New York; Uniworld Group, New York, and Laurence, Charles & Free, New York. Marschalk, which was agency of record for Del Monte and Heublein print, lost buying and billings responsibilities, but retains creative and media planning.

R.J. Reynolds Industries' spent nearly $500 million in 1983, according to an ADVERTISING AGE estimate based on data from Leading National Advertisers, Media Records Inc. and Publishers Information Bureau.

The media services department, based in Winston-Salem, N.C., handled roughly $300 million of the total ad budget.

Dan Pearson, director of the media services department, said bringing Del Monte and Heublein print-media operations in-house has allowed greater efficiency. Copy changes or competitive ad breaks can be made in 72 hours. The media specialists in Winston-Salem are closer to the various brand-management groups, he said.

Del Monte and Heublein have coordinated their broadcast-media operations through Heublein's advertising services group since July. The group supervises spending and placement, handled by Young & Rubicam, Chicago (network), and Marshalk Co. (spot).

Said Robert Ward, director of advertising services for Heublein, "Thus far, it has worked out very well." He explained that when the coordination effort began, the way Heublein compensates its agencies also changed. "When we make a move like this, the standard 15% commission is reduced. We have lowered the commission," he said.

The move brings all of RJR Industries' print-media operations in-house at RJR's Winston-Salem offices. RJR Industries' print ad agencies are now mainly media planners. No further consolidation is in the works, say the execs.#

Coming Monday

A 26-page report on global marketing and world brands.

3 shops vie to serve milk

By JANET NEIMAN

CHICAGO—BBDO, Grey Advertising and Young & Rubicam are finalists for the National Dairy Promotion and Research Board's $65 million-to-$190 million account.

The three agencies will compete for the account with a federation of the United Dairy Industry Assn., California Milk Advisory Board and Oregon and Washington state dairy products commissions.

The federation, which was expected to be established this week, hopes to oversee the NDPRB funds, executing the campaign with its existing agencies and creative work (AA, June 18).

The NDPRB is scheduled to meet here Thursday and Friday to hear presentations from the three agencies and the federation. During the 45-minute presentations, the agencies will tell the 35-member NDPRB how soon they would begin their campaigns and detail the staffing that will handle the account.

Rapid execution is essential for the program, because a referendum asking farmers if they want to continue the funding program is scheduled for September, 1985.

BBDO, Grey and Y&R were chosen from a list of eight top U.S. shops that expressed interest in the assignment. Of the 10 highest-

(Continued on Page 47)

Hungry FCB nets Long John account

By SCOTT HUME

Moving quickly, Long John Silver's Seafood Shoppes this week named Foote, Cone & Belding, Chicago, to handle its $20 million creative assignment. The account was pulled from Jordan, Case & McGrath, New York, late last month.

The assignment also represents some quick work by FCB, which last month lost the $20 million Pizza Hut account and immediately announced its intention to gain another restaurant-chain client (AA, May 7).

Industry observers had cast FCB as an early favorite for the Long John Silver's account (AA, June 4). They noted its connection with LJS senior vp-marketing Anthony Lavely, who came to the chain this year from Kitchens of Sara Lee, another FCB client. A chain spokesman declined to name the other four finalists for the account.

Abbott Advertising, the in-house agency for Lexington, Ky.-based

(Continued on Page 47)

Time for change at Pulsar

By ROBERT RAISSMAN

Pulsar Time Inc., Mahway, N.J., is seeking to replace Sawdon & Bess, a Ted Bates Worldwide unit, on its $5 million account. Bates units have other watch lines from Pulsar parent K. Hattori & Co., notably Seiko Time Corp., Pulsar president Arthur Cohen said. Bates' AC&R Advertising handles Seiko.

Sources noted Pulsar's growing presence in Seiko's mid-price watch segment.

Compton Advertising; Ogilvy & Mather; Ammirati & Puris, and Doyle Dane Bernbach are believed to be candidates for the Pulsar account. Mr. Cohen declined comment.#

Regional agencies on McCann's list

By STEWART ALTER

McCann-Erickson Worldwide may be close to acquiring an unspecified number of regional U.S. ad agencies.

"There are a couple of acquisition discussions we're involved in that could come to fruition before the summer is over," said Robert James, president-chief operating officer of the agency.

McCann's move to step aggressively onto the acquisition trail dates back to the formulation of its most recent five-year plan about 18 months ago. The agency decided then that McCann's earnings should be "reinvested in McCann," Mr. James said, and no longer would go chiefly to fund parent Interpublic Group of Cos.' acquisitions.

McCann, which had $636.4 million in U.S. billings out of a worldwide total of $1.99 billion in 1983, last acquired a regional agency in March, 1981, when it bought Zimmer-McClasky-Lewis, Louisville.

Mr. James said McCann is most interested in the Southeast and cities such as San Diego, Denver, Minneapolis and Phoenix. He added that the "highest priority" would be to reenter Chicago, although none of the current discussions centers on that city. McCann, which has nine U.S. offices, closed its Chicago branch in late 1982.

Any acquired shop would need to have a multinational client or the potential for handling one. "What characterizes McCann agencies is that each one around the U.S. has at least one or two multinational clients," said Mr. James. McCann's U.S. billings are spread across the country, with New York accounting for a third of the total.#

NEWSPAPER

AA
DC20014CONGL1 FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Advertising Age

Magazine

June 21, 1984

8 **Ridley Scott makes the details count**
The British film and tv commercial director may frustrate his crew with his desire for perfection, but he produces imaginative and memorable commercials.

12 **Getting ready for the new economy**
As our society moves away from the mass market to individual interests, marketing and advertising techniques must change to be successful.

13 **Scattered D'Arcy staff pulls together in London**
The siege of the Libyan embassy in London forced D'Arcy MacManus Masius to evacuate its office just two doors away. Despite this, the agency staff continued to conduct business.

Special Report

Automotive Marketing

17 **Image slides behind the wheel**
Automotive marketing has put image in the driver's seat again. Fun and style are pushing sales of convertibles, two-seaters, minivans and utility vehicles.

18 **Auto makers dressing up rugged utility vehicles**
Utility vehicles have been downsized and spruced up to appeal to suburban, affluent, married and female buyers.

18 **Small vans pack a big sales wallop**
The minivan has been an instant success for Chrysler, and other auto makers hope to share in that success soon.

20 **After 30 years, Corvettes still set pulses racing**
No one has identified exactly what makes the sportscar so successful.

Automotive Marketing report coordinator: Julie Liesse Erickson
Cover illustration: Jim Deal

DEPARTMENTS

6 James Brady
6 Words from Gartner
10 Strategic Marketing
10 Parting Shot

To our readers

One of the most interesting aspects of the career of British tv commercial director Ridley Scott, as correspondent Sean Milmo points out in today's article, is Mr. Scott's ability to move with ease between the worlds of commercials and motion pictures.

Not only has he directed stunningly creative spots for clients that include Chanel, Pepsi-Cola and Apple's Macintosh (the highly publicized "1984" commercial that ran in January), but he also has directed "Alien" and "Blade Runner" and is about to begin another film, a mythical tale of good and evil called "Legend."

Mr. Scott is hardly unique, of course. For years, commercial makers have been adapting their talents to the big screen, with varied success, among them Stan Dragoti ("Mr. Mom," "Love at First Bite") and Howard Zieff ("Private Benjamin").

The most conspicuous current example of linkage between advertising and film-making is probably BBDO's vice-chairman and executive creative director, Phil Dusenberry, who co-wrote the screenplay for "The Natural" starring Robert Redford and Robert Duvall, one of this summer's blockbuster movies.

In Mr. Dusenberry's case, a longtime love of baseball has helped provide that link. He has used the national pastime effectively in commercials for both General Electric and Pepsi-Cola.

In an Advertising Age Magazine profile of Mr. Dusenberry in 1983, editor-at-large Joseph M. Winski wrote that his nostalgic Pepsi commercial "Homecoming," about a baseball player being welcomed back to his own town after winning a championship, was based loosely upon the central character in Bernard Malamud's baseball novel "The Natural."

Mr. Dusenberry, whose longtime goal was to see "The Natural" made into a film, even then had completed a screenplay—currently the center of considerable controversy among filmgoers—that drastically altered the novel's ending.

And like it or not—I for one did—the conclusion of the movie is substantially the way Phil Dusenberry wrote it.

Robert Goldsborough
Executive editor

Letters

Cycle fantasy

With reference to Cecelia Reed's story on her Tunturi stationary bicycle and her desire to ride it through the park (Fitness Marketing, May 24), I invite her to prop up our enclosed brochure (below) of bicycling vacations on the handlebars of the Tunturi and dream about cycling in Vermont while she pedals away for 10 minutes each morning!

Better yet, Ms. Reed can continue to use the Tunturi as a clothes hanger and join us for some real cycling on one of our tours in beautiful Vermont! She'll ride through park-like countrysides and return relaxed and refreshed ready to face another deadline at AD AGE with renewed enthusiasm!

VERMONT BICYCLE TOURING
1984

Bruce Burgess
Associate director
Vermont Bicycle Touring
Bristol, Vt.

In praise of Brady

The best thing about ADVERTISING AGE twice a week is Brady twice a week. And I really mean it.

Myrna Blyth
Editor-in-chief
Ladies' Home Journal
New York

More on videotex

I particularly appreciated Rance Crain's column on videotex (Parting Shot, May 10). I get at least one call a month from someone who remembers that I was the founder of the company that began Nexis and Lexis (now sold to the Mead Corp.). The most important lesson I learned in the late 1960s when Lexis first went on line was that it is extremely important to know that you have a customer who not only wants information, but is willing to pay for it. We had a previous abortive try at fielding a medical information system. But I quickly learned that the patient was not overly enthusiastic about paying to educate his doctor.

After that disaster, I looked for a customer who was already trained and willing to pay for research. The legal client fit the bill perfectly, and that's the reason we turned our information technology in the direction of the law.

I feel Mr. Crain's editorial is going to save a lot of people in the industry a great deal of money. I sense that there are too many who are willing to throw money at the information technology market simply because they feel that they should be part of the action.

William F. Gorog
President
Magazine Publishers Assn.
New York

Rance Crain seems to think consumers neither want nor need videotex.

Mr. Crain says videotex won't fly because he wouldn't buy it. His view isn't shared by the participants in a nine-month videotex field trial conducted by Times Mirror in the greater Los Angeles area. At the end of the trial more than half of the participants said they wanted the service and were willing to pay for it.

Mr. Crain states that consumers won't use videotex because they can get news on an all-news radio station, and they won't give up the social interaction of shopping in stores. I submit the consumer will look favorably on the ability to obtain an important news story immediately without listening to an entire program on all news radio. As for shopping, given the option of saving time and money versus a social interaction . . . millions of shoppers are expressing themselves via catalog purchases today.

Mr. Crain says, "I'm not at all convinced that two-way anything will ever be more than an expensive gimmick." It was this kind of thinking that kept Western Union out of the telephone business.

Wendell L. Johnston
Vp-marketing
Gateway-Times Mirror
Videotex Services
Santa Ana, Calif.

Magazine

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Defending dealer advertising

The road to car sales is littered with tacky and degrading images—examples of advertising at its worst. Or so say ad industry observers.

Some dealers, however, insist that a sale is a sale—that gimmicks are the only way to cut through the clutter of dealership advertising, which amounted to more than $1.2 billion in 1982.

Other dealers question the reputation dealer ads have acquired, pointing to sophisticated, innovative commercials as evidence of a trend to better-quality marketing. And still others blame ad agencies themselves for bad dealer ads; they say experienced agencies are unwilling to share that experience with auto dealers.

Are auto dealers' reputations for bad advertising justified? How sophisticated can—or should—dealer advertising become? What impact have syndicated advertising programs had on the quality of dealer advertising?

Finally, what's ahead for dealership advertising, now that recessionary days are at least temporarily over and happy days are here again? Advertising Age Magazine polled a cross section of experts in auto dealer advertising for their opinions and outlooks.

COMMENTARY CORNER

Doug Ekman heads Dawson & Dawson, the advertising arm of Hanley Dawson Toyota-Saab, Chicago.

His agency's ad-lib commercials featuring offbeat Chicago disc jockey Steve Dahl took the top award in this year's Radio Advertising Bureau/National Assn. of Auto Dealers competition.

"For ad people to call auto dealer advertising unsophisticated is a misunderstanding, in part, because they really don't understand it.

"They know little about dealership advertising. There is just a holier-than-thou attitude pervading too much of advertising circles.

"It is as inappropriate to use some kinds of 'sophisticated' advertising for auto dealers as it is to wear black tie to a hayride.

> **"It is as inappropriate to use some kinds of 'sophisticated' advertising for auto dealers as it is to wear black tie to a hayride."**
>
> *—Doug Ekman*

Auto dealer advertising is an art form unto itself; it's controlled schlock, almost.

"And you have to remember that it's the public that makes it popular—a lot of dealerships run schlocky advertising that really works.

"Auto dealers are not more difficult clients, except that they demand a faster turnaround time—they fight constantly with their agencies over that. Because the market changes so fast, they have to be on the air in 24 or 48 hours sometimes. There's no time for storyboards or testing. Car dealers can't wait. Speed is at a premium.

> **". . . there's still a large body of dealers who can't resist peddling junk advertising . . . ."**
>
> *—Don Roy*

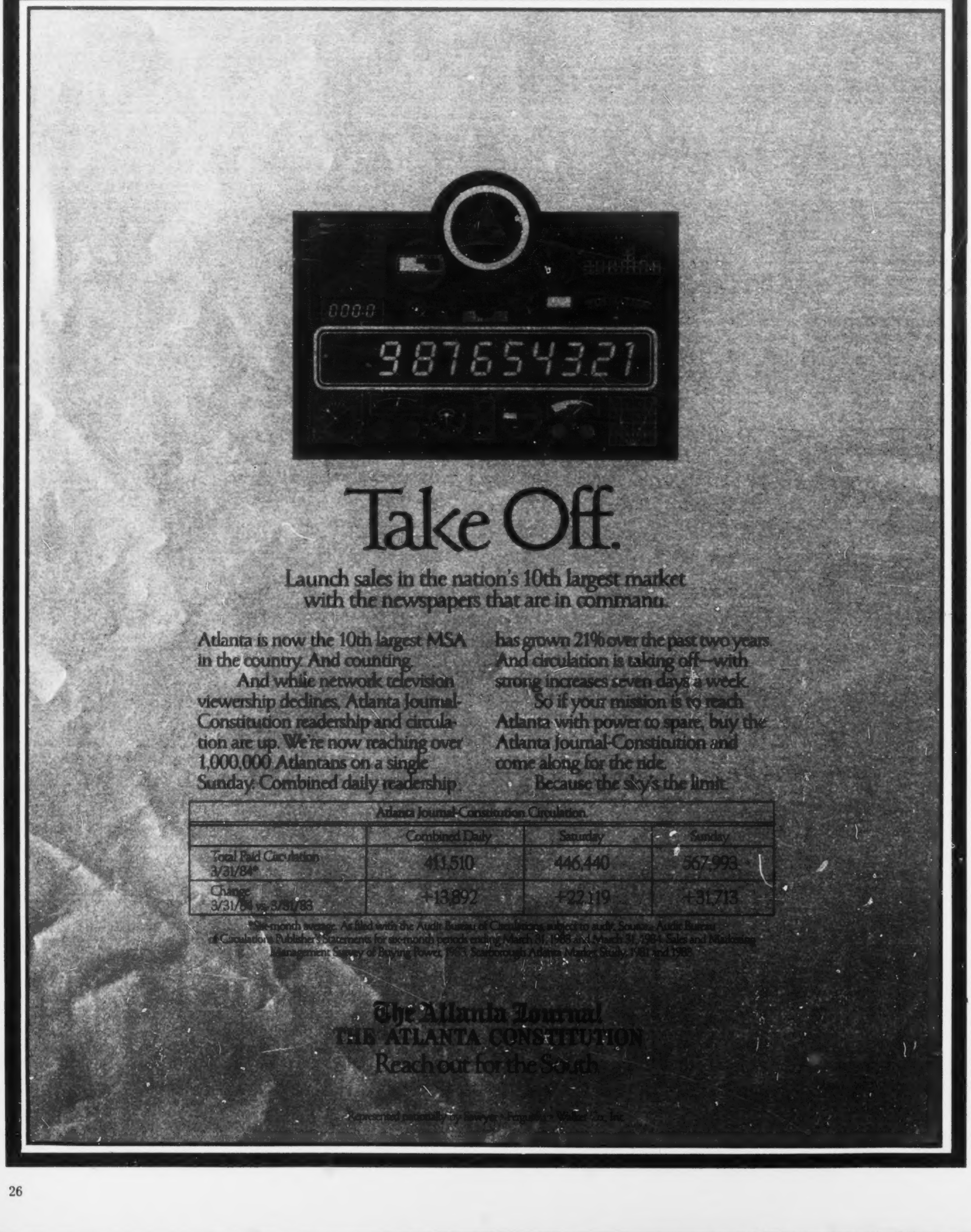
"Dealers also like dealing directly with the people at the top. And they want it done *now.*

"But the good thing is that you always know where you're at with car dealers. They certainly don't mince words.

"There will always be a need for syndicated dealership advertising, just like there's a need for McDonald's.

"But today many dealers are demanding more than just a suit off the rack. Since the car business has become more and more

(Continued on Page 28)



Take Off.

Launch sales in the nation's 10th largest market with the newspapers that are in command.

Atlanta is now the 10th largest MSA in the country. And counting.

And while network television viewership declines, Atlanta Journal-Constitution readership and circulation are up. We're now reaching over 1,000,000 Atlantans on a single Sunday. Combined daily readership has grown 21% over the past two years. And circulation is taking off—with strong increases seven days a week.

So if your mission is to reach Atlanta with power to spare, buy the Atlanta Journal-Constitution and come along for the ride.

Because the sky's the limit.

Atlanta Journal-Constitution Circulation

	Combined Daily	Saturday	Sunday
Total Paid Circulation 3/31/84*	411,510	446,440	567,993
Change 3/31/84 vs. 3/31/83	+13,892	+22,119	+31,713

*Six-month average. As filed with the Audit Bureau of Circulations, subject to audit. Source: Audit Bureau of Circulations Publisher's Statements for six-month periods ending March 31, 1983 and March 31, 1984. Sales and Marketing Management Survey of Buying Power, 1983. Scarborough Atlanta Market Study, 1981 and 1983.

The Atlanta Journal
THE ATLANTA CONSTITUTION
Reach out for the South

Represented nationally by Sawyer • Ferguson • Walker Co., Inc.

Dealer

(Continued from Page 26)

regional in nature—consumer tastes vary drastically from, say, California to Texas—syndicated ads often are not very effective."

Allen Gaines owns Fireside Chrysler-Plymouth, Schaumburg, Ill.

Fireside, the fourth largest Chrysler dealership in the U.S., spent about $350,000—of its $50 million in sales—on advertising in 1983.

"What I have found is that auto dealers, like many small businessmen, have no place to go for good advertising. What a dilemma!

"We are not supposed to know how to advertise our products, but professional ad agencies turn us down—either because our account is too small or just because we're auto dealers.

"But agencies seem to have a special prejudice against auto dealers.

"Most manufacturers have their own agencies handle dealer association accounts, too—so it would seem logical for those agencies also to open a branch for individual dealer advertising.

"But dealers aren't blameless, either. They tend to view advertising as a necessary evil. And both dealers and factories already seem to have returned to the arrogance of the past, which got them in trouble in the first place.

"You won't find much good dealer advertising until more dealers realize they must spend money and time to make it effective."

Chuck Simo is president and founder of 4D's Enterprises, an advertising agency that exclusively handles large Chicago-area dealerships, including Fireside Chrysler-Plymouth.

His agency produced an award-winning series of radio commercials for Weil Oldsmobile, Libertyville, Ill., using Dick Orkin and Bert Berdis as talent.

"The whole universe of auto dealers is looked upon as a stepchild by agencies.

"It's true, though, that dealers are often egos—they're true entrepreneurs—and somewhat hard to deal with.

"The same dealer who prides himself on getting the best accountant and the best lawyer will insist on doing his own advertising."

Don Roy is president of Nashville-based Admark Inc. and its Dealer Advertising Development subsidiary. DAD produces syndicated advertising and marketing campaigns for about 150 auto dealerships; the agency says it is adding 18 to 20 new clients each month.

"Syndicated advertising gives an auto dealer the ability to make long-term marketing decisions.

"It helps him respond to the emergence of a new marketplace. The competition has changed on the dealer side, and buying motivations on the consumer side have changed, too.

"We don't see the present boom in auto sales continuing forever. We want to anticipate the next wave of buyer resistance—by educating our dealer clients so that they will realize that an umbrella marketing concept can exist, in a modified sense, despite economic conditions.

"Some dealers already are getting more sophisticated. However, there's still a large body of dealers who can't resist peddling junk advertising that's offensive and demeaning to their clientele.

"But sometimes it's too easy to criticize them and the things they do in the media.

"Automobile dealerships are one of the last bastions of free enterprise.

"Most often dealers are guys who are willing to invest large amounts of time and money—and risk a lot—to start their own business.

"They run the wildest range—from third-grade educations to Harvard MBAs. And they too often get very little credit for their contribution to the economic well-being of the community—in terms of employment and community involvement.

"And actually, dealers around the country show amazing ingenuity in advertising—albeit tacky sometimes. We have lost that adventurous spirit in so many areas of small business."

Dick O'Donnell is vp-Detroit sales for the Television Bureau of Advertising.

"Prior to 1979, when U.S. dealers had virtually no foreign competition, dealer advertising could afford to be personality-oriented.

"The subsequent changes in dealer ads reflect changes in the market.

"In the early 1980s, when customers turned to foreign cars for fuel economy and performance, dealers began to realize that brand loyalty no longer existed. The customer was fickle.

"And it dawned on them that if they did not advertise, their top of mind position would be lost forever.

"They started advertising product, service, reliability.

"With the cost of autos so high nowadays, many customers experience 'sticker shock.' They need quality advertising to reassure them.

"In addition, the profile of the average car buyer has changed. He's in the $30,000-plus income bracket.

"He's much more upscale and very differently motivated than the customer of yesterday.

"He demands a different kind of advertising approach.

"Above all else, there is a growing perception of the auto dealer as retailer. Dealers used to believe they were competing only with other dealers.

"Now, many are aware they're competing with all the other local retailers in their area. And they're using more advertising to keep on consumers' 'buy lists.'"

C.L. Strickland is a partner in Strickland Chevrolet, a Bloomington, Ill., dealership selling about 1,300 cars and trucks a year. He uses the services of a syndicated advertising company.

"Unless you're a particularly old dealership—and can advertise your age—syndicated ads are the way to build your reputation.

"My agency is just about as familiar with my business as I am. A normal ad agency can produce dealer advertising—if you tell them exactly how to sell cars. That's the difference between using a guy who specializes in autos and a regular agency. And to me that's a big plus.

"If I need a program to sell some excess 'people movers' [minivans and utility vehicles], a syndicated advertiser can respond to me much more quickly than a normal agency—because maybe some other dealer called them last week with the same problem.

"I would have to admit I would prefer that there were no other 'good people' campaigns in the country, but as long as those dealers are not close to me, I guess it's okay.

"I'd bet that 50% of all auto dealerships still don't have an agency.

"And I don't think you have quality ads without a professional agency.

"Then you end up with Ford dealers pulling their pants off on tv.

"That's nonsense.

"We dealers need to tell consumers that we are quality and our products are quality.

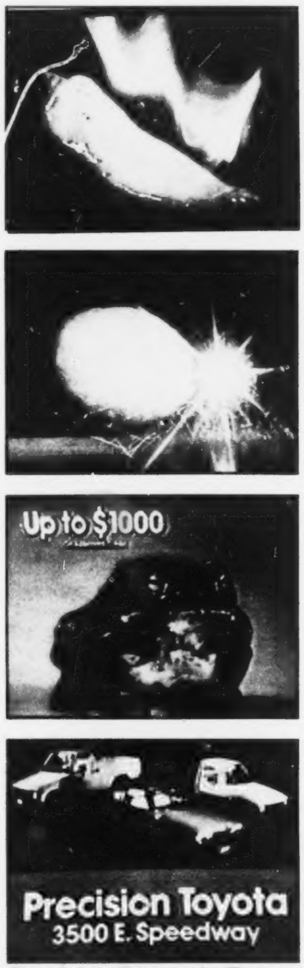
"We're competing with all those import cars—and consumers still think import dealers put their pants on differently." ■

Dealing for dollars

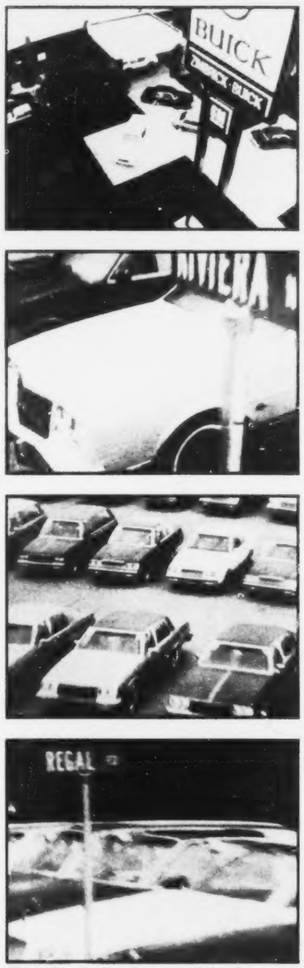
Television expenditures of top U.S. auto dealers in 1983

	1983	1982	% change
Cal Worthington Motors/Los Angeles	$2,988,500	$1,514,300	+97
Cal Worthington Motors/Sacramento	1,661,300	830,000	+100
Jeff Legum Chevrolet & Datsun/-Baltimore	1,489,400	1,293,100	+15
Florin Road Datsun & Toyota/-Sacramento	1,266,800	358,800	+253
Potamkin Cadillac/New York	1,194,800	1,220,500	-2
Town & Country Ford/Charlotte, N.C.	1,127,400	414,700	+172
Nationwide Datsun/Baltimore	1,095,500	897,500	+22
Westminster Motors/Baltimore	924,300	475,400	+94
Celozzi-Ettleson Chevrolet/Chicago	914,300	814,400	+12
Rick Case Auto & Cycles/Cleveland	898,500	724,500	+24

Source: Television Bureau of Advertising, from Broadcast Advertisers Reports survey



Precision Toyota in Tucson promises car buyers a red hot deal, no lemons and a rebate of up to $1,000.



Zimbrick Inc., Madison, Wis., has lined its streets with 1983 Buicks so buyers "can't make a wrong turn."

Don Foss
Used Cars
Grand River
North of 7 Mile
535-9280
Gratiot
North of 9 Mile
445-2100

Don Foss of Don Foss International, Redford and East Detroit, Mich., pays his mother for an endorsement.

States finding lotteries are good gambles

An Advertising Age roundup

"To win it, you've got to be in it," say ads for New York state's weekly lottery. More than $60 million will be spent on advertising this year by states coast to coast as they use the lottery craze to generate funds for everything from education to low-cost prescription drugs for senior citizens.

The **New York** State Lottery has a $12.3 million ad budget—double last year's spending. Rumrill-Hoyt, its agency, handles twice-a-week Lotto, daily numbers and instant games.

Lotto advertising is primarily in tv; the budget was increased three

Regional report

weeks ago to $2.2 million for media and production. Media for "New York numbers" include radio ($1.2 million) and transit ($600,000).

A $3.5 million tv campaign revived the Instant Games contest, according to Sherry Harrington, ad director. The theme changes every 12 weeks when a new $1 million jackpot winner is drawn; "Someone's going to win, why not you?" is the latest.

New York's lottery, which began in 1967, provides funds for education.

The **Pennsylvania** lottery recorded more than $1 billion in sales and $471 million in profit for fiscal 1983. That's roughly 20% of the $5.2 billion wagered in lotteries in 17 states and in D.C. during the year. The Pennsylvania State Department of Revenue says losers gave 4.7% to the state's $10 billion annual budget.

Lewis, Gilman & Kynett, Philadelphia, handles; the budget was put at $7.5 million. Pennsylvania began its lottery in 1972. Revenues go to senior-citizen programs.

A yearlong ad campaign will include 30-second tv spots with newspaper print ads and outdoor boards as secondary media.

Last week, the **New Jersey** Lottery Commission voted to toughen the odds of winning its weekly Pick-6 Lotto; larger jackpots also will be offered. Other changes also were made to make New Jersey competitive "with neighboring states," a New Jersey official said. Venet Advertising, New York, handles; the budget is $2.5 million. New Jersey began its lottery in 1970.

Arizona is playing "baseball" with the pitch "It's America's favorite pastime—getting rich." The Arizona lottery will be three years old next month; last year, the ad-promotion budget was $3.3 million, or 4% of the lottery's total gross, as set by state law. Taylor Advertising, Tucson, handles.

Revenues go to the state transportation fund, the general fund and to cities for local transportation.

The State Department of Revenue runs the **Colorado** lottery, an instant-ticket game. The game is marketed under the slogan "For a more beautiful Colorado"; 35¢ of each $1 ticket goes to a conservation trust fund for parks and recreation.

The budget is $3.8 million and is heavily in tv, with some radio, newspaper and outdoor board advertising to provide information on variations in the game, according to Brad Fornaciari, account supervisor, Karsh & Hagen, Englewood, Colo. The game began in 1983.

"Bonanza" is the name of the current instant lottery game sold under the slogan "How the West was won" in **Washington** state. There also is a Triple Choice numbers game. The over-all slogan for lottery games in Washington is "Follow the fun."

Stimpson Associates, Seattle, handles, but the Washington State Lottery Commission is reviewing the account and has asked for proposals.

A new Lotto game kicks off July 15. Tv, radio, print and outdoor support. The lottery spends about 2% of revenues for advertising. The budget was undisclosed.

The **Illinois** State Lottery has four games. Tv spots promote the new PayDay game as "the way to win $1 million or an instant $100,000." Animated spots run for nine weeks in Chicago and suburbs.

A tv, radio, print and outdoor campaign promotes the state's on-line games. Tv spots airing through October feature multi-million-dollar winners sitting at a banquet and being served by waiters dressed as ping-pong balls; another is a takeoff on the movie "Casablanca" (using the song "As Time Goes By").

The 1984 ad budget was $7 million. An $8.4 million budget is in the legislature. Gross sales for 1984-85 were more than $900 million, according to Michael Jones, ad director. Bozell & Jacobs, Chicago, handles.

The **Ohio** State Lottery campaign centers on the lottery's 10th anniversary and is themed "Come celebrate with us." Both 30-second tv spots and 60-second radio spots air statewide through July, supported by newspapers, outdoor boards, posters and bulletins. Marcus Advertising, Cleveland, is the agency.

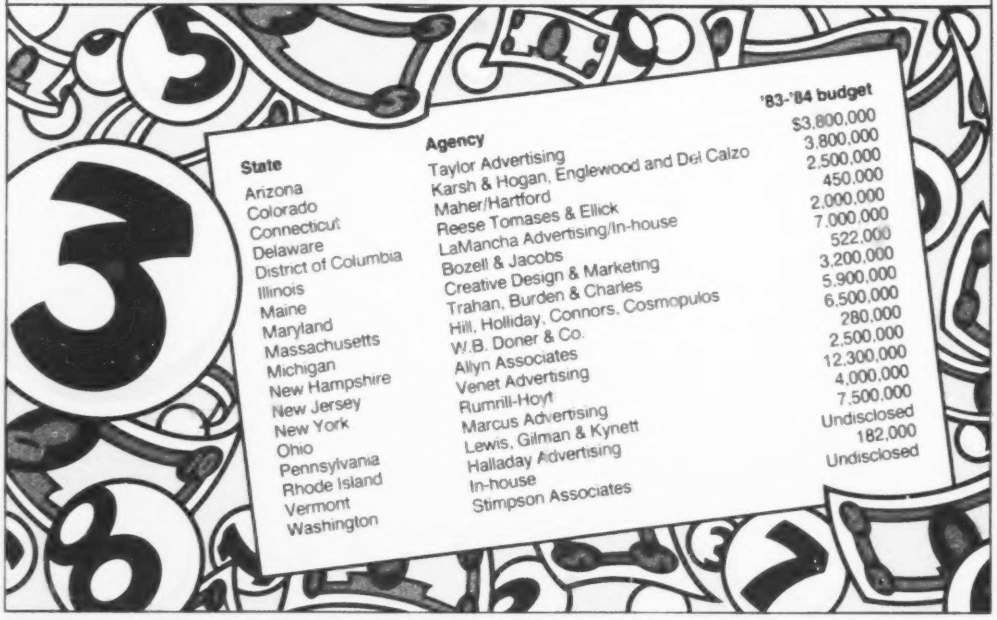
This fiscal year's advertising budget is $5 million—a 20% increase over last year—for the anniversary campaign. The budget is expected to drop back to about $4 million next year. Forty per cent of revenue goes to public elementary and secondary schools.

In **California**, three bills are pending that would amend the state constitution to permit a lottery. In **Florida**, a constitutional amendment to create lotteries goes to the voters in November; proceeds would help public education. The **Iowa** legislature approved lottery-enabling legislation, which was vetoed by the governor.

In **Missouri**, lotteries become legal Aug. 13. The **Tennessee** legislature passed lottery bills, which now must pass the next general assembly session in January.#

States' spending on lotteries

Lottery budgets are big business for ad agencies as states across the USA have gotten into the act. ***Source: Advertising Age.*** **Illustration by Steve Musgrave.**



State	Agency	'83-'84 budget
Arizona	Taylor Advertising	$3,800,000
Colorado	Karsh & Hogan, Englewood and Del Calzo	3,800,000
Connecticut	Maher/Hartford	2,500,000
Delaware	Reese Tomases & Ellick	450,000
District of Columbia	LaMancha Advertising/In-house	2,000,000
Illinois	Bozell & Jacobs	7,000,000
Maine	Creative Design & Marketing	522,000
Maryland	Trahan, Burden & Charles	3,200,000
Massachusetts	Hill, Holliday, Connors, Cosmopulos	5,900,000
Michigan	W.B. Doner & Co.	6,500,000
New Hampshire	Allyn Associates	280,000
New Jersey	Venet Advertising	2,500,000
New York	Rumrill-Hoyt	12,300,000
Ohio	Marcus Advertising	4,000,000
Pennsylvania	Lewis, Gilman & Kynett	7,500,000
Rhode Island	Halladay Advertising	Undisclosed
Vermont	In-house	182,000
Washington	Stimpson Associates	Undisclosed

Relax lottery ad rules: 4A's

WASHINGTON—The American Assn. of Advertising Agencies and other groups are getting a sympathetic congressional response to their plea to eliminate restrictions on advertising legalized lotteries.

The Senate judiciary committee approved legislation by Sen. Paul Laxalt (R., Nev.) that would remove all existing restrictions on advertising of legalized gambling. A similar bill sponsored by Rep. Harry Reid (D., Nev.) cleared House judiciary subcommittee hearings last week and moved toward the full committee.

Existing law restricts gambling ads to states that operate games.

During the judiciary subcommittee hearings, Charles F. Adams, exec vp for the Four A's in Washington, stressed that the Supreme Court no longer allows restrictions on truthful advertising for legal products.

The Justice Department, the National Newspaper Assn. and the New Jersey Broadcasters Assn. also support the legislation.

Some conservative senators have expressed informal opposition to the Laxalt bill, but the bill is expected to pass.#

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'Herald-Trib'

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panded internationally up to now because of their interest in the *IHT*.

About 25% of the *IHT's* advertising volume comes from U.S. advertisers and "we feel there is potential" for more, said Mr. Huebner.

As part of its strategy, the *IHT* plans to:

- Open a sales office on the West Coast this year, and has just opened one in Chicago. For many years its only U.S. sales office had been in New York.
- Meet with Mauro Salles, director-president of the Brazilian ad agency Salles/Interamericana de Publicidade, about possible links with the Latin American *Daily Post* newspaper. The *Daily Post*, which Mr. Salles owns, has been trying to become the *IHT* of Latin America, but is bedeviled by distribution problems. Adding Latin America is expected to enhance the *IHT*'s appeal to U.S. advertisers.
- Consider printing in the U.S. to increase its visibility among U.S. advertisers. But executives at the *Times*, which supplies much of *IHT's* copy, are resisting the move.

The *IHT's* circulation grew 6% last year and ad revenue was up 20%.#

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AA also has sales reps in Japan, Germany, Italy, Hong Kong and Brazil.

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McDonald's drive not on D.C. menu

By SCOTT HUME

McDonald's operators in Washington, D.C., and Baltimore still have a taste for Needham, Harper & Steers USA's "test campaign."

The rest of the nation last week got to see the long-awaited new McDonald's campaign created by Leo Burnett USA, Chicago (AA, Feb. 20). Themed "It's a good time for the great taste of McDonald's," the successor to the year-old "McDonald's & you" campaign aims to give the fast-food chain's advertising what Burnett's chief creative officer called a "more contemporary and upbeat" feel.

But in those two East Coast ADIs, consumers haven't seen Burnett's "Great taste" campaign. Instead, they are seeing a new cycle of McDonald's spots themed "I've got a taste for McDonald's," created by NH&S' Washington office. NH&S in Chicago formerly handled the national account.

Since January, the D.C. and Baltimore co-ops have been blocking network feeds of Burnett's McDonald's advertising and cutting in the Needham work, which agency and client have been calling a "test campaign" (AA, Oct. 3, Jan. 23, *et seq.*). Indications are it has passed its test.

It isn't clear how long the special Needham campaign will continue to run (neither agency nor client will discuss the test). But the continual appearance of new spots suggests McDonald's and the co-ops believe the campaign still has some life left.

One of the new spots that has broken in the past two weeks promotes McDonald's double cheeseburger, a sandwich that, although available on request at some stores, was removed from menu boards several years ago. The item has not received advertising sup-

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New trends in marketing: Globalization and world brands. See Page 49.

last minute news

Litton microwave unit to double ad spending

MINNEAPOLIS—Litton Industries' Microwave Cooking Products division will double to $20 million its advertising and promotion budget during the fiscal year beginning in July. A campaign themed "Nobody knows more about microwave cooking than Litton" breaks this fall on network tv and in 17 consumer magazines. Advertising is created in-house.

Backer & Spielvogel wins Celeste pizza account

CHICAGO—Quaker Oats Co. has moved its estimated $5 million Celeste frozen pizza account to Backer & Spielvogel, New York, from company-owned AdCom. The account could grow as a result of Quaker's pending acquisition of another, unidentified pizza company. Celeste is B&S' first product assignment from Quaker, though the agency has been working on other projects for the company.

U.S. tv spots are golden at Cannes festival

CANNES—U.S.-produced tv spots are expected to capture the top honors at the 31st Cannes International Advertising Film Festival this year. Observers are heralding the festival as "an American renaissance in advertising creativity." At press time, winners of the festival's major gold awards were expected to include Apple Computer's "1984" spot for its Macintosh personal computer, via Chiat/Day, and a series of Pepsi-Cola spots via BBDO.

Promotions flourish around Jacksons tour

DALLAS—Pepsi-Cola Bottling Group of Texas begins a campaign today in nine Texas markets for a $100,000-plus under-the-crown promotion

(Continued on Page 8)

NEWSPAPER

T

Japan autos hike ads amid German strikes

By DAGMAR MUSSEY

DUESSELDORF—National strikes by printers and sheet-metalworkers are wreaking havoc on the German advertising and marketing industries.

And in the midst of the chaos, Japanese auto makers are increasing their advertising here, trying to capitalize on the effects the strikes have had on German auto makers.

The sheet-metalworkers' strike is in its sixth week and has so far cost German auto makers about $2.2 billion in lost production, according to estimates by the German Federal Bank.

By mid-June, Daimler-Benz had lost $900 million in sales; BMW about $400 million, Opel/GM about $450 million; Volkswagen $300 million, and Audi another $200 million.

To take advantage of the strike, Japanese auto companies are running ads that encourage German consumers to buy a Japanese car instead of waiting until the strike is over.

A recent Toyota ad said, "No matter whether mini-car or full-blooded sports car, there is no range in which we can't offer an ideal model. Don't wait, switch."

"We know that the Japanese have quietly increased their car export to Germany by 50%," said a Volkswagen spokesman.

Also, several agencies here say they are expecting Japanese companies, notably Toyota, Mazda and Nissan, to boost their ad budgets.

Most of the Japanese ads are appearing in magazines because the 11-week-old printers' strike has left the German newspaper industry virtually paralyzed (AA, June 18).

The sheet-metalworkers' strike also is causing difficulties for foreign-car makers. The Belgian Ford plant at Gent cannot produce Sierras because parts are lacking. In Turin, Italy, 8,000 Fiat workers are idle for want of German parts.

Ford of Cologne has been least affected by the strike because it has been able to draw missing parts from elsewhere in Europe.

Both the printers and the sheet-metalworkers are seeking a 35-hour work week at full pay.

Because of the printers' strike,

(Continued on Page 116)

Republic picks DFS; C-M irked

By M. HOWARD GELFAND and SCOTT HUME

Republic Airlines ended its six-week agency review by naming Dancer Fitzgerald Sample, New York, to handle its $30 million account. But former agency Campbell-Mithun, Minneapolis, said it did not have a fair chance to retain the assignment.

C-M, which has handled Republic for the past 2½ years, was one of four finalists in the review that also included Kenyon & Eckhardt and SSC&B, both New York. But the agency's chairman, William Dunlap, saying he was "disappointed, but not surprised, by Republic's decision," charged Republic's financial losses had made the naming of a new agency a certainty.

He called the account shift by the airline, which has reported losses of $225 million over the past four years, a "change for the sake of change."

"My only regret is that [the agency review] was settled before the contest even started," Mr. Dunlap said. "They're in a desperate struggle to stay in business. They've just hired a new president and a new senior marketing vp and those sorts of changes usually result in a change of advertising agencies."

Stephen W. Wolf, who joined Republic as exec vp in February, was named the airline's president two months later. A.B. (Sky) Magary joined the carrier's marketing department as senior vp last week following two years as vp-sales and marketing for Hyatt International (AA, June 14). Both attended the four agencies' presentations, held June 14 and 15.

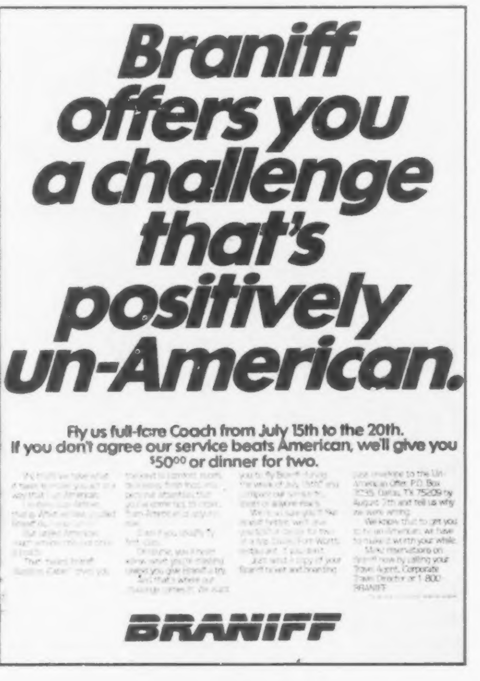
John Temple, Republic's director of advertising, denied that Campbell-Mithun received unfair treatment, saying the presence of the new executives "on paper favored Campbell-Mithun" since it had an experienced team in place.

"Our minds definitely were not made up," Mr. Temple said. "Mr. Wolfe and Mr. Magary obviously had no preconceived notions about Campbell-Mithun because they are so new to Republic. Campbell-

(Continued on Page 114)

Anti-American

Braniff is taking on American Airlines in a weeklong challenge to entice American travelers to try Braniff's Business Cabin service. The Dallas newspaper ad, via N W Ayer, New York, says passengers who don't think Braniff's service is better than comparably priced American service will get $50 or a free dinner for two.



Braniff offers you a challenge that's positively un-American.

Fly us full-fare Coach from July 15th to the 20th.
If you don't agree our service beats American, we'll give you $50⁰⁰ or dinner for two.

BRANIFF

For AT&T, computer woes grow

By BRIAN MORAN

NEW YORK—AT&T's latest product offering in the computer field, drawing criticism from dealers even before its release, faces another obstacle—a lawsuit in federal district court here.

A stockholder of Docutel/Olivetti Corp., the U.S. subsidiary of Olivetti in Italy, has sued to block AT&T from marketing its new Olivetti-made personal computer in the U.S.

AT&T is expected to announce details of its IBM-compatible machine, including pricing, distribution and marketing plans, at a press conference at Ogilvy & Mather's office here June 27.

The suit charges that the Italian

(Continued on Page 115)

Louis Porterfield, soon-to-be publisher of *Good Housekeeping*, claims that "If we do not clean up our act, all the magazines will not need sales staffs. People will work from computers, and the lowest rate will get the buy."

New 'GH' publisher rips rate-breaking

By STUART J. ELLIOTT

New York—Louis Porterfield has a message for the publishers he's about to join in the women's service field. Rate-breaking will be "the ruination of the magazine business" if it continues.

"This is the biggest fear I have," said Mr. Porterfield, 56, who moves next month from publisher of *Cosmopolitan* to publisher of *Good Housekeeping* (AA, June 4). "I know competition is tough and it's not the easiest time to sell ad space. But if we're going to be sticking knives into each other's backs by going off the rate card to get business, we'll regret it.

"If we do not clean up our act," he continued, "all the magazines will not need sales staffs. People will work from computers, and the lowest rate will get the buy." Rate-breaking is "saying to advertisers, 'This is what we're really worth,'" he said. "We all have fine editorial products—we ought to sell our editorial products."

Mr. Porterfield will make it known when he arrives at *Good Housekeeping* July 5 that "from that day on, if anything is dealt off the rate card, that man is through with the company." He is quick to add he doesn't believe rate-breaking has happened at *GH*—which,

(Continued on Page 118)

Cookie makers deny swiping P&G secrets

By JANET NEIMAN

Three marketers sued last week by Procter & Gamble are expected to put up a tough fight to stop P&G from taking a bigger bite out of their cookie business.

Cincinnati-based P&G sued Keebler Co., Nabisco Brands and PepsiCo's Frito-Lay unit in individual complaints alleging that they violated P&G's patent for its Duncan Hines chocolate-chip cookies.

P&G also claimed each engaged in "unfair competitive practices"—industrial espionage—to obtain technological information about the P&G process.

Frito-Lay and Nabisco both denied P&G's charges and issued statements claiming the P&G patent is invalid and that they will oppose the suit. Keebler would not comment on the matter.

P&G is asking for unspecified amounts in punitive and compensatory damages and damages for unfair competitive practices, and for court injunctions against both patent infringement and unfair competitive practices.

If successful, the suit could prevent P&G's competitors from further participation in the burgeoning soft-cookie market, pioneered by P&G with its test-market introduction last year.

Since then, Frito-Lay has entered the soft-cookie market with the GrandMa's Rich'n Chewy line, Keebler has begun national rollout of Soft Batch and Nabisco has brought out Almost Home and is now introducing Chewy Chips Ahoy!

The Duncan Hines line now is in about 40% of the country.

The suits were filed "immediately upon receipt" of the patent on June 19, P&G said.

In response to the suit, Parsippany, N.J.-based Nabisco "categorically" denied it infringed on "any valid patent or infringed upon any trade secrets of Procter & Gamble." It intends to bring a counterclaim as soon as possible "to establish that Procter & Gamble's patent is invalid and improperly obtained, based on information available to Nabisco."

"Nabisco is the leading manufacturer of cookies worldwide and has followed a practice of developing and promoting its own products based upon Nabisco's extensive research efforts," the company said

(Continued on Page 114)

Milk takes consultant route

By JANET NEIMAN

Chicago—The National Dairy Promotion & Research Board voted last week to hire a consultant to help it evaluate ad proposals from three agencies and an industry federation for its multi-million-dollar account.

The consultant will be selected by board chairman Ivan Strickler and a chief executive officer yet to be selected, but it is expected to work with the board's advertising and sales promotion committee.

The vote, held in a session closed to the press, came after the 35-member NDPRB heard pitches June 21 and 22 from BBDO, Grey Advertising, Young & Rubicam and the new Dairy Promotion Federation Assn. (AA, June 21).

The federation, established last week, is made up of the United Dairy Industry Assn., the California Milk Advisory Board and the Oregon and Washington state dairy products commissions.

After hearing the presentations for the $65 million-to-$190 million account (AA, June 14), board members could reach no clear majority on a winner, leading to the decision to hire the consultant.

Louis Calcagno, chairman of the ad committee, said he expects "further negotiations between the advertising committee and the advertising presenters." The board allocated $10,000 to a search committee to find the consultant.

Mr. Strickler indicated the board is looking for a campaign with a budget split this way: Approximately 80% to 85% spent on fluid milk and cheese and the remainder on solid dairy products, including butter and yogurt.

All board members participated in the vote despite questions of conflict related to those directors who are also board members of the federation's component organizations. Mr. Strickler said that because none of those organizations would be getting funds directly, there was no conflict.

The NDPRB, which is administering the ad funds, had asked the three agencies and the federation to base their presentations on an $80 million account. There was no indication of how the NDPRB would split the funds between advertising and promotion. The funds are becoming available through an assessment on dairy farmers under the Tobacco &

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highlights

Monday, June 25, 1984

Avon Products is asking $200 million for its Tiffany & Co. jewelry store operation, analysts say, but it might be overpriced. There is concern that the once-precious gem of an operation has been tarnished. *See Page 10.*

The Washington Times will use direct mail to promote the rollout today of its national edition into a second market, Southern California. *Times'* officials abandoned the strategy used in its northern California rollout, that of inserting copies of the *Times* into editions of local newspapers. *See Page 14.*

Public tv's "MacNeil/Lehrer NewsHour" is seeking viewer support with a multi-million-dollar campaign. The campaign, primarily in print, uses the theme "Complex issues get the time they deserve." *See Page 24.*

Volkswagen of America has christened its replacement model for the Rabbit. The Golf, a worldwide model, now will be sold in the U.S. under that name. *See Page 26.*

If stereo tvs are on their way to the marketplace, can stereo commercials be far behind? Yes, say agency executives, who aren't interested in producing new stereo spots until they can be seen and heard by a significant number of viewers. *See Page 28.*

AT&T has decided to increase its commercial time during the Summer Olympics on ABC. The buy comes as the network and advertisers consider the effect of the Eastern-bloc boycott of the games. *See Page 91.*

A new New York publication, *Manhattan, inc.*, hopes to succeed by combining the formats of city and business publications. It's due out in September. *See Page 92.*

CORPORATE CLOSEUP

Leo Van Munching Jr. believes in knowing the ins and outs of his business and staying involved with even the smallest details. That has led Van Munching & Co. to its position as one of the most successful U.S. beer importers. The company handles Heineken, the biggest-selling import in the country. *See Page 4.*

VIDEOTECH

Intellivision has grown from the remains of Mattel's disbanded electronics division to become a new company that believes it can make a profit on videogame software. Company executives hope to gross $50 million in sales in the next year. *See Page 82.*

ABC is hoping to enlist advertiser support for programs dealing with sensitive subjects by distributing a new guide to the network's standards and practices, called "Sexuality, Television and Broadcast Standards." *See Page 82.*

Viewers who are growing up with MTV: Music Television are going to demand fast-paced commercial tv in the future. That's according to one noted NBC executive who spoke at a recent tv panel. *See Page 83.*

COMING THURSDAY

The annual report of the 100 leading media companies in the U.S. in 1983 as profiled by Advertising Age features revenue breakdowns by media, listings of cable, magazine, newspaper and broadcast properties, details of buyouts and sellouts among the leaders and recent personnel changes.

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WASHINGTON BEAT 41
WORLD NEWS ROUNDUP 3

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Upfront tv sales near $2.3 billion

By JAMES P. FORKAN

New York—Following a blistering sales pace throughout last week, the tv networks appeared ready to shut down their 1984-85 upfront prime time sales efforts within striking distance of a $2.3 billion sales total.

Perhaps the biggest marketer to have closed its upfront package buys late last week was General Foods Corp., with Procter & Gamble wrapping up some loose ends and expected to finish its upfront by Friday night.

Robert Blackmore, NBC's senior vp-sales, said at press time that upfront is "basically over" at NBC, which he put at the $800 million mark, and that the three-net total should be about $2.2 billion.

That gibes with the unofficial word from the networks and many agencies that the Big 3's upfront coffers probably would hold $2.2 billion to $2.3 billion, up sharply from $1.85 billion a year ago (excluding $450 million or so in Olympics business).

Jerome Dominus, CBS' vp-sales, said, "There's a ton of money out there and it's coming in." NBC, which estimated its upfront business through June 15 at almost

(Continued on Page 115)

corporate closeUp

Van Munching style takes importer to top

By GAY JERVEY

New York—Marvin Kimmel recalls the moments well.

Mr. Kimmel, a Florida beer distributor, would be relaxing or finishing a day's work when the phone would ring.

It would be Leo Van Munching Jr. on the line, with a simple question: "What happened to my shelf space at the Winn-Dixie on Southeast Eighth Street?"

Such hands-on involvement by a corporate head is the exception, not the rule. But Mr. Van Munching's style keeps distributors and others on their toes, and there is a method to his fervor. His approach, invariably described as intense, smart, thorough—and enormously successful—has propelled the privately held Van Munching & Co. into what is, as one competitor sighed, "one of the most profitable beer operations around."

As president, Mr. Van Munching controls a company with operating profits estimated at $65 million to $70 million in 1983. The money flows in from a product line that includes the runaway best-selling imported beer in the U.S., Heineken, as well as the new, fast-growing brands of Amstel Light and Grizzly beers.

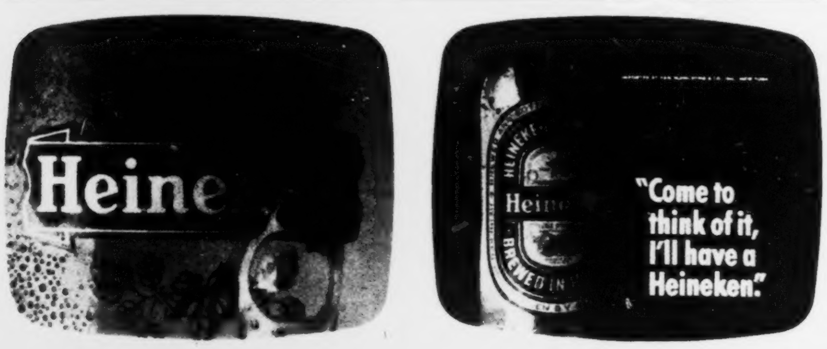
Without question, Van Munching is one beer company that has successfully negotiated changing U.S. drinking patterns. Though imported beers account for only 3.2% of the market, their sales growth has outpaced the rest of the industry, led in no small way by the Van Munching brands.

But brands are just part of the Van Munching formula. Industry sources say the heart and soul of the Van Munching company's success comes straight from the Van Munchings themselves—their competitive philosophy, work ethic and unusually intimate involvement with the ins and outs of their business.

"The personality of Van Munching [& Co.] reflects its ownership more than any other company I deal with," Mr. Kimmel said. "Leo is a hands-on manager who knows every facet of the industry."

"Leo Van Munching really defines the company," agreed Ron Braynas, vp of Forbee Bros. Corp., a Brooklyn distributor. "His personality is pervasive, and he's one of the best-informed men in the industry."

It helps that Mr. Van Munching, who succeeded his father as company president in 1980, learned his lessons early, right at home. On Dec. 6, 1933—the day after Prohibition ended—Leo Van Munching Sr. arrived from Amsterdam as a representative of Heineken Breweries. He brought with him his wife, two children and 25 cases of Heineken. His job was clear: To bring to America the beer Dutchmen loved most.



"Imports fit into their own category. They add mystique, romance and have been instrumental in upgrading beers, in helping to move them out of the undershirt-and-suspender-type image."

—Leo Van Munching Jr.,
president, Van Munching & Co.

In 1946, Van Munching & Co. was incorporated as exclusive U.S. importer for Amsterdam-based Heineken. Sales of those green bottles and their contents have climbed consistently ever since, reaching 32.2 million case shipments last year, according to *Impact*, an industry newsletter published by M. Shanken Communications, New York. Heineken commands 37% of imported beer sales, outdistancing its nearest competitor, Molson, by more than 18 million cases.

Heineken's success has come hand in hand with—and to a large degree has stirred—the imported-beer phenomenon on these shores. Until the early 1970s, when Heineken

(Continued on Page 96)

adWatch

BK ads trigger awareness gain

By SCOTT HUME

It's said that nothing in life is certain but death, taxes and eventual loss of advertising accounts. Consider a fourth entry to that list.

A new certainty seems to be a solid jump in advertising awareness for Burger King every time it launches a new set of comparative commercials.

Asked last month to name the first fast-food advertising that came to mind, 229 respondents, or 18.3% of the 1,250 adults polled in the Advertising Age monthly adWatch survey, said "Burger King." That represented a gain of 6.9 percentage points over the April survey, when 11.4% said Burger King's advertising first came to mind.

Burger King launched its latest assault on archrivals McDonald's and Wendy's April 30, a $40 million flight of new spots resurrecting the "broiling vs. frying" issue (AA, April 30). One of those spots, which featured a parody of children's-show host Mr. Rogers, gained added attention when it was dropped at Mr. Rogers' gentlemanly request (AA, May 10).

This latest comparative campaign is Burger King's fourth since September, 1982, when its advertising first began extolling the chain's flame-broiled burgers while asking consumers to turn up their noses at other chains' "fried" burgers. Also for the fourth time, Burger King's advertising awareness has risen significantly as the new campaign began.

That's the good news for Burger King.

The bad news is that the increase in awareness has gotten progressively smaller. When the first advertising salvo broke in late 1982, catching competitors and consumers off-guard with its sharp-edged message coupled with disarming—if mock—politeness, Burger King's advertising awareness jumped 15.7 points (still the adWatch record). New spots broke in March, 1983, and the chain's awareness score jumped 10.6 points.

Burger King had lost most of those gains by October, 1983. But

(Continued on Page 113)

May winners and losers

Question: Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which ad first comes to mind? Note: A change of plus or minus 2.8 points is considered statistically significant. *Source: SRI Research Center Inc., Lincoln, Neb.*

	Change in % of responses since April
Apple	**+9.1**
Burger King	**+6.9**
American	**+3.2**
Budweiser	**-3.0**
McDonald's	**-3.3**
Chevrolet	**-3.5**
Wendy's	**-5.9**

Ad ban drive hits beer, wine

Washington—Riding the coattails of President Reagan's campaign against drunk driving, a coalition of consumer, religious and educational groups is asking the federal government to do to beer and wine advertising what it did to cigaret ads—take them off tv and radio.

Led by the Center for Science in the Public Interest, the coalition plans a press conference here today to announce a petition drive urging Congress to ban electronic advertising of beer and wine or require that time be made available for counteradvertising. The goal, organizers said, is one million signatures.

The President and key congressmen have made drunk driving a high-visibility political issue this spring, and CSPI and its 25 allied groups sense an opening to broaden the debate to include advertising's alleged role in the problem. Thus far, CSPI executive director Michael Jacobson, a longtime critic of alcoholic-beverage advertising, has been unable to get the ear of key lawmakers and regulators working on the issue.

One pressure group that has demonstrated clout in Congress, Mothers Against Drunk Driving, Dallas, is not part of the CSPI coalition and has instead lobbied for legislation to make 21 the minimum drinking age in states around the country. Candy Lightner, founder of MADD, said the organization's board has taken "no position on the [advertising] issue and probably won't for a long time because of other priorities."

The CSPI coalition, which includes the National Congress of Parents and Teachers and the United Methodist Church, contends that only the federal government can protect consumers from industry ads that unfairly target young persons and heavy drinkers.

The federal ban on tv and radio advertising of cigarets sets a precedent for action against beer and wine ads in electronic media. Liquor ads already are off-limits on tv and radio, but by self-regulatory agreements and not government fiat.

Counteradvertising, CSPI's alternative to an outright ban, has not been a serious regulatory threat since the Federal Communications Commission in 1974 stopped applying its Fairness Doctrine to product commercials. The FCC at one time had said product spots could represent one side of a controversial public issue that would require "balancing" countermessages.

Representatives of the beer and wine industries categorically rejected the ban proposal and the underlying premise that advertising encourages consumption.

Douglas Metz, exec vp and general counsel of the Wine and Spirits Wholesalers of America, said his industry opposed any attempt to restrict its freedom of speech.

Among the 25 groups supporting CSPI's Operation SMART (Stop Marketing Alcohol on Radio and Television) are Consumer Federation of America, Public Citizen, Action for Children's Television and the American Council on Alcohol Problems.#

ACT raps kid's show profit sharing

Washington—Action for Children's Television, rebuffed in its earlier efforts to sell the Federal Communications Commission on tighter control over children's programs, has found a new platform in the profit-sharing formula for Telepictures Corp's. proposed "Thunder Cats" animated strip.

Under a proposed barter deal, stations accepting the syndicated program and providing three to three and a half minutes for barter advertising will participate in profits from "Thunder Cats" toys sold in their coverage area. In a petition to FCC today, ACT argued that this is a "perversion of programing incentives" which "places broadcasters in a position where self-interest in profit sharing from product sales works against the programing interest of the audience."

ACT reminded FCC that it frequently has stressed the role of market forces—the broadcaster's need to attract viewers in order to generate advertising revenue. "The proposed profit sharing and similar schemes would negate the self-regulating capacity of viewer control and so-called viewer-pattern voting," ACT argued.

ACT's proposed rule aims at situations where stations air programs in exchange for a share of profits from sale of products bearing the name of the program, program characters and/or program devices. "If this practice is allowed," ACT contended, "tv stations will inevitably begin to consider the commercial potential of the products related to children's programs, rather than the quality or public-interest benefits of the programs themselves."

ACT president Peggy Charren claims the profit-sharing proposal is a consequence of past FCC refusal to respond to ACT's petitions against "program-length commercials." "Last October, ACT asked the FCC to put an end to program-length commercials on children's tv—programs based on toys and other products, that are nothing more than one long advertisement disguised as children's shows," she said. "Since the FCC has done nothing, that practice is proliferating."

ACT also has circulated its document to key members of Congress.

"Thunder Cats" would be produced by Rankin-Bass, a Telepictures subsidiary, for the 1985-86 season. Under the barter arrangement, stations signing now would share in profits from "Thunder Cats" toys in perpetuity, even though they drop the show.#

New nurses' uniforms sporting 'Foxy' fashion

Los Angeles—Nurses uniforms finally may cast off their drab image with a little help from 20th Century Fox.

The motion picture and tv studio's licensing and merchandising arm has linked with career-apparel marketer Crest Uniform Co., New York, to manufacture and distribute a line of designer nurse clothing under the logo of the Fox tv series, "Trapper John, M.D." Crest will introduce the new line, which aims to introduce fashion into a field that up until now has been solely concerned with function, in nurses' clothing outlets in the U.S. this fall. The line's introduction will coincide with the show's season debut.

Actress Christopher Norris, who portrays nurse Gloria Brancusi on "Trapper John," will be the spokesperson for the line. Her likeness will be shown on the garments' hangtags, on point-of-purchase materials and in print ads, which will use the theme line "The look says fashion, the image says professional."

The "Trapper John" licensing deal is the latest in a string of associations the Los Angeles studio recently has signed around some of its more successful tv shows, including "Dynasty" (AA, Jan. 23).#

JVC pulls together ad image

By ROBERT RAISSMAN

Looking for continuity and increased awareness for its product lines, JVC Co. of America will break the tv portion of a $10 million campaign this week. The effort marks the beginning of a five-year plan JVC executives hope will make the company a major advertising factor in the consumer-electronics marketplace.

For the past seven years JVC, which pioneered the VHS concept in videocassette recorders, has been known as a leader in technology. Its advertising budgets continuously have grown. In 1983, Leading National Advertisers put JVC spending at more than $4 million. However, the company has had little awareness beyond electronics buffs.

"We have been aware of the unawareness for some time," said George Meyer, JVC advertising manager. He explained that parent Victor Co. of Japan began remedying the situation when it put all its exports under the JVC name eight years ago.

The second step will be the new campaign. Bill Crandall, senior vp-management supervisor at JVC's agency, SSC&B, New York, explained that although each JVC unit has a separate ad budget, all future advertising will have a unified look, highlighted with a gray bar and the red JVC logo across the bottom.

The agency also is working on a unified tag line that will show up in JVC ads later this year.

"Outside of the major names in consumer electronics, most of the advertising is just a hodgepodge," Mr. Crandall said. "What we have done is created a uniform look although all the products are actually advertised separately."

Spencer Plavoukos, vice-chairman-chief operating officer at SSC&B, said applying a unified format across the board wasn't easy. "We had to pull things together without sacrificing specific brand objectives," he said. "The objective for the company's new videocamera is different than a hi-fi."

The focal point of JVC's tv effort is its new videocamera, the VideoMovie. The lightweight camera has its own VHS video deck in a self-contained unit and is hand held, unlike the "straphanger" models.

The tv spot features the camera zooming in on a family going up in a hot-air balloon. As the balloon takes off, a voiceover says: "In low-light or daylight the picture is incredible." The man in the balloon passes the camera to his son. "And VideoMovie is so lightweight," the voiceover says, "you're free to be more creative. Get your hands on the videocamera and recorder in one. . .and hold everything."

Print ads for the camera, along with a number of other JVC products, will appear in a number of trade and consumer magazines, including *Esquire*, *Life*, *People* and *Playboy*.#

JVC
JVC
HOLD EVERYTHING!
JVC introduces the video camera with a VHS tape deck built right in
JVC

JVC is trying for a unified look in its ads, which will feature a gray bar and the red JVC logo across the bottom. SSC&B handles.

195,906 Men*
in St. Louis
Are Missing!

That's how many men your advertising misses if you don't buy the Suburban Newspapers.

Check us out, you'll find that nobody...but nobody delivers more potential buyers in the St. Louis SMSA than we do.

We're THEMARKETPOWER!

Ask for your MARKETPOWER MEDIA FACTS KIT. It's free...just call 314-868-8000 (North Main Office) or 314-481-1111 (South Main Office) or ask your USSPI representative.

The Suburban Newspapers of Greater Saint Louis

THEMARKETPOWER

"We hit your customers where they live."

* Source Simmons Readership Study, St. Louis SMSA April, 1982

USSPI Represented nationally by U.S. Suburban Press, Inc.

Convention spawns its own news media

Washington—Unfazed by large price or small audience, advertisers have bought out almost all the available space in an experimental daily party convention publication targeting the assembled national policymakers.

The *National Journal* is publishing the 32 and 40-page tabloids at both conventions, and already reports selling more than 90% of the available ad space. Sales outstripped last fall's projections by publisher John Fox Sullivan, who originally planned 16 and 24-page papers (AA, Sept. 5). A b&w page in the tabloid costs $7,500, and *National Journal* promises that about 15,000 free copies will be distributed each day.

If the print experiment is soaring, a five-day cable tv program planned only for the Democratic convention in July flies slightly lower. With barely two weeks left to book ads, the Kamber Group's CTV (convention tv), a late starter which allowed itself only three months from announcement to gavel time, reports it still has 30% to 35% of the time available on its predominantly entertainment and information program that will be piped to about 15,000 convention hotel rooms in San Francisco.

Total production cost for the five six-hour programs that will air twice every covention day is $250,000, said Kamber, with sales so far totaling about $170,000.

Whereas the *National Journal's* tabloid will focus on convention events, Kamber's cable program will offer more entertainment and "a relief from commentary." Programing will include political satirist Mark Russell, columnist Jack Germond with dining recommendations and actress Jane Fonda leading exercises. Ad rates are $3,500 for 30 seconds and $7,000 for a minute, with discounts up to 15% for appearing all five days. Kamber said it was still "flexible" on rates and willing to discount.

Mr. Sullivan said he plans 176 pages at each convention, with about 30% to 35% for ads. Among those already set are General Motors, which last fall purchased all 10 back pages for op-ed style ads, and LTV Corp. Mr. Sullivan said LTV was planning a particularly innovative series of ads disclosing results of convention delegate surveys on major issues. The surveys are being conducted before the conventions. "That's an example of advertising that is particularly useful to the readers, who themselves will be the ones who were polled," Mr. Sullivan said.#

corrections & clarifications

- Rick Busciglio's correct title at McCann-Erickson is senior vp-director of broadcast (AA, June 18, P. 2).
- Ally & Gargano's revenues were $4,257,000 for the first three months of '84, a 4.4% decrease from the $4,451,000 reported for the same period a year ago (AA, May 28, P. 59).
- An item on *PC Retailing* (AA, May 21, P. 73) should have said it named ESCO Media Group, Flushing, N.Y., as its international ad sales rep.
- Wieden & Kennedy, Portland, Ore., handles Nike's national shoe advertising for all sports, as well as all of its national co-op advertising, both print and tv (AA, June 18, P. 4). Estimated 1984 spending for W&K's portion is about $2 million. That agency handled the total Nike account until the company appointed Chiat/Day, Los Angeles, to launch its national brand advertising last year.#

INTERNATIONAL AGENCY/CLIENT REPORT

How to read the charts

The charts in this special section were supplied by agencies based on the following criteria:

- Clients must be in three or more countries by the end of 1983.
- Client business must add up to an aggregate of $3 million.
- An asterisk (*) notes that an agency included affiliated (no-equity) shops because of their importance to the agency's business.

The country list is not a rundown of each agency's shops worldwide.

Some agencies did not cooperate. In such cases, Advertising Age collected the data independently from its correspondents and gave those agencies the opportunity to comment.#

N W Ayer	The Americas										Europe															Pacific					
clients:	USA	Argentina	Brazil*	Canada*	Chile*	Peru*	Uruguay*	Colombia*	Virgin Isl.*	Ecuador*	Austria*	Belgium	Denmark*	France	Germany	Italy	Netherlands	Norway*	Spain	Sweden	Switzerland*	UK	Finland*	Greece*	South Africa*	Australia	Japan*	Hong Kong	New Zealand	Singapore*	Thailand*
Deere & Co.	●	●			●	●	●				●	●	●	●	●	●	●	●	●	●	●	●	●								
Bahamas Tourism	●													●	●	●	●		●			●									
Economics Laboratory												●				●			●	●			●			●					
Rolls-Royce	●													●	●			●	●	●		●		●							
AT&T	●	●	●								●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Chemical Bank	●											●								●											
CN Rail	●			●										●	●												●	●			
General Motors	●											●										●					●				
Nabisco Brands												●										●				●			●		
S.E. Banken															●					●		●	●								
Plessey												●		●	●	●						●									
McGregor Navire													●	●			●	●	●	●		●	●	●							
Centocaur														●	●	●						●									
Unichema														●	●							●									
GE Medical Systems	●													●	●													●			
Sidmar	●											●		●	●	●						●									
Johnnie Walker	●				●			●	●	●	●	●					●							●				●			
Viewmaster												●	●	●	●	●	●	●	●	●	●	●	●								
TAG	●											●	●	●	●	●	●	●	●	●	●	●	●		●						
Avon	●													●								●									
Firestone												●		●	●		●		●			●									

**Non-equity affiliation. Source: N W Ayer*

N W Ayer

N W Ayer, New York, had non-U.S. gross income of $14.2 million, or 14.6% of total gross income of $97.4 million in 1983. It had non-U.S. billings of $92 million on total billings of $650 million. The N W Ayer network has 12 partner agencies and 26 associate agencies. It owns majority or maximum-allowable stock in four.

The Ayer network was nonexistent 10 years ago when total gross income was $26.2 million out of $175 million in billings. By 1978, the company had non-U.S. gross income of $2.2 million, or 4.5% of total gross income of $48.7 million. Non-U.S. billings that year were $14.6 million, or 4.5% of total billings of $325.1 million. Ayer gathered equity in shops in Milan, Wierden (Holland), London and Paris in 1983.

Top execs include Louis T. Hagopian, chairman; Jerry Siano, vice-chairman, John Roedig, senior vp-finance; Jerry N. Jordan, president-intl; Thomas C. Sweitzer, senior vp-intl; Bruce A. Macdonald senior vp-Europe, Mideast, Africa; David Dodd, senior vp-Latin America; James P. Foley, senior vp-Asia, Pacific; Robert Young, vp-financial director.

BBDO International	The Americas									Europe															Pacific					
clients:	USA	Argentina	Brazil	Canada	Chile	Peru*	Colombia*	Mexico	Puerto Rico	Austria*	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Greece	South Africa	Middle East	Australia	Japan	Hong Kong	New Zealand	Singapore	Malaysia
Agfa-Gevaert	●										●				●	●		●				●					●	●	●	●
Apple Computer					●	●	●	●	●				●	●	●	●		●	●		●		●	●						
Campbell Soup	●							●	●																●		●		●	
Del Monte	●								●					●							●			●			●			
Frito-Lay	●							●	●																					
Gillette	●		●				●	●			●	●	●	●				●	●	●	●	●	●	●	●		●			
Pepsi-Cola	●					●	●	●		●					●	●		●				●	●	●	●					
Philips N.V.														●		●		●		●	●	●								
Quaker Oats	●												●	●	●	●									●					
Wm. Wrigley Jr.	●			●								●	●	●					●											

**Non-equity affiliation. Source: Advertising Age*

BBDO International

BBDO International, New York, had non-U.S. gross income of $90 million, 31.1% of total gross income of $289 million in 1983. The agency had non-U.S. billings of $600 million, or 30.8% of total billings of $1.949 billion. The BBDO network covers 31 countries and 57 agencies outside the U.S. Equity is held in 31 of the agencies.

BBDO's non-U.S. business climbed from an estimated $13.4 million in gross income, or 21% of total gross income in 1973, to $52.3 million, or 39.5% of total gross income in 1978. During that period, non-U.S. billings grew from $89.5 million, or 20.9% of the total, to $348.5 million, or 47.5% of total billings.

The agency's percentage drop in non-U.S. activity in 1983 is a sign of BBDO's active acquisition policy stateside and the building up of its U.S. client base. Since 1978 some of the bigger U.S. shops purchased by BBDO include Tracy-Locke/BBDO, Waring & LaRosa, Lavey/Wolff/Swift and Arthur Meyerhoff.

In 1983, BBDO International acquired one major world client—Apple Computer.

Top execs: Bruce Crawford, president-ceo, BBDO Intl; Allen Rosenshine, exec vp, BBDO Intl, and chairman-ceo, BBDO; Willi Schalk, exec vp, BBDO Intl, and president-intl group; William Wilson, exec vp-intl group.

Ted Bates Worldwide	The Americas										Europe														South Africa*	Middle East*	Pacific							
clients:	USA	Argentina*	Brazil*	Canada	Chile*	Peru*	Mexico	Paraguay*	Colombia	Venezuela	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Greece	Finland			Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Indonesia	Malaysia
BAT				●								●		●				●	●			●	●				●						●	
Beiersdorf	●							●				●		●				●		●				●										
Cadbury Schweppes	●			●									●									●												

Ted Bates Worldwide

Ted Bates Worldwide, New York, had non-U.S. gross income of $143.6 million, 37% of total gross income of $388 million in 1983. The agency had non-U.S. billings of $957.1 million, or 37% of total billings of $2.59 billion.

(Continued on Page 56)

Ted Bates Worldwide

	The Americas										Europe																Pacific							
clients:	USA	Argentina*	Brazil*	Canada	Chile*	Peru*	Mexico	Paraguay*	Colombia	Venezuela	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Greece	Finland	South Africa*	Middle East*	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Indonesia	Malaysia
Colgate-Palmolive	●	●	●	●	●	●	●	●				●		●	●	●	●		●				●		●		●		●	●	●	●	●	●
De Beers																													●		●	●	●	●
DHL	●	●	●	●	●	●			●	●				●		●	●		●		●	●	●	●		●	●	●	●	●	●		●	
Estee Lauder	●									●	●	●		●		●			●						●			●	●					
Hong Kong Bank Group															●														●		●		●	●
Leitz														●	●			●									●							
Mars confectionery	●	●	●	●	●						●	●	●	●	●	●			●		●	●	●				●	●			●	●		●
Mars petfoods	●			●	●						●	●	●	●	●	●	●		●		●	●	●				●	●						
Matsushita	●						●			●					●		●	●				●					●							
Mobil	●												●											●								●		
Nicholas Products												●		●	●		●		●		●	●			●					●				
Novo Enzymes	●	●	●									●	●			●			●			●	●		●	●	●	●						
Schering-Plough	●			●			●		●		●								●			●												
Seiko/Pulsar	●	●								●			●				●			●		●	●				●			●				●
Shell									●									●			●								●	●				
Simmons	●	●								●		●																						
Tampax	●																										●		●	●	●	●	●	●
Thomas Cook				●						●						●						●			●	●	●	●	●					●
Union Carbide	●			●																							●		●	●	●	●	●	●
Warner-Lambert	●			●								●		●			●		●				●				●							

*Non-equity affiliation. Source: Ted Bates Worldwide

Benton & Bowles

	The Americas									Europe													Pacific					
clients:	USA	Argentina	Brazil*	Canada	Chile	Peru	Uruguay	Mexico	Venezuela*	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden*	Switzerland	UK	Africa	Australia*	Japan	Hong Kong	New Zealand*	Singapore	Thailand
Corning	●												●								●							
Digital Equipment	●		●	●							●	●	●	●	●	●	●	●	●		●							
Emery	●			●				●													●		●	●		●		
General Foods	●							●				●	●		●			●			●							
Johnson Wax											●				●						●							
Nabisco Brands	●												●					●										
Procter & Gamble	●			●				●	●		●	●	●	●	●	●					●							
Quaker Oats								●				●					●											
Richardson-Vicks	●										●			●		●		●			●							
Texaco	●													●		●	●											
Lee Jeans											●		●	●		●					●							

*Non-equity affiliation. Source: Benton & Bowles

Leo Burnett Co.

	The Americas											Europe															Pacific							
clients:	USA	Argentina	Brazil	Canada	Chile	Panama	Colombia	Venezuela	Mexico	Puerto Rico	Dominican Rep.	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway*	Spain	Sweden*	Switzerland	UK	Finland*	Greece	Lebanon	Egypt	Australia	Japan	Hong Kong	New Zealand*	Singapore	Thailand*	Malaysia	Philippines
Bayer/Miles			●				●	●	●	●					●	●			●			●		●	●	●								
Beecham			●	●	●		●	●	●				●		●				●					●			●	●	●			●	●	
Cathay Pacific Airways				●											●			●		●		●	●				●	●	●	●	●	●	●	
Kellogg	●			●			●	●	●	●		●	●		●				●			●					●		●					
McDonald's	●		●			●				●		●	●	●																				
Memorex	●											●		●	●				●			●												
Nestle	●	●							●	●	●			●								●					●		●		●	●	●	
Philip Morris	●		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		●		●	●	●	●	●	●	●	●			●		●	
Pillsbury/Green Giant	●			●						●				●	●							●												
Procter & Gamble	●			●	●	●		●	●			●		●	●	●	●		●		●	●		●	●	●	●	●	●		●		●	●
Seagrams				●			●		●																									
Seven-Up Co.	●	●			●		●	●	●	●	●		●	●	●	●	●		●			●						●	●		●	●	●	●
Star-Kist	●			●									●	●	●																			
Union Carbide	●			●			●						●						●							●			●					●
United Airlines	●								●													●					●							
Warner-Lambert							●	●	●															●		●						●		

*Non-equity affiliation. Source: Leo Burnett Co.

(Continued from Page 54)

The Bates network covers 35 countries and 52 agencies.

Bates' non-U.S. gross income as a percentage of the total has risen from 47.6%, or an estimated $36.5 million in 1973, to 58.1%, or $76 million gross income in 1978. Non-U.S. billings were $243 million, or 50.2% of the total in 1973, and $465.2 million, or 52.3% of the total in 1978.

The drop in non-U.S. billings percentage the past five years is credited largely to Bates' acquisition of Sawdon & Bess, McDonald & Little and William Esty Co., agencies with nominal international volume. Their collective gross incomes and billings in 1983 were $95 million and $633 million, respectively.

Cadbury Schweppes was added to its world list in 1983.

Top international personnel: Robert E. Jacoby, chairman, president-ceo, Ted Bates Worldwide, and chairman Ted Bates Advertising/New York; John R. Hoyne, exec vp, president-international group; William H. Maynard Jr., vice-chairman, director-worldwide creative services; Keith H. Cousins, chairman, Australia-New Zealand, Southeast Asia Group; Michael English, chairman, United Kingdom Group, and Armand de Malherbe, president, Europe Group.

Benton & Bowles

Benton & Bowles, New York, had non-U.S. gross income of $46.1 million, or 32% of total gross income of $144.3 million in 1983. Non-U.S. billings were $354.5 million, or 35.3% of total billings of $1.01 billion. The network includes 14 countries. Majority or maximum-allowable equity is held in 14 agencies.

In 1973, B&B's non-U.S. activity was $16 million in gross income, or 38.9% of the $41.1 million total; its non-U.S. billings for the year were $91.3 million, or 34.6% of the total. In 1978, non-U.S. gross income rose to $23.9 million, or 32.2% of the total; its non-U.S. billings were $151.8 million, or 29.1% of total billings.

During 1983, B&B bought 15% of Leveille/B&B, Montreal, and 100% of B&B, Bologna.

The network gained one $3 million-plus client, Fiat & Crippa & Berger, Italy.

Top international execs include John S. Bowen, chairman-ceo; John Ferries, senior vp-director, Europe; and Bernard Kanner, senior vp-group exec, director-intl operations.

Leo Burnett

Leo Burnett Co., Chicago, had non-U.S. gross income of $82.7 million, or 38% of total gross income of $215.3 million in 1983. Its non-U.S. billings were $551.5 million, or 38% of total billings of $1.47 billion. The agency network encompasses 37 countries, with majority or maximum-allowable equity held in 30 agencies.

Burnett's network generated gross income of $28.9 million, or 37% of the total in 1973; its non-U.S. billings were $194.3 million, or 37% of the total. In 1978, non-U.S. gross income was $39.2 million, or 30% of total gross; its non-U.S. billings were $261.8 million, or 30% of the total.

During 1983, Burnett bought 30% ownership in Hemisphere-Leo Burnett in Manila. Burnett added $33.7 million in business from new international clients, including Saudia and Apple Computer.

Top international execs include W.A. Wiggins, chairman-ceo; R.L. Barocci, president; J. Novas, vice-chairman; J.C. Kraft, exec vp; D.S. Reid, senior vp; N.A. Saffouri, assistant to chairman. World regional responsibilities are handled by J. Novas (Europe/Middle East); F. Grace (Australia/New Zealand); K. Rubie (Far East); S. Suarez (Latin America); D. Dunlap (Canada).

Dancer Fitzgerald Sample	The Americas						Europe															Pacific					
clients:	USA	Argentina*	Brazil*	Canada*	Chile*	Colombia*	Austria*	Belgium*	Denmark*	France*	Germany*	Italy*	Netherlands*	Norway*	Spain*	Sweden*	Switzerland*	U.K.*	Finland*	South Africa*	Middle East*	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
Toyota	●																					●	●				
Wendy's	●										●	●			●					●		●	●				
Beneficial Finance	●																	●				●	●				
L'eggs	●																					●	●				
Yoplait yoghurt	●	●			●	●																					
Duracell		●	●						●	●		●				●		●	●								
Hanes	●			●																	●						
Hewlett-Packard												●			●				●	●							
Gestettner copier										●		●	●					●		●							
Shulton toiletries	●		●								●																
Wrangler jeans	●		●												●												
Faxe beer								●	●			●				●											

*Non-equity affiliation. Source: Dancer Fitzgerald Sample

D'Arcy MacManus & Masius	The Americas										Europe																Pacific						
clients:	USA	Argentina	Brazil	Canada	Curacao*	Colombia*	Mexico	Puerto Rico*	Panama*	Venezuela*	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Finland	Greece	South Africa	Zimbabwe	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Indonesia
Mars Inc.	●			●				●			●	●	●	●	●	●	●	●	●	●	●	●	●	●			●		●				
Reckitt & Colman																●						●		●						●			
Mobil Oil												●				●	●					●			●		●			●			
Combe International																●		●					●				●			●			
Bristol-Myers																									●		●			●			
Detroit Diesel Allison (GM)	●																					●					●						
Philips													●				●										●						●
Distillers														●			●					●			●		●						
Kemanobel											●	●	●	●	●	●	●	●				●	●										
Weetabix				●										●								●											
Hoover												●		●		●		●		●	●	●	●		●								
Lee Cooper													●	●		●	●	●		●		●											
Lego											●		●		●		●								●								
Ricoh														●	●	●	●			●		●											
Air Zimbabwe															●									●		●							
Barclays Bank	●			●									●	●	●	●	●		●		●	●		●			●		●				
DFDS Seaways	●												●									●											
Dunlop											●		●			●				●	●			●		●							
Kimberly-Clark													●		●			●		●		●											
Florists Transworld Del.	●			●															●			●											
Stimorol															●						●					●	●						
Richardson-Vicks							●																				●			●		●	●
Anheuser-Busch	●			●																									●				
General Tire & Rubber	●			●																					●								
Schering-Plough				●																					●			●					
Colman	●			●																							●						
Dow Chemical	●			●			●									●																	
Deltona					●	●		●		●																							

*Non-equity affiliation. Source: D'Arcy MacManus & Masius

Doyle Dane Bernbach	The Americas								Europe														Pacific					
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Mexico	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	South Africa	Middle East*	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
AMF Tyrolia									●			●	●						●									
Audi Automobiles	●			●						●		●					●						●		●			
Atari	●								●	●		●	●		●				●	●				●	●		●	
Blendax									●	●			●															
Chanel	●			●													●							●				
Ciba-Geigy														●			●						●					
Citicorp	●							●																●	●			

Dancer Fitzgerald Sample

Dancer Fitzgerald Sample, New York, had non-U.S. gross income of $19.1 million, or 16.9% of total gross income of $113.1 million in 1983. The agency had non-U.S. billings of $99.1 million, or 15.8% of $627 million in total billings.

DFS has equity ownership in four agencies (Australia, U.S. and two in Japan) in the network that now covers 18 countries. DFS in March, 1984, agreed to sell its entire European operation to Dorland Advertising, part of the Saatchi & Saatchi Group. That included a network of 15 agencies accounting for $29.7 million in gross income and $213.1 million in billings. DFS ownership had broken down to 33% of its Austrian shop, 100% Belgium, 50% France, 100% Germany, 100% Holland, 36% Dorland in Italy, 41% Delvico DFS in Spain, 64% Sweden and 100% U.K. It did not have equity in Denmark, Finland, Italy's B Communications, Norway, Tapsa in Spain and Switzerland.

In the accompanying chart, the four multinational accounts listed would have been the same had DFS listed its European offices. However, a fifth account—General Mills Toys Group—as a result of the sale to Dorland Advertising, was dropped from the chart because it is now carried only stateside.

D'Arcy MacManus Masius

D'Arcy MacManus Masius, New York, had non-U.S. gross income of $89.6 million, or 49.5% of total gross income of $181.1 million in 1983. Its non-U.S. billings were $600.2 million, or 49.5% of total billings of $1.21 billion. The network covers 25 countries, and it owns majority or maximum-allowable stock in 23 agencies.

In the past 10 years, D'Arcy's non-U.S. activity has kept pace with its domestic growth. In 1973, the agency's non-U.S. gross income was $20.7 million, or 41.9% of total gross income of $49.3 million. Its non-U.S. billings were $137.7 million, or 41.9% of total billings of $328.9 million. In 1978, the agency's non-U.S. gross income had grown to $35.2 million, or 40.9% of total gross income of $86.1 million. Its non-U.S. billings for the year were $234.9 million, or 40.9% of $574.1 million in total billings.

During 1983, the network added Lee Cooper and DFDS Seaways, both billing more than $3 million. Major accounts not listed on the accompanying chart, because they do not bill an aggregate of $3 million in more than three countries, include Alfa Romeo (carried in 11 countries), Citroen (four countries), Abecor (four), Cullinet Software (four) and Brooke Bond Oxo (three).

Top international execs based in New York and Bloomfield Hills (Detroit) include H.G. Bay Jr., chairman-ceo; P.T. Redsell, president-ceo-intl; A. Hampel, S. Arbeit, A. Pilkington and C.D. Brown, exec vps. Europe regional directors based in Europe include L. Bohlin (Scandinavia), R. Harm (Central Europe), I. Kerr (Southern Europe), A. Waedemon (Northern Europe). R. Noonan is regional director-West Pacific, and M. Johnson, appointed regional director-Africa (South Africa) in 1983, is being reassigned to a position in New York.

Doyle Dane Bernbach International

Doyle Dane Bernbach International, New York, had non-U.S. gross income of $53 million in 1983, or 26.6% of total worldwide gross income of $199 million. Non-U.S. billings were $351 million, or 26.6% of total worldwide billings of $1.32 billion. The agency network covers 17 countries

(Continued on Page 58)

Doyle Dane Bernbach	The Americas								Europe														Pacific					
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Mexico	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	South Africa	Middle East*	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
Cote d Or										●				●	●		●											
BSN-Gervais-Danone												●		●			●											
H.J. Heinz	●													●						●								
IBM	●																●					●	●	●				
Ikea									●			●			●										●		●	
Intergold	●			●					●																●			
ITT	●			●					●	●		●			●										●			
S.C. Johnson										●		●	●											●				
Nabisco										●		●					●											
Philip Morris	●																●			●								
Polaroid	●			●				●	●	●		●	●	●	●		●	●	●	●		●	●	●	●			
Porsche	●			●						●			●		●										●			
Quaker Oats				●						●		●																
3M									●	●												●						
Unilever									●										●					●				
Volkswagen	●			●				●		●		●	●		●		●			●			●		●			
Seagram	●									●		●	●		●				●					●				

*Non-equity affiliation. Source: Doyle Dane Bernbach

EUROCOM Group	The Americas							Europe													Pacific					
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
Peugeot									●		●	●	●	●		●		●								
L Oreal									●		●	●	●	●		●		●								
Chanel									●		●	●	●													
G.F. (Hollywood)											●		●					●								
Lotus									●		●	●	●													
Henkel											●			●		●										
Agfa											●	●				●										
Renault Indust.											●	●	●			●										
Beiersdorf									●		●					●										

Source: EUROCOM Group

Foote, Cone & Belding	The Americas										Europe															Pacific							
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Puerto Rico	Venezuela	Mexico	Jamaica	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Portugal	Greece	South Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Malaysia	Indonesia
Cadbury Schweppes													●	●					●			●											
Colgate-Palmolive	●			●					●	●			●	●	●	●			●	●	●	●	●										
Data General	●			●										●	●	●	●		●	●		●											
Gillette/Braun									●					●	●	●	●		●			●											
Johnson Wax	●			●									●	●		●		●	●	●			●		●			●					
Kimberly-Clark	●											●					●								●	●				●		●	
Dart & Kraft	●			●								●			●	●		●	●			●											
Mazda	●			●			●																										
Bristol-Myers	●						●								●				●		●					●							
Calif. Raisin Bd.	●											●	●		●		●	●		●		●											
Wm. Wrigley Jr.															●	●	●		●			●											
Clorox	●			●			●	●	●										●								●						
Frito-Lay	●																									●	●						
Hiram Walker			●					●	●			●	●	●	●	●	●		●			●	●		●	●							
Hughes Aircraft	●															●											●						
Beiersdorf		●													●		●		●				●	●									
Bermuda Tourism	●			●																		●											
Denny's	●																									●		●					
ICI				●										●								●			●								
Quaker Oats	●												●		●		●			●													
Iveco	●										●	●					●		●														

(Continued from Page 57)

in which DDB owns either majority or maximum-allowable stock in 16 agencies.

DDB's non-U.S. gross income and billings have shown a tendency to double on a five-year basis. In 1978, for example, non-U.S. gross income was $27.2 million, or 30.6% of total gross income of $88.9 million; and in 1973, non-U.S. gross income was $13.4 million, or 25% of total gross income of $53.4 million. In billings, non-U.S. billings in 1978 were $181.5 million, or 30.6% of total billings of $592.7 million; and non-U.S. billings in 1973 were $83.6 million, or 25% of total billings of $334.6 million.

DDB went on an acquisition spree in 1983. Its direct-marketing unit, Rapp & Collins, bought 100% of Drescher & Heine in Germany, Intermail in France, MSW in the U.K. and RZA in Switzerland. Venema de Groot ad agency in Amsterdam was purchased and merged into DDB/Netherlands, and DDB/Singapore was founded in December, 1983, with 100% DDB participation.

Major international business won in 1983 included Atari Worldwide ($10 million in billings), Seagram ($4 million), Shulton ($3 million) and International Harvester ($3 million).

Top international corporate officers: Neil R. Austrian, president-ceo, DDB Intl.; Nicolai von Dellingshausen, president, DDB Europe; Clay S. Timon, senior vp-intl. (Canada, Latin America, Asia-Pacific).

Eurocom Group

Eurocom Group, Paris, had gross income of $28.5 million from sources outside France in 1983, or 22.8% of total gross income of $125.2 million. Its non-French billings were $210.3 million, or 24.6% of total billings of $852.3 million. The network encompasses 12 countries and owns majority or maximum-allowable stock in eight of its foreign agencies.

Eurocom's gross income and billings include only financial results from those agencies that are part of Eurocom and not the affiliates of the Univas Network, of which Eurocom is a part. Eurocom foreign shops include ATA Univas and INTHA Univas, both in Italy, Dechy Univas in Belgium, Unitros in Spain, NPO Univas in the Netherlands, MPW Univas in West Germany, and CSWH and UNICOM, both in Switzerland. Under the larger Univas Network banner, five other countries are also represented, but the Univas Network holds only a minor interest in those affiliate shops.

If total (as opposed to percentage ownership) gross income and billings of those Univas foreign holdings were included in the Univas totals, the Univas Network (including Eurocom) would have gross income from sources outside France of $78.2 million, or 44.7% of total gross income of $175 million, and non-French billings of $486.2 million, or 43.1% of total billings of $1.13 billion.

During 1983, the network added the following accounts worth more than $3 million: Chanel in France, Germany, Italy and Belgium; I.W.S. (Woolmark) in Germany and Switzerland; Lattoflex in Belgium and France; Philip Morris in Switzerland, and Toshiba in Germany.

Top international exec is Bernard Brochand, general manager-exec vp, Eurocom Group.

Foote, Cone & Belding

Foote, Cone & Belding, Chicago, had non-U.S. gross income of $50 million, or 24% of total gross income of $208.3 million in 1983. The agency had non-U.S. billings of $333.8 million, or 24% of total billings of $1.39 billion. The FCB network covers 30

(Continued on Page 60)

Foote, Cone & Belding	The Americas										Europe															Pacific							
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Puerto Rico	Venezuela	Mexico	Jamaica	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Portugal	Greece	South Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Malaysia	Indonesia
Citibank	●						●																								●		●
Pearl Vision	●						●		●													●											
Rothmans															●										●	●							
Sears	●			●			●																										
Sunkist Fresh Fruit	●			●								●			●											●		●					
Unilever/Lipton	●														●	●																	
Melitta															●					●						●		●					
Cinzano			●					●				●				●			●			●	●	●		●							
Siemens											●						●	●							●								
Hewlett-Packard													●									●						●					

Source: Foote, Cone & Belding

Grey Advertising	The Americas										Europe																Pacific							
clients:	USA	Argentina	Puerto Rico*	Canada	Chile	Colombia*	Peru	Uruguay	Venezuela	Mexico	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	U.K.	Greece*	Portugal*	South Africa	Middle East*	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Indonesia	Philippines*
BankAmerica	●	●		●	●		●	●	●		●	●	●	●	●	●	●	●	●	●	●	●				●	●	●	●	●	●	●	●	
BAT	●													●	●	●			●				●		●									
Beecham	●		●	●	●										●	●			●		●	●			●			●						
Block Drug	●			●					●		●	●	●	●	●	●	●		●	●		●	●	●	●			●	●	●	●		●	
Bristol-Myers	●											●										●			●			●						
General Foods	●			●	●		●		●					●					●	●		●	●		●									
General Mills Toys	●		●									●		●	●		●		●			●												
BF Goodrich	●	●		●							●	●	●		●	●		●		●	●	●				●	●	●						
Inter-Continental	●										●	●		●	●		●		●		●	●				●			●					
International Playtex	●			●										●		●			●	●		●			●		●							
Kroy	●			●										●					●			●					●							
Mennen	●			●	●				●		●				●					●		●						●						●
Northwest Orient	●											●	●	●		●	●	●		●		●												
Pioneer											●	●		●	●	●	●	●	●		●	●												
Procter & Gamble	●		●	●	●		●		●	●	●	●		●	●	●	●		●	●	●	●	●					●						
Remington	●			●		●			●										●							●	●	●	●	●			
Revlon	●			●	●		●	●	●			●		●	●	●	●		●	●		●	●		●		●	●		●		●		
Seagram & Sons			●	●	●			●							●							●					●						
Timex	●			●							●	●	●		●		●	●		●		●		●						●				
Warner Bros.	●											●				●				●		●												
AES Data				●								●			●		●		●		●	●												
Ciba-Geigy				●	●		●	●									●																	
BSN Gervais Danone											●			●	●																			
Canon	●			●		●								●											●		●							
Carter Wallace	●																●										●		●					
Combe				●								●			●		●																	
Corning												●		●			●																	
Melitta											●	●	●	●	●	●			●	●	●	●												
Playtex	●			●						●				●								●			●									
Renault	●	●		●																													●	
Simplicity	●			●																					●		●			●				
3M	●								●										●									●						
Agfa-Gevaert					●											●			●			●												

**Non-equity affiliation. Source: Grey Advertising*

Hakuhodo	The Americas							Europe													Pacific							
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Malaysia	Philippines
Citizen	●		●									●							●			●	●					
KAO																						●			●	●	●	
Ajinomoto	●		●																			●				●		
Nippon Electric	●											●							●			●	●					

Source: Hakuhodo Inc.

(Continued from Page 58)

countries. It owns the majority or maximum-allowable stock in 19 of its agencies.

FCB's non-U.S. business as a percentage of its total activity has fluctuated the past 10 years from 29%, or $14.3 million gross income out of total gross income of $49.5 million in 1973, to 33%, or $37.1 million gross income out of a total of $111.7 million in 1978 before dropping back to 24% in 1983. Non-U.S. billings were $95.4 million out of a total of $329.8 million in 1973 and were $247.3 million out of a total of $745 million in 1978.

In 1983, FCB purchased majority ownership in Lewis & Gilman of Philadelphia, majority ownership in Norman, Craig & Kummel (the percentage ownership in NCK's 17-country network varies), substantial minority of Quantum:FCB (Indonesia, Malaysia and Singapore) and 100% ownership of FCB/Japan and North-Castle Partners of Greenwich, Conn.

Major clients won in 1983 included Colgate-Palmolive ($38 million in billings); Kimberly-Clark ($15 million); Data General ($10 million); Kraft Foods and Shulton (both $9 million); National Semiconductor ($6 million); Gillette, Hewlett-Packard and South African Transport (all $3 million).

Top international personnel: Norman W. Brown, president-ceo, FCB Communications; John O'Toole, chairman, FCB Communications; Bill Kiely, chairman, FCB/Europe; Emine Messiqua, president, FCB/Europe; Antonio Beja, president, Latin America/Pacific/South Africa; Ed Roncarelli, president, multinational business group. Messrs. Messiqua and Roncarelli were added from NCK, as was Michael Woodward, exec vp-FCB Europe.

Grey Advertising

Grey Advertising, New York, had non-U.S. gross income of $88.8 million, or 41% of total gross income of $213.9 million in 1983. Its non-U.S. billings were $584 million, or 41% of total billings of $1.42 billion The Grey network covers 26 countries, and part or full ownership is maintained in all but 14 affiliated agencies.

International business has accounted for more than 40% of Grey's total business activity for more than five years. In 1978, non-U.S. gross income was $55 million, or 46% of total gross income of $120.2 million. Its non-U.S. billings were $367 million, or 46% of total billings of $802 million. In 1973, non-U.S. gross income was $24 million, or 37% of total gross income of $65.7 million, and non-U.S. billings were $160 million, or 37% of total billings of $438 million.

During 1983, the new agencies added to the network included: Grey Ronalds Smith-Toronto and Montreal; NP/Grey-Aarhus, Denmark; Greco-Paris (pr); PUSH-Gorinchem, the Netherlands; Grey Direct-Johannesburg; Grey Direct-London; Centrepoint-London (sales promotion); Market Horizons-Duesseldorf.

Hakuhodo Inc.

Hakuhodo Inc., Tokyo, had non-Japanese gross income of $6.4 million in 1983, or 3.5% of total gross income of $183.5 million. Non-Japanese billings were $42.4 million, or 3.1% of total billings of $1.38 billion in 1983. The agency network covers nine countries in which Hakuhodo owns the majority or maximum-allowable stock of seven agencies in the network.

Hakuhodo is emerging rapidly in the international advertising market. In 1973, the agency had only domestic (Japan) gross income of $37.1 million on billings of $246 million. By 1978, the agency had gained non-Japanese gross income of $1.4 million, or 1.2% of total gross income of $114.2 mil-

(Continued on Page 61)

J. Walter Thompson

	The Americas										Europe															Pacific								
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Venezuela	Puerto Rico	Mexico	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Portugal	Spain	Sweden	Switzerland	UK	Greece	Norway	South Africa	India*	Australia	Japan	Hong Kong	New Zealand	Singapore	Indonesia	Malaysia	Philippines
American Home Products					●										●						●	●												
Abbott				●	●			●							●							●	●											●
Alberto Culver				●					●																							●		
Allied Breweries																			●			●						●						
BAT					●																					●	●		●			●		
Bacardi												●	●		●		●		●			●	●					●						
Beatrice Foods	●	●							●																		●							
Beecham					●																	●			●	●								●
Brooke Bond Liebig				●																		●				●	●							
Burger King	●			●				●			●		●		●		●	●	●		●	●					●		●		●		●	
CBS Electronics												●		●		●	●		●	●	●		●											
Campari												●	●		●																			
Champion	●	●		●		●	●	●	●	●	●	●	●	●	●	●	●			●	●				●		●	●		●	●			●
Chesebrough-Pond's					●	●		●						●												●				●				
Commodore											●	●			●		●				●													
ComputerLand	●																		●			●					●							
DeBeers			●	●						●	●	●	●	●	●	●	●	●	●	●	●	●			●		●	●						
Dunlop	●					●																				●	●				●		●	
Eaton	●	●	●							●	●	●		●	●	●				●	●	●												
Eli Lilly	●			●											●		●			●		●												
Ford	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		●	●	●		●				●	●						●
Garrett (Signal)	●	●												●	●																			
Gerber	●								●	●																								
Goodyear	●			●				●																					●	●				
Hoechst						●									●	●						●	●										●	●
Hyatt	●									●												●					●	●	●	●		●		
ICL											●			●						●		●			●		●							
Intl Spike				●								●	●		●		●		●		●	●			●			●						
Intl Wool Secretariat																												●	●				●	
Jacobs				●							●	●		●	●	●					●													
S.C. Johnson	●	●	●		●		●	●	●	●	●				●	●	●														●			●
Kellogg	●	●	●	●				●		●	●	●		●	●	●	●	●			●	●	●		●		●	●		●			●	
Kodak	●	●	●		●	●	●	●	●	●		●				●	●		●	●			●		●	●	●	●		●		●		
Kraft	●		●	●				●	●	●		●	●	●	●	●			●	●	●	●			●		●		●		●		●	●
Malaysian Airline														●	●	●	●				●	●					●		●	●		●	●	●
McDonnell Douglas	●	●	●	●	●		●	●		●	●	●	●	●	●	●	●		●	●	●	●	●				●	●	●		●	●	●	
Monroe (Tenneco)	●										●				●	●					●													
Nabisco Brands	●	●	●	●		●	●	●	●	●							●		●			●				●				●				●
Nestle	●		●		●	●			●	●		●		●	●			●	●	●		●				●			●		●		●	
Northern Telecom	●			●																								●						
Oscar Mayer (GF)	●			●				●	●										●															
PepsiCo	●	●	●	●	●			●		●		●			●				●		●	●						●						●
Philips			●		●	●		●				●			●							●	●		●	●							●	
Quaker Oats	●							●											●															
R.J. Reynolds			●	●		●			●	●		●			●						●		●					●	●				●	
Reader's Digest	●	●		●				●				●										●			●	●								●
Reckitt & Colman	●								●			●											●		●		●							
Remy Martin				●						●					●							●												
Richardson-Vicks						●					●			●	●					●			●											●
Rolex	●	●	●	●			●	●		●	●	●	●	●	●	●	●	●	●	●	●	●		●			●	●	●					●
Rowntree Mackintosh	●														●							●					●					●		
Schering-Plough									●						●		●					●												
Scott Paper	●	●		●					●	●									●			●					●							●
Timex	●			●					●					●				●																
Uncle Ben's (Mars)	●		●	●																			●											
Unilever	●	●	●	●	●	●		●		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		●	●	●
Warner-Lambert	●	●	●	●	●	●	●	●	●	●					●	●			●		●	●	●			●		●	●					
Glaxo Holdings															●							●				●			●					
Johnson & Johnson					●			●		●												●							●					

*Non-equity affiliation. *Source:* Advertising Age

This World Brand/International Agency/Client Report was put together by Dennis Chase, international editor; Ilse Cermak, international copy editor; Ellen Mardock, graphic designer; Craig Endicott, free-lance writer/researcher; Val Mackie, international reporter, and the Advertising Age international network.

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lion, as non-Japanese billings increased to $9.2 million, or 1.2% of total billings of $740.3 million.

Agencies in the Hakuhodo network basically service Hakuhodo's Japanese clients.

J. Walter Thompson Co.

J. Walter Thompson Co., New York, had non-U.S. gross income of $188.5 million, or 49.8% of total gross income of $378.4 million in 1983. It had non-U.S. billings of $1.26 billion, or 50% of total billings of $2.52 billion in 1983. The JWT network includes 118 shops, 61 of which are in the U.S. It owns majority interest in most of its shops except in the Third World, where most countries restrict ownership to less than a majority.

JWT foreign operations have generally contributed 50% of the network's total business in recent years. In 1973 non-U.S. gross income was an estimated $56.1 million, or 48.8% of total gross income estimated at $115.1 million. Non-U.S. billings that year were $374 million, or 48.8% of total billings of $767 million. Five years later, non-U.S. gross income had risen to $114.9 million, or 51.9% of total gross income of $221.5 million. Its non-U.S. billings were $776.1 million, or 52.4% of total billings of $1.48 billion in 1978.

J. Walter Thompson Co. is the largest subsidiary of JWT Group Inc. In 1983 the subsidiary included figures for Brouillard Communications, J. Walter Thompson USA and Thompson Recruitment Advertising.

The JWT worldwide coverage of clients shown in the accompanying chart was collected by Advertising Age correspondents. The agency requested that it not be included in the special report because of a corporate policy requiring clearance from clients when material to be published "includes detailed public statements regarding our clients' business," said Thomas N. Robbins, vp-director of communications, in a letter to this publication.

"I'm sure you can also appreciate that, even if such a policy were not in effect, in order for us to contribute information on the international scale that Advertising Age requires for this report, it would be necessary for us to solicit the approval of each of our international clients. Given the fact that to do so would involve a massive clearance procedure involving many hundreds of people worldwide, it would not be feasible for us to participate," he continued.

"The necessity of our declining to participate in your report reflects in no way on the value that we think it has for our industry," Mr. Robbins concluded.

JWT was asked to verify the chart but declined.

Kenyon & Eckhardt

Kenyon & Eckhardt, New York, had non-U.S. gross income of $15.5 million in 1983, or 25.6% of total gross income of $60.5 million, or 26.3%. It had non-U.S. billings of $103 million out of total billings of $392.2 million in 1983. The K&E network encompasses 38 countries and includes eight agencies in which K&E owns the majority or maximum-allowable stock.

K&E, which holds equity but not majority interest in 16 other agencies, has affiliates in 24 countries. Equity purchase of five of these agencies—located in Turin, Sydney, Tokyo, Wellington (N.Z.) and Madrid—will be finalized in 1984.

K&E's non-U.S. gross income increased as a percentage of total gross income through the 1970s, before slipping to 25.6% in the '80s. In 1973, non-U.S. gross income of an estimated $8.5 million and billings of $34.6 million were 34.6% of the re-

(Continued on Page 64)

Kenyon & Eckhardt

clients:	The Americas										Europe														Pacific							
	USA	Argentina	Brazil	Canada	Chile	Peru	Puerto Rico	Mexico	Trinidad	Jamaica	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland*	UK	Africa	Middle East	India	Japan*	Hong Kong	New Zealand*	Singapore	Thailand	Philippines*	Sri Lanka
Ricoh																										●	●	●			●	
Gulf Air														●	●							●		●	●					●	●	●
Helena Rubinstein					●			●	●					●	●	●					●	●							●			
Chrysler	●						●	●																●								
Puerto Rico Indl Dvlpt.	●						●								●				●													
Bulgari	●													●		●					●											

*Non-equity affiliation. Source: Kenyon & Eckhardt

Ketchum International

clients:	The Americas							Europe													Pacific					
	USA	Argentina*	Brazil*	Canada*	Venezuela*	Puerto Rico*	Antilles*	Austria	Belgium	Denmark	France	Germany	Italy*	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Middle East*	Australia*	Japan	Hong Kong	New Zealand	Singapore*	Taiwan*
Westinghouse	●		●		●							●							●	●	●	●	●		●	●
Rockwell Intl	●	●	●	●	●						●		●						●		●	●			●	
Bank of America	●		●		●																	●	●			
Commonwealth of Pa.	●										●	●							●			●	●			
BWIA Intl	●											●							●							
PPG Industries	●			●							●								●			●				
Caesar's Bdwk. Regency	●											●											●			
Hanes	●					●	●																			
Pittsburgh Natl. Bank	●												●						●							

*Non-equity affiliation. Source: Ketchum International

Marschalk Campbell-Ewald Worldwide

clients:	The Americas								Europe													Pacific					
	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Mexico	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	South Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
Coca-Cola	●							●		●			●		●					●							
Eastern Airlines	●			●				●												●							
General Motors	●			●						●				●	●					●	●	●					
Goodyear	●								●	●		●	●	●	●			●		●							
Henkel									●	●		●	●	●	●												
IDV/Gilbeys				●																	●	●					
Nestle								●				●	●														
Philips	●		●					●	●	●				●								●					
RJR/Heublein	●		●					●		●		●	●	●	●					●							
Rothmans										●										●		●					

Source: Marschalk Campbell-Ewald Worldwide

Marsteller

clients:	The Americas							Europe													Pacific					
	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
DuPont									●		●	●						●								
Flying Tigers	●										●	●	●			●										
Seat (Fiat)									●		●	●	●			●										

Source: Marsteller

McCann-Erickson Worldwide

clients:	The Americas										Europe																Pacific							
	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Colombia	Mexico	Venezuela	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Greece	Finland	South Africa	Kenya	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Philippines	Middle East*
American Express	●			●			●								●								●					●						
American Home Products			●	●		●	●	●			●				●					●		●			●						●	●	●	
Bayer/Miles Labs	●	●					●	●	●		●	●		●					●			●			●	●		●			●	●		
Carnation										●	●	●		●	●	●					●		●					●						
Casio			●		●	●	●	●		●												●											●	

(Continued from Page 61)

spective totals. In 1978, non-U.S. gross income of $15 million and billings of $100 million represented 36% of the respective totals.

Top international officials: Murray Smith, exec vp; Peter Handley, senior vp-area director, Europe; Michael Anderson, senior vp-area director, Asia/Pacific; Andre de Louckx, vp-area director, Latin America, Caribbean; Shawki Safieddine, vp-area director, Middle East.

Ketchum International

Ketchum International, Pittsburgh, had non-U.S. gross income of $8.4 million, or 15.3% of total gross income of $55.2 million in 1983. Its non-U.S. billings were $56.2 million, or 15.3% of total billings of $368.3 million. The network spans five countries, and majority or maximum-allowable stock is held in three agencies.

The network's international business in the 1970s steadily increased, although it is now decreasing as a percentage of total activity. In 1973 its non-U.S. gross income was $3.9 million, or 19.6% of total gross income. In 1978, its non-U.S. gross income had increased to $6.6 million, or 21.3% of the total.

Marschalk Campbell-Ewald Worldwide

Marschalk Campbell-Ewald Worldwide, New York, had non-U.S. gross income of $33.4 million in 1983, or 25.1% of total gross income of $133 million. It had non-U.S. billings of $223 million, or 25.1% of total billings of $886.8 million. The network encompasses 24 countries and holds a majority or maximum-allowable interest in 12 agencies.

The network, comprised of Marschalk Co., Campbell-Ewald and Clinton E. Frank, all wholly-owned companies of Interpublic Group of Cos., did not become a network until 1980.

During 1983, the network founded Campbell-Ewald Spain, taking a 51% interest; it took a 45% interest in Lowe Howard-Spink Campbell-Ewald U.K. and added R&D Campbell-Ewald France, taking a 25% share.

Marsteller Inc.

Marsteller Inc., New York, had non-U.S. gross income of $26.5 million, or 26.6% of total gross income of $99.6 million in 1983. Its non-U.S. billings were $176.7 million, or 26.6% of total billings of $664.1 million. Marsteller's international network consists of six wholly-owned European agencies.

In 1973, the network showed $3.7 million in gross income and $24.6 million in billings, both 20.7% of respective worldwide totals. That percentage rose to 28.3% in 1978.

Top execs: Reginald C. Bird, president, Marsteller International; Gary E. Burandt, exec vp-marketing director, Europe; Philippe Bodson, vp-chief financial officer, Europe.

McCann-Erickson Worldwide

McCann-Erickson Worldwide, New York, had non-U.S. gross income of $203 million, or 68% of total gross income of $299 million in 1983. Its non-U.S. billings were $1.36 billion, or 68% of total billings of $1.99 billion. The network covers 64 countries, and the agency owns majority or maximum-allowable stock in 45 agencies.

McCann-Erickson has long concentrated on international business. For example, the network's non-U.S. gross income in 1973 was $72 million, or 70% of total gross income of $102 million. The agency's non-U.S. billings for that year were $478 million, or 70% of total billings of $683 million. In 1978, non-U.S. gross income had increased to $151 million, or 72% of

(Continued on Page 65)

McCann-Erickson Worldwide	The Americas										Europe																Pacific							
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Colombia	Mexico	Venezuela	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Greece	Finland	South Africa	Kenya	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Philippines	Middle East*
Chesebrough-Pond's																●			●						●									
Coca Cola	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		●	●	●	●	●	●	●	●	●	●	●	●	●	●
Del Monte	●			●					●	●	●	●	●	●	●		●	●		●		●		●				●	●					
Exxon/Esso	●		●		●		●	●	●		●	●		●	●	●	●	●	●		●	●	●	●	●	●		●						
4711 Cologne											●				●						●							●						
General Motors	●		●			●	●		●	●	●	●	●	●	●	●	●	●	●	●			●	●			●	●					●	●
Gillette	●				●	●	●	●	●	●				●		●			●						●			●	●	●	●	●	●	
Goodyear		●	●		●	●		●	●				●										●		●		●	●	●		●	●	●	
Henkel			●								●	●		●	●	●	●		●						●	●								●
ICI											●			●			●		●		●				●		●							
Johnson & Johnson	●	●		●		●			●	●								●						●	●	●	●	●						
Kodak	●			●							●	●	●	●	●	●	●	●	●	●	●	●		●	●	●		●	●		●	●	●	
L'Oreal	●	●	●		●		●	●	●	●	●	●		●	●	●	●	●	●	●			●	●	●	●		●	●			●		●
Lockheed	●		●						●				●	●								●	●				●	●		●				●
Martini-Rossi	●		●				●	●		●	●	●	●		●	●	●		●		●	●					●			●				
Nestle	●		●		●	●	●		●	●	●	●			●	●			●		●	●			●	●	●	●	●	●		●		●
Nabisco	●			●												●						●					●	●	●		●		●	
Philips N.V.				●	●				●		●													●	●		●							
Texas Instruments	●		●	●	●				●		●	●	●	●	●	●	●	●	●	●	●	●		●			●	●	●					
Unilever	●		●	●				●	●		●	●	●	●	●	●	●		●		●	●	●	●	●	●		●						●
Union Carbide			●									●													●	●								●
Intergold														●	●	●					●	●						●	●					
Levi Strauss	●			●	●							●		●	●	●	●										●	●	●	●	●	●	●	
R.J. Reynolds	●	●	●	●	●							●	●	●	●	●	●		●	●	●	●	●	●	●	●	●	●	●			●		●
Xerox						●																							●			●		
Heublein/KFC	●																											●			●		●	●
Quaker Oats			●	●				●	●	●						●		●									●		●					
Reckitt & Colman																									●		●			●				
Richardson-Vicks			●							●																		●					●	
Beatrice	●		●	●		●		●																										
CPC																●	●																	●
Dow Chemical		●			●			●		●																	●							
Kuwait Air													●	●	●	●	●				●													●
Lufthansa	●							●	●			●	●	●	●	●	●		●		●					●								
S.C. Johnson										●													●											●
Warner-Lambert															●							●				●								

**Non-equity affiliation. Source: McCann-Erickson Worldwide*

Needham Harper & Steers	The Americas							Europe													Pacific				
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Austria*	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden*	Switzerland	UK	South Africa	Australia	Japan*	Hong Kong	New Zealand	Singapore
McDonald's	●							●				●		●		●		●			●		●	●	●
Rank Xerox	●			●				●				●		●			●				●			●	
G.D. Searle	●																		●		●			●	
Honda	●			●												●						●			
Wm. Wrigley Jr.	●																				●			●	●
Ramada Inns	●			●								●													

**Non-equity affiliation. Source: Needham Harper & Steers*

Ogilvy & Mather	The Americas									Europe															Pacific							
clients:	USA	Argentina	Brazil	Canada	Mexico	Venezuela	Uruguay	Colombia*	Ecuador*	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Finland	South Africa	Kenya	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Malaysia	India
Air Canada										●	●	●	●	●	●					●	●		●	●								
American Express	●	●	●	●	●	●				●	●	●	●	●	●	●	●	●	●		●	●	●		●		●		●	●	●	●
Avon	●	●	●	●	●					●	●		●	●	●						●				●					●	●	
Bayer															●												●		●	●	●	●
BAT	●	●	●		●	●					●					●	●							●	●		●	●	●			

(Continued from Page 64)

total gross income of $210 million. Its non-U.S. billings that year were $1.008 billion, or 72% of total billings of $1.41 billion.

McCann-Erickson, one of the few agencies with equity in more countries than listed on the chart accompanying the profile, filed an addendum indicating the total number of countries in which its clients are handled by McCann-Erickson agencies.

Clients represented in 20 or more countries include: American Home Products (23 countries), Bayer/Miles Labs (23), Coca-Cola (50), Exxon/-Esso (33), General Motors (38), Gillette (30), Goodyear (23), Johnson & Johnson (24), Kodak (26), L'Oreal (39), Martini-Rossi (23), Nestle (33), Texas Instruments (25), Unilever (24) and R.J. Reynolds (25).

Top international execs: Bill Mackey, ceo, worldwide; Bob James, ceo, worldwide; John Bergin and Barry Day, vice-chairmen-worldwide. Exec vps-worldwide—Greg Bathon (Canada, English-speaking Caribbean), Gianni Cottardo and Michael Ferrier (Europe), Jerry Shively (Europe/Africa), Max Cusnir (Asia/Pacific), Jens Olesen (Central and Latin America) and Charles Hamm, Bohdan Kurylko, Marcio Moreira and William Thompson.

Needham, Harper & Steers

Needham, Harper & Steers, Chicago, had non-U.S. gross income of $16.8 million in 1983, or 17.9% of total gross income of $93.8 million. Non-U.S. billings were $112 million, or 17.9% of total billings of $625 million. The NH&S network covers 19 countries in which NH&S owns majority or maximum-allowable stock in five agencies.

NH&S' international activity has grown more than 600% in the past 10 years. In 1973, non-U.S. gross income was $2.3 million, or 8.2% of total gross income of $27.3 million. Non-U.S. billings for 1973 were $15 million, or 8.2% of a billings total of $182 million. In 1978, non-U.S. gross income had risen to $5.4 million, or 12.4% of $43.7 million total gross income, and non-U.S. billings had increased to a similar 12.4%, or $36 million of $291 million in total billings.

During 1983, NH&S enlarged its network by three, adding Carvis Needham in Spain, Dassas Jaglin Walhain Needham in France and Needham Standard International (Taiwan), in all of which NH&S bought minority shares.

Top international personnel include B. Blair Vedder, chairman; Norval B. Stephens Jr., exec vp, and Robert Rowley, senior vp-finance.

Ogilvy & Mather

Ogilvy & Mather International, New York, had non-U.S. gross income of $141.7 million, or 41% of total gross income of $345.8 million in 1983. Its non-U.S. billings were $999 million, or 42.3% of total billings of $2.36 billion. The O&M network covers 29 countries, and O&M owns majority or maximum-allowable stock in 26 agencies.

O&M's international business has been dropping as a percentage of its over-all business the past 10 years, a factor largely related to its acquisition of U.S. agencies that have limited international exposure. In 1973, its non-U.S. gross income was $45.2 million, or 59.7% of total gross income of $75.7 million. Non-U.S. billings for the year were $272.6 million, or 57.2% of total billings of $476.3 million. In 1978, non-U.S. gross income was $83.2 million, or 47.9% of total gross income of $173.4 million. Its non-U.S. billings for that year were $535.6 million, or 47.2% of total billings of $1.14 billion.

During 1983, the O&M network gained 100% interest in Dudley-Anderson-Yutzy Public Relations in the

(Continued on Page 66)

Ogilvy & Mather	The Americas									Europe															Pacific							
clients:	USA	Argentina	Brazil	Canada	Mexico	Venezuela	Uruguay	Colombia*	Ecuador*	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Finland	South Africa	Kenya	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Malaysia	India
Beecham			●		●	●						●	●	●	●	●		●			●		●		●	●	●		●	●	●	●
Alfred Benzon											●	●				●	●					●			●							
British Caledonian			●			●		●																			●					
British Tourist	●	●	●	●	●					●	●	●	●	●	●	●	●	●	●		●	●	●		●			●	●			
Chesebrough-Pond's	●	●	●		●	●		●													●				●	●	●		●	●	●	●
Ciba-Geigy	●			●										●				●					●							●		
Ford												●				●			●		●				●		●					●
General Foods	●	●	●	●		●				●		●	●	●					●			●			●		●		●	●		
Hunter Douglas	●										●		●	●		●			●		●									●		
Johnson & Johnson			●	●					●																●			●	●	●	●	●
Korean Air Lines	●									●			●								●				●		●		●	●	●	
Mattel	●			●					●	●			●	●	●	●		●			●		●		●							
Mercedes-Benz			●							●			●			●	●			●				●							●	
Oce' Industries										●	●	●	●	●	●	●	●		●		●							●	●		●	
Parker Pen	●	●	●	●				●			●		●	●	●			●	●		●	●	●		●	●	●	●	●	●		
PepsiCo																	●		●			●		●			●		●	●	●	
Philips		●	●		●							●				●		●			●	●					●	●	●		●	●
Quaker Oats				●		●																					●			●	●	
Richardson-Vicks	●									●			●	●				●	●				●				●		●		●	●
Seagram & Sons			●	●		●					●			●	●						●		●				●	●	●		●	
G.D. Searle	●			●	●	●																								●		
Shell	●	●		●	●	●				●	●			●		●	●		●		●	●	●	●	●			●		●	●	
TWA	●												●	●	●			●			●						●					
Unilever	●	●	●	●						●	●		●	●	●	●		●	●	●	●	●	●	●	●		●	●	●	●	●	●

*Non-equity affiliation. Source: Ogilvy & Mather

Publicis-Intermarco-Farner	The Americas							Europe													Pacific					
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
Dim	●								●		●		●	●		●	●	●	●							
Renault								●	●		●	●		●			●	●	●							
L'Oreal	●							●	●		●	●	●			●										
European Parliament									●	●	●	●	●	●					●							
Henkel								●	●		●	●	●					●								
Philips											●			●			●	●	●							
Nestle								●	●		●			●				●								

Source: Publicis-Intermarco-Farner

Roux Seguela, Cayzac & Goudard	The Americas								Europe													Pacific					
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Caribbean	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Middle East	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
Citroen												●		●	●		●			●							
Berlitz												●	●						●								
Redoute										●		●									●						
Prisunic								●				●									●						

Source: Roux Seguela, Cayzac & Goudard

Saatchi & Saatchi Compton	The Americas										Europe																Pacific						
clients:	USA	Argentina*	Brazil*	Canada*	Venezuela*	Puerto Rico	Uruguay	West Indies	Colombia*	Mexico*	Austria	Belgium*	Denmark	France	Germany	Italy	Netherlands	Norway*	Spain	Sweden*	Switzerland*	UK	Portugal	Greece	Ireland	South Africa*	Australia	Japan	Hong Kong	Philippines	Singapore	Thailand*	Malaysia
Allied Lyons								●														●											●
American Motors	●			●					●							●					●												
Black & Decker											●		●		●					●	●	●	●										
Bongrain Gerard														●	●	●			●		●	●											
British Airways	●			●	●	●		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		●	●	●		●	●	●	●	●

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U.S., 100% interest in Aiders & Marchant Ltd. of Britain and 70% interest in Comecan S.A., Belgium.

The network added eight clients with dollar volumes of more than $3 million: Beecham, with $10 million; Royal Trust, $5 million; British Gas Corp., $4.6 million; Dulux Group, $4.5 million; Shell Australia, $4 million; Rothmans of Pall Mall, $4 million; Seagrams & Sons, $4 million-plus, and Citech Quartz, $3 million.

O&M added Michael Baulk, managing director O&M London; Jules Fine, exec vp, O&M U.S., and J. Renny Cunnack, chairman O&M Australia, as directors to O&M International, governed by a 16-member board of directors.

O&M restricted its chart list to clients served in five or more countries.

Publicis-Intermarco-Farner

Publicis-Intermarco-Farner, Paris, estimates its gross income from sources outside France was $27.1 million, or 33% of total gross income of $82.1 million in 1983. Its non-French billings were an estimated $182.8 million, or 33% of total billings of $553.8 million. The network covers 14 countries, and majority or maximum-allowable stock is owned in 12 agencies. Intermarco Advertising in New York is the only non-European shop in the network.

In the past five years the Paris arm of the network, including Publicis Conseil, which has 11 other agencies under its banner, and Intermarco-Conseil, have whittled away at the percentage of international to total business in the network. In 1978, for example, non-French gross income was an estimated $22.4 million, or 39.8% of total gross income of $56.1 million, and non-French billings were $154.7 million, or 39.9% of total billings of $387.4 million.

Only total billings of $226.5 million could be monitored for the network in 1973, which is the year Publicis-Intermarco purchased Swiss-based Dr. Rudolf Farner Advertising. Publicis merged with Amsterdam-based Intermarco the previous year. During 1983, the network added the European Parliament, billing $4.84 million.

The network is run by a corporate management board (CMB) in which members have special and/or regional responsibilities. They include Maurice Levy, chairman, Publicis Conseil; Claude Marcus, CMB chairman; Gerard Pedraglio, CMB vice-chairman; Bernard de Brouwer, communications; Michael Conroy, the Netherlands; Karl-Heinz Langhans, Germany, Sweden, Finland; Dr. Gunther Ludemann, finance and administration; John McCormick, and Nicholas L. Turkevich, specialized companies.

Roux, Seguela, Cayzac & Goudard

Roux, Seguela, Cayzac & Goudard, Paris, had gross income from sources outside France of $12.5 million, or 35.1% of total gross income of $35.6 million in 1983. Its non-French billings were $83.3 million, or 35.1% of total billings of $237.3 million. The network covers 11 countries and owns 51% of its foreign agencies, except Germany (56%) and the U.K. (52%).

RSCG did not begin to form a network outside France until the '80s. Its French and international business has grown considerably since 1978 when RSCG had gross income of $12.1 million on billings of $65.6 million.

During 1983, RSCG founded and took 51% of RSCG/van Diggele, Janzen, Schoenmaker, Amsterdam; bought a 51% interest in Publicis, an agency in Abidjan, Ivory Coast, and came out with a 51% interest in Garbarski RSCG, a product of a merger of RSCG Brussels with Gar-

(Continued on Page 70)

Saatchi & Saatchi Compton

	The Americas										Europe																Pacific						
clients:	USA	Argentina*	Brazil*	Canada*	Venezuela*	Puerto Rico	Uruguay	West Indies	Colombia*	Mexico*	Austria	Belgium*	Denmark	France	Germany	Italy	Netherlands	Norway*	Spain	Sweden*	Switzerland*	UK	Portugal	Greece	Ireland	South Africa*	Australia	Japan	Hong Kong	Philippines	Singapore	Thailand*	Malaysia
BSN-Gervais Danone	●									●				●	●	●																	
Cadbury Schweppes					●			●									●					●											
Chesebrough-Pond's	●			●				●						●							●												
Cunard	●																					●				●							
DuPont	●												●		●	●						●											
Gallaher											●	●	●	●	●	●	●	●	●	●	●	●	●	●	●				●				
IBM	●							●						●		●			●			●											
Jacobs Interfood		●	●										●	●	●				●														
Johnson & Johnson	●					●			●					●	●				●					●						●		●	
Massey-Ferguson														●	●	●						●	●										
Nabisco Brands	●			●		●		●							●	●			●								●						
National Panasonic												●																			●		●
Nestle				●		●		●							●												●			●			
Pepsi-Cola					●	●		●																									
Playtex						●		●							●	●											●						
Pfizer	●	●															●													●			
Procter & Gamble	●		●			●		●			●	●		●	●	●	●		●	●	●	●		●	●				●	●	●	●	●
Revlon	●												●						●			●				●			●		●		●
Rowntree Mackintosh				●				●														●			●								
Thorn EMI	●																					●			●								
United Biscuits			●												●							●								●			
Wander Foods											●			●	●	●	●				●												
Wrangler												●	●	●	●	●	●																

*Non-equity affiliation. Source: Advertising Age

Scali, McCabe, Sloves

	The Americas							Europe													Pacific					
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Mexico	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
Hertz	●			●																	●					
Volvo	●			●															●							
Sperry	●						●												●		●					

Source: Scali, McCabe & Sloves

SSC&B:Lintas

	The Americas								Europe															Pacific								
clients:	USA	Argentina	Brazil	Canada	Chile	Venezuela*	Puerto Rico	Mexico	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Finland	Greece	South Africa	Philippines	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	India	Malaysia
AKZO-Chefaro					●				●	●		●		●	●	●		●			●	●			●							
Bahlsen												●	●							●												
Bausch & Lomb							●						●	●	●		●															
Carnation	●						●	●		●										●			●	●			●		●	●		●
Citicorp	●								●								●					●	●				●	●	●	●		●
Coca-Cola Co.	●			●				●								●									●			●		●		
Datapoint	●		●	●						●		●	●	●	●		●	●	●	●	●				●			●				
Japan Air Lines											●	●	●	●	●					●												
Johnson & Johnson	●		●						●				●				●		●	●		●	●	●						●	●	●
Lego Systems	●										●								●													
Molnlycke										●	●				●			●			●											
Noxell	●											●			●										●							
Philips N.V.		●							●						●			●			●							●	●			
Remy Martin													●				●			●				●		●						
Rowntree-Mackintosh										●	●		●	●	●	●	●	●	●		●		●				●		●			
SEB-Tefal										●				●	●																	
Unilever:																																
oil & margarines	●	●	●		●				●	●	●	●	●	●	●		●	●	●	●	●	●	●		●		●		●		●	●
frozen foods									●	●	●	●	●	●	●					●							●		●			
ice cream	●								●		●	●	●	●					●	●					●	●						●
Elida-Gibbs	●	●	●		●	●			●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		●		●		●		●	●
Lever Bros.	●	●	●		●	●	●		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●

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barski/Partners.

Top international execs include Jean-Michel Goudard, president RSCG International, and Philippe Leguay, international director.

Saatchi & Saatchi Compton Worldwide

Saatchi & Saatchi Compton Worldwide, London, had non-English gross income of $142.4 million, or 56.2% of total gross income of $253.3 million in 1983. Its billings outside the U.K. of $938.8 million were 54.9% of total billings of $1.71 billion. The network encompasses 17 countries and, while most permit full ownership, Saatchi & Saatchi's extent of ownership in each affiliated agency is not known.

One of the fastest-growing shops in the industry, Saatchi gained its international presence largely through the acquisition of Compton Advertising, New York. In 1973, Compton had non-U.S. gross income of an estimated $14.6 million, or 48.5% of total gross income of $30 million. The same percentage held for non-U.S. billings of $97 million. In 1978, Compton had non-U.S. gross income of $46.2 million, or 56.5% of total gross income, and non-U.S. billings of $311.2 million, or 55.8% of total billings.

By 1983, Compton, along with other U.S. agencies McCaffery & McCall, Rumrill-Hoyt, Klemtner Advertising, Fairfax Advertising and Hoffman, York & Compton, was contributing $119 million in gross income and $962.4 million in billings from U.S. business to U.K.-based Saatchi.

Saatchi & Saatchi Compton Worldwide accounts listed in the accompanying chart were obtained by ADVERTISING AGE correspondents, and the chart was shown to Saatchi & Saatchi before publication.

Scali, McCabe, Sloves

Scali, McCabe, Sloves, New York, a subsidiary of Ogilvy & Mather Intl., had non-U.S. gross income of $11.5 million in 1983, or 32.8% of total gross income of $35.2 million. Its non-U.S. billings were $70.4 million, or 30.7% of total billings of $229.2 million. The network covers six countries, and Scali, McCabe, Sloves owns majority or maximum-allowable stock in six agencies.

The network, founded May 1, 1967, had an estimated $200,000 in non-U.S. gross income in 1973, or 5.9% of total estimated gross income of $3.4 million. Its non-U.S. billings were $1.4 million, or 5.9% of total billings of $22.5 million. By 1978, its non-U.S. gross income had risen to $558,300, or 4.8% of total gross income of $11.6 million. Its non-U.S. billings that year were $3.1 million, or 5.1% of total billings of $60.4 million.

In 1983 the network added three accounts worth more than $3 million, including Apple Computer (Canada), Nikon (West Germany) and Beecham (U.K.).

SSC&B:Lintas

SSC&B:Lintas, New York, had non-U.S. gross income in 1983 of $124.8 million, or 71.1% of total gross income of $175.6 million. Non-U.S. billings were $839.3 million, or 71.3% of total billings of $1.178 billion. The SSC&B:Lintas network covers 39 countries, and the agency owns majority or maximum-allowable stock in 36 of those agencies.

SSC&B:Lintas, well connected to the international market through Lintas in London and Lintas' founding parent and client contributor, Unilever, had non-U.S. gross income in 1973 of an estimated $52.1 million, or 68.9% of total gross income of $75.5 million. Non-U.S. billings of $347.1 million were 71.8% of total billings of

(Continued on Page 71)

SSC&B:Lintas	The Americas								Europe															Pacific								
clients:	USA	Argentina	Brazil	Canada	Chile	Venezuela*	Puerto Rico	Mexico	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Finland	Greece	South Africa	Philippines	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	India	Malaysia
Lipton	●	●		●	●	●			●	●	●	●	●	●	●	●	●	●		●	●	●	●	●	●	●			●		●	●

*Non-equity affiliation. Source: SSC&B:Lintas

TBWA Advertising	The Americas							Europe													Pacific					
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Austria	Belgium	Denmark*	France	Germany	Italy	Netherlands	Norway*	Spain	Sweden*	Switzerland	UK	South Africa*	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand
Barilla									●		●	●	●					●	●							
BSN-Gervais Danone	●								●		●	●						●	●							
Cartier	●																●	●								
Certina Watches								●	●	●	●	●	●	●	●	●	●	●	●							
CPC												●	●	●												
Dunlop								●				●							●							
Evian	●																	●	●							
French gov't ag board	●										●	●														
Grand Marnier	●											●		●												
Grand Met-IDV	●													●					●							
Henkel									●		●		●													
Johnson & Johnson													●					●	●							
Lego	●										●								●							
L'Oreal													●			●		●								
Mohawk Data Science								●	●	●	●	●	●	●	●	●	●	●	●	●						
Philip Morris										●	●	●		●												
Samsonite								●	●	●	●	●	●	●	●	●	●	●	●	●						
Singapore Airlines								●	●	●	●	●	●	●	●	●	●	●	●							

*Non-equity affiliation. Source: TBWA Advertising

Young & Rubicam Inc.	The Americas										Europe													Pacific						
clients:	USA	Argentina	Brazil	Canada	Chile	Peru	Uruguay	Puerto Rico	Mexico	Dominican Rep	Austria	Belgium	Denmark	France	Germany	Italy	Netherlands	Norway	Spain	Sweden	Switzerland	UK	Africa	Australia	Japan	Hong Kong	New Zealand	Singapore	Thailand	Malaysia
American Home Prods.	●		●	●				●							●						●	●								
BMW		●										●			●															
Robert Bosch			●									●		●	●	●			●											
BSN-Gervais Danone									●			●		●	●	●					●	●		●						
Cadbury	●																					●		●						
Clorox	●			●										●																
Colgate-Palmolive	●			●				●	●		●	●	●	●	●	●	●	●		●	●	●		●		●				●
DuPont			●									●		●	●	●			●					●		●		●		
Eastman Kodak	●	●			●					●	●	●	●	●	●		●	●			●							●		
Esso					●								●																	
Fromageries Bel				●								●		●					●											
General Foods	●	●		●				●	●				●	●	●	●			●	●	●	●		●						
H.J. Heinz												●			●		●					●		●						
Kentucky Fried Chicken	●			●				●	●						●							●		●						
Hong Kong Tourist														●		●						●		●		●				
Jamaica Tourist Board	●			●											●							●								
Johnson & Johnson	●	●	●	●	●			●		●		●		●		●	●		●	●						●				
Monsanto													●			●								●						
PepsiCo. (Frito Lay)	●		●	●				●	●																					
Rank Xerox												●		●		●	●			●		●								
Richardson-Vicks	●									●	●	●			●							●				●				
Singer												●				●		●	●			●								
Suchard		●												●	●															
Time Inc.	●			●										●		●						●		●		●				
Union Carbide	●				●						●	●		●	●	●			●		●									
United Brands											●	●	●		●	●	●	●		●	●									
Warner Lambert	●				●					●																				
Johnnie Walker		●																			●	●								

Source: Advertising Age.

(Continued from Page 70)

$483.5 million. In 1978, the agency's non-U.S. gross income was $100.9 million, or 78.9% of total gross income of $127.9 million, as non-U.S. billings rose to $664.6 million, or 79.1% of the total.

SSC&B:Lintas, part of the Interpublic Group of Cos. since April, 1982, when Unilever sold its 51% interest in the agency, won major international business in 1983 worth more than $3 million each from Coca-Cola Co., (Hi-C), Canon office equipment, Bahlsen Biscuits, Birds Eye frozen foods, Menumasters, Johnson & Johnson's Affinity, Carnation (Europe and Southeast Asia), Datapoint and Molnlycke.

Major international execs include: William V. Weithas, London, chairman-ceo; David Croisdale-Appleby, London, operations director and regional director-Scandinavia and Southern Africa; Philippe Charmet, Paris, chairman of the European coordination group and regional director for France, Italy, Spain, Portugal and Greece.

TBWA Advertising

TBWA Advertising, New York, had non-U.S. gross income of $27.4 million, or 78% of total gross income of $35 million in 1983. Its non-U.S. billings were $186.2 million, or 78% of total billings of $237.2 million. The network covers nine countries and holds majority or maximum-allowable stock in nine agencies.

TBWA's U.S. arm has been influencing a drop in the percentage of international business the past few years. The network, largely unformed in 1973, had gross income of $5 million on billings of $33 million, all non-U.S. By 1978, non-U.S. gross income had risen to $14 million out of a total $15 million, a decline in percentage to 92%, reflecting new business attracted to the New York TBWA shop.

TBWA added Henkel, spending $10 million, and Mohawk Data Sciences, AEG Telefunken and Volvo corporate, each spending $5 million.

Young & Rubicam

Young & Rubicam, New York, had non-U.S. gross income in 1983 of $139.6 million, or 33.7% of total gross income of $414 million. Non-U.S. billings were $933.5 million, or 33.8% of total billings of $2.761 billion. The agency network covers 23 countries and 32 agencies worldwide.

Like most large U.S.-based international agencies, Y&R has seen its percentage of non-U.S. gross income rise through the 1970s before falling back in the 1980s as a result of stepped-up U.S. advertising activity and acquisition of U.S. shops. In 1973, the agency had non-U.S. gross income of $39 million, or 40.1% of total gross income of $97.5 million.

In 1978, non-U.S. gross income increased to $85.7 million, or 42.1% of the total. Non-U.S. billings of $260 million and $571.9 million for the two comparative years held the same percentage as non-U.S. gross income to the total, even though by 1978 Y&R was reporting the activities of six acquisitions compared to two in 1974.

By 1983, when Y&R's percentage of non-U.S. billings to the total had dropped back to 33.7%, the agency was including 15 U.S. acquisitions under its corporate umbrella.

During 1983, Y&R gained major international business from Kodak, Colgate-Palmolive and Richardson-Vicks, but lost Atari and resigned Procter & Gamble.

Top execs involved directly with international business: Edward N. Ney, chairman-ceo; Alexander Kroll, president-chief operating officer; Peter Georgescu, president, Y&R International; Harold Burson, exec vp-chairman and ceo, Burson Marsteller Inc., and Joseph E. De Deo exec vp-president, Y&R Europe.

GM covers both ends of scale

Crain News Service

DETROIT—A General Motors reorganized into big and small-car groups more accurately could be called the "Upscale Group" and the "Downscale Group," according to Alexander Cunningham, exec vp of North American Passenger Car operations.

The GM reorganization plan (AA, Dec. 19) divides the five car divisions and Canadian operations into two supergroups. Buick, Oldsmobile and Cadillac (BOC) make up one, while Chevrolet, Pontiac and GM of Canada (CPC) compose the other.

The problem has been that these two groups have been referred to as the big-car and small-car groups, which Mr. Cunningham said is wrong.

Both groups will sell all sizes, unless the marketplace decides differently, he said. The difference will be in market appeal. The BOC Group will appeal to the upscale buyer and the CPC Group will appeal to the downscale group. But there will be some overlap.

In the future, GM could name these groups, Mr. Cunningham said, since "it is a kind of hard to get allegiance, to get enthusiasm about an initial group." But so far no one has a good idea of what to call them.

The divisional marketing staffs will be made up not only of marketing specialists, but will be increased to include engineers, finance people, designers and long-range economists. That will mean that the type of individual who would be appointed a divisional marketing manager will change, he said.

"One of the things that happens when you [make such changes] is you start to identify people who have broader-gauged talent, and that is good for the organization because you start to identify the people who have general over-all talent and are not specialists," Mr. Cunningham said.

But all these things will be done so the customers and dealers notice few, if any, changes, except a difference in products offered by the five car divisions, Mr. Cunningham said.

"If you are running a hotel and have a coffee shop, a businessman's restaurant for reasonably priced good meals and a gourmet restaurant and each has its own kitchen, you would be more effective perhaps to have a single kitchen that retains the menus of the various restaurants," he said.

"We're not changing the value relationship to the customer, but we are able to answer his order whether it is upscale or downscale in the marketplace, but we do it in a more effective way."#

BK ads trigger awareness gains

(Continued from Page 4)

then Burger King introduced the MacDonald family of Norwalk, Conn., wearing disguises to hide their embarrassment over having switched to Burger King despite their name. The chain's awareness level jumped again, this time by 8.6 percentage points.

Now Mr. Rodney, child star Emmanuel Lewis, the cavemen cooking their burgers over a fire and the other characters in Burger King's latest pool of ads have caused the chain's awareness to jump once more, as expected, but a little less than the last time.

The other bit of bad news for Burger King is that even with this latest shot in the advertising arm, it still finds itself in the No. 3 spot among fast-food advertisers. McDonald's, which this week broke the "It's a good time for the good taste of McDonald's" campaign, held on to its accustomed No. 1 spot, although its share of first mentions dropped 3.3 percentage points from April, leaving it with a 29.2% share (its lowest since adWatch began in April, 1982).

Wendy's, which has been giving Clara Peller a rest, was the month's biggest loser, dropping 5.9 points to 22.8% of first mentions. Still, it remained No. 2, more than four points ahead of Burger King.

Even without Clara, Wendy's remained the most-often-cited advertising when the 1,250 respondents were asked what first came to mind without regard to product category. Last month 118 people, or 9.4% of the sample, named Wendy's, down from 19.3% in April. The other best-recalled advertisements getting at least 1% of responses were for, in descending order: Pepsi-Cola, Coca-Cola, Burger King, McDonald's, Miller/Miller Lite, Budweiser/Bud Light, Ford and Toyota.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a nationally projectable sample of adults to name the advertising that first comes to mind in a variety of product and service categories from all they have seen, heard or read in the previous 30 days.

Last month, 1,250 consumers were questioned by phone. Under adWatch methodology, an increase or decrease of 2.8 percentage points between monthly samplings is considered statistically significant and attributable to more than sampling variations.

The largest gain in last month's survey belonged to Apple, which registered a 9.1 percentage-point gain in the computer category. With tv support for its Macintosh personal computer and a heavy schedule of print ads for its full (and recently expanded) product line, Apple's share of first mentions rose to 32.1% from 23% in April.

No. 2 IBM held on to the nearly 3-point gain it registered in April with a 14.6% share. Commodore remained in the No. 3 spot with 6.2% of first mentions.

In other significant changes last month:

- American Airlines, which has been advertising its expanded routes and flight schedules, took the No. 1 spot in the **airline** category for the first time. Its awareness share rose 3.2 percentage points to 13%, nosing out No. 2 Eastern, which fell to 12.4% from 15% in April.

United found itself in the No. 3 spot for the first time, with an 11.8% share of first mentions. Perhaps, as the airline itself predicted, no one noticed that the voice on its tv spots belongs to actor Robert Duvall.

- Chevrolet's efforts to catch awareness-leader Ford in the **cars & trucks** category suffered a setback last month. Chevy's awareness level dipped 3.5 points to 10.8% of first mentions. No. 1 Ford registered a 23.1% share. Toyota was a close third with 8.1%, threatening for the first time to take over the No. 2 spot.

- Another consistently strong advertiser that saw its ad awareness level dip last month was Budweiser in the **beer** category. Its share declined three points to 12.8% in May. Benefiting once again from a strong advertising-awareness level in its new southern markets, Coors passed Miller Lite to tie Miller High Life for the No. 2 position. Both claimed 9% of first mentions last month.

Bud's greatest strength continues to come from respondents in the West, where it came to mind first for 19% of the sample, compared with 13% for No. 2 (regionally) Coors. Miller High Life is the winner in the Northeast (13%), with Bud second.#

For more information, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Fahlgren, Swink link

(Continued from Page 3)

tion of the estimated $1 million Domino's account, a Fahlgren spokesman said.

The merger gives the new agency widespread coverage of Ohio markets, the spokesman said, with Fahlgren's offices in Cincinnati, Columbus, Toledo and Swink's offices in Marion, Columbus and Cleveland. Additionally, Fahlgren has an office in Parkersburg, W. Va., and Swink has an office in Greensboro, N.C. The agency is likely to look south from Ohio for future growth, the spokesman said.

No determination has been made about where the agency will be headquartered.

Fahlgren's Columbus office, which handles McDonald's restaurants' Central and Northwest Ohio accounts, will be combined with Swink's Columbus office, but all of the other offices are expected to continue handling their existing clients, according to the spokesman.

Among Fahlgren's 50 clients are Blue Cross-Blue Shield of Central West Virginia, Blue Cross of Northwest Ohio, Borg-Warner Chemicals, Inco Alloys International, McDonald's restaurants in Central Kentucky, Central and Northwest Ohio and western and southwestern West Virginia, National Automotive Parts Assn., Totes and Valvoline Oil Co.

Swink has 45 clients, including Banc One Corp., Blue Cross-Blue Shield of Central Ohio, Ebco Mfg.'s Oasis Water Coolers, Glass Packaging Institute, Landmark Inc., Owens-Illinois, Parker Hannifin Corp., T. Marzetti Co. and Volvo White Truck Corp. It handles Domino's in Ohio, Kentucky, West Virginia and parts of Tennessee.

Fahlgren's experience in the automotive aftermarket and network media buying, along with its growing direct-mail and public relations divisions, will complement Swink's experience with industrial and technical accounts and its typography service, the spokesman said.#

Lee & Young to Toronto

TORONTO—Lee & Young Communications, New York, a corporate identification and marketing communications company, has formed a new corporation headquartered here. Campbell, Lee & Young is a joint venture with W.R. Campbell Partners, a Toronto management communications consulting corporation. W. Rodger Campbell, chairman-president of W.R. Campbell, is president of the new company, at 150 Bloor St. W., M5S 2X9.

for the record

U.S. OLYMPIC COMMITTEE'S right to keep the five-ring Olympic symbol from being marketed in the U.S. without its approval was upheld last week in court. The decision of the U.S. court of appeals for the second circuit, New York, upheld an earlier ruling. In other developments concerning the summer games in Los Angeles, spot sales for ABC-TV stations seem to be advancing at less than an athletic pace. With barely a month to go before the games start, ABC said that most of its owned and affiliated stations appeared to have sold only about half of their local Olympics commercial availabilities. ABC also said last week that it is cutting five hours of Olympics coverage. That will bring its total broadcasting of the games to 180 hours. To make the cut, the network will delay by 30 minutes its Monday-through-Friday starting time for coverage. ABC felt the 7:30 a.m. (PT) startup was too early, a network spokesman said. American Express Foundation, New York, plans to fund closed-captioning for 78½ hours of ABC's Olympics coverage. *(ABC, LAOOC talks, Page 115).*

D'ARCY MACMANUS MASIUS WORLDWIDE has announced that it will acquire a 9.9% equity stake in Man-Nen-Sha, Japan's 13th-largest ad agency, with 1983 billings of $225 million. In an exchange of stock between the two shops, MNS also will take a reciprocal investment in DMM. This agreement fits in with DMM's ongoing program to expand its presence in the Western Pacific region.

E&J GALLO WINERY, Modesto, Cal., last week became the latest major wine marketer to offer discount coupons in California. Gallo, the largest winery in the U.S., earlier opposed couponing in the state. It has begun a series of newspaper ads in major markets in the state, featuring $1-off mail-in refunds. Distillers and wineries have taken to couponing since a California state court authorized their use (AA, May 14). Ogilvy & Mather, San Francisco, handles Gallo.

LACTO MILK PRODUCTS, a subsidiary of Johanna Farms, Flemington, N.J., is introducing La Chocolat chocolate yogurt into New York. Print ads and tv will support. Annual spending is $2 million. Sawdon & Bess, New York, handles.

THE TOP 25 NATIONAL ADVERTISERS on independent tv stations spent nearly $152 million on the indies in the first quarter of 1984, says the Assn. of Independent Television Stations, New York. That represented 59% of the advertisers' spot tv volume. Topping that list of advertisers in the first quarter were Procter & Gamble, spending $34.7 million; General Mills, $12.8 million, and Warner-Lambert Co. and General Foods, each with about $8.8 million

ALL OF METROMEDIA GROUP now subscribes to Arbitron Ratings Co.'s overnight tv meter service. KRIV, Houston; KRLD, Dallas; WCVB-TV, Boston, and WTTG, Washington, are the latest to sign up.

CABLE NETWORKS, New York, has been named the ad sales rep for the Connecticut Cable Interconnect, which consists of seven cable systems reaching a total of 300,000 subscribers.

NATIONAL LAMPOON, New York, has hired Pattis Group, Chicago, to handle its advertising sales in the Northeast and West. The monthly's four-person New York sales staff, which handled Northeast sales, has been dismissed. Pattis has hired one of those staffers. Other reps that *National Lampoon* has used in the Southeast and Midwest will continue their duties. Len Mogul, chairman of the executive committee at parent National Lampoon Inc., will function as advertising director.

WARNER AMEX Satellite Entertainment Co., New York, has filed a prospectus for the long-awaited public offering of its MTV: Music Television and Nickelodeon cable networks (AA, March 19). WASEC, a joint venture of Warner Communications and American Express, plans to sell about 5 million shares of common stock in a new spinoff company, MTV Networks, at between $16 and $18 a share.

WARNER AMEX Cable Communications and Dallas apparently are close to resolving their differences over renegotiating the city's cable tv franchise. A city council committee has recommended a series of tradeoffs with Warner Amex. Officials at the cable company termed the agreement "tough" but said that the company would work with the city. Some observers earlier thought that Warner Amex might be shown the door and the franchise reopened to competitive bids because of ongoing service problems.

BEATRICE COS., Chicago, says that about 91% of outstanding Esmark common stock and about 73% of Esmark preferred stock have been tendered in response to its offer. The offer expired on June 20. Beatrice expects to complete the acquisition of Esmark by early August, paying $60 a share for common shares and $42.60 for preferred stock.

GERALD KERN, who has already helped start two marketers of skincare products, is working on a third venture. Mr. Kern is joining with tennis pro Chris Evert Lloyd and others to form a company that will sell a new line of cosmetics and skincare products. Although the company is still unnamed, the product line is likely to be called Chrissy, and plans are to introduce it next spring at mass retailers. Ms. Lloyd will be a product consultant and spokesperson in a $3 million tv and print campaign. Kornhauser & Calene, New York, handles. Mr. Kern helped start, and is chief executive officer of, Mas Industries and Skin Controls Systems, both Beverly Hills, Cal.

WORTH NOTING: M. Rubin & Son, licensee for Englishtown Sportswear Ltd., will use cable tv and national fashion magazines for a $1 million campaign promoting Sergio Valente men's active wear, casual pants, woven shirts, and mens and boys jackets. Trahan, Burden & Charles, Baltimore, handles the account and reports that ads are due to run within 30 days. . . **The trial date** for McDonald's Corp.'s suit against Los Angeles franchisee Charles Griffis and for Mr. Griffis' countersuits (AA, Feb. 13, *et seq.*) has been rescheduled for Dec. 11. Originally, it was to have been June 26. . . **Edward Finkelstein**, chairman-ceo, R.H. Macy & Co., has been elected to the board of Time Inc. . . **James Stuart**, a founding partner of Stuart Brothers, an investment banking company, has been elected to the board of **Warner Computer Systems**, New York-based marketer of financial software and databases. . . **Chrysler Corp.** has underscored its interest in expensive luxury coupes by purchasing a 5% interest in specialty auto maker Officine Alfieri Maserati, Modena, Italy. It will cooperate with Maserati on designing and making "special-production models" that Chrysler will sell in the U.S. and Canada.

Advertising Age®

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$1.25 a copy; $52 a year *The International Newspaper of Marketing* *Thursday, June 28, 1984*

O&M gets Hallmark greetings

By DIANE STAFFORD

KANSAS CITY—Hallmark Cards, its marriage with Young & Rubicam a sudden and unexpected bust, said yes to Ogilvy & Mather, New York, last week amid rosy predictions that a "long term" relationship for the two lies ahead.

O&M, which beat Leo Burnett USA for the $40 million account, had been among shops that participated in Hallmark's highly publicized agency search two years ago.

Hallmark officials said this week that in the latest go-around O&M was selected over Chicago-based Burnett after an intensive and "very difficult" review.

The two agencies vied for the greeting card account after Hallmark terminated its relationship with Young & Rubicam (AA, May 10, *et seq.*). The decision to release Y&R was made in early May when Hallmark decided the agency could not serve it and AT&T Communications, both of which deal in "emotional, heartfelt advertising."

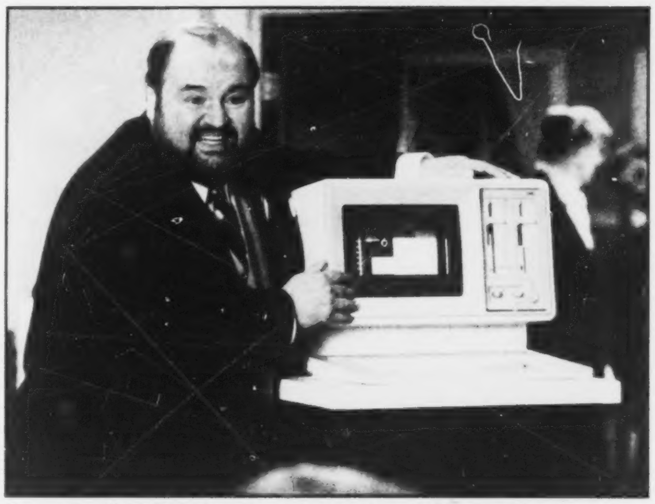
O&M also is an AT&T agency, for AT&T Information Systems.

The three agencies, plus Foote, Cone & Belding, had competed for the account two years ago. Only O&M and Burnett were invited to bid on the account again after Y&R was released.

Y&R's work for Hallmark will continue to appear through 1984, although the O&M contract is effective Aug. 1.

Christopher E. Clouser, corporate vp-public affairs and communications, said Hallmark believes it has a "very clear understanding with [O&M] in regard to the talent and abilities they'll bring to this account."

Mr. Clouser said no theme has been selected for O&M campaign work.#



Comedian Dom DeLuise plays a computer retailer who loves surprises in tv spots that accompany NCR's first IBM-compatible computer. Backer & Spielvogel, New York, is the agency.

NCR to ring up new computer

By BRIAN MORAN

NCR Corp. will introduce its first IBM-compatible personal computer this fall with a $10 million-to-$15 million advertising campaign featuring comedian Dom DeLuise.

The effort, created by Backer & Spielvogel, New York, breaks Sept. 1 on network tv supported by inserts in major-market newspapers, general-business magazines, computer books and trade publications. The campaign will center on the theme: "A better computer. It's exactly what you'd expect from NCR."

In the tv spots, Mr. DeLuise plays a computer retailer who loves surprises. He's excited about unveiling the NCR machine to his customers, but is disappointed when the computer's performance fails to surprise anyone. A test flight of commercials with Mr. DeLuise aired in San Francisco and Los Angeles between March 15 and June 10.

A series of six new 30 and 60-second tv spots will be produced next month, according to Steve Bowen, vp-communications division. The campaign is scheduled to run through the end of the year. *(For related AT&T story, see Page 85.)*

Dayton, O.-based NCR plans to ship its 16-bit computer, the PC 4, to dealers July 15. Retail price has not been set, but it is expected to match or slightly undercut that of the IBM PC, Mr. Bowen said.

With the PC 4, NCR joins other major communications giants such as AT&T and ITT as late arrivals to

(Continued on Page 85)

Coke spots aim to 'rally' teen market

By NANCY GIGES

Coca-Cola, following the lead of archrival Pepsi-Cola, is unveiling new commercials today designed for greater appeal to teens.

The Atlanta-based company is previewing the new spots at a corporate meeting of 3,000 bottlers and suppliers. Calling the get-together a "high-tech celebration of the system's success of the past five years," the company is showing spots for Coke, Diet Coke, Diet Sprite, Sprite and Tab. The commercials will begin airing in late July during the Olympics.

The Coca-Cola spots focus on a younger consumer, said Sergio Zyman, senior vp-marketing, Coca-Cola USA. "We must rally the new users who are coming into the soft-drink category for us," Mr. Zyman said.

He described the commercials as aiming to capture "the romance of the common experience" and "moments which mean the most."

Pepsi-Cola first acknowledged the importance of the younger consumer with the signing of superstar Michael Jackson. *(Coke is it at first stop of Jacksons' tour. See Page 3.)*

The "Coke is it" theme is about the only element remaining from that product's current, 2-year-old campaign. The company has opted for more upbeat music and new

(Continued on Page 85)

P&G's High Point drops Lauren Bacall

By GAY JERVEY

Procter & Gamble has retired Lauren Bacall as spokeswoman for High Point decaffeinated coffee in favor of a slice-of-life campaign that stresses its reformulated taste and aroma.

Now breaking nationally, the new effort is part of an umbrella brand strategy promoting High Point as "the smooth, nonbitter coffee product that it is," a P&G spokesperson said.

She added, "We believe the new ads better convey the benefits of this product than a single spokesperson can. It has nothing to do with the effectiveness of Ms. Bacall."

The latest High Point effort features an all-American family starting their day.

"Come away to High Point," the copy says. "Come away from the stress to a new High Point and relax. . .By taking special steps, HP gently washes away not only caffeine, but also bitterness that can interrupt your coffee pleasure," the copy concludes.#

Brits tweak Pa. town

By WILLIAM GLOEDE

WILKES-BARRE, PA.—Back in 1778 the British, aided by Indians, burned this city, then a small settlement on the banks of the Susquehanna River.

In 1984, they're doing it again, only this time they're doing it in advertising and they insist it's all in the spirit of good-natured British humor.

British American Tobacco (BAT) is running full-page ads in the northern and Southern California editions of *Playboy* for its State Express Three Fives (555) International cigarets. The copy reads, "Worthy of Wimbledon not Wilkes Barre. Three Fives International: England's luxury cigaret."

Officials in this city of almost 60,000 had not seen the ad when contacted by ADVERTISING AGE, but a spokesman for the mayor said

(Continued on Page 85)

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Lutz may make personnel, agency moves

Ford ready to shake up Europe

By ANGELA CHATBURN

LONDON—The return of Robert Lutz to head Ford Motor Co.'s European operations could lead to a major personnel shakeup and a review of the auto maker's $28 million advertising account here, observers say.

Mr. Lutz, Swiss-born but with U.S. citizenship, served as Ford of Europe chairman from 1979 to 1982, when he returned to Michigan to run the company's international division and serve on Ford's board.

Sources here say Mr. Lutz is expected to "shake things up a bit," following losses of more than $150 million in the U.K. last year. The losses marked the first time Ford sank into the red here in 10 years.

Ford, though, points out that it has increased its market share recently and doubts any auto maker is showing a profit with oversupply all around Europe.

Mr. Lutz' return as chairman also will herald a period of "streamlining" within Ford itself, the sources said.

Life has been unsettling recently at Ford's European headquarters in Brentwood, Middlesex. Several U.S. executives have taken "early retirement."

Among them were former chairman Edward Blanch and vp-marketing Bob Currier, who was replaced by Jack Brinkly from Ford's European truck operation.

Also, after weeks of rumors, European president James Catalongo resigned in May.

Ford has cut back on its mainstream advertising to concentrate on discounting and dealer incentives, and this is likely to accelerate under Mr. Lutz, whose direct Ford responsibility also will allow him to push through new designs more quickly.

Ford's Sierra has been dogged with problems. At the same time the company has had to watch companies like General Motors' Vauxhall suddenly start to produce sparkling new designs.

A review of advertising also seems likely, observers say, as Ford takes closer central control.

This could mean trouble for Ford's British agency, Ogilvy & Mather, since J. Walter Thompson Co. handles the account in most of Europe.

O&M also has had to contend with an attack from Young & Rubicam, which recently pitched for the $28 million U.K. business. Y&R's new managing director, John Banks, was previously head of the Ford business at O&M and had a very strong grip on it.

Y&R handles Lincoln-Mercury in the U.S.#

Advertising Age

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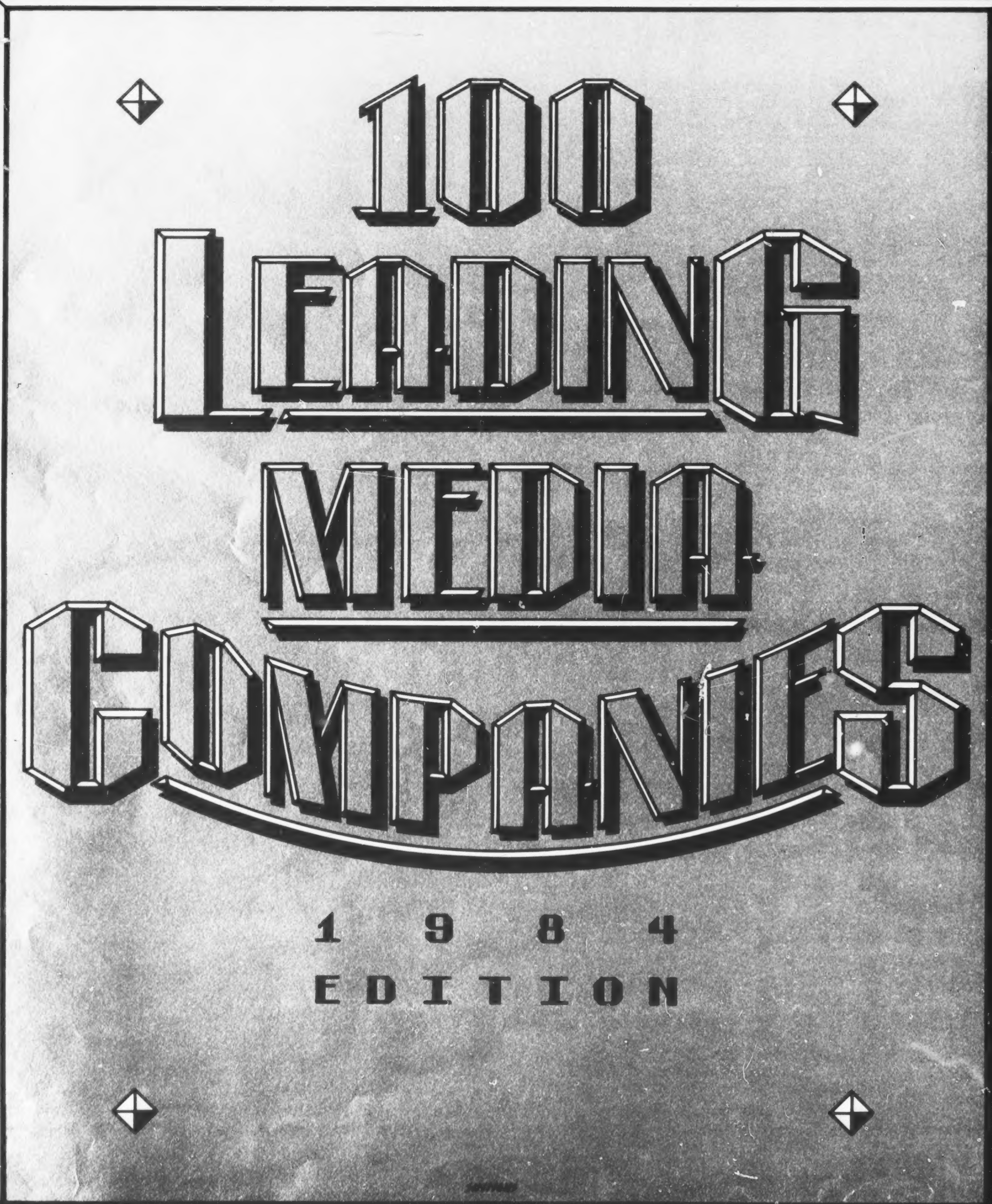
Special issue *The International Newspaper of Marketing* *June 28, 1984*



100 LEADING MEDIA COMPANIES

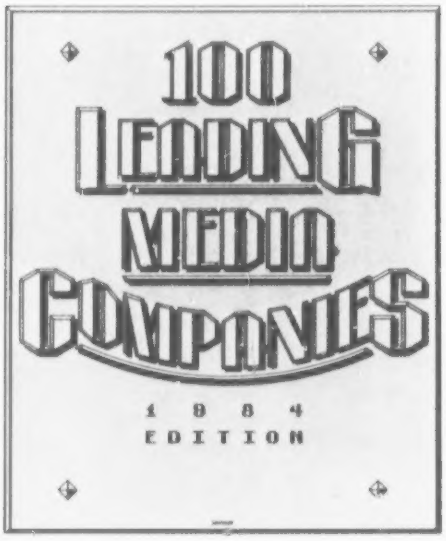
1984 EDITION

Advertising Age

June 28, 1984

100 Leading Media Companies

The leading U.S. media companies are profiled and ranked by 1983 revenues. Company profiles include recent personnel changes and complete media property listings. Also included are charts featuring the leaders' revenue breakdowns by medium, listings of cable properties and numbers of subscribers, magazine and newspaper circulation, broadcast properties and acquisitions and divestitures by the media companies. Indexes to the profiles and the charts also appear on Page 16.



Profile issues coordinator: Craig Endicott
Cover graphics: Bob Simmons
USA Today weather map on Page 10 reprinted by permission

To our readers

Becky Petersen, who worked hard and long proofreading on this 100 leading media companies issue, does not remember her dreams unless they are about the 100 media companies. The evening after she prepared the acquisitions chart on Page 48 of this issue, she awoke with a start, beads of sweat rolling down her face and a message on her lips. "Cake Media Co., I forgot Cake!" she exclaimed in a panic.

Cake, in that early-morning context, came alphabetically on the acquisitions chart between Cahners Publishing Co. and Capital Cities Communications Corp. And Becky had forgotten it! She did not remember what media property Cake had bought, or the price paid, she only knew it left a bad taste in her mouth.

Becky's shattered slumber is something most of us have experienced in putting together this issue. It becomes a burglar prying his way into your midnight reverie, forcing you to answer imponderable questions at various stages of the issue's production:

"Hey, SONny," the intruder says, "you DID remember to work from the net operating rather than the gross revenues of *Peanut PianterWorld*?

"You DID remember to subtract contract printing from the total newspaper operating revenues segmented by the company in its annual report? And don't forget that Media General sweetens its broadcast segment by lumping ad sales from its ad rep into the advertising generated by its seven o&o tv stations.

"Surely you didn't forget to add this acquisition and that. The media property lineups from year to year are like apples and oranges.

"Was Nielsen or Arbitron checked to determine a tv property's standing in the local market? And did you figure in the over-all market growth in broadcasting since the FCC stopped doing that in 1980, and check the station's ranking for 1980 before estimating its revenues in 1983? Come on now?

"Has the price per issue of the daily newspaper gone up in Newspaperville, and did you work in a discount on circulation revenues because independent carriers carry the delivery burdens in that market?

"If you know the gross and the advertising increase given by the company, how are you going to arrive at net operating revenues? Try asking the company?

"How many cable subs were there at the first of the year and how many at the end, and what was the paid subscriber figure, and how much of the paid goes into company coffers?

"Finally, what is media anyway? Is media that new Call-It service in which a 'subscriber' pays a per-call fee for each sports score, Bible quote or daily joke he or she gets by calling the service updated hourly by Lee Enterprises?"

It's enough to lose sleep over.

Craig Endicott
Profile issues editor

Letters

Tribute to Shaw

I thoroughly enjoyed James Brady's column "The old lion" (June 7), the tribute to Irwin Shaw.

As a young veteran of World War II, I enrolled in college in 1946. Two years later, I played the chief protagonist in Irwin Shaw's "Bury the Dead." Since that time I think I've read just about everything that he had published.

Mr. Brady's tribute was one of the best that I have read, and I thank him.

Edwin J. Lasko
Executive vp/general manager
Cedar Rapids Television Co.
KCRG TV 9
Cedar Rapids, Ia.

Brady on D-Day

I rarely write letters of this kind. There never seems to be enough time. However, James Brady's column, "Forty years after" (May 24), is one of the finest I've read. I have always admired his command of the language and his ability to use words economically without sacrificing proper explanation.

I missed the war, barely, but wound up in Korea shortly thereafter. World War II, however, has been a focus of mine for 20 years. I read all that I can about it, and my memories of it are vivid, because I was an impressionable young teen ager when it all took place. I wrote V-Mail to my next door neighbor for five years, for instance, as he fought through North Africa, Sicily, etc.

Robert J. Leary
Senior vp
Kenyon & Eckhardt
Boston

The British did not flee

As an ex-RAF pilot who "flew the beaches" on D-Day, I compliment James Brady on his sensitive review of the events of June 6, 1944, and thereafter. His column is good reporting.

It contains, however, one major error that should not pass without correction. Mr. Brady notes that subsequent to the fall of France, "the British fled." Every historical review of that period testifies to the fact that the British forces most assuredly did not flee.

As a direct result of the perfidious capitulation of Belgium and France, the British forces were placed in a battlefield situation from which only a retreat and later regrouping would avert defeat and the loss of thousands of lives.

Far from fleeing, or "running away," the retreat to the French coast was handled in a masterly fashion and the exodus by sea is one of military history's great accomplishments.

The thousands of lives that were saved then returned to France on D-Day, and many still lie there. The British did not run away, and a thousand years of military history gives validity to the fact that fleeing from an enemy plays no part in the British code of military conduct.

Frank L. Chipperfield
R.A.F. D.F.C.
Mango Co.
St. Louis

Snack food or junk food?

The article, "'Snack food' or 'junk food'" (Olympics coverage, May 17), contains misinformation the Chocolate Manufacturers Assn. wants to correct.

The article quotes a "disgruntled" Olympic observer who suggests that peanut chocolate confections, the official snack food of the Olympics, should be labeled the "official Olympic junk food."

Definitions of "junk food" are at best tenuous and designed more to inflame than inform. A snack with substantive nutritional value would not be judged as "junk food" by those trained in nutritional science. For example, the U.S. Dept. of Agriculture's "competitive foods" rule for schools states that foods containing 5% or more of the recommended daily allowance (RDA) of any one of eight selected nutrients (protein, vitamins A and C, thiamin, riboflavin, niacin, calcium and iron) are not considered food of "minimum nutritional value."

Milk chocolate and milk chocolate with peanuts surpass the 5% level for three different nutrients—protein, riboflavin and calcium. Following the standards set by the USDA for competitive foods, milk chocolate products cannot be considered of "minimal nutritional value."

Richard T. O'Connell
President
Chocolate Manufacturers Assn.
McLean, Va.

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100 Leading Media Companies report

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Leaders busy buying and selling in 1983

Product realignment marked 1983 for the top 100 media companies in the U.S. ranked by ADVERTISING AGE as media units jumped from one to the other like a game of musical chairs.

Fifty of the 100 largest media companies were buyers and 35 were sellers in this reshuffling of properties that propelled some to greater heights on the charts and pushed others beneath the cutoff point of $77.5 million in revenues, up from 1982's $67 million for No. 100.

In the fourth annual ranking of media companies, No. 1 ABC, No. 2 CBS, No. 3 Time Inc. and No. 4 RCA Corp. (NBC) retained their rankings from the previous year. Advance Publications (S.I. Newhouse) jumped from No. 7 to No. 5, pushing Gannett Co. down a notch to No. 6 and Times Mirror Co. from No. 6 to No. 7. Knight-Ridder Newspapers held firm at No. 8. Tribune Co., in grabbing the No. 9 spot, exchanged places with Hearst Corp., No. 10.

The causes of 1983's acquisition-divestiture mania were many. For one, a substantial growth in media revenues for the 100—$41.75 billion, up 14% from 1982—meant more cash on hand to play the market.

Traders in broadcast units are in a frenzy to hook the most desirable properties, betting that the Federal Communications Commission soon may lift its regulations limiting the number of properties in group ownership. When and if that occurs, the market will turn into more of a seller's market than it already is.

VANITY FAIR
BLONDE AMBITION
She's Just Wild About Oscars
Superegos of Architecture
Vreeland Remembers
Keith Richards Doesn't

Troubled times in 1983 beset* Vanity Fair, *which had sparse ad revenues and its third editor by January, 1984.

Wall Street's latest fad—the leveraged buyout—had media companies writing about their own sale. Leveraged buyouts, defined as the purchase of a company by a group of investors and financed mainly by borrowing against the assets of the company with company returns used to retire the debt—made bedfellows of investment bankers and media top management who thought their properties were undervalued on Wall Street and thus vulnerable to hostile takeovers.

Broadcast companies were particularly vulnerable to this new ownership craze. Wometco Enterprises (No. 55), Golden West Television (No. 68) and Metromedia (No. 24) were buyout victims, while Multimedia is rumored as a "possible" for 1984. Newspaper giant Harte-Hanks Communications (No. 28) is reverting back to the Harte and Hanks families of Texas in a leveraged buyout, but the buyout remains a point of confusion in San Antonio: "Why, we're still wondering what that's [leveraged buyout] all about down here," a company contact says.

A number of properties exchanged involved whole media segments, countering the trend toward diversification shared by most of the 100 (24 of the companies, however, remain single media companies). General Electric (No. 78) and Dun & Bradstreet Corp. (No. 18) sold their broadcast units, and H&C Communications divested its sole newspaper property, the *Houston Post.*

The ADVERTISING AGE survey divided media company contributions into four main media segments: Newspapers, magazines, cable and broadcast.

For the most part, media revenues were defined as revenues generated largely by advertising and regular circulation or subscription fees. By definition, this eliminated book publishing and directory generation, ad rep activity, job printing, computer databanks, software production, and program syndication and production. The definition included the new teletext and videotex ventures and electronic newsletters among the battery of rapidly emerging nontraditional media offerings.

Newspaper revenues continued to dominate the 100 media company activity in 1983, contributing 39%, or $16.39 billion, of the total media revenue take. Newspaper revenues represented the smallest year-to-year revenue increase of the four media segments—11.6% over 1982.

Besides the dramatic shifts among newspaper properties affecting Maclean Hunter Communications (from No. 95 to No. 80), now part owner of the *Houston Post*, and News America Publishing (No. 30) through its acquisition of the *Chicago Sun-Times*, newspaper companies continued their evolutionary tendency of either closing evening papers, merging them with their morning sister papers, or shifting to morning distribution entirely. The most attractive acquisitions, and certainly the most available, were the small dailies or weeklies. Twenty-one small dailies were purchased by the 100 leading media companies.

100 LEADING MEDIA COMPANIES
1984 EDITION

Scripps-Howard (No. 17) folded the *Memphis Press Scimitar*, leaving its *Commercial Appeal* the only paper in town. The *Press Scimitar* in 10 years had dropped from 127,000 circulation to 80,000, almost the numbers experienced the past 20 years by the *Oklahoma City Times*, which owner Oklahoma Publishing Co. (No. 27) folded into the morning *Daily Oklahoman.*

Initial circulation losses of 10% were recorded by both the merged products, a figure not considered excessive in such a move. A 12% slide in circulation was recorded when the Post-Intelligencer was merged into the *Seattle Times* under a joint operating agreement.

However, when Pulitzer Publishing Co. (No. 42) moved its St. Louis Post-Dispatch from evening to morning largely to attract readers from the morning *Globe-Democrat*, its daily circulation increased 9% the first month. Credit for this increase rests largely with publishing problems at the *Globe*, which was sold by Advance Publications (No. 5) to Jeffrey Gluck early in 1983. A move to a morning property by the Post-Dispatch also was seen as an effort to pull in more of the St. Louis County market where much of the wealth is, but that is dominated by weeklies such as the Suburban Newspapers of Greater St. Louis, purchased for $80 million by Ingersoll Publications Co. (No. 74).

The persistent presence of Gannett Co.'s (No. 6) *USA Today* continues to push local competition to new graphic heights. Houston Chronicle Publishing Co. (No. 51) and Dispatch Printing Co. (No. 67) papers have gone through makeup changes admittedly influenced by the Gannett paper. The first ABC audit of *USA Today* was released in this week. It set circulation at 1,179,834 for the last quarter of 1983. Gannett claims that figure has risen to an unaudited 1,332,974 for the first quarter of 1984.

Braves
COSMOS
PIRATES
Phillies
HarlemGlobetrotters Inc.
CUBS

Media street battles carry over to the ballpark where Tribune Co.'s Cubs take on Ted Turner's Braves, Taft's Phillies (47.5%), and Cap Cities' Pirates (49%). Warner has the Globetrotters, Ice Capades and Cosmos.

Courtesy Tri-Star Pictures

Robert Redford, with his Wonderboy slammer, got "base knocks" for media companies Time Inc. (through HBO) and CBS in the film "The Natural," produced by Tri-Star Pictures, a joint venture of the two and Columbia Pictures.

Broadcast revenues followed newspapers as a revenue generator among the 100 leading media companies, contributing 28.8%, or $12.08 billion, of total media revenues. Broadcast revenues represented a 13.7% increase over 1982.

The comment, "We want our complement [of broadcast properties], whatever it may be," by Scripps-Howard (No. 17) broadcast unit president Donald L. Perris, sums up the rush to acquire tv and radio stations. That statement was delivered after Scripps-Howard purchased KNXV-TV, Phoenix, for a group mix of seven tv, three am and four fm stations, putting it closer to the 7-7-7 mix permitted under federal law. It was echoed by Joe M. Dealey, chairman of A.H. Belo Corp. (No. 41), soon after his Dallas-based company bought four tv stations from Dun & Bradstreet.

Speculation on the lifting of the 7-7-7 rule has led to a flow of broadcast properties between the 100 leading media companies, 22 of which were buyers and 22 sellers during the year. Media companies acted as though they were "strangled" by the FCC restrictions as they bought properties in working toward the 7-7-7 ceiling and spun off properties as they exceeded the limit in a frenzy of product upgrading.

Belo, which exceeded the FCC limit for tv with the D&B acquisitions, picked over the litter before spinning off two longtime Belo tv stations to Freedom

(Continued on Page 10)

Craig Endicott is profile issues editor for ADVERTISING AGE.

Leaders

(Continued from Page 8)

Newspapers (No. 45) and two others from the D&B package to LIN Broadcasting (No. 86).

Cash-rich H&C Communications last week bought for $182.5 million the two tv stations offered for sale by Cowles Communications and ditched its Meridian, Miss., tv property. Evening News Assn. (No. 18) and Capital Cities (No. 16) continue to beat the tv acquisition trail.

Magazine revenues among the 100 media companies contributed 17.4%, or $7.26 billion, of total media revenues. Magazine revenues represented an increase of 12.2% over 1982.

***Computer side ventures include Instant Software Stores at IDG (above); Computer Patch stores at Stauffer and Computer Emporium at* Courier-Journal & Louisville Times.**

Finer tuning of their respective markets occupied the thoughts of magazine publishers, especially at the more general newsweeklies and men's entertainment publications.

U.S. News & World Report, whose continued decline in circulation and advertising led to speculation that a sale would be imminent, found a buyer in *Atlantic Monthly's* Mortimer Zuckerman. Mr. Zuckerman bought the company of the same name (No. 72) for $168.5 million this June, and plans to camp out at the politically conservative publication for a year before considering directional changes.

Newsweek, experiencing a down year in advertising, is seeking to correct that by increasing the rate base. The magazine is backing its circulation drive with a multi-million-dollar ad campaign addressing the "baby boom generation readers," who comprise a large segment of the magazine's readership, says a spokesperson for the magazine parent, Washington Post Co. (No. 13).

Clear product positioning is in store for Playboy Enterprises (No. 59) and Penthouse International (No. 61), whose men's entertainment magazines continued to lose advertising and circulation, the latter forcing rate base cuts in both magazines in 1983.

Playboy now is positioning itself in advertising as a contemporary life style and service magazine to build advertising and newsstand sales. *Penthouse* resuscitation plans include an incredible editorial-to-ad ratio shift from 2½-to-1 to 5-to-1, the editorial largesse to come from pictorials, articles and fiction.

The escalating computer market and its attendant publications has provided a harvest at Ziff-Davis Publishing (No. 31) and a newcomer to the list, International Data Group (No. 97).

Time Inc. (No. 3), however, found its cable-specific *TV-Cable Week* venture a bust and closed it after losing $47 million.

Cable was the most active segment among the 100 media companies, contributing 11.3%, or $4.71 billion, of total media revenues. Cable revenues represented the largest year-to-year revenue increase of the four media segments—27% over 1982.

As in 1982, the big cable companies focused more on squeezing some kind of profit, if any, out of what they had on-line. They now are building up existing markets rather than bidding for new franchises.

The entertainment function of media is pressed to new limits through "coverage" via OPUBCO's Opryland USA music revue (above), Taft's Wonderland park in Toronto and Wometco's Miami Seaquarium.

jr
PREMIER ISSUE
For IBM's Home Computer
Making Junior Part Of Your Family
Educational Programs: Selecting the Right Ones For Your Children
Information On Demand: Putting Your Junior "On Line"
How Much Programming Do You Really Need?

Computer magazines mean big bucks at Ziff-Davis, big "bytes" at McGraw-Hill, strong gains at ABC and pure survival at IDG—its* jr, *a contender among the flurry of PCjr-specifics.

Acquisitions played a major role in cable growth as American Broadcasting Co. (No. 1) picked up Entertainment & Sports Programming Network from Texaco Inc. for $202 million, and Continental Cablevision (No. 60) bought Ar[illegible] Communications, the Jacksonville, Fla., franchise for $106.5 million.

New advertiser-supported satellite networks with subscriber counts high enough to qualify the networks for national audience rating came under the purview of the 100 leading media companies through acquisition and joint venture. Oklahoma Publishing Co.'s purchase of Opryland included one of the those networks—with 15 million subscribers—Nashville Network.

Viacom International's (No. 35) Cable Health Network and Hearst (No. 10)/ABC Video Entertainment Services' Daytime programing service formed the Lifetime network with 16 million subscribers.

Landmark Communications' (No. 37) Weather Channel has converted about 85% of its customer base from free to paid since August, 1983, and with 12 million subscribers is just short of qualifying for metering by A.C. Nielsen Co.

The remaining media revenues came from a mix of business information services, outdoor advertising, videotex and other ventures.

Newcomers to the 100 leading media list include Golden West Television (No. 68), Chris-Craft Industries (No. 76), International Data Group (No. 97) and Stauffer Communications (No. 100), the latter returning to the list after a hiatus of one year. New acquisitions greatly influenced entry or reentry of these companies to the list.

Dropped from the list were: Field Enterprises (No. 23 in 1982) as the Field brothers split up their company and divested their media properties; Cosmo Broadcasting Corp. (No. 98 in 1982), which had revenues of $72.6 million, an increase of 9.7%; Rodale Press (No. 100 in 1982), with media revenues of $72 million, a 7.5% increase over 1982, and Worrell Newspapers (No. 99 in 1982), which is rebuilding revenues lost from the sale of eight dailies to New York Times Co. in 1982.

Ten 100 leading media companies in 1982 are missing in name only from 1983's media list: Advance corporate persistence that S.I. Newhouse & Sons is really Advance Publications finally won out, although newspaper buffs among our readers are sure to object.

During the year, the two Scripps entities were merged under the Scripps-Howard trade name in a pr move by the company to demonstrate the diversity of E.W. Scripps (newspapers) and Scripps-Howard Broadcasting (tv, radio, cable). We bought the idea.

Parent corporations Deseret Management Corp., Ziff Corp. and General Tire & Rubber became Bonneville Corp., Ziff-Davis Publishing Co. and RKO General Inc., respectively, because those in the media business more readily identify with the latter (which are subsidiaries) than the former.

Army Times Publishing Co. changed its name to Times Journal Co. to reflect the growing business of its newly acquired *Journal* publications in the Washington area.

International Thomson Holdings became the catchall for Toronto-based Thomson Newspapers for the purpose of this issue, as Ad Age editors married Thomson's newspaper unit, carried in last year's issue, with Thomson's trade magazine division, absent from the 1982 issue. The manufactured title justifiably could be assigned because of the controlling interest held in both units by the Thomson family.

Bergen, a print and broadcast holding company named for the *Bergen Evening Record*, opted for the Macromedia moniker to give its Gateway Communications (broadcasting) more recognition than it got under a corporate umbrella so closely identified with a newspaper.

The groundwork already has been laid for major shifts in the 1984 list. And, of course, it is the result of acquisitions.

A.H. Belo Corp. (No. 41), which rose from 47th position in 1982, will take another leap in 1984 from the revenues now flowing into the Dallas-based company following its acquisition in January of Dun & Bradstreet's Corinthian Broadcast division, which had $107 million in revenues in 1983.

Our lakeland paradise awaits you

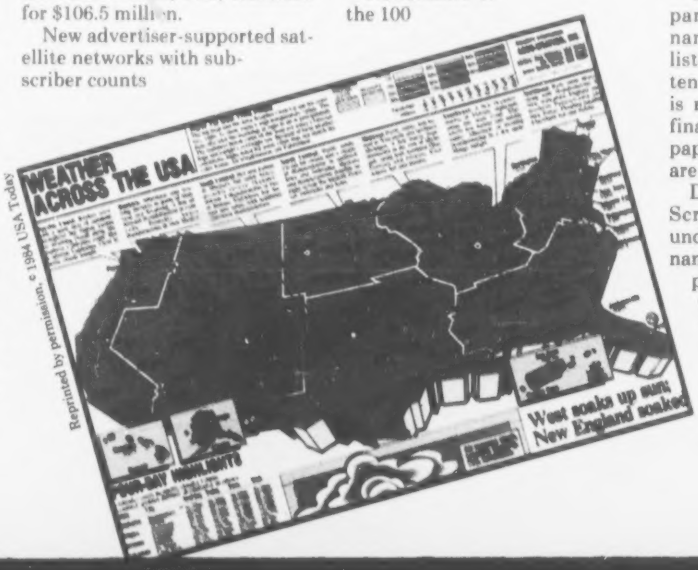
Forbes Lake of the Ozarks

Forbes' Lake of the Ozarks paradise awaits you, as does its Sangre de Cristo Ranch, Copley's Casa del Zorro and Pittway's Saddlebrook.

Maclean Hunter Communications (No. 80), ranked on the basis of its U.S. properties, will get a year's worth of revenues from the Toronto Sun Co. acquisition of the *Houston Post*.

News America Publishing (No. 30) could climb as many as 10 rungs on the 1984 chart with the inclusion of revenues from the *Sun-Times*, acquired in January. The *Sun-Times'* revenues are estimated at more than $250 million.

And the music goes on.



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USA Today *has influenced wholesale makeup changes nationwide, including big, colorful weather maps from competitors in Atlanta, Chicago, Detroit, Memphis and Phoenix.*

100 Leading Media

			1983 Revenues in Millions			1982 Revenues in Millions	
1983 Rank	1982 Rank	Company	Media	Total	% Media	Media	Total
1	1	American Broadcasting Co.	2,815.2	2,948.8	95.5	2,527.3	2,664.5
2	2	CBS Inc.	2,682.9	4,540.2	59.1	2,434.6	4,122.8
3	3	Time Inc.	2,248.5	2,717.0	82.3	1,822.0	2,371.0
4	4	RCA Corp.	2,090.0	8,980.0	23.3	1,790.0	8,240.0
5	7	Advance Publications	1,740.2	1,940.2	89.7	1,616.5	1,800.0
6	5	Gannett Co.	1,671.2	1,703.7	98.1	1,492.8	1,519.5
7	6	Times Mirror Co.	1,667.3	2,491.2	66.9	1,489.2	2,210.5
8	8	Knight-Ridder Newspapers	1,450.7	1,473.4	98.5	1,300.1	1,327.7
9	10	Tribune Co.	1,397.4	1,586.5	88.1	1,247.4	1,431.4
10	9	Hearst Corp.	1,116.0	N/A	N/A	1,030.0	N/A
11	11	New York Times Co.	1,073.0	1,091.3	98.3	890.6	933.7
12	12	McGraw-Hill	888.7	1,295.2	68.4	804.3	1,193.6
13	13	Washington Post Co.	861.6	877.4	98.2	786.2	801.4
14	14	Dow Jones & Co.	816.7	866.4	94.3	683.0	730.7
15	16	Westinghouse Electric Co.	802.4	9,532.6	8.9	663.0	9,745.4
16	15	Capital Cities Communications	762.3	762.3	100.0	663.6	663.6
17	18	Scripps-Howard	750.6	807.3	93.0	670.6	727.5
18	17	Dun & Bradstreet	635.8	1,509.6	42.0	584.1	1,360.9
19	37	International Thomson Holdings Inc.	608.6	N/A	N/A	462.3	666.5
20	19	Triangle Publications	579.3	579.3	100.0	549.4	549.4
21	20	Cox Communications	537.6	614.6	87.5	443.0	514.8
22	21	Cox Enterprises	467.0	467.0	100.0	425.0	425.0
23	22	Storer Communications	458.9	458.9	100.0	379.3	379.3
24	25	Metromedia Inc.	383.6	532.8	69.7	326.8	407.1
25	33	Tele-Communications Inc.	347.3	368.4	94.0	265.6	282.6
26	27	Central Newspapers	346.0	346.0	100.0	315.0	315.0
27	28	Oklahoma Publishing Co.	335.2	N/A	N/A	302.8	N/A
28	24	Harte-Hanks Communications	332.1	443.6	74.9	308.7	394.4
29	29	Chronicle Publishing Co.	325.0	325.0	100.0	296.3	296.3
30	31	News America Publishing	323.0	323.0	100.0	270.0	270.0
31	26	Ziff-Davis Publishing Co.	322.1	322.1	100.0	300.0	300.0
32	38	Media General	314.7	507.7	62.0	248.1	429.4
33	34	Affiliated Publications	293.0	293.8	99.7	259.0	259.4
34	32	Meredith Corp.	288.9	447.8	64.5	275.4	449.1
35	41	Viacom International	271.3	315.6	86.0	235.1	281.4
36	42	Multimedia Inc.	269.7	269.7	100.0	225.5	225.5
37	40	Landmark Communications	265.0	265.0	100.0	230.0	230.0
38	35	Evening News Assn.	260.2	N/A	94.0	244.0	N/A
39	52	American Express Co.	252.7	9,770.0	2.6	183.7	8,093.0
40	50	Warner Communications	251.0	3,425.0	7.3	183.8	4,090.0
41	47	A. H. Belo Corp.	242.2	242.6	99.8	203.2	203.4
42	43	Pulitzer Publishing Co.	242.0	242.0	100.0	224.0	224.0
43	45	Copley Newspapers	236.7	240.9	98.3	209.3	210.0
44	39	Cowles Media Co.	227.8	227.8	100.0	238.0	238.0
45	46	Freedom Newspapers	224.8	224.8	100.0	207.7	207.7
46	49	McClatchy Newspapers	215.0	215.0	100.0	185.0	185.0
47	36	Reader's Digest Assn.	202.5	1,500.0	13.5	199.3	1,300.0
48	51	National Geographic Society	202.0	327.4	61.7	181.1	280.4
49	61	Turner Broadcasting Co.	201.3	224.5	89.7	146.3	165.6
50	73	Morris Communications Corp.	196.4	199.0	98.7	117.6	120.0

Source: Advertising Age 100 Leading Media Cos., 1984
*Segment revenues are Advertising Age estimates

Companies by revenue

1983 Rank	Company	Newspapers*		Broadcast*		Magazine*		Cable*	
		1983	1982	1983	1982	1983	1982	1983	1982
1	American Broadcasting Co.	—	—	2,614.3	2,341.9	187.5	170.4	13.4	15.0
2	CBS Inc.	—	—	2,389.4	2,165.2	293.5	269.4	—	—
3	Time Inc.	27.5	25.0	—	—	1,131.0	941.0	1,090.0	856.0
4	RCA Corp.	—	—	2,090.0	1,790.0	—	—	—	—
5	Advance Publications	1,194.2	1,149.3	—	—	406.0	355.2	140.0	112.0
6	Gannett Co.	1,294.6	1,156.6	192.9	161.7	—	—	—	—
7	Times Mirror Co.	1,266.8	1,140.4	116.1	100.4	130.4	123.3	154.0	125.0
8	Knight-Ridder Newspapers	1,317.3	1,190.0	51.6	43.3	—	—	N/A	N/A
9	Tribune Co.	1,137.4	1,041.4	228.7	182.3	—	—	31.3	23.7
10	Hearst Corp.	548.0	512.2	163.3	145.8	401.0	368.5	4.0	3.5
11	New York Times Co.	833.2	674.2	35.1	47.0	186.4	169.4	18.3	N/A
12	McGraw-Hill	—	—	71.6	66.7	381.2	344.6	—	—
13	Washington Post Co.	440.2	413.9	120.0	107.7	302.0	279.2	—	—
14	Dow Jones & Co.	738.1	623.0	—	—	27.6	23.0	—	—
15	Westinghouse Electric Co.	—	—	175.3	156.5	—	—	627.1	506.5
16	Capital Cities Communications	289.6	256.2	235.8	221.0	156.0	124.0	67.0	53.3
17	Scripps-Howard	650.0	575.0	94.4	93.1	—	—	6.2	2.5
18	Dun & Bradstreet	—	—	107.3	100.6	332.5	302.6	—	—
19	International Thomson Holdings Inc.	281.6	254.0	—	—	327.0	208.3	—	—
20	Triangle Publications	62.0	57.3	—	—	517.3	492.1	—	—
21	Cox Communications	—	—	200.2	181.5	—	—	337.4	261.5
22	Cox Enterprises	467.0	425.0	—	—	—	—	—	—
23	Storer Communications	—	—	167.8	156.6	—	—	291.1	222.7
24	Metromedia Inc.	—	—	371.6	324.3	—	—	—	—
25	Tele-Communications Inc.	—	—	—	—	—	—	347.3	265.6
26	Central Newspapers	345.1	314.5	—	—	—	—	0.9	0.8
27	Oklahoma Publishing Co.	207.8	198.5	125.7	102.8	1.7	1.5	—	—
28	Harte-Hanks Communications	238.8	227.0	84.4	75.0	—	—	8.9	6.7
29	Chronicle Publishing Co.	245.0	223.6	58.0	53.1	—	—	22.0	19.5
30	News America Publishing	287.0	240.0	—	—	36.0	30.0	—	—
31	Ziff-Davis Publishing Co.	—	—	—	—	322.1	300.0	—	—
32	Media General	208.8	183.4	105.9	64.7	—	—	—	—
33	Affiliated Publications	278.5	244.2	14.5	14.8	—	—	—	—
34	Meredith Corp.	9.0	9.0	88.5	78.0	188.8	187.6	2.7	0.9
35	Viacom International	—	—	119.8	122.3	—	—	151.5	112.9
36	Multimedia Inc.	90.7	82.2	125.8	110.5	—	—	53.2	32.8
37	Landmark Communications	159.0	149.5	26.5	23.0	—	—	79.5	57.5
38	Evening News Assn.	187.5	180.0	72.7	64.0	—	—	—	—
39	American Express Co.	—	—	—	—	33.7	30.7	219.0	153.8
40	Warner Communications	—	—	—	—	32.0	30.0	219.0	153.8
41	A. H. Belo Corp.	163.4	134.7	78.8	68.7	—	—	—	—
42	Pulitzer Publishing Co.	145.2	131.4	96.8	89.6	—	—	—	—
43	Copley Newspapers	233.7	207.3	—	—	—	—	3.0	2.0
44	Cowles Media Co.	227.8	N/A	—	—	—	—	—	—
45	Freedom Newspapers	210.5	194.0	14.3	13.3	—	—	—	—
46	McClatchy Newspapers	183.0	158.0	10.0	9.0	—	—	11.0	9.0
47	Reader's Digest Assn.	—	—	—	—	190.5	192.3	12.0	7.0
48	National Geographic Society	—	—	—	—	202.0	181.1	—	—
49	Turner Broadcasting Co.	—	—	136.2	96.7	—	—	65.1	49.7
50	Morris Communications Corp.	196.4	117.6	—	—	—	—	—	—

100 Leading Media

1983 Rank	1982 Rank	Company	1983 Revenues in Millions Media	1983 Revenues in Millions Total	1983 Revenues in Millions % Media	1982 Revenues in Millions Media	1982 Revenues in Millions Total
51	54	**Houston Chronicle Publishing Co.**	**186.2**	186.2	100.0	167.9	167.9
52	56	**Journal Co.**	**177.3**	302.7	59.0	165.8	290.0
53	30	**RKO General Inc.**	**175.7**	335.4	52.4	164.0	291.8
54	48	**A.S. Abell Co.**	**170.0**	170.0	100.0	151.8	151.8
55	59	**Wometco Enterprises**	**169.3**	519.6	92.7	155.5	493.4
56	60	**Donrey Media Group**	**169.0**	169.0	100.0	147.4	147.4
57	58	**Lee Enterprises**	**166.1**	172.6	96.2	155.3	160.6
58	67	**Cahners Publishing Co.**	**160.0**	200.0	80.0	140.0	180.0
59	55	**Playboy Enterprises**	**158.5**	193.7	81.8	165.3	210.1
60	77	**Continental Cablevision**	**156.0**	156.0	100.0	108.7	108.7
61	57	**Penthouse International**	**153.0**	165.0	92.7	165.0	175.0
62	64	**Howard Publications**	**150.0**	150.0	100.0	139.5	139.5
63	66	**Providence Journal Co.**	**144.8**	323.5	44.5	132.5	314.0
64	62	**Blade Co.**	**143.3**	143.3	100.0	135.4	135.4
65	63	**National Enquirer**	**142.0**	142.0	100.0	140.0	140.0
66	69	**Taft Broadcasting Co.**	**140.8**	381.0	37.0	125.1	358.2
67	68	**Dispatch Printing Co.**	**140.0**	140.0	100.0	127.2	127.2
68	—	**Golden West Television**	**140.0**	N/A	N/A	125.0	N/A
69	78	**Rogers-UA Cablesystem**	**139.5**	139.5	100.0	107.0	107.0
70	75	**Seattle Times Co.**	**135.0**	135.0	100.0	116.5	116.5
71	72	**Times Publishing Co.**	**134.0**	134.8	100.0	119.5	119.5
72	70	**U.S. News & World Report**	**133.0**	149.0	89.3	124.0	132.0
73	74	**Petersen Publishing Co.**	**131.0**	140.5	93.2	117.5	127.5
74	84	**Ingersoll Publications Co.**	**129.0**	129.0	100.0	95.0	95.0
75	85	**Allbritton Communications Co.**	**123.5**	124.5	100.0	93.0	93.0
76	—	**Chris-Craft Industries**	**122.0**	140.5	86.8	53.5	76.5
77	76	**McCall Publishing Co.**	**121.6**	121.6	100.0	110.0	110.0
78	53	**General Electric Co.**	**118.0**	26,797.0	0.4	113.0	26,500.0
79	81	**United Cable Television Corp.**	**115.3**	115.3	100.0	99.8	99.8
80	95	**Maclean Hunter Communications**	**115.0**	518.1	22.3	75.0	428.9
81	80	**Southern Progress Corp.**	**110.0**	N/A	N/A	100.0	N/A
82	79	**Jefferson-Pilot Corp.**	**109.3**	1,030.0	10.6	101.1	1,024.3
83	82	**Courier-Journal & Louisville Times Co.**	**107.0**	166.0	64.5	98.0	160.0
84	87	**Bonneville Corp.**	**107.0**	134.0	79.9	89.0	112.0
85	65	**Oak Industries**	**106.3**	426.4	24.9	139.0	545.7
86	92	**LIN Broadcasting Corp.**	**102.0**	107.3	95.1	83.8	88.4
87	71	**Harcourt Brace Jovanovich**	**101.2**	648.8	15.6	98.9	575.3
88	91	**Pittway Corp.**	**98.0**	432.0	22.0	98.0	411.1
89	89	**Macromedia Inc.**	**96.5**	97.1	99.4	86.1	87.3
90	88	**Outlet Co.**	**95.0**	95.0	100.0	86.6	86.6
91	93	**Sammons Communications**	**94.0**	94.0	100.0	81.0	81.0
92	44	**H & C Communications**	**90.0**	90.0	100.0	80.5	80.5
93	—	**Forbes**	**89.7**	112.2	80.0	72.1	88.7
94	78	**Des Moines Register and Tribune Co.**	**88.5**	88.5	100.0	90.7	90.7
95	94	**Knapp Communications**	**88.5**	99.3	89.1	79.7	92.9
96	90	**Park Communications**	**86.3**	86.3	100.0	75.4	75.4
97	—	**IDG**	**85.0**	110.0	77.3	49.0	64.0
98	96	**Times Journal Co.**	**84.0**	119.0	71.0	73.7	104.2
99	97	**Rollins Inc.**	**82.0**	444.2	18.5	69.2	526.5
100	—	**Stauffer Communications Inc.**	**77.5**	88.2	87.9	64.0	70.2

Source: Advertising Age 100 Leading Media Cos., 1984
*Segment revenues are Advertising Age estimates

Companies by revenue

1983 Rank	Company	Newspapers*		Broadcast*		Magazine*		Cable*	
		1983	1982	1983	1982	1983	1982	1983	1982
51	Houston Chronicle Publishing Co.	186.2	167.9	—	—	—	—	—	—
52	Journal Co.	149.0	141.0	23.3	20.0	—	—	5.0	4.0
53	RKO General Inc.	—	—	175.7	164.0	—	—	—	—
54	A.S. Abell Co.	120.0	107.2	50.0	44.6	—	—	N/A	N/A
55	Wometco Enterprises	—	—	79.0	74.1	—	—	90.3	81.5
56	Donrey Media Group	133.5	116.4	25.4	22.0	—	—	4.0	2.0
57	Lee Enterprises	120.6	112.1	45.5	43.2	—	—	—	—
58	Cahners Publishing Co.	—	—	—	—	160.0	140.0	—	—
59	Playboy Enterprises	—	—	—	—	150.2	165.3	8.3	—
60	Continental Cablevision	—	—	—	—	—	—	156.0	108.7
61	Penthouse International	—	—	—	—	153.0	165.0	—	—
62	Howard Publications	129.0	123.2	14.0	12.6	—	—	7.0	4.0
63	Providence Journal Co.	102.0	98.0	13.2	11.8	—	—	30.0	24.0
64	Blade Co.	114.8	115.3	9.0	8.0	—	—	19.5	12.1
65	National Enquirer	142.0	140.0	—	—	—	—	—	—
66	Taft Broadcasting Co.	—	—	140.8	125.1	—	—	—	—
67	Dispatch Printing Co.	109.0	99.0	31.0	28.2	—	—	—	—
68	Golden West Television	—	—	140.0	125.0	—	—	—	—
69	Rogers-UA Cablesystem	—	—	—	—	—	—	139.5	107.0
70	Seattle Times Co.	135.0	116.5	—	—	—	—	—	—
71	Times Publishing Co.	124.0	111.4	—	—	10.0	8.0	—	—
72	U.S. News & World Report	—	—	3.0	2.0	130.0	122.0	—	—
73	Petersen Publishing Co.	—	—	—	—	131.0	117.5	—	—
74	Ingersoll Publications Co.	129.0	95.0	—	—	—	—	—	—
75	Allbritton Communications Co.	60.0	55.9	63.5	37.1	—	—	—	—
76	Chris-Craft Industries	—	—	122.0	53.5	—	—	—	—
77	McCall Publishing Co.	—	—	—	—	121.6	110.0	—	—
78	General Electric Co.	—	—	57.0	60.0	—	—	61.0	53.0
79	United Cable Television Corp.	—	—	—	—	—	—	115.3	99.8
80	Maclean Hunter Communications	15.0	—	—	—	40.0	30.0	60.0	45.0
81	Southern Progress Corp.	—	—	2.5	2.0	107.5	98.0	—	—
82	Jefferson-Pilot Corp.	42.8	42.6	66.4	58.5	—	—	—	—
83	Courier-Journal & Louisville Times Co.	92.0	90.0	15.0	8.0	—	—	—	—
84	Bonneville Corp.	—	—	107.0	89.0	—	—	—	—
85	Oak Industries	—	—	—	—	—	—	106.3	139.0
86	LIN Broadcasting Corp.	—	—	91.0	73.9	11.0	10.0	—	—
87	Harcourt Brace Jovanovich	—	—	15.9	14.3	85.3	84.7	—	—
88	Pittway Corp.	—	—	—	—	98.0	98.0	—	—
89	Macromedia Inc.	75.7	66.0	20.8	20.1	—	—	—	—
90	Outlet Co.	—	—	80.0	75.0	—	—	15.0	11.6
91	Sammons Communications	—	—	—	—	—	—	94.0	81.0
92	H & C Communications	—	—	90.0	80.5	—	—	—	—
93	Forbes	—	—	—	—	89.7	72.1	—	—
94	Des Moines Register and Tribune Co.	66.7	68.7	21.8	22.0	—	—	—	—
95	Knapp Communications	—	—	—	—	88.5	79.7	—	—
96	Park Communications	44.0	35.7	42.3	39.7	—	—	—	—
97	IDG	—	—	—	—	85.0	49.0	—	—
98	Times Journal Co.	84.0	73.7	—	—	—	—	—	—
99	Rollins Inc.	—	—	25.1	24.6	—	—	28.0	19.1
100	Stauffer Communications Inc.	50.4	44.4	17.7	19.0	9.4	0.3	—	—

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Advertising Age
100 LEADING MEDIA COMPANIES

A.S. Abell Co.

Revenues	1983	1982
Media	$170,000,000	$151,800,000*
Other	—	—
Total	$170,000,000	$151,800,000

*Restated

A.S. Abell Co., Baltimore, is the country's 54th largest media company, with 1983 revenues of $170 million, all in media, a 12% increase over 1982, according to the privately held company.

The company has two operating divisions—A.S. Abell Publishing, with 1983 revenues of $120 million, and A.S. Abell Communications, with 1983 revenues of $50 million.

Abell Publishing's principal property, the Baltimore Sunpapers, in 1983 began an aggressive three-year campaign to improve its already dominant market share by combining Saturday editions of the *Baltimore Sun* and *Baltimore Evening Sun*, increasing suburban zoning, initiating a shared-mail advertising program and boosting its percentages of national and color advertising.

According to September 1983, Audit Bureau of Circulations figures, Sunday circulation increased 4.5%, to 394,127 from the previous year, while daily circulation dropped slightly to 346,251 from 350,909. Combined Saturday circulation also declined slightly to 297,276, from 300,144.

The two Saturday editions were combined March 24 into the *Saturday Sun*, a morning publication that includes expanded entertainment and home and garden sections.

"I think it's reasonable to say that it has been successful," says Jerry Smolinski, public affairs manager of the *Sun*. "It provides more than the individual papers could, and early indications are that circulation could go to 325,000."

The *Saturday Sun* also is sharing in the company's heavy emphasis on color advertising as part of a management strategy to boost the group by the end of 1984 into the top 25 color advertisers among newspapers. The effort to increase national advertising led the Sunpapers to drop Cresmer, Woodward, O'Mara & Ormsbee and take on Million Market Newspapers as national representatives.

The Sunday Sun added a third zoned edition, for suburban Harford County last October and soon will add a fourth, for Carroll County. The zoned editions include tabloid sections that feature local news and advertising. Mr. Smolinski says the company is studying the possibility of adding additional zoned editions later this year.

The Sun-plus shared advertising program was initiated this year. It offers to insert advertisers total market coverage to nonsubscribers by Zip code.

Country, a regional monthly magazine purchased by Abell in 1982, doubled its circulation to 70,000, said Walter Micklin, its publisher and editor. He said the magazine, which circulates primarily in Maryland, Virginia and Washington, had 196 advertising pages during the first five months of 1984, compared with 128 during the like period in 1983.

In March, 1983, Abell purchased *Ski Racing* magazine, which publishes 22 times a year and has a circulation of 30,000. The magazine also publishes *Ski Show Daily* on six consecutive days during the industry's annual convention.

A.S. Abell Communications in 1983 expanded its in-hotel video advertising service, Welcome U.S.A. Stephen Seymour, ceo, Abell Communications, said the service now reaches 20,000 hotel rooms in Baltimore, Washington and Miami. He said Abell will add two cities to the service later this year and hopes to reach 50,000 rooms by yearend.

The company will enter the cellular radio market later this year in Norfolk, Va., as part of a consortium of 12 companies.

Abell's syndicated tv feature, "Jack Anderson Confidential," folded in April, 1983.

Mr. Seymour says the show did not provide enough of a return for Abell, despite receiving a 5 rating in about 70% of the country. Currently, Abell is not involved in any other production ventures.

Mr. Seymour said the company is "still actively trying to increase its broadcast portfolio," but it did not add any broadcast properties in 1983 or 1984 to date.

MEDIA PROPERTIES
Broadcasting

TV: WMAR, Baltimore.
RADIO: WCRJ (am, fm), Jacksonville, Fla.; WDOQ (fm), Daytona Beach, Fla.; WNVZ (fm), Norfolk, Va.; WTJZ (am), Newport News, Va.

Cable/video

Welcome U.S.A.

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Magazines

Country, Ski Racing, Ski Show Daily.

Newspapers (dailies)

MARYLAND: *Baltimore Sun, Baltimore Evening Sun.*

Advance Publications

Revenues	1983	1982
Media	$1.640 bil.	$1.616 bil.*
Other	200,000,000	184,900,000
Total	$1.940 bil.	$1.800 bil.

*Restated

Advance Publications, New York, the corporate umbrella for what was known in the trade as S.I. Newhouse & Sons, is the country's fifth largest media company, with media revenues estimated by ADVERTISING AGE of $1.74 billion in 1983, 89% of estimated total revenues $1.94 billion.

Advance, a media giant tightly held and operated by the Newhouse family, had estimated media revenues in 1982 of a restated $1.616 billion out of total revenues of an estimated $1.8 billion.

Media revenues, which come from newspaper holdings, Conde Nast magazines and cable operations, were 89.7% of the estimated total for the company.

Advance's nonmedia contribution comes primarily from book publishing.

As one of the three largest privately held companies, Advance's sales and earnings are not disclosed by Samuel I. Newhouse Jr. and Donald E. Newhouse, who run the media empire.

However, in a $900 million federal tax case instituted against the empire last fall, papers filed by the company put its worth at about $1.5 billion as of August, 1980.

Having sold its radio stations in 1982, the publisher and cable video operator moved ahead in these areas of business. In the fall of 1983, Conde Nast acquired *Gourmet* magazine from the estate of Earle R. MacAusland, whose widow, Jean, had acted as publisher since 1980.

At the time of the acquisition, the magazine's rate base was 650,000 and ad revenues were $10.5 million. Conde Nast reportedly paid $24 million for *Gourmet*, beating out New York Times Co.

In early 1984, Conde Nast was reported to be one of the bidders for Whitney Communication's magazine group, once again bidding against New York Times Co. as well as Hearst Corp. and ABC Publications. Since then, two of the Whitney publications have been sold, but Conde Nast was not among the takers. Still, *50 Plus* remains on the block.

Conde Nast continues its effort to put things in order at *Vanity Fair* magazine, but as of Jan. 5, 1984, it had its third editor in less than a year. The first editor-in-chief, Richard Locke, was replaced by Leo Lerman after the first two issues of the revived *Vanity Fair* met with biting criticism.

In January, Mr. Lerman, reputed to be an interim editor, was succeeded by Tina Brown, whom Conde Nast holds responsible for the turnaround of its English magazine *Tatler*. At about the same time, David O'Brasky was named publisher, succeeding Joseph Corr Jr. who left that post in November, 1983.

The company was believed to have invested more than $11 million by this January into the revival of the magazine, but it was said to still face problems meeting its rate base claim of 250,000.

However, Mr. O'Brasky says circulation is more than 275,000. In any event, advertisers are not convinced the book is tightly enough defined to make an attractive buy.

Figures supplied by the Publishers Information Bureau put *Vanity Fair's* ad pages at 515.11 for 1983 and ad revenues at $6.3 million. The data put Conde's *Gourmet* page total at more than 932, up 10.7% from 1982, and showed a 14.8% increase in ad revenues, to $12.1 million. *House & Garden*, a year after its repositioning toward a more affluent market, suffered in terms of pages and dollars as a result of the revamp. *House & Garden's* pages were down 14.5%, to 826, while revenues declined 43.6%, to $12.8 million. But the full-year page drop was less steep than that for the first six months of 1983, when pages were off 29%, to 382.

Women's fashion and service magazines all showed solid growth, however. *Vogue* ad pages increased 11.4%, to 3,112, and revenues jumped 24.5%, to $56.2 million. At the end of the year, the magazine's editors also announced they are fashioning a new look that will incorporate more nonfashion editorial.

Self pages increased 11.4%, to 928, while revenues grew 25.6%, to $17.1 million. *Glamour* revenues rose 24.9%, to $58.6 million, while pages went up 7.5%, to 2,026. *Mademoiselle's* pages increased 3.1%, to 1,573, while ad revenues moved ahead 22.8%, to $29.2 million.

In its newspaper group, Advance sold the *St. Louis Globe-Democrat* to Jeffrey Gluck, who publishes *Saturday Review* and *Missouri Life*, for what was reported to be less than $1 million. The sale came despite earlier speculation that Advance was intent on closing the paper in lieu of finding a buyer. Such speculation was fueled by an antitrust investigation initiated by the Justice Department on Nov. 7, 1983. At the time, the Justice Department ordered Advance to find a buyer and later closed the investigation when Mr. Gluck expressed his interest.

Saved from one investigation, however, Advance is facing another. In late January, the Justice Department began investigating the 1982 closing of the *Cleveland Press*, following a story in the *Akron Beacon Journal* that Samuel Newhouse had agreed to pay *Press*-owner Joseph Cole $14.5 million "in part to close the *Press*," which competed against Mr. Newhouse's *Cleveland Plain Dealer*.

The Newhouse newspapers also joined United Press International in a $9 million agreement where UPI will supply news features to 17 Newhouse newspapers. Later in 1983, the newspaper group signed a pact with Knight-Ridder Newspapers where the latter will share findings from Knight-Ridder and American Telephone & Telegraph's Viewtron home information test and service in South Florida. The deal could lead to further Advance/Knight-Ridder joint Viewtron ventures in other southern and western cities.

MEDIA PROPERTIES

Cable/video

MetroVision Inc., serving ILLINOIS: Blue Island, Berwyn, Crestwood, Hickory Hills (90% interest), Melrose Park, Midlothian, Northlake, Palos Hills, Posen, Stickney, Tinley Park, Westhaven. INDIANA: Portage. KENTUCKY: Newport. LOUISIANA: St. John the Baptist Parish. NEBRASKA: Auburn, Crete, David City, Fairbury, Freemont, Humbolt, Lincoln, Nebraska City, Pawnee City, Seward, Superior, Table Rock, Tecumseh, York. OHIO: Green Township.TEXAS: Belton, Belmead, Beverly Hills, Greenville, Killeen, Lacey-Lakeview, Robinson, North Woodway, Temple, Waco. WISCONSIN: Lannon (90% interest), Menomonee Falls. WYOMING: Sheridan. Also, NewChannels Corp. serving ALABAMA: Anniston, Eufala, Greenville, Wetumpka. NEW YORK: Binghamton, Carthage, Cooperstown, Corning, Delhi, Fulton, Malone, Massena, Ogdensberg, Oenonta, Potsdam, Rome, Sidney, Syracuse, Troy. PENNSYLVANIA: Canonsburg, Coraopolis, Crescent Township, Moon Township, Neville Township. Also, Vision Cable Communications, serving FLORIDA: Clearwater (90% interest), Kenneth City, Pinellas Park. LOUISIANA: Alexandria, Houman. NEW JERSEY: Fort Lee. NORTH CAROLINA: Albemarle, Concord, Jacksonville, Morehead City, Salisbury, Shelby, Southport, Wilmington. PENNSYLVANIA: DuBois. SOUTH CAROLINA: Darlington, Florence, Sumter. Also Eastern Microwave, a common carrier serving the northeast with cable, voice and data as well as bringing superstation WOR to all 50 states.

Magazines

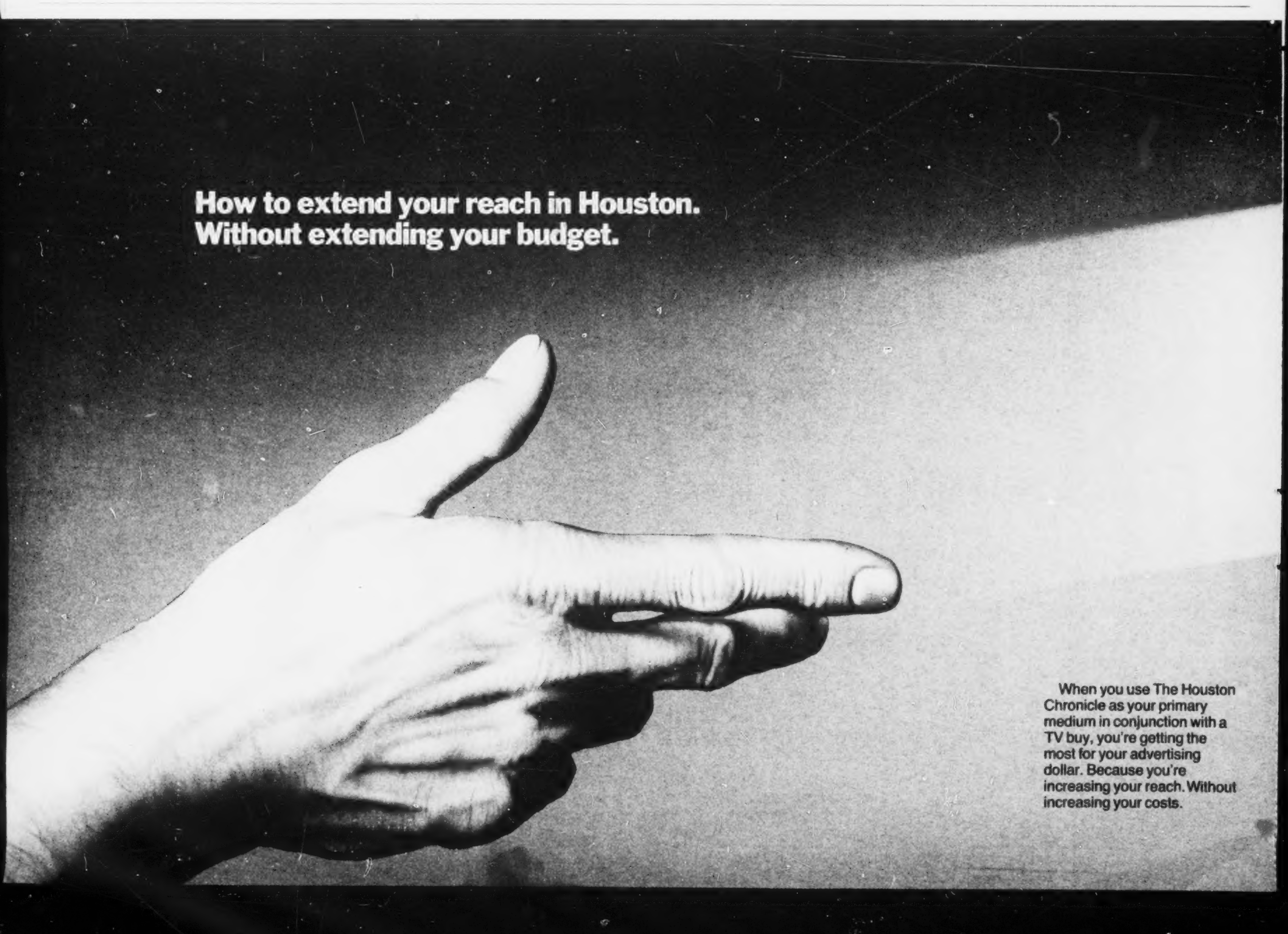
Conde Nast Publications: *Bride's, Glamour, Gourmet, GQ, House & Garden, Mademoiselle, Self, Vanity Fair, Vogue.* Conde Nast Publications Ltd.-England. Les Editions Conde Nast SA-France. Edizioni Conde Nast SPA-Italy. *Parade*, the Sunday magazine.

Newspapers (dailies)

ALABAMA: *Birmingham News, Huntsville Times, Huntsville News, Mobile Press, Mobile Register.* LOUISIANA: *New Orleans Times-Picayune/States-Item.* MASSACHUSETTS: *Springfield Republican, Springfield Union News.* MICHIGAN: Booth Newspapers-*Ann Arbor News, Bay City Times, Flint Journal, Grand Rapids Press, Jackson Citizen Patriot, Kalamazoo Gazette, Muskegon Chronicle, Saginaw News.* MISSISSIPPI: *Pascagoula Press* and *Chronicle.* NEW JERSEY: *Jersey Journal* (Jersey City), *Newark Star-Ledger.* NEW YORK: *Staten Island Advance, Syracuse Herald-Journal, Syracuse Post-Standard.* OHIO: *Cleveland Plain Dealer.* OREGON: *Portland Oregonian.* PENNSYLVANIA: *Harrisburg Patriot-News.*

Other Properties

Random House Inc., New York: Alfred A. Knopf, Ballantine Books, Vintage Books, Modern Library and Random House.



How to extend your reach in Houston.
Without extending your budget.
When you use The Houston Chronicle as your primary medium in conjunction with a TV buy, you're getting the most for your advertising dollar. Because you're increasing your reach. Without increasing your costs.

Affiliated Publications

Revenues	1983	1982
Media	$293,000,000	$259,000,000
Other	800,000	— —
Total	$293,800,000	$259,400,000

Affiliated Publications, Boston, is the 33rd largest media company with media revenues of $293 million for fiscal 1983, ended Dec. 25, up 13% from 1982. Media revenues were 99.7% of total revenues of $293.8 million in 1983.

The *Boston Globe* newspaper accounted for $278.5 million in revenues, up 14% from 1982, while broadcast operations in 1983 contributed $14.5 million, down 2% from the previous year. Affiliated has sizable cash holdings through McCaw Communications Cos., but does not consolidate those returns because it holds only a 45% share.

The *Globe* is distributed throughout New England, though its major market is the five-county area of metropolitan Boston. Audit Bureau of Circulations figures show that paper's 1983 weekday circulation averaged 509,390. The Sunday edition averaged 764,872. That represents a slight loss of circulation on weekdays, down from 510,978, and a Sunday gain in circulation, up from 750,308.

Ad linage was 71,143,091 for 1983, up 7% from 1982. Ad revenue was $212.6 million. The latest increase in ad rates, which have been adjusted at least annually since 1946, went into effect Sept. 1, 1983.

Affiliated's broadcast division recorded a slight drop in revenues and income—the latter dipping to $2.50 million from $2.52 million in 1982—but seemed to be on the rebound as the year closed with fourth-quarter results showing gains in both revenue and income. The division has combination am/fm stations in five markets.

McCaw Communications Cos., a multiple system operator based in Bellevue, Wash., added its 31st cable system—Juneau, Alaska—bringing total subscribers to 116,800, up from 102,000 in 1982.

McCaw, which operates cable tv systems in Washington, Alaska and Oregon and is involved in radio common carrier systems and cellular radio technology, reported 1983 revenues of $18.8 million, up 40% from 1982, and operating income of $2.8 million, up 22% from 1982.

A joint venture in which Affiliated and McCaw participate in southern Oregon—McCaw Communications of Southern Oregon—had revenues of $10.99 million, up 80% from 1982, and operating income of $470,000, compared with an operating loss of $789,000 in 1982.

McCaw has laid groundwork for the building of additional systems in Hawaii, Mississippi, Missouri, New Mexico and Texas, as well as in states where the company already operates. The purchases of the new systems are expected to dilute earnings. McCaw projects a subscriber level of 230,000 by the end of 1984.

McCaw's radio common carrier division sells and services telephones and pagers. McCaw has a 13.5% participation in the operation that received the licenses for Seattle (awarded by the FCC on Sept. 20) and Portland, Ore. (awarded Jan. 26). The company is one of a three-company partnership with licenses in San Francisco and San Jose. McCaw is also the majority partner in Kansas City and the minority partner in Denver, where it shares licenses with MCI.

A McCaw spokesman says the company is involved with several partnerships to gain shares of the licenses for secondary markets, which will be determined by FCC lottery this summer. McCaw also plans to file for licenses in 20 markets by July.

During 1983, an agreement was reached with Knight-Ridder Newspapers to involve the *Globe* in the expansion of Knight-Ridder's Viewtron system into New England.

MEDIA PROPERTIES

Broadcasting

RADIO: KRAK (am) and KEWT (fm), Sacramento, Cal.; WOKV (am) and WAIV (fm), Jacksonville, Fla.; WHYN (am, fm), Springfield, Mass.; WFAS (am), White Plains, N.Y.; KMPS (am, fm), Seattle.

Cable/video

Forty-five per cent ownership in McCaw Communications with cable locations in ALASKA: Fairbanks, Juneau, Ketchikan, Sitka. OREGON: Redmond, St. Helens, Scappose and Columbia City. Affiliated and McCaw have joint ventures in cable tv systems in Grants Pass, Klamath Falls, Roseburg, Medford. WASHINGTON: Centralia, Chehalis, Tenino, Oakville, Cle Elum, North Bend, Yakima, Selah, Union Gap, Wapato, Toppenish, Omak, Okanogan, Langeley, Whidbey Island, Ferndale, Blaine, Lynden, Everson, Nooksack.

Newspapers

MASSACHUSETTS: *Boston Globe.*

OTHER OPERATIONS

McCaw Communication's radio common carrier systems: Serving 14,500 subscribers in Alaska, Idaho and Washington, and its cellular radio franchises (13.5% owned) in Seattle and Portland.

Allbritton Communications

Revenues	1983	1982
Media	$124,500,000	$93,000,000
Other	— —	— —
Total	$124,500,000	$93,000,000

Allbritton Communications Co., Washington, is the country's 75th largest media company, with 1983 revenues estimated by ADVERTISING AGE at $124.5 million, all in media.

Allbritton, which is privately owned, broke into the top media company listing a year ago after experiencing a revenue growth spurt following the purchase of the *Trenton Times*. The company currently holds five newspapers and five vhf tv stations.

During the past year, Allbritton added KATV, Little Rock, Ark., and KTUL, Tulsa, Okla., to its media holdings. The stations, both ABC network affiliates, were purchased for $80 million from Leake TV Inc. of Muskogee, Okla.

While adding the tv stations, Allbritton last October sold its only radio properties, KRKR (am) and KFKF (fm), Kansas City, Kan., to Sconnix Group Broadcasting of Laconia, N.H.

The company also sold one newspaper, the *Amherst Morning Record*, in Amherst, Mass., to David Schannberg of Florence, Ky.

The *Trenton Times*, Trenton, N.J., purchased from the Washington Post Co. in 1981, remains the company's newspaper circulation leader.

However, in June, 1983, Ralph Ingersoll II, president of Ingersoll Publications, parent company of the *Trentonian*, charged Allbritton with illegally misrepresenting its circulation figures and that the ABC aided that fraud.

In October, 1983, the *Times* filed a countersuit in Trenton, N.J., federal court, contending that the *Trentonian's* management was using a variety of illegal tactics to run the *Times* out of business.

Following ABC's attempt to have the suit filed against it dismissed, a federal judge in Newark, N.J., ruled that the *Trentonian* could go ahead with its suit against the *Times* and the ABC. The case still is pending in federal court in New Jersey.

According to the most recently available figures, based on a March 31, 1982, audit, the *Times* circulation is 65,990 daily and 77,979 Sundays. It operates in the black, reportedly bringing in annual revenues of $39 million.

In Washington circles, company owner Joe L. Allbritton is perhaps best known as the former owner of the now-defunct *Washington Star*, which he sold to Time Inc. in 1978, and as the current owner of WJLA, the ABC affiliate in the hotly competitive Washington market.

The company's newspaper properties include the *News*, a Paterson, N.J., daily with a circulation of 49,352; the *Dispatch*, Union City, N.J.; with daily circulation of 35,780; the *Westfield Evening News*, Westfield, Mass., with a 5,500 circulation, and the *Standard Observer*, Irwin, Pa., with circulation of 14,500.

Michael H. Mooreas was named president of the newspaper division in December.

Allbritton Communications is part of the Allbritton-owned holding company, Perpetual Corp., which has interests in insurance and mortuaries.

MEDIA PROPERTIES

Broadcasting

TV: KATV, Little Rock, Ark.; KTUL, Tulsa, Okla.; WCIV, Charleston, S.C.; WJLA, Washington; WSET, Lynchburg, Va.

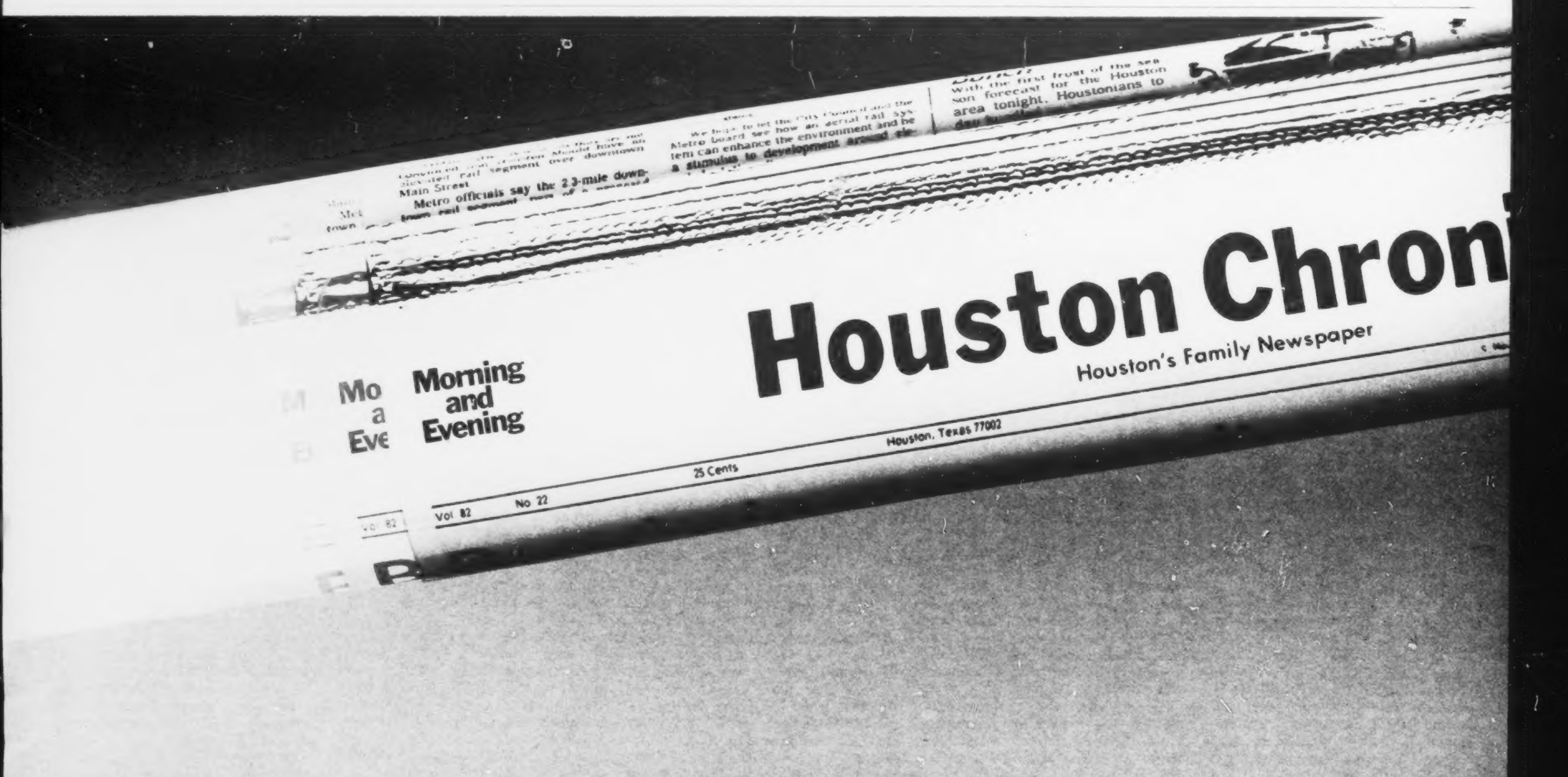
Newspapers (dailies)

MASSACHUSETTS: *Westfield News.* NEW JERSEY: *Dispatch* (Union City), *News* (Paterson), *Trenton Times.* PENNSYLVANIA: *Irwin Standard Observer.*

American Broadcasting Cos.

Revenues	1983	1982
Media	$2.815 bil.	$2.527 bil.
Other	134,000,000	138,000,000
Total	$2.949 bil.	$2.665 bil.

American Broadcasting Cos., New York, is the largest media company in


Houston Chron
Houston's Family Newspaper
Morning and Evening
Mo a Eve
Houston, Texas 77002
25 Cents
Vol 82
No 22
Metro officials say the 2.3-mile downtown rail segment
Main Street
with the first frost of the season forecast for the Houston area tonight, Houstonians to

As an example, your one-week, $25,000 local affiliate spot TV buy reaches 64% of men 25-54 in $35,000+ households. Now take that same $25,000, put half into The Chronicle, half into television.

You've just increased your reach to these affluent men to 77%. You've also increased your frequency by 15%. You've gained 65 GRPs—an increase of almost 40%. And you haven't spent one penny more.

If you'd like a detailed media comparison, call Ralph Harrington, Research Manager, collect at 713/220-7401. And find out how The Chronicle can deliver for you in Houston.

Houston Chronicle
The primary advertising investment.

The Chronicle
TV, Radio, Other

Source: Belden Multi-Media Study, 1983. Based on 26 30-second spots on local network affiliates, BAR estimates, versus three SAU 12 1,000-line Chronicle ads at 25,000-line national contract rate plus 15 30-second spots. Represented by Sawyer Ferguson Walker. SFW

the U.S. Its 1983 media revenues are estimated at $2.82 billion, up 10.7% from 1982. Media accounted for the lion's share of the over-all record $2.95 billion in revenues, up 11% from 1982.

ABC Inc.'s media interests include tv and radio networks, 11 owned am or fm radio stations and five owned tv outlets, plus consumer and business publications, several cable co-ventures and Entertainment & Sports Programming Network (ESPN). In early May, ABC, which had a 15% interest in ESPN, an all-sports cable network, paid $202 million to buy out the interest Texaco assumed in ESPN with its acquisition of Getty Oil.

ABC, which in January sold its San Francisco outlet, KGO-FM, and moved to acquire another in Dallas/Fort Worth KIXK-FM, says its seven targeted radio networks (up three since 1982) reach 1,744 affiliates. ABC also produces radio programing through its ABC/Watermark subsidiary based in Los Angeles.

ABC's commercial broadcasting operations had revenues of $2.6 billion, up 13% from 1982. Publishing reported revenues of $279.9 million in 1983, up 9.6% from 1982. Of those sums, $188 million last year and $170 million in 1982 were estimated to be in media, rather than in books, manuals or records.

In the 1984 first quarter, ABC notched peak sales and profits, with the former climbing 26%, to $836.7 million, and the latter soaring 72%, to $23.9 million.

ABC's January-through-March results for publishing—net income up 31%, thanks to strong gains by business press operations, Compute! and Word Inc.—were in sharp contrast to CBS Inc.'s, whose publishing group posted an $11.7 million loss during the same period.

Broadcast operations boosted profits 31% in the first quarter of 1984, a credit to the Winter Olympics in Sarajevo, Yugoslavia (nearly $200 million in sponsor sales), and the "expanding advertising marketplace" in network tv, ABC said. The Olympics also bolstered the owned tv outlets' sales and earnings in the quarter, when ABC Radio division posted a "modest operating loss."

Leonard Goldenson, ABC chairman, and Frederick Pierce, ABC president, say that the opening quarter results also were assisted by the containment of operating and development expenses. Within ABC Video Enterprises, for instance, losses were cut by selling Satellite News Channels to Turner Broadcasting System last fall and by consolidating cable services into Lifetime (formed last fall by joining Daytime and Cable Health Network) and ARTS & Entertainment Network (formed by ARTS and the Entertainment Channel). TeleFirst, an in-home, consumer-supported video entertainment recording service now being tested in Chicago, contributed to the losses.

ABC Inc.'s No. 1 revenue source in 1983 once again was ABC-TV Network. The three tv networks combined generated $7 billion in ad sales during 1983, with ABC accounting for the most—36.7%. The three-network volume gained 13% from 1982, with ABC's growth in line with the industry trend.

When the 1983-84 prime time tv season ended in mid-April, CBS won for the fifth consecutive year. CBS' margin of victory over ABC in A.C. Nielsen Co. ratings was nine-tenths of a point, a gain from a year earlier when CBS edged ABC by five-tenths of a rating point.

After the Winter Olympics in February, ABC had whittled CBS' lead to eight-tenths of a rating point, versus a 1.1-point gap before the games began. Still, the 1984 Winter Olympics, which largely were taped because of the time difference between the U.S. and Yugoslavia, did not prove as popular as the 1980 Lake Placid games, which were primarily live.

Sarajevo averaged a 15.2 rating and 27 share in all dayparts combined, down 29% from 1980 and also down considerably from the 1976 Innsbruck games, the last nonlive Winter Olympics. Still, the games benefited the ABC affiliates from 10 p.m. to 11 p.m., the time deemed crucial to the stations' local late-night newscasts' performance.

ABC also was disappointed by another sports package, "Monday Night Football," whose fall ratings were down 17% from 1981 (the last nonstrike season)—and proved to be that package's lowest ratings since its 1970 premiere.

ABC again finished the latest prime-time season battle leading in the key categories deemed most attractive to major advertisers. Among adults 18 to 34 from Sept. 26 through April 1, ABC's 10.9 rating beat NBC's 10.0 and CBS' 9.9, while ABC's 11.6 among adults 18 to 49 outpointed CBS and NBC, tied at 10.4. Among adult viewers 25 to 54, ABC had 12.4, ahead of CBS' 11.4 and NBC's 11.1. Subdivided into male and female groups in these three age breakouts, the data showed ABC leading CBS among the women and topping NBC among the men, said Marvin Mord, ABC-TV's vp-marketing and research services.

ABC top executives were confident of another strong upfront or advance package selling period this summer. Last year, the nearly $2 billion in three-network upfront volume included much more than $600 million going into ABC's Olympics.

ABC scored hefty ratings with sensitive made-for-tv dramas such as "The Day After" (about nuclear holocaust in the U.S.) and "Something About Amelia" (about incest), but resistance in the advertising community forced it to cut ad rates. ABC executives since have gone public, urging ad executives to support such touchy but worthwhile programing.

ABC finished the 1983-84 prime time season with three new series hits, "Hotel," "Hardcastle & McCormick" and "Webster." For fall 1984, ABC Entertainment president Lewis Erlicht said the plan was to implement "aggressive" changes on weak nights or time slots—chiefly on its once unbeatable Tuesdays and on Thursdays. Thus, ABC decided to replace seven hours of current prime time fare, more than expected by many agency media experts.

In evening news, the 29 weeks through April 15 found ABC third, narrowly behind NBC (11.1 to 11.2), as CBS led with a 13.8 rating.

ABC committed $309 million to the 1988 Calgary Winter Olympics, and although it will have a third weekend of coverage, many rival network and agency executives doubted that ABC could turn a profit on that event. Many of those executives had said the same about ABC's coverage of the 1984 Los Angeles games, which was expected to turn a profit until May, when the Soviet bloc boycott raised a number of unanswered questions for ABC and its sponsors.

ABC Sports' other big event will be its first Super Bowl in January. Months ago the network booked its first two major sponsors for that event, Anheuser-Busch and Nissan Motor, each buying three minutes at $500,000 a unit, or a combined $6 million. Since then, ABC has boosted the price to $525,000 a 30-second spot. Also, ABC's "Wide World of Sports" remained the top-rated weekend sports anthology series.

ABC did not break out separate figures for its owned & operated (o&o) stations or their spot tv sales representative but did indicate that the five o&o outlets' ad sales gained 13% in 1933, while ABC-TV spot sales' revenues have climbed 40% since 1979.

ABC Publishing, whose 10 operating units publish more than 100 monthly magazines, as well as 100 new books and 25 records yearly, acquired Compute! Publications last year—including *Compute!* and *Compute!'s PC & PCjr* (aimed at owners of IBM's personal computers).

As of June, however, ABC trimmed the number of operating units to nine by merging its two farm publishers, Farm Progress Cos. and Miller Publishing, into a new agricultural group.

ABC lessened its interest in nonmedia properties this spring when it sold Scenic Attractions (nature parks) to a group of that division's executives. Mr. Pierce explained to ABC's affiliates gathering in May that this sale was in keeping with ABC's plan to divest itself of "businesses that are not complementary to ABC's goals." Similarly, he said, its buy of ESPN reflects ABC's intent to focus lines of business "that fit the framework of ABC's general expertise."

Mr. Pierce promised that ABC planned to expand its own tv production as a way of being self-reliant and controlling costs. Its biggest such commitment is to the production of the 20-hour "War & Remembrance," the sequel to "The Winds of War," the popular 1983 miniseries. The new project, not expected to air until 1986, could cost $60 million.

Last year, ABC Inc. spent $127 million in capital improvements, chiefly for tv and radio technology and facilities (up $11 million from 1982), and the company expects capital spending for 1984 to be between $150 million and $200 million. Total tv program commitments for fiscal 1983, the company added, approached $2.07 billion, compared with $1.83 billion for fiscal 1982, those sums encompassing series, made-for-tv and theatrical movies and sports rights. The sports commitments include the multiyear pacts with major league baseball (with ABC's share an estimated $575 million spread across the next six years) and National Football League (whose three-network five-year contract will total $2 billion).

MEDIA PROPERTIES

Broadcasting

TV: ABC-TV Network (210 affiliates). ABC-owned stations: KABC, Los Angeles; KGO, San Francisco; WABC, New York; WLS, Chicago; WXYZ, Detroit.

RADIO: ABC Radio Networks (1,700-plus affiliates). ABC-owned stations: KABC (am) and KLOS (fm), Los Angeles; KGO (am), San Francisco; KSRR (fm), Houston; WABC (am), New York; WLS, (am, fm), Chicago; WMAL (am) and WRQX (fm), Washington; WPLJ (fm), New York; WRIF (fm), Detroit.

Cable/video

ABC Video Enterprises: Entertainment & Sports Programming Network; geleFirst, and Lifetime and ARTS & Entertainment Network, co-ventures with Hearst/Viacom Entertainment Services and Hearst/RCTV Inc., respectively.

Magazines

ABC Leisure Magazines (special interest group)—*High Fidelity, Los Angeles, McCall's Needlework & Crafts, Modern Photography.*

ABC Publishing (business press group)—Ames Publishing: *Industrial Distributor News, Industrial Maintenance & Plant Operations, Industrial Safety & Hygiene News, Industrial Safety Product News.* Chilton Co.: *Accent, Automotive Industries, Automotive Marketing, Chilton's Control Equipment Master, Commercial Car Journal, Distribution, Electronic Component News, Food Engineering Master, Hardware Age, Instrument & Apparatus News, Instruments & Controls Systems, Iron Age, Jewelers' Circular-Keystone, Motor Age, Product Design & Development, Review of Optometry, The Specialist, Truck & Equipment Salesman.* Compute! Publications: *Compute!, Compute!'s PC & PCjr* and *Compute!'s Gazette.* Farm Progress Cos.: *Prairie Farmer, Indiana Prairie Farmer, Wallaces Farmer, Wisconsin Agriculturist.* Miller Publishing: *Dairy Herd Management, Farm Store Merchandising, Feedlot Management, Feedstuffs, Hog Farm Management, Garden Supply Retailer, Tack 'n' Togs.* Hitchcock Publishing: *Assembly Engineering, Industrial Finishing, Infosystems, Machine & Tool Blue Book, Office Products Dealer, Quality.*

OTHER PROPERTIES

ABC Motion Pictures, ABC Entertainment Center, Chilton Research Services, Chilton auto repair manuals, Word Inc. (religious books, records, videocassettes), Farm Progress Insurance, Wallace-Homestead Book Co., NILS Publishing and National Price Service database services.

American Express Co.

Revenues	1983	1982
Media	$252,700,000	$183,700,000*
Other	9.517 bil.	7.909 bil.
Total	$9.770 bil.	$8.093 bil.

*Restated

American Express, New York, is the 39th largest U.S. media company with 1983 media revenues estimated at $252.7 million, or 2.6% of total revenues.

Media contributions at American Express come from its 50% ownership in Warner Amex Cable Communications—$219 million in 1983—and from two magazines, *Travel & Leisure* and *Food & Wine.*

Warner Amex, which reported total revenues of $438 million, a pretax loss of $150 million and net loss of $99 million (American Express shares in half the losses and gains), altered its strategy in 1983 when chairman-ceo Drew Lewis came aboard in February, 1983. The former U.S. Secretary of Transportation under President Reagan began trimming New York staff. He also ordered a major decentralization of several functions now handled at the corporate level, including engineering, marketing, programing and finance.

Mr. Lewis says decentralization was essential for growth and would strengthen field operations, particularly in the company's large metropolitan cable systems.

Warner Amex Cable Communications is the fifth largest U.S. cable system with a 1983 subscriber base of 1.36 million households, a 14% gain over 1982. Pay subscriptions rose to 1.3 million in 1983, a 21% increase over 1982. Warner Amex operates 119 systems in 25 states.

The company expects continued losses in 1984. However, executives believe that the decentralization, a financing plan to complete current franchising commitments and concentration on developing clusters of systems in geographic areas through sales, trades and acquisitions will continue to be high priorities for the company.

In publishing, American Express Publishing Corp. set up a three-member executive committee to run its magazines after president-publisher John Connors, 58, died of a heart attack April 5, 1984.

The committee, which will oversee *Travel & Leisure* and *Food & Wine,* reports to Jonathan Linen, vice-chairman, American Express Travel Related Services Co., who assumed the long-vacant post of chairman of the publishing corporation.

In 1983, American Express Publishing's *Food & Wine* magazine had ad revenues of $4.9 million, up 81% from 1982. The publication had 469 ad pages in 1983, up 14% from 1982.

Travel & Leisure had ad revenues of $21.8 million in 1983, up 5% from 1982. Ad pages were down 2%, to 1,091 in 1983.

Food & Wine's rate base increased from 500,000 in April, 1983, to 550,000 in July, 1984.

In May, 1984, American Express introduced *Departures,* an international magazine sent free to 150,000 of its highest spending cardholders in more than a dozen European and Mideast countries. The magazine will be published six times a year beginning in October. Advertising rates are $10,000 for a color page and $7,000 for b&w.

MEDIA PROPERTIES

Cable tv/video

As part of 50-50 partnership in Warner Amex Cable Communications, American Express has interests in 119 cable systems in 25 states with more than 1.36 basic cable subscribers and 1.3 million pay cable customers (see Warner Communications profile). It also is involved in Warner Amex Satellite Entertainment Co., which supplies and distributes two advertiser-supported services, Nickelodeon and MTV: Music Television, and one pay service, the Movie Channel (a joint venture with Showtime).

Magazines

Travel & Leisure, Food & Wine, Departures.

OTHER OPERATIONS

American Express Direct Response, American Express International Banking Corp., Fireman's Fund Insurance Cos., Investors Diversified Insurance, Merchandise Sales, Shearson/American Express, WATS Marketing of America (affiliate company).

A.H. Belo Corp.

Revenues	1983	1982
Media	$242,151,000	$203,200,000
Other	405,000	200,000
Total	$242,556,000	$203,400,000

A.H. Belo Corp., Dallas, is the nation's 41st largest media company in 1983 with total media revenues of $242.2 million, up 19.2% from 1982. Media revenues were 99.8% of the company's total revenues of $242.6 million.

Of the media revenues, $163.4 million, or 67.5%, were derived from newspaper publishing, and $78.8 million, or 32.5%, came from tv and radio broadcasting during the fiscal year ended Dec. 31.

Net earnings from media operations totaled $60.2 million, of which 48.4% represented newspaper publishing, and the remaining 51.6% was tv and radio broadcasting.

Belo waited for 1984 to turn the corner before it made its biggest move—completing the $606 million purchase Jan. 30, of the six tv station Corinthian Broadcast Group from Dun & Bradstreet. Included in the total was $342 million for KHOU in Houston, the largest sum to date paid for any tv station.

To comply with the FCC's ownership rules, Belo, which had three stations at the time of the deal, sold two of the Corinthian stations to LIN Broadcasting Corp. for $104.9 million and two of its own stations to Freedom Newspapers for $49 million.

Corinthian stations retained by Belo include KHOU in Houston; KXTV in Sacramento-Stockton, Cal.; WVEC in Hampton-Norfolk, Va., and KOTV in Tulsa. All are CBS affiliates except for the Hampton-Norfolk tv station, an ABC affiliate. The Corinthian tv stations sold to LIN were WISH in Indianapolis and WANE in Fort Wayne, Ind. The two Belo tv stations sold to Freedom were WTVC in Chattanooga and KFDM in Beaumont, Tex.

Belo also acquired two radio stations in 1983, KOA (am) and KOAQ (fm) in Denver from General Electric for $22 million in cash.

Tragedy struck KOA this month with the death of the station's outspoken and popular late night talk show host, Alan Berg, who was apparently gunned down by an irate listener.

Joe M. Dealey, chairman of Belo until this year when he retired, said in the company's 1983 annual report that Belo bid aggressively for the much-sought Corinthian group because of the company's conviction that the FCC's rules restricting ownership to seven tv stations, seven fm and seven am radio staions will be liberalized, spurring broadcast group owners to pursue desirable properties, and thereby increase the selling multiples for those properties.

"The purchase of Corinthian enables Belo to accomplish in one step what otherwise might have taken years to achieve," he wrote.

Belo's *Dallas Morning News* and its arch rival, Times Mirror-owned *Dallas Times Herald,* continued their tug of war for domination of the market, with both newspapers turning in healthy advertising and circulation figures regardless of how the newspapers interpreted the figures.

During 1983, for the first time in its history, the *News* ran more than 100 million lines of full-run advertising, achieving a 55% share of market, according to Media Records, which also reported the *News* with the dominant market share in each of three major advertising categories measured—retail, 53%; general, 55%; classified, 57%.

The 1983 Scarborough National Newspaper Audience Ratings Study also reported the *News* with the dominant share of the coveted upscale market represented by adults with large individual and household incomes, college education, and professional and managerial occupations, calculated on the basis of average day readership.

In circulation, both newspapers chalked up gains over the year to March 31, 1984, with increases by the *News* out-pacing those by the *Times Herald*.

During the first half of the circulation year, the *News* achieved a lead in the Dallas County city zone, while the *Times Herald* lost circulation in all of its zones. The *Times Herald's* losing trend was reversed in the second half of the year, with an annual January-March discount subscription promotion. The *Times Herald* resumed the city zone lead by March 31.

According to the ABC Fas-Fax report of March 31, the *Dallas Morning News* total circulation was 340,502 daily and 437,067 Sunday, an increase of 12,170 daily and 30,174 Sunday, for a 57,569 daily lead over the *Times Herald* and a 55,749 Sunday lead.

When *USA Today* made its debut in Dallas-Fort Worth last October, the *News* already had begun a series of graphic and editorial changes, including introduction of a colorful weather page. Improvements in the *News* and in its competition have continued.

The *News* began construction of its $57 million satellite printing plant in suburban Plano where, starting in early 1985, new offset presses will enable the *News* to expand its production and distribution capabilities in the heart of the northern region.

MEDIA PROPERTIES

Broadcasting

TV: KHOU, Houston; KOTV, Tulsa, Okla.; KXTV, Sacramento-Stockton, Cal.; WFAA, Dallas; WVEC, Hampton-Norfolk, Va.

RADIO: KRQX (am), and KZEW (fm), Dallas-Fort Worth; KOA (am) and KOAQ (fm), Denver.

Newspapers

Dallas Morning News and seven community dailies published by Belo's News-Texan: *Arlington Daily News, Garland Daily News, Grand Prairie Daily News, Irving Daily News, Mid-Cities Daily News, Richardson Daily News, Suburban News.*

OTHER OPERATIONS

Publishes the "Texas Almanac." Selective Media Services, a direct marketing and distribution company.

Blade Co.

Revenues	1983	1982*
Media	$143,300,000	$135,400,000
Other	——	——
Total	$143,300,000	$135,400,000

*Restated

Blade Co., Toledo, O., is the nation's 64th largest media company with 1983 revenues estimated by ADVERTISING AGE at $143.3 million, all from media operations.

The privately owned company, controlled by the Block family, had revenues of $135.4 million (revised) from newspaper, broadcast and cable in 1982. Figuring in the revised figure was the sale of the *Daily Register* in Red Bank-Middletown-Shrewsbury, N.J., to Capital Cities in early 1982.

There were no corporate changes in 1983, but in early 1984 the company sold for $4.65 million its radio holdings, WTKN (am) and WWSW (fm) in Pittsburgh to Shamrock Broadcasting Co., Hollywood, Cal., which now owns eight radio and two tv properties.

At the same time, the Cowles Media Co. independent tv station WDRB, Louisville, Ky., was bought by Blade for an estimated $10 million.

"The sale of the radio stations and the purchase of the Louisville television station were moves in line with our long-term corporate objectives," says John Harms, president, Blade Co. "We simply came to the conclusion that we were not interested in radio holdings in only one market, and particularly in such a competitive one. We felt that we could better use our resources with television.

"We are in the market for an additional property if one presents itself," he says. However, there are no immediate acquisitions planned.

Daily circulation losses sustained by the *Toledo Blade* during 1982 and early 1983 have been reversed. ABC figures in March, 1984, show the paper has a daily circulation of 162,780, up 1.1% over the previous year. The Sunday circulation has climbed to an all-time high of 215,654, up 3.1% for the latest ABC audit period.

The *Pittsburgh Post-Gazette*, which conducts business under a joint operating agreement with Scripps-Howard's *Pittsburgh Press*, also has suffered some circulation declines. Its Saturday edition has dropped 1.6% to 165,561. *Post-Gazette* weekday editions' circulation grew less than 1% to 178,284, according to ABC.

The *Monterey Peninsula Herald* in California has been slower in recovering from the effects of the economic downturn, company officials say. However, it has shown some circulation gains. ABC figures for March, 1984, showed daily circulation of 32,224, up 1.2%, and Sunday circulation of 33,580, down 1%.

Both the *Toledo Blade* and *Post-Gazette* are converting their ad format from nine to six columns to conform to industry standards. The *Blade* has remained with letterpress, but is completing a web width change to the 55-in. standard.

Growth has been solid for Blade Co.'s cable tv systems. Its Buckeye Cablevision, which serves the Toledo area, has added nearly 14,000 homes in 1983, for a total of about 95,000. The system passes 150,000 homes, and according to John Karl, president at Buckeye, "We've also experienced considerable growth in pay tv services, up from 33,000 to 38,200."

Erie County Cablevision is completing its 54 addressable channel system upgrade.

The system serves 14,626 of the 22,000 homes passed. The Monroe, Mich., cable operation added 512 new subscribers in 1983, for a total of 5,512 out of 8,500 homes passed.

MEDIA PROPERTIES

Broadcast

TV: WLFI, Lafayette, Ind.; WLIO, Lima, O.; WDRB, Louisville, Ky.

Cable/video

OHIO: Buckeye Cablevision, serving Lucas, Maumee, Montdera, Perrysburg, Sylvania, Sylvania Township, Toledo, Washington Township, Wood County; Erie County Cablevision, serving Sandusky. MICHIGAN: Monroe Cablevision, serving Monroe.

Newspapers (dailies)

CALIFORNIA: *Monterey Peninsula Herald.* OHIO: *Toledo Blade.* PENNSYLVANIA: *Pittsburgh Post-Gazette.*

Bonneville International Corp.

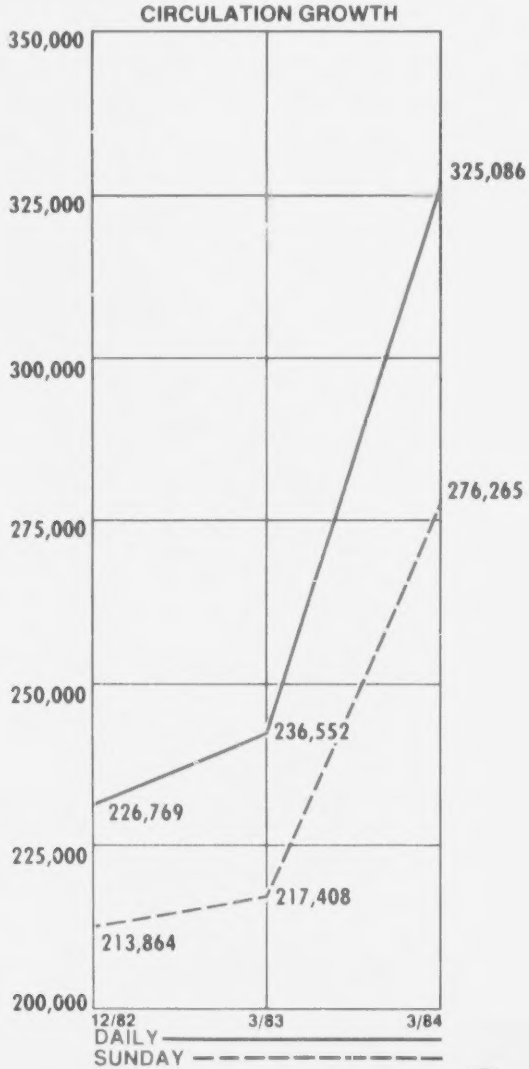
Revenues	1983	1982
Media	$107,000,000	$89,000,000
Other	27,000,000	23,000,000
Total	$134,000,000	$112,000,000

Bonneville International Corp., Salt Lake City, is the nation's 84th largest media company, with 1983 revenues of $107 million, 80% of total revenues of $134 million.

Broadcast provides Bonneville's total media contribution, which in 1983 was up 20.2% over 1982. Satellite and data systems provided much of the remaining $27 million in company revenues.

Broadcast revenues were split almost evenly between tv and radio.

Bonneville was reported as Deseret Management Corp. in last year's 100 Leading Media issue. Deseret requested the change this year to reflect the corporate name for which its media operations are known. Bonneville is a wholly owned subsidiary of



A tough act to follow.

When a 39.2% * circulation increase catapulted The Boston Herald into 22nd place among the nation's 100 largest newspapers last September, we knew it was going to be a tough act to follow.

Now, more than six months later, we find ourselves still gaining. The latest FAS-FAX study confirms the consistent growth of The Boston Herald for the period 3/31/83 - 3/31/84. Circulation figures showed a 37.4% ** increase daily plus a 27.2% ** gain on Sunday.

As if that weren't enough, our advertising linage figures have also followed suit. They show a 18.7% increase in the first four months of 1984 compared to the same period in 1983, setting the stage for another unprecedented year of advertising growth.

With a performance like this, perhaps you should join the hundreds of new clients who have discovered a vast new audience when they advertise in The Boston Herald.

The Boston Herald

*ABC FAS-FAX, September 30, 1983
**ABC FAS-FAX, March 31, 1984

Deseret, a closed corporation of the Corporation of the President of the Church of Jesus Christ of Latter-Day Saints.

Besides owning and operating two tv stations, and seven fm and five am radio stations, the company is involved in satellite and data communications, areas that are earmarked for extensive expansion. To meet this stepped-up activity, Bonneville this past year formed a new division, Bonneville Telecommunications. The move consolidated the satellite company with Bonneville's radio data service and management information systems.

To head Bonneville Telecommunications, Bonneville lured three former International Business Machines executives. Among them was Kenneth Bentley, a 22-year IBM veteran, who became the division's president.

Active in satellites for more than 20 years, Bonneville operates four transponder channels, which it holds under contract from companies such as Western Union Industries and Southern Pacific Transportation Co. Its intentions are to broaden this market. The company has uplinks operating in Southern California, Utah and Washington, D.C., and is making arrangements for an additional uplink in New York.

As the satellite division grew, it became apparent that a lot of synergism existed between it and the radio data systems division, which transmits commodity, stock and electronic mail-type information via satellite to local fm stations for retransmission on side bands, says Arch L. Madsen, president, Bonneville International.

Among other services, Bonneville's four satellite channels are used to broadcast major sports events. Contracts with stations around the country allow Bonneville to supply professional sports broadcasts. The third element of the new division—management information systems—develops software for use by broadcast stations in their day-to-day operation. Besides developing and selling software, Bonneville also sells IBM hardware.

On the broadcast side, the company acquired an am radio station, KYA of San Francisco, for $3.5 million from King Broadcasting Co. of Seattle. It now carries the call letters KOIT (am), since it joined its sister station, Bonneville's KOIT (fm) in San Francisco.

At the same time, Bonneville put the finishing touches on ridding itself of cable. The company sold its half ownership in its Logan, Utah, cable tv system to its half-partner, the Bullen family. Although the company had been one of cable's pioneers, it sold its interest in the Pacific Northwest some time ago, and this most recent sale finalized the decision to part company with cable.

Last October, after four years of ownership, Bonneville sold its radio representative company, Torbet Radio Inc., for $10 million to Selkirk Communications Ltd., the public Canadian company that operates a number of tv and radio stations. "We foresee the radio representative field undergoing consolidation, so we prefer to sell out to those who hold plans to become large in this area," Mr. Madsen says.

During the past year, Bonneville completed an upgrading of its five am stations to stereo.

The company continues its experiment with teletext, an ongoing effort since June 15, 1978, when Bonneville received the first license to transmit teletext in the U.S. Bonneville's tv stations in Seattle and Salt Lake City, both of which are CBS affiliates, now carry fulltime teletext programing as part of CBS's Extravision service. The stations currently provide a 24-hour complete news service, which is updated eight times a day. Tvs equipped with decoders and telephones outfitted with special circuits pick up the teletext transmissions, which total 20 pages a day.

During the year, Bonneville settled into its new corporate headquarters at the Triad Center in Salt Lake City. "We'd been operating out of a converted garage for 36 years. But we don't have to apologize anymore," Mr. Madsen says. The Triad Center is home not only to Bonneville's corporate management, but also to KSL-TV and KSL (am) of Salt Lake City, and KSL's production center, Video-West.

Besides anticipating substantial growth in the newly formed telecommunications division during the coming year, Mr. Madsen expects Bonneville to be at industry average or a little above in growth in its broadcast operations.

MEDIA OPERATIONS

Broadcasting

TV: KSL, Salt Lake City; KIRO, Seattle.

RADIO: KAAM (am) and KAFM (fm), Dallas; KBIG (fm), Los Angeles; KIRO (am) and KSEA (fm), Seattle; KMBZ (am) and KMBR (fm), Kansas City, Mo.; KOIT (am, fm), San Francisco; KSL (am), Salt Lake City; WCLR (fm), Skokie, Ill.; WRFM (fm), New York.

OTHER OPERATIONS

Bonneville Productions, Bonneville Telecommunications, Radio Data Services.

Cahners Publishing Co.

Revenues	1983	1982
Media	$160,000,000	$140,000,000*
Other	40,000,000	40,000,000
Total	$200,000,000	$180,000,000

*Restated

Cahners Publishing Co., Boston, the country's 58th largest media company, had revenues from media operations of an estimated $160 million for the fiscal year ended March 31, 1983, an increase of 14% over restated media revenues of $140 million the previous year.

Media at Cahners encompass controlled circulation business publications and newsletters, and represent 80% of the company's total estimated revenues of $200 million.

The Cahners Exposition Group, which organizes and produces both trade and public attendance shows, is the company's second major profit center. Its results are not included in ADVERTISING AGE's media estimate.

For consistency, the figures used to rank Cahners in this issue are for fiscal 1983, even though the company concluded its 1984 fiscal year March 31.

However, magazine division president J. Allan Sheehan says fiscal 1984 media revenues will come very close to $250 million. He attributes the anticipated 56% media revenue increase to Cahners' increased activity in acquiring and launching new magazines.

Mr. Sheehan is quick to point out that growth within the division does not hinge solely on new properties, however. Predictably, he reports the division's strongest growth has occurred in the electronics and computers group, one of the company's five segmented publishing groups. Mr. Sheehan cites powerful performances by *EDN*, *Electronic Business*, *Electronic Packaging & Production* and *Mini-Micro Systems* as the reasons behind the group's strength this past year.

Revenues in the building and construction and manufacturing industries groups, the two hardest hit by the recent economic downturn, are resurging, Mr. Sheehan says. The building and construction group was bolstered substantially in April, 1984, when Cahners purchased *Interior Design* and *Corporate Design* from Whitney Communications Corp., New York.

Mr. Sheehan describes *Corporate Design's* inclusion in the group as "perfectly logical. It fit in very well with Building Design & Construction," he says, reporting that the company acquires magazines that lead their field and fit into the company's business plans.

"*Interior Design* stands alone more than the other publication, although the readers of many of our magazines, such as *Restaurants & Institutions*, have been more and more concerned with interior design as an element of doing business," Mr. Sheehan says. The May issue of *Interior Design* hit a hefty 458 advertising pages, he says. "It was like receiving the phone book across your desk."

In another move that should help shore up the building and construction group, the company sold the ailing *Modern Railroads* last summer. "We made a commitment and tried to help the railroad industry," he says. "However, the marketplace must be dynamic and have growth potential. In addition to serving an industry, we are interested in making a profit."

The company envisioned enough growth in the computer and chemical industries to launch publications related to these fields. *CPI Purchasing* was added to the manufacturing industries publishing group in September, 1983. Mr. Sheehan says the magazine, which is targeted to chemical purchasing professionals, has been a very strong performer, helping the manufacturing group rebound from economic setbacks.

PC Products made its debut this month, carrying 70 pages of advertising in its premiere issue. Mr. Sheehan dismisses the notion that the company is capitalizing on the popularity of personal computer publications and says Cahners is not viewing the industry as a fad business. "Unlike most pc books, we're not on the newsstand," he says. "We're sticking with a controlled distribution to a qualified and tested circulation list."

Mr. Sheehan says the company is working on two possible launches in the electronics area, and one each in the foodservice and manufacturing groups.

Although the company may be interested in diversifying its properties, it is consolidating its work force. (Cahners now has 1,500 employes in 16 cities.) The Boston corporate headquarters will relocate to Newton Corners, Mass., combining personnel currently operating out of four separate Boston-area locations. In New York, four offices also will be merged into one Park Ave. S. address. "We just realized we had too many people in too many places," Mr. Sheehan says.

He says the company is working harder than ever to best use those people. T. Harvey Wigder, who was named to the new position of vp-human resources, is charged with the task of recognizing, training, motivating and rewarding Cahners' employes who seem likely candidates to fill the company's executive ranks, according to Mr. Sheehan.

In major personnel moves, David Wexler was named group vp-medical health care group, in addition to his role as group vp-foodservice, and Terrence McDermott was selected as group vp-electronics and computers. Daniel Comiskey was moved to publisher of *Building Design & Construction* from *Security World* and *Security Distributing & Marketing*, where he was replaced by Thomas Atkins. Ron Bondlow of *CPI Purchasing*, Steward Haberman of *Specifying Engineer*, J.C. Kelly of *Electronic Packaging & Production*, Charles Messina of *Emergency Medicine* and Howard Sipe of *Appliance Manufacturer* also were named publishers. Mr. Sheehan says all of the executives were transferred from within the company, highlighting what he identifies as Cahners' commitment to promoting from within.

Cahners plans to take *Restaurants & Institutions* to once-a-week frequency, according to a reliable source.

The company also changed its own promotional campaign this past year. The effort, centered around four-color ads bearing the tag line "Cahners Means Business," is an extension of what Mr. Sheehan calls a seven-year media commitment to help the market understand the company. He says the campaign underscores Cahners' commitment to quality business-to-business communications and its desire to perform an essential service to the companies in the industries its publications address.

One of the company's complementary market services—its Profit Impact of Market Strategy program—entered its third phase June 13 at the Business Press Assn. convention in San Diego. Mr. Sheehan says the program provides guidelines and worksheets that help marketers determine the ad budget they need to reach their goals.

MEDIA PROPERTIES

Annual directories

U.S. Industrial Directory in addition to

No, we're not selling correspondence courses. Or matchbooks. We're selling advertising. And the "big money in advertising" we're talking about has to do with getting the most out of your advertising dollar. That means, in large part, choosing the right market and, of course, the right medium in that market.

Which brings us to us. The Pennysaver. Southern California's Direct Advertising System. Of course Southern California is one of the nation's premier "big money" markets. And The Pennysaver Direct Advertising System is one of the smartest ways to penetrate that market.

THERE'S BIG MONEY IN ADVERTISING

At the center of our system is The Pennysaver weekly shopping publication, which reaches almost two million households in Los Angeles, Orange, Ventura, Riverside and San Bernardino Counties with guaranteed direct mail delivery and 98% saturation in its covered market areas. Add the versatility and cost-efficiency of zone buying for geographic and demographic targeting as well as a complete set of direct marketing services—including research, mailing lists, and inserts—and you have a product that will both **make** and **save** you big money.

Call us today for a complete Pennysaver Direct Advertising System media kit.

PennySaver™

The Direct Advertising System.
2830 Orbiter St., Brea, CA 92621 (714) 996-8900
Harte-Hanks Direct Marketing/Southern California

100

annual buying guides and services directories produced by some of the individual magazines and newsletters.

Magazines

Appliance Manufacturer, Brick & Clay Record, Building Design & Construction, Building Supply & Home Centers, Business Computer Systems, Ceramic Industry, Construction Equipment, Corporate Design, CPI Purchasing, Design News, EDN, Electronic Business, Electronic Packaging & Production, Electro-Optical Systems Design, Emergency Medicine, Hotels & Restaurants International, Foodservice Equipment Specialist, Interior Design, Journal of Cardiovascular Medicine, Mini-Micro Systems, Modern Materials Handling, Packaging, PC Products, Plastics World, Professional Builder/Apartment Business, Purchasing, Restaurants & Institutions, Security Distributing & Marketing, Security World, Semiconductor International, Specifying Engineer, Traffic Management, Transition/Medicine and the Aging Process.

Newsletters

Building & Construction Market Forecast, Buying Strategy Forecast, Early Warning Forecast, Electronic Business Forecast, Energy Design Update, Hazardous Materials Transportation, Oil Spill Intelligence Report, Plastics Business News, Tradeshow Week, Transport (De)Regulation Report.

OTHER PROPERTIES

Cahners Exposition Group.

Capital Cities Communications

Revenues	1983	1982
Media	$762,300,000	$663,600,000
Other	—	—
Total	$762,300,000	$663,600,000

Capital Cities Communications, New York, is the 16th largest media company in the U.S. with 1983 revenues of $762.3 million, all from media operations. Revenues, up 14.8% from 1982, helped generate net income of $114.7 million, a 19% increase over 1982.

Capital Cities' revenue breakdown is publishing 60.3%, broadcast 30.9%, and cable 8.8%; its breakdown of income from operations is publishing 45.5%, broadcast 53.6%, and cable 0.9%.

Capital Cities' publishing division had a banner year in 1983, besting its 1982 performance by 18% in revenues and 31.6% in operating profit and increasing its contribution to the company's total operating income from 40% in 1982 to 45% in 1983. The division contributed $459.5 million in revenues and $104 million in operating income.

The company completed several acquisitions in 1983, including the *Ocean County Reporter* in Toms River, N.J., from Hackensack, N.J.-based Macromedia Inc., (until 1984 known as Bergen Evening Record Corp.); the *Little Nickel Want Ads* publications in Lynnwood, Wash., and Securities Data Co., an on-line database providing financial information to the financial banking community.

The company continued its acquisitions into 1984, picking up Abrahamsen & Co., another financial database, which was merged into Securities Data; Wilson Publishing, Narragansett, R.I., publisher of the *Narragansett Times* and the *Standard Times*, both weekly newspapers with a combined circulation of 19,000 in North Kingstown, R.I., and Sutton Industries, Mission Viejo, Cal., which publishes the *Pennysaver*, a free distribution weekly with 117 zoned editions that are distributed to more than a million households in Orange, Riverside, and San Diego counties in Southern California and to roughly 300,000 households in the Sacramento and Stockton areas of northern California.

Total ad revenue among newspapers was up 11% over 1982 and average paid circulation climbed 2%. The company's flagship newspapers, the *Kansas City Star* and *Times*, posted a 3% gain in ad linage, and introduced three new sections, "Sports Special" on Mondays, "Business Special" on Tuesdays and "Star Style Plus" on Fridays. The *Fort Worth Star-Telegram*, which soon will receive up to $70 million in capital infusion for new production facilities, set new records for operating margin, linage, ad count, inserts and paid circulation.

The resurgence of the auto industry helped the *Oakland Press* in Pontiac, Mich., best its 1982 performance, and the company's other newspapers—the *News-Democrat* in Belleville, Ill.; the *Times-Leader* in Wilkes-Barre, Pa.; the *Daily Register* in Red Bank, N.J.; the *Democrat-Herald* in Albany, Ore., and the *Daily Tidings* in Ashland, Ore.—all posted revenue gains.

In the Specialized Publications Group segment of the publishing operations, revenues reached record levels, although two dark spots marred its performance, including the folding of *Men's Wear* magazine in August and the ill-fated introduction of a consumer version of *SportStyle*, which ceased publication in September after just nine issues. The introduction ate up most of the $3.8 million the division spent on investment in 1983.

Achieving record revenues and profits were *W, Women's Wear Daily, HFD, Daily News Record, Footwear News, Supermarket News, Electronic News* and the International Medical News Group. The metals publishing group—*American Metal Market, Metalworking News, Metal Center News* and *Heat Treating*—suffered from depressed market conditions and turned in profitable results that were below 1982's.

Also achieving positive revenues and profits were *Travel Agent, Energy User News, SportStyle* (business edition), *Home Fashions, Textiles, Electronics Retailing, MIS Week* and *Multichannel News. Entree* and *Aches & Pains* were unprofitable.

A bright spot in Capital Cities' Fairchild Publications group was the introduction of *M*, an upscale, life-style magazine aimed at affluent male readers. Launched in October, the magazine has attracted advertising and the company claims its circulation and sales are encouraging.

The cable tv division posted a 26% gain in revenues, to $67 million, with operating income rising 24%, to $2.1 million. Subscriber increases, together with rate adjustments and acquisitions, resulted in a 22% increase in basic service revenue and a 35% increase in premium and tier revenues.

During 1983, Capital Cities paid $3.1 million for four cable tv systems with 6,000 subscribers in Diboll, Burke, Corrigan and Livingston, Tex., and Vinita and Nowata, Okla. Also, eight new systems that were begun in 1980 and 1981 became operational.

The broadcasting division increased revenues only 7%, to $235.8 million, due in part to a decline in national spot revenue. Four of Capital Cities' six tv stations maintained their market leading positions—WPVI, Philadelphia (ABC); WKBW, Buffalo (ABC); KTRK, Houston (ABC), and KFSN, Fresno (CBS)—with WTNH, Hartford (ABC) and WTVD, Durham-Raleigh (CBS), holding on to second place in their markets.

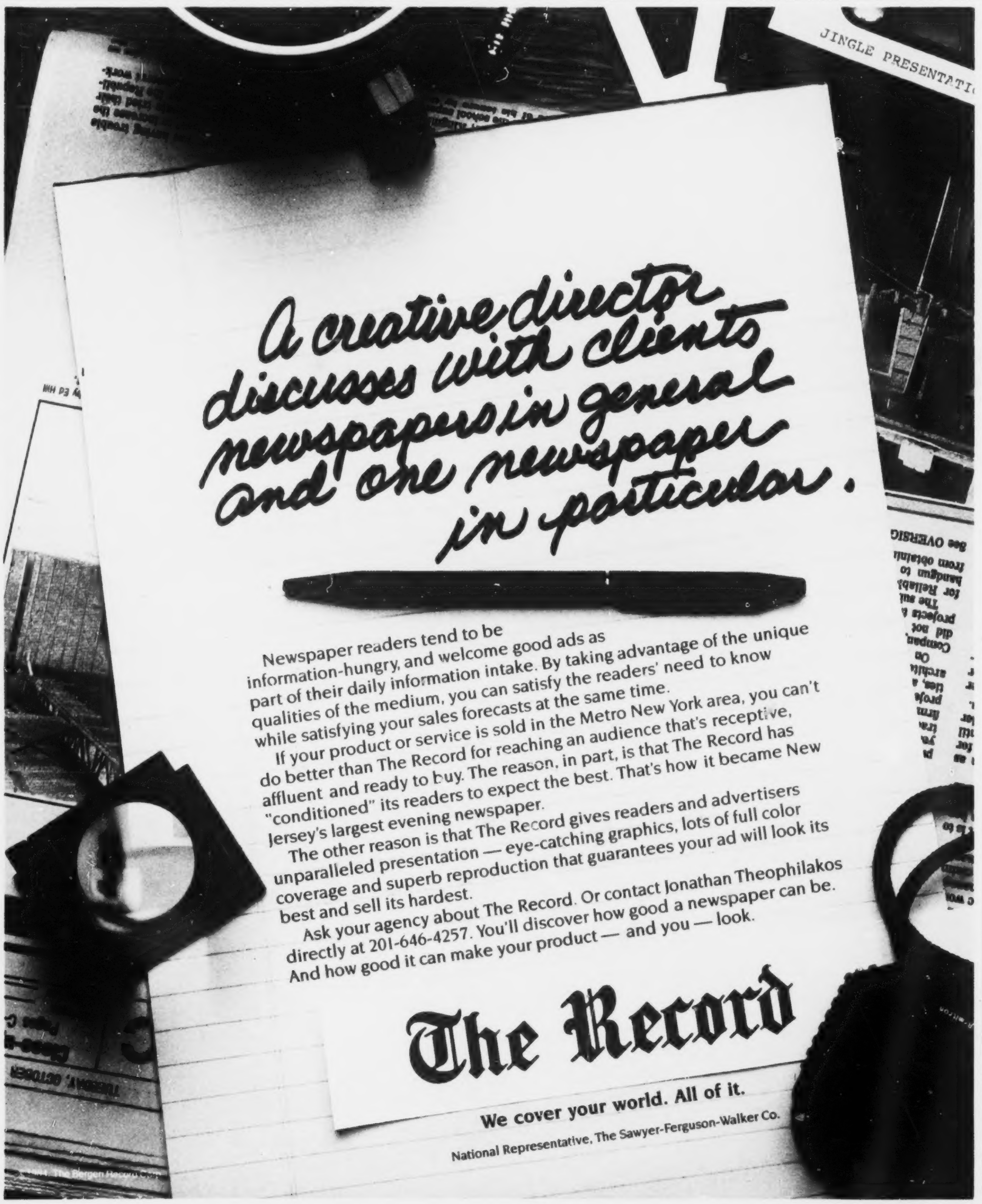
The company's radio stations produced record revenues and operating income in 1983, with most maintaining strong market positions in spite of continued audience fragmentation. On Dec. 2, Capital Cities sold WROW (am, fm) in Albany, N.Y., the first radio station owned by the communications company. Left with six fm and six am stations, Capital Cities was on the acquisition trail at year's end.

MEDIA PROPERTIES

Broadcasting

TV: KTRK, Houston; KFSN, Fresno, Cal.; WKBW, Buffalo; WPVI, Philadelphia; WTNH, New Haven-Hartford; WTVD, Durham-Raleigh.

RADIO: KZLA (am, fm), Los Angeles; WPAT (am, fm), Paterson, N.J.; WJR (am), WHYT (fm), Detroit; WBAP (am), KSCS (fm), Dallas-Fort Worth; WKBW (am), Buffalo, WKHX (fm), Marietta-Atlanta; WPRO (am, fm),


A creative director discusses with clients newspapers in general and one newspaper in particular.

Newspaper readers tend to be information-hungry, and welcome good ads as part of their daily information intake. By taking advantage of the unique qualities of the medium, you can satisfy the readers' need to know while satisfying your sales forecasts at the same time.

If your product or service is sold in the Metro New York area, you can't do better than The Record for reaching an audience that's receptive, affluent and ready to buy. The reason, in part, is that The Record has "conditioned" its readers to expect the best. That's how it became New Jersey's largest evening newspaper.

The other reason is that The Record gives readers and advertisers unparalleled presentation — eye-catching graphics, lots of full color coverage and superb reproduction that guarantees your ad will look its best and sell its hardest.

Ask your agency about The Record. Or contact Jonathan Theophilakos directly at 201-646-4257. You'll discover how good a newspaper can be. And how good it can make your product — and you — look.

The Record

We cover your world. All of it.

National Representative, The Sawyer-Ferguson-Walker Co.

© 1984, The Bergen Record Corp.

Providence.

Cable/video

ARIZONA: Clifton, Cottonwood, Globe, Holbrook, Page, Safford Show Low, Winslow. CALIFORNIA: Burlingame, Modesto, Oakdale, Santa Rosa. ILLINOIS: Highland Park. INDIANA: Greenwood. IOWA: Sioux City. KANSAS: Abilene, Beloit, Clay Center, Concordia. MICHIGAN: Plymouth, Saline. MISSISSIPPI: Clarksdale, Gulfport. MISSOURI: Brookfield, Joplin, Kirksville, Trenton. NEBRASKA: Norfolk. NEW MEXICO: Rio Rancho, Roswell. NORTH DAKOTA: Fargo. OHIO: Green Township. OKLAHOMA: Altus, Ardmore, Hobart, Idabel, Mangum, Miami, Nowata, Ponca City, Vinita. TENNESSEE: Dyersburg. TEXAS: Aransas Pass, Bonham, Burke, Childress, Corrigan, Denison, Diboll, Lampasas, Livingston, Lufkin, Odessa, Port Lavaca, Sherman, Wellington.

Magazines/specialized publications

Fairchild Publications: *American Metal Market, Daily News Record, Electronic News, Electronics Retailing, Energy User News, Entree, Footwear News, HFD-Retailing Home Furnishings, Heat Treating, Home Fashions Textiles, M, MIS Week, Metal Center News, Metalworking News, Multichannel News, SportStyle* (business edition), *Supermarket News, Women's Wear Daily, W*. International Medical News Group: *Aches & Pains, Clinical Psychiatry News, Family Practice News, Internal Medicine News, Mercury Press, OB. GYN. News, Pediatric News, Skin & Allergy News*. Professional Press Group: *International Contact Lens Clinic, Journal of Learning Disabilities, Optical Index, Optometric Monthly*. American Traveler Group: *El Travel Agent Internacional, Interline Reporter, Travel Agent*. Capital Cities has two philatelic publications, *Stamp Collector* and *Stamp Wholesaler*.

Electronic publishing

Securities Data.

Newspapers (daily)

ILLINOIS: *Belleville News-Democrat*. MICHIGAN: *Oakland Press* (Pontiac). MISSOURI: *Kansas City Star, Kansas City Times*. NEW JERSEY: *Red Bank Daily Register*. OREGON: *Albany Democrat-Herald, Ashland Daily Tidings*. PENNSYLVANIA: *Wilkes-Barre Times-Leader*. TEXAS: *Fort Worth Star-Telegram*.

Newspapers (nondaily)

CONNECTICUT: Shore Line Newspapers, Guilford. ILLINOIS: *Highland News-Leader*. NEW JERSEY: *Ocean County Reporter* (Toms River). OREGON: *Cottage Grove Sentinel, Gresham Outlook, Lebanon Express, Newport News-Times, Sandy Post, Springfield News*. RHODE ISLAND: *Narragansett Times, Standard Times*. TEXAS: *Arlington Citizen-Journal*.

Pennysavers

CALIFORNIA: *Pennysaver* (Orange, Riverside and San Diego counties, Sacramento and Stockton). KANSAS/MISSOURI: *Pennypower Shopping News* (Wichita and Topeka, Kan., Springfield, Mo.). WASHINGTON: *Little Nickel Want Ads* (Seattle-Tacoma.)

CBS Inc.

Revenues	1983	1982
Media	$2.683 bil.	$2.435 bil.
Other	1.857 bil.	1.688 bil.
Total	$4.540 bil.	$4.123 bil.

CBS Inc., New York, is the nation's second largest media company, with revenues from media operations estimated by ADVERTISING AGE at $2.68 billion in 1983, up 10.2% from 1982.

Tv and radio broadcasting contributed $2.39 billion to 1983's performance, up 10% from 1983; magazine publishing added an estimated $293.5 million in revenues, up about 9%.

Total operating revenues of $4.5 billion represented an increase of 9.8% over 1982. Net income was up 68% to $187.2 million in 1983.

The company's performance in 1983 was boosted by cost-control measures implemented at the beginning of the year.

The broadcast group, for example, allowed 400 jobs to evaporate through attrition and was aiming at a total savings of $100 million. Early in 1984, there were major personnel moves in the broadcast group, leading to speculation concerning a successor to chairman-ceo Thomas Wyman in the president's office he vacated when he took over from William Paley.

In the broadcast group, CBS Television Network posted both sales and profit gains, but they were dampened by soft upfront sales in the first two quarters of the year and soft scatter market sales in the latter half of the year.

CBS television network backed off its stance to refuse to guarantee audience demographics during the summer and began offering guarantees on female audiences.

In 1983, CBS continued its battle with the FCC over rights to syndication, a battle that carried over into 1984.

Among new ventures, Extravision, a CBS entry into the teletext market, was introduced in 1983, withdrawn, then reintroduced. It ended the year with few viewers, mainly because of the lack of inexpensive, readily available converters.

Venture One, CBS's joint videotex experiment with American Telephone & Telegraph, ended testing in 1983. In February, 1984, CBS announced a joint venture to begin development of a commercial videotex system with IBM and Sears, Roebuck & Co. It is not expected to begin operation for several years.

CBS ended the year in exploratory talks with Communications Satellite, concerning a possible joint venture in direct broadcast satellite.

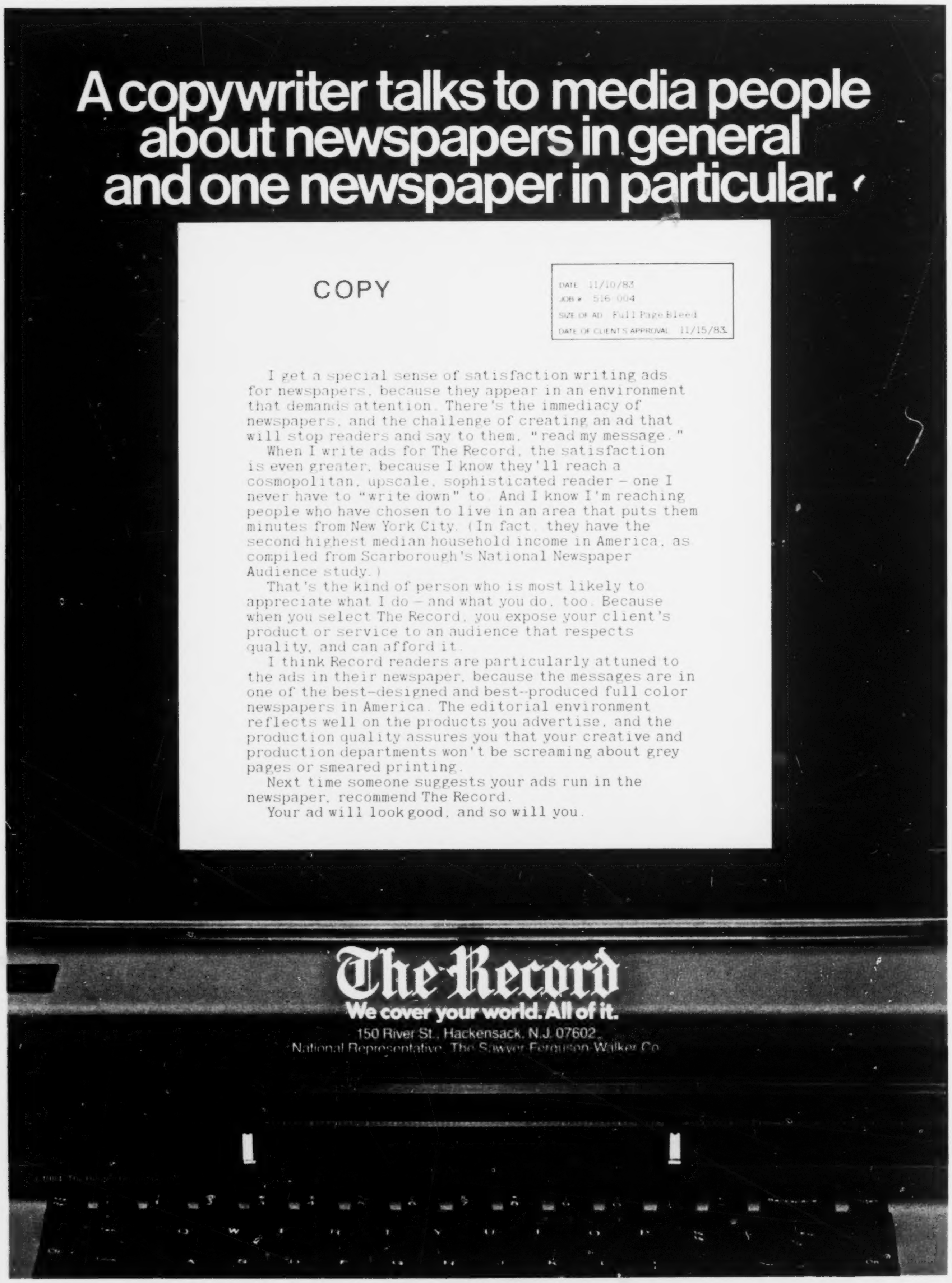
CBS won the ratings war in both the 1982-83 season and the 1983-84 season. The former season saw six CBS offerings in the top 10 and 12 in the top 20 shows, including three of the four new shows that made the top 20. A highlight was the move of "Simon & Simon," which ranked 70th in the 1981-82 season, to seventh in the 1982-83 season. Another was the final episode of "M*A*S*H," which set records with a 60% share of the tv audience.

Notable also was CBS' gain in daytime tv, where it ran neck and neck with the traditional leader, ABC, in the last two quarters.

Reflecting strong confidence in its 1983-84 program schedule, CBS announced only 3½ hours of new programing in 1984, the smallest offering in its history.

The healthiest percentage revenue gains were posted by news and sports, with prime-time revenues growing at a more modest pace and late-night revenues remaining flat.

CBS Sports won the battle with NBC for rights to National Collegiate Athletic Assn. basketball games. Its broad-



A copywriter talks to media people about newspapers in general and one newspaper in particular.

COPY

DATE 11/10/83
JOB # 516 004
SIZE OF AD Full Page Bleed
DATE OF CLIENTS APPROVAL 11/15/83

I get a special sense of satisfaction writing ads for newspapers, because they appear in an environment that demands attention. There's the immediacy of newspapers, and the challenge of creating an ad that will stop readers and say to them, "read my message."

When I write ads for The Record, the satisfaction is even greater, because I know they'll reach a cosmopolitan, upscale, sophisticated reader – one I never have to "write down" to. And I know I'm reaching people who have chosen to live in an area that puts them minutes from New York City. (In fact, they have the second highest median household income in America, as compiled from Scarborough's National Newspaper Audience study.)

That's the kind of person who is most likely to appreciate what I do – and what you do, too. Because when you select The Record, you expose your client's product or service to an audience that respects quality, and can afford it.

I think Record readers are particularly attuned to the ads in their newspaper, because the messages are in one of the best-designed and best-produced full color newspapers in America. The editorial environment reflects well on the products you advertise, and the production quality assures you that your creative and production departments won't be screaming about grey pages or smeared printing.

Next time someone suggests your ads run in the newspaper, recommend The Record.

Your ad will look good, and so will you.

The Record
We cover your world. All of it.
150 River St., Hackensack, N.J. 07602
National Representative, The Sawyer Ferguson Walker Co.

cast of the 1983 championship game drew a larger audience than any previous basketball game. The CBS football audience was the second largest ever for the network's football broadcast season, but CBS Sports coverage of the Super Bowl in January, 1984, was less than well-received. Agreements with the National Basketball Assn. and the Professional Golfers' Assn. were renewed in 1983.

"The CBS Evening News with Dan Rather" continued to lead the network news ratings in 1983 with an average audience advantage of 20%, and format changes in "The CBS Morning News" that expanded viewing time and helped the program score a 21% ratings gain. Each of the network's five owned and operated (o&o) tv stations achieved record revenues and profits in 1983.

The radio division posted sharp gains compared with 1982, with the CBS network leading in the top 20 network sponsored programs for the 19th consecutive ratings period. The network also concluded extension agreements with Major League Baseball for the All-Star game, league championships and the World Series through 1989; with the National Football League for a 37-game schedule, including the Super Bowl, through the 1984 season, and with the NCAA for tournament basketball through the 1984 season. The network also converted from land line to all-satellite delivery in 1983.

RADIORADIO, the division's young adult radio network, increased its affiliates to 133 and planned to introduce a second music series this year. The network also introduced "Top 30 USA," a popular music program aired on 212 affiliated stations by yearend.

Among the o&o radio stations, KNX-FM in Los Angeles changed its call letters to KKHR and switched to the Contemporary Hit Radio format, the fifth CBS fm station to do so. CBS credits the format with solidifying audience gains among listeners 12 years and older, now at 6.2 million.

CBS sold WEEI-AM in Boston, the 14th and only non-50,000-watt station in the company's stable, to Helen Broadcasting of Framingham, Mass., whose president, John E. Baker, has been vp-general manager of WEEI the past two years. The sale was to make way for the purchase for $27 million of KRLD (am, fm) in Dallas and four Texas satellite-delivered radio networks, all owned by Metromedia. However, Metromedia decided to hold on to these properties, leaving CBS presumably still looking for a 50,000-watt station.

The CBS/Publishing Group, which includes education and trade texts through Holt Rinehart Winston, software publishing and general interest magazines, turned in record performances in both revenues and profits, with revenues up 8.9%, to $587 million, and operating profits up 45%, to $55.2 million. ADVERTISING AGE estimates the magazines—the only subgroup to qualify as media in its terminology—accounted for half of the division's revenues.

The magazines division, created from the old consumer publishing division, increased revenues substantially and more than doubled profits over 1982. The division underwent a sweeping reorganization designed to make each magazine its own profit center.

Woman's Day, sporting a new editorial design and a hefty promotion budget, had a record year, as did *Field & Stream*, *Audio* magazine and *Cuisine* posted advertising gains; *American Photographer* increased both advertising pages and circulation, the latter through the acquisition of the assets of *Camera Arts* magazine.

Family Weekly, the division's Sunday newspaper magazine, increased distribution to 366 newspapers for a total circulation of 12.8 million, but suffered declines in both ad revenues and pages at the hands of freestanding newspaper inserts.

Nonmedia contributing divisions include:

- CBS/Records Group reported strong earnings aided by Michael Jackson's "Thriller," the group's all-time best-selling album, and by exorcising the poorly performing home video business from the division.
- CBS/Columbia Group, which had increased revenues but an operating loss attributed to poor sales in CBS Toy's videogame software line, a decline that has continued into the first two quarters of the new year.
- CBS/FOX, a home video-oriented joint venture between CBS and 20th Century-Fox Film Corp. (video titles include "The Verdict," "Porky's" and "Sophie's Choice"), had solid financial and operating results, according to the company.
- Tri-Star Pictures, a joint venture formed in 1983 among CBS, Columbia Pictures and Home Box Office, issued "The Natural," starring Robert Redford as its first release in May, 1984. Other films slated for 1984 release include "The Muppets Take Manhattan," "The Evil that Men Do" with Charles Bronson and "Songwriter" with Willie Nelson.

MEDIA PROPERTIES

Broadcasting

TV: CBS Television Network, network-owned stations—KNXT, Los Angeles; WBBM, Chicago; KMOX, St. Louis; WCBS, New York; WCAU, Philadelphia.

RADIO: CBS Radio Network, RADIORADIO, network-owned stations—KNX (am), KKHR (fm), Los Angeles; KCBA (am), KRQR (fm), San Francisco; WBBM (am, fm), Chicago; KMOX (am, fm), St. Louis; WCBS (am, fm), New York; WCAU (am, fm), Philadelphia.

Cable/video

CBS/Black Hawk Cable Communications, a cable system in Dallas/Fort Worth; CBS/Fox Co., a partnership with 20th Century-Fox in home video; Extravision, national teletext service; Tri-Star Studios, venture with HBO and Columbia Pictures for motion picture production.

Magazines

American Photographer, Audio, Cuisine, Cycle World, Family Weekly, Field & Stream, Mechanix Illustrated, Road & Track, Woman's Day, World Tennis.

OTHER OPERATIONS

CBS Broadcast International; international tv syndication; Holt Rinehart Winston and Winston Press; music publishing, musical instruments including Steinway & Sons pianos, Fender guitars, Gulbransen organs, Lyon & Healy harps, Gemeinhardt flutes and piccolos, Rogers drums and Rhodes electronic pianos and synthesizers; CBS Records and tapes; CBS/FOX Co. home video software; Ideal Toys; Tri-Star Pictures (joint venture, movies).

Central Newspapers

Revenues	1983	1982
Media	$346,000,000	$315,000,000
Other	—	—
Total	$346,000,000	$315,000,000

Central Newspapers, Indianapolis, is the nation's 26th largest media company with 1983 revenues estimated by ADVERTISING AGE at $346 million, compared with an estimated $315 million in 1982, all from media properties.

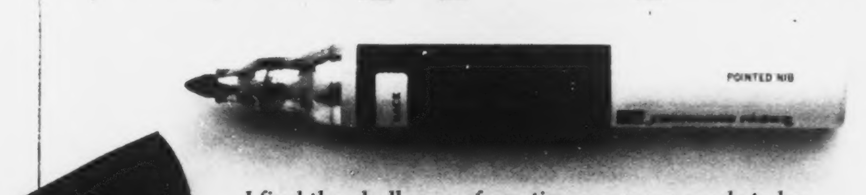
Privately owned Central Newspapers continues to put most of its efforts into newspapers in the Phoenix and Indianapolis markets.

Next September, Central is entering a new media market in Phoenix, in which its R/G Cable subsidiary will introduce Tele-Guide Metro Phoenix, a public access video terminal service.

The service, consisting of 75 terminals in 30 locations, will provide restaurant, hotel and shopping information and will be free to the user.

R/G Cable also leases three channels from a Storer Broadcasting System cable system. It runs 24-hour text news on one channel, text classified ads on a second and audio-video housing ads

An art director explains to account executives about newspapers in general and one newspaper in particular.



I find the challenge of creating newspaper ads to be exciting and rewarding. Exciting, because newspapers give me a large space in which to work, and rewarding because the success of a newspaper ad can be evident the same day it runs.

When I design ads for The Record, it gets even better. Because The Record reaches a high-income, high-education, sophisticated audience that responds to good advertising. And The Record's color reproduction, which I understand is surprisingly affordable, is superb — without doubt the best full color newspaper in the New York market, if not the entire country!

Art directors like me look forward to the chance to create ads for newspapers like The Record. (And if that's not enough incentive for you to specify The Record, check out their demographics — particularly the buying power of their readers — and see how they shine next to other papers in the New York/New Jersey region.)

Next time you're looking for impact and results, put your ads in The Record. Your client will look good, and so will you.

The Record

We cover your world. All of it.

National Representative, The Sawyer-Ferguson-Walker Co.

© 1984, The Bergen Record Corp.

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on a third. The channels now reach 75,000 subscribers, up from 45,000 the year earlier.

"The real estate channel is doing only fair," says Joe Cole, R/G manager. "The real estate market here is strong, and I'm not sure that's helping us, but we are getting some response."

R/G is involved with Times Mirror Co. in videotex experiments and will begin testing a videotex service in Los Angeles this summer.

Central's seven newspapers dominate the Arizona and Indiana markets they serve. The largest of the papers is the morning *Arizona Republic*. That property and its sister paper, the evening *Phoenix Gazette*, continue to enjoy a steady growth of about 5% circulation a year, Central president Frank Russell says.

Mr. Russell says Central's satellite plant in Mesa, Ariz., completed in 1983, "has helped us to give better service to our subscribers."

Combined morning and evening circulation of the Arizona papers, from the ABC for the six months ended March 31, 1984, was 435 518, up 3.4% from earlier previous period. For Sunday, the *Republic* posted 469,179, up 4.5%.

Indianapolis is the second largest market for Central. The combined circulation of the company's morning *Indianapolis Star* and evening *Indianapolis News* rose to 361,863, up 0.3%. Sunday circulation of the *Indianapolis Star* also gained, climbing to 388,123, up 3.8%.

Central's *Muncie Star* and *Press* posted a combined daily circulation of 46,404, a slight drop, and the morning *Star* had a Sunday circulation of 34,933, a slight increase.

In Vincennes, Ind., the *Vincennes Sun-Commercial* (evening and Sunday) has a daily circulation (Monday through Friday) of 14,871, up 0.7%, and Sunday circulation of 15,927, up 0.3%.

MEDIA PROPERTIES

Cable/video

R/G Cable, introducing Tele-Guide in Phoenix and operating three channels in the Phoenix area.

Newspapers

ARIZONA: *Arizona Republic, Phoenix Gazette*. INDIANA: *Indianapolis Star, Indianapolis News, Muncie Press, Muncie Star, Vincennes Sun-Commercial.*

Chris-Craft Industries

Revenues	1983	1982
Media	$122,000,000	$53,500,000
Other	18,500,000	23,000,000
Total	$140,500,000	$76,500,000

Chris-Craft Industries, New York, entered the list this year as the 76th largest media company, with 1983 media revenues of $122 million, or 86.8% of $140.5 million in total revenues. ADVERTISING AGE media figures were determined by consolidating United Television's media revenues of $56.2 million with Chris-Craft's media revenues of $65.8 million for the year.

Media revenues increased 228% from 1982 media figures of $53.5 million, primarily due to Chris-Craft's increasing share of ownership in United Television, Minneapolis, from 19% in 1981 to 50.1% in 1983, and record earnings from its tv stations. The growth further demonstrates the company's redirection in business emphasis from manufacturing to broadcasting over the past six years, which has grown from 18% to 81% of company assets. Total revenues for Chris-Craft in 1982 were $76.5 million.

Chris-Craft first received 19% of UTV common stock as a dividend on its shares of 20th Century-Fox Film Corp. Afterward, Chris-Craft received $140.8 million in cash when it sold its 23% share in Fox. That cash went toward purchasing additional shares of UTV. As a result of purchases by UTV of its own shares on Nov. 16, 1983, Chris-Craft's ownership equaled 50.1% of UTV outstanding shares.

During this year of media company takeovers, Chris-Craft was quick to protect itself. In an attempt to thwart a takeover by Rupert Murdoch's News America Corp. Chris-Craft Industries chairman, Herbert Jay Siegel, arranged an asset swap with Warner Communications chairman, Steven J. Ross, in early 1984. To block Mr. Murdoch's efforts, Warner acquired a 42.5% equity position in BHC Inc., which comprises Chris-Craft's Television Division. Chris-Craft in turn received 19% of Warner. This made Warner a tv operator blunting the takeover attempt by Australian-born Mr. Murdoch because of limitations on foreign nationals owning tv stations.

The battle ended in March after 15 weeks when Mr. Murdoch sold back his shares of Warner and made profits of $41 million. Chris-Craft, however, came out a winner as well. Warner's vast film library provides a logical extension of their development in broadcasting and entertainment.

Chris-Craft's Television Division, the company's primary business, completed another year of record operating revenues and income. The six independent tv stations controlled by Chris-Craft rank as the fourth largest independent tv group in the country, based on households served. Company officials are reticent, however, to speak about their growth.

Chris-Craft attributes its success in broadcasting to meeting an increasing demand for tv advertising, larger viewing audiences, innovating their scheduling and programing, and providing quality news and public affairs presentations to gain viewer respect.

In July, Arbitron Ratings Co. named the Los Angeles tv station, KCOP, a vhf station, the highest rated independent station in that market. The Los Angeles market is considered the most competitive tv market and includes seven competing vhf stations.

The station's news coverage improved during the past year when it switched to electronic videotape equipment from film camera equipment.

KCOP also installed a satellite receiving dish, which enables the station to cover worldwide news.

In July, United Television purchased its first uhf station, KBHK, San Francisco. Company officials look for great growth potential in the nation's fifth largest tv market.

Chris-Craft remains involved with Operation Prime Time, which provides first-run programing to local stations. OPT, created in 1976, produced such shows as "Smiley's People," "Blood Feud" and the miniseries "Sadat" in 1983.

In March, the company filed an application with the FCC for a license to provide cellular radio service in seven markets, located primarily in the Sunbelt.

Chris-Craft's other line of business is a collection of small manufacturers of plastic flexible films and foams, latex foams and non-woven fiber products.

MEDIA PROPERTIES

Broadcasting

TV: KBHK*, San Francisco; KCOP, Los Angeles; KMOL*, San Antonio; KMSP*, Minneapolis/St. Paul; KPTV, Portland; KTVX*, Salt Lake City.
*United Television Inc. owned.

Chronicle Publishing Co.

Revenues	1983	1982
Media	$325,000,000	$296,300,000
Other	—	—
Total	$325,000,000	$296,300,000

Chronicle Publishing Co., San Francisco, is the nation's 29th largest media company with 1983 revenues estimated by ADVERTISING AGE at $325 million, all from media operations.

The company is wholly owned by the family trust of the M.H. de Young estate, and has published the *San Francisco Chronicle*, the city's leading newspaper, since 1865.

The *Chronicle* is the major source of the company's revenues. Daily circulation as of the ABC March, 1984, statements was 539,450, up 0.4%, and the Sunday *San Francisco Sunday Exam-*

A client speaks to his agency about newspapers in general and one newspaper in particular.

For our advertising investment, we expect ads to work hard by using each medium in the most creative, compelling way. And we want our agency to make an informed judgment on the ways that the editorial environment of the medium enhances our message.

When the medium is newspaper, that judgment should be based on reporting excellence and graphic presentation, as well as quality demographics.

In Metro New York, one newspaper is an outstanding example of the "environmental enhancement" I'm referring to: The Record. Its readers across affluent Bergen and Passaic counties in New Jersey have the second highest median household income in America, according to Scarborough. And it gives them award-winning reporting in full color, using more color than almost every other newspaper in the country. I'm particularly impressed by the way four-color ads look in The Record.

Simply stated, The Record combines my kind of audience with my kind of impact.

That's the kind of added value—"environmental enhancement"—I want in my media plan. Let's contact The Record's National Advertising Manager, Jonathan Theophilakos, at (201) 646-4257. And let's put The Record's added value to work. It will make us both look good.

The Record

We cover your world. All of it.

National Representative, The Sawyer-Ferguson-Walker Co.

©1984. The Bergen Reco

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iner & Chronicle, jointly published with the Hearst Corp., was 706,150, up 1.5%.

The *Chronicle* has become a livelier, more readable paper in the last three years, a credit to such recent additions as the Wednesday Briefing section of international news and *This World*, a Sunday tabloid feature section.

The company also owns the *Bloomington* (Ill.) *Daily Pantagraph*, whose daily circulation as of March, 1984, is 52,786, up 0.6% from the previous year, and Sunday circulation 55,180, up 2.8%.

Chronicle Broadcasting Co. still owns its leading tv station, the San Francisco NBC affiliate KRON, after yearlong negotiations to sell it to Gannett Co. broke down last December.

"The station is no longer for sale," says Francis Martin, president, Chronicle Broadcasting, adding that the company's strategy is to "maintain a presence in television broadcasting."

"We're beating KGO [the second ranked ABC affiliate] in the 5 p.m. slot," Mr. Martin says. "The spread between the three stations in San Francisco [KPIX, the CBS affiliate, leads] is not nearly what it was." KRON won a Peabody award this year for its documentary on El Salvador and a series on Vietnam veterans won a Du Pont award. The station was nominated for 47 Emmy awards and received 11 in 1984.

The company is determined to maintain its dominance in Wichita, Kan., where it owns the No. 1 rated station, KAKE-TV, and in Omaha, where it owns the leading station, WOWT-TV.

Western Communications, the company's cable tv subsidiary, has completed rebuilding five of its systems. Currently, four can transmit 35 channels and one sends 27 channels. A pay-per-view experiment is under way on the South San Francisco system. "We're finding that rock concerts and sporting events pull better than movies," says Ed Allen, president, Western Communications.

Western Communications has 148,000 subscribers and "we're in an acquisition mode this year for other systems," Mr. Allen says. Locally produced commercial spots inserted in satellite programs will be tested during the second half of 1984 in the Monterey system, which has 60,000 subscribers. The company also is experimenting with retail sales outlets for its cable services.

Last December, Chronicle Videotex rolled out "the first public access videotex in the U.S.," says Peter Thieriot, president of the system and brother of the newspaper's publisher-ceo. The computer information system has 33 terminals installed in heavy tourist traffic areas. During the Democratic National Convention in July, Chronicle Videotex will provide more than 300 terminals at the convention center.

Chronicle Videotex provides information such as location and times of tourist attractions, restaurants (which can include menus or specials that can be updated within 90 seconds of a change), weather, sporting events and shopping services. The system is registering 45,000 pages of information called up a day with more than 75,000 people using it each month, according to Mr. Thieriot. The Chronicle plans to extend the service to three other cities, one of them Phoenix, later this year.

MEDIA PROPERTIES

Broadcasting

TV: KAKE, Wichita, Kan.; KRON, San Francisco; KUPK, a satellite of KAKE in Garden City, Kan., and WOWT, Omaha, Neb.

Cable/video

Western Communications serving subscribers in: CALIFORNIA: Butte County, Carmel-by-the-Sea, Carmel Valley, Chico, Clayton, Concord, Contra Costa County, Corning, Del Monte Forest, Del Ray Oaks, Glenn County, Marina, Monterey County, Orland, Pacific Grove, Salinas, San Mateo County, Seaside, South San Francisco, Willows. NEW MEXICO: Dona Ana County, Los Cruces, Mesilla.

Newspapers (dailies)

CALIFORNIA: *San Francisco Chronicle, San Francisco Sunday Examiner & Chronicle* (owned jointly with the Hearst Corp.). ILLINOIS: *Bloomington Daily Pantagraph.*

OTHER OPERATIONS

Chronicle Videotex, Chronicle Productions, Chronicle Features & Chronicle Books.

The media leaders: Newspaper revenues (1983)

Estimated newspaper revenues of 100 Leading Media Companies

Company	Newspaper revs. Est. ($000,000) 1983	1982	Newspaper % of '83 media revs.	Top newspaper by circulation	Circulation Circ.	% change '83
Knight-Ridder Newspapers	1,317.3	1,190.0	90.8	Detroit Free Press	631,087	-0.7
Gannett Co.	1,294.6	1,156.6	77.5	USA Today	1,179,834	—
Times Mirror Co.	1,266.8	1,140.4	75.5	Los Angeles Times	1,057,536	-0.3
Advance Publications	1,194.2	1,149.3	68.6	Cleveland Plain Dealer	492,002	-1.1
Tribune Co.	1,137.4	1,041.4	81.4	New York Daily News	1,374,858	-9.2
New York Times Co.	833.2	674.2	77.7	New York Times	970,051	0.7
Dow Jones & Co.	738.1	623.0	90.4	Wall Street Journal	2,100,000	3.3
Scripps-Howard	650.0	575.0	86.6	Rocky Mountain News	319,177	-1.6
Hearst Corp.	548.0	512.2	49.1	Los Angeles Herald-Examiner	236,660	-10.8
Cox Enterprises	467.0	425.0	19.8	Atlanta Constitution	226,232	5.2
Washington Post Co.	440.0	398.7	50.7	Washington Post	768,288	2.8
Central Newspapers	345.1	314.5	99.7	Phoenix Republic	314,460	4.4
Capitol Cities Communications	289.6	256.2	38.0	Kansas City Times	288,635	5.2
News America Publications	287.0	240.0	88.9	New York Post	963,069	0.2
Thomson Holdings, Int'l.	281.6	254.0	46.3	Globe & Mail (Toronto)	310,000	
Affiliated Publications	278.5	244.2	95.0	Boston Globe	510,000	0.4
Chronicle Publishing Co.	245.0	223.6	75.4	San Francisco Chronicle	539,450	0.8
Harte-Hanks Communications	238.8	227.0	71.9	Corpus Christi Caller & Times	83,907	-1.9
Copley Newspapers	233.7	207.3	98.7	San Diego Union	220,301	-0.5
Cowles Media Co.	227.8	190.0	100.0	Minneapolis Star & Tribune	372,179	2.8
Freedom Newspapers	210.5	194.0	93.6	Santa Ana Register	279,452	7.9
Media General	208.8	183.4	63.7	Tampa Tribune	216,864	0.0
Oklahoma Publishing Co.	207.8	198.5	62.0	Oklahoman & Times	235,759	N/A
Morris Communications	196.4	117.6	100.0	Florida Times-Union	162,831	1.6
Evening News Assn.	187.5	180.0	80.0	Detroit News	628,493	1.3
Houston Chronicle Publishing Co.	186.2	167.9	100.0	Houston Chronicle	438,760	N/A
McClatchy Newspapers	183.0	158.0	85.1	Sacramento Bee	224,589	0.5
A. H. Belo Corp.	163.4	134.7	67.5	Dallas Morning News	340,502	3.7
Landmark Communications	159.0	149.5	60.0	Norfolk Virginia Pilot	139,627	1.9
Journal Co.	149.0	141.0	84.0	Milwaukee Journal	306,055	-0.6
Pulitzer Publishing Co.	145.2	134.4	60.0	St. Louis Post-Dispatch	213,260	-16.1
National Enquirer	142.0	140.0	100.0	National Enquirer	4,500,000	-6.0
Seattle Times Co.	135.0	116.5	100.0	Seattle Times	226,038	-9.5
Donrey Media Group	133.5	116.4	86.9	Las Vegas Review-Journal	101,965	4.3
Howard Publications	129.0	123.2	86.0	Hammond (Ind.) Times	69,158	-1.0
Ingersoll Publications Co.	129.0	95.0	100.0	Trentonian	67,815	
Times Publishing Co.	124.0	111.4	92.0	St. Petersburg Times	282,653	3.2
Lee Enterprises	120.6	112.1	73.0	Wisconsin State Journal & Capitol Times	106,927	-1.0
A. S. Abell Co.	120.0	107.2	70.6	Baltimore Sun	185,510	4.1
Blade Co.	114.8	115.3	86.9	Pittsburgh Post-Gazette	178,284	0.6
Dispatch Printing Co.	109.0	99.0	77.9	Columbus Dispatch	208,548	-0.1
Providence Journal Co.	102.0	98.0	68.6	Providence Bulletin	129,698	-2.5
Courier-Journal & Louisville Times Co.	92.0	90.0	86.0	Louisville Courier-Journal	167,310	-2.2
Multimedia Inc.	90.7	82.2	33.9	Greenville (S.C.) News/Piedmont	110,133	1.0
Times Journal Co.	84.0	73.7	100.0	Service (Times) Publications	320,000	
Macromedia Inc.	75.7	66.0	86.0	Record	153,480	2.4
Des Moines Register & Tribune Co.	66.7	68.7	75.4	Des Moines Register	238,609	-0.6
Triangle Publications	62.0	57.3	11.0	Daily Racing Form	87,567	N/A
Allbritton Communications Co.	60.0	55.9	48.3	Trenton Times	65,990	
Stauffer Communications	50.4	44.4	65.0	Topeka Capitol-Journal	67,595	-1.0
Park Communications	44.0	35.7	51.0	Lockport Union Sun & Journal	18,074	0.0
Jefferson-Pilot Corp.	42.8	42.6	39.2	Beaumont Enterprise	73,492	
Time Inc.	27.5	25.0	1.2	Evanston (Ill.) Review	18,816	
Maclean-Hunter Communications	15.0	0.0	13.0	Houston Post	395,786	N/A
Meredith Corp.	9.0	9.0	0.4	Hollywood (Cal.) Independent	47,550	

Source: Advertising Age

Continental Cablevision

Revenues	1983	1982
Media	$156,000,000	$108,700,000
Other	—	—
Total	$156,000,000	$108,700,000

Continental Cablevision, Boston, is the country's 60th largest media company, with revenues of $156 million in 1983, an increase of 43.5% from 1982 revenues of $108.7 million. All revenues are from media.

The company will likely maintain its revenue growth in 1984 with the purchase in January of the Jacksonville, Fla., franchise from Area Communications.

The purchase for an estimated $106.5 million moved Continental from tenth to eighth place among the country's cable operators, according to Paul Kagan & Associates, a California consulting company that follows the industry. It also increased the company's assets from $270 million in 1982 to $480 million.

The Jacksonville franchise, which has between 86,000 and 93,000 subscribers, boosted Continental's total claimed subscriber rolls 11% to 12%, to 859,000.

Although the acquisition took the company into a new geographical area, it fit into the basic expansion strategy at Continental, which is nearly 25% owned by Dow Jones & Co.

"The available pool of attractive [new] franchises is virtually depleted. If you're interested, you have to go into the acquisition market," says Robert Stengel, director-corporate services.

Continental, like others in the industry, has concentrated its holdings within certain geographic areas for better control and economies of scale.

Mr. Stengel says its traditional areas are the Northeast, Midwest and Virginia. The management style of the company, which was formed in 1963 by Harvard Business School classmates Amos Hostetter, president-ceo, and H.I Grousveck, chairman, is to decentralize its operations and allow regional officers to handle the operating decisions.

Continental has grown through aggressive pursuit of franchises and acquisitions, primarily in suburban areas, which Mr. Stengel says clearly don't present the same restrictions as do the larger urban areas.

With more than 2 million homes within its franchise network, Continental plans to concentrate on building its subscriber rolls this year, while not ignoring a strong acquisition if it presents itself.

Kagan & Associates says Continental is a "tightly managed, aggressive, financially well connected company . . . that would be an attractive takeover," but Mr. Stengel says the operation has no intention to sell out.

He notes the company's relationship with Dow Jones is strictly financial, and part of the terms of the deal reached two years ago was that Dow Jones would not move toward a takeover for at least 10 years.

MEDIA PROPERTIES

Cable/Video

Systems in 13 states. CALIFORNIA: Big Valley Cablevision Inc. (94% interest), serving Manteca/Lathrop and Stockton/San Joaquin County. ILLINOIS/IOWA: Continental Cablevision of Illinois Inc., serving Freeport/Cedarville/Stephenson County; Keokuk/Carthage/Hamilton /Warsaw, Kewanee; Lincoln/Logan County; Morton, Ill.; Pekin/Groveland/Marquette Heights/N. Pekin/S. Pekin/Tazewell County/Tremont, and Quincy, Ill. CHICAGO REGION: Continental Cablevision of Cook County Inc., Calumet City/Calumet Park/Dolton/Riverdale; Elmhurst/Berkeley/Oakbrook Terrace/Bensenville; Forest Park; Franklin Park/River Grove/Rosemont/Schiller Park; Lombard; unincorporated DuPage County; Westchester/Hillside; Westmont/unincorporated Westmont. Continental Cablevision of Morton Grove Inc., Morton

Grove. MAINE/MASSACHUSETTS/NEW HAMPSHIRE: Continental Cablevision of New Hampshire Inc., Concord/Allenstown/Boscawen/Bow/Pembroke; Dover/Rollinsford/Somersworth/Berwick/S. Berwick; Lawrence/Methuen/North Andover, all Mass.; Pease Air Force Base; Portsmouth/Eliot/Kittery, Maine/New Castle/Rye; Saco/Old Orchard Beach, both Maine; Salem/-Derry. MASSACHUSETTS REGION: Continental Cablevision of Brockton Inc., Brockton. Continental Cablevision of CONNECTICUT Inc., Enfield et al. Continental Cablevision of Massachusetts Inc., Beverly, Newton, Reading, Saugus, Watertown. Continental Cablevision of Needham Inc. (99.6% interest), Needham. Continental Cablevision of Northhampton Inc., Deerfield/Bernardston/Northfield/Sunderland. Northampton/Hatfield/Williamsburg. Continental Cablevision of Southern Massachusetts Inc., Avon; Easton; Hanson; Holbrook; Raynham; Stoughton; Whitman. Continental Cablevision of Springfield Inc. (70% interest). Springfield. Continental Cablevision of Winchester Inc. (96% interest), Winchester. Rockingham County Cablevision Inc. (80% interest). Hampstead; Plaistow. MICHIGAN: Continental Cablevision of Michigan Inc., Holland; Jackson/Blackman Township; Lansing/Dewitt/Grand Ledge/Delhi; Delta, Dewitt, Lansing and Oneida Townships. Roseville. DETROIT REGION: Continental Cablevision of Oakland County Inc. Dearborn Heights. Hazel Park. Madison Heights; Oak Park; Southfield/Lathrup Village. ST. LOUIS REGION: Continental Cablevision of St. Louis County Inc., Belleville/Fairview Heights/O'Fallon/St. Clair County/Swansea; Jennings/Bellefontaine Neighbors/Country Club Hills/Flordell Hills/Moline Acres/Northwoods/Pine Lawn/Riverview/Wherry Housing Base; University City/Breckenridge Hills; Brentwood/Clayton/Edmundson/Maplewood/Overland/St. Ann. Continental County Cablevision Inc. St. Louis County-area B. OHIO: Continental Cablevision of Hamilton County Inc., Cheviot; Continental Cablevision of Ohio Inc., Englewood/Madison Township/Randolph Township/Trotwood/Union/Vandalia; Beavercreek Township/Bellbrook/Centerville/Kettering/Miamisburg/Miami Township/Moraine/Oakwood/Springboro/Sugarcreek/Washington Township/Waynesville/West Carrollton; Athens/The Plains; Bellevue/Clyde/Green Springs; Fairborn/Donnelsville/Enon/New Carlisle/Bath, Bethel and Mad River townships; Findlay/Arlington/McComb/Mt. Cory/Rawson/Van Buren; Fostoria/Tiffin/Arcadia; Galion/Crestline; Huber Heights/Harrison Township; Norwalk/Milan/-Monroeville; Springfield/Harmony, Moorefield, Pleasant & Springfield Townships/South Vienna Village; Upper Sandusky/Nevada; Willard/Greenwich Village/New Haven/North Fairfield/Plymouth/Shiloh; Xenia/Cedarville/Jamestown/New Jasper/Silver Creek/Spring Valley/Wilberforce/Cedarville. Spring Valley and Xenia Townships. CLEVELAND REGION: Continental Cablevision of Northeast Ohio Inc., Bay Village/Avon Lake; Eastlake/Fairport Harbor/Grand River/Lakeline/Mentor/Painesville/Timberlake/Wickliffe/Willoughby/Willoughby Hills; Elyria/Carlisle and Elyria townships. VIRGINIA: Continental Cablevision of Virginia Inc., Ashland; Goochland County; Hanover County; Henrico County. VIRGINIA REGION: Continental Cablevision of James City County Inc., James City County. Continental Cablevision of Richmond Inc. (80% interest). Richmond. Continental Cablevision of York County Inc., York County.

Other Cable

FLORIDA: Area Communications Inc., serving Greater Jacksonville. Commonwealth Cablevision Corp. (40% interest). Agawam/Granby/Holyoke/South Hadley/Southwick/Westfield/West Springfield, all Mass. Cablevision Service Co. Inc. (33.3% interest). Bristol: Alexandria/Bridgewater/Bristol/New hampton; Hillsboro: Antrim/Derring/Hillsboro/Henniker. Seacoast: Durham/Epping/Exeter/Hampton Falls/Newfields/Newmarket/North Hampton/Raymond/Seabrook/Stratham, all N.H. NEW YORK: Vision Cable of Staten Island Inc. (50% interest). Borough of Staten Island.

Copley Newspapers

Revenues	1983	1982
Media	$236,700,000	$209,300,000
Other	4,200,000	700,000
Total	$240,900,000	$210,000,000

Copley Newspapers, La Jolla, Cal., the 43rd largest media company in the country, had 1983 media revenues of $236.7 million, or about 98% of total revenues of $240.9 million. In 1982, Copley reported media revenues of $209.3 million.

The family-owned business still primarily is involved in newspapers in California and Illinois, but has expanded its involvement in cable tv and electronic publishing.

The Copley Press and its cable partner, Colony Communications (owned by Providence Journal Co., Providence, R.I.), have been awarded cable tv franchises in the contiguous areas of Lomita, the San Pedro-Wilmington-Harbor City area of Los Angeles and an unincorporated portion of Los Angeles County. System construction is under way, and the first group of subscribers has been connected.

The Copley-Colony team recently has been successful in gaining three new franchises in California's Orange County in the cities of Costa Mesa, Cypress and an unincorporated area of the county.

In electronic publishing, the Copley Videotex unit was disbanded early this year, at least temporarily, following Time Inc.'s termination of its teletext activities and the withdrawal of the Cox INDAX program for further development. The videotex group ran concurrent experiments in cable-delivered teletext and videotex for about 18 months.

On May 1, 1983, Copley launched an electronic classified ad service called CLEO (Computer Listing of Employment Opportunities) in California. The service lists jobs in professional and technical areas, such as engineering and computer programing. The "help wanted" ads are purchased by businesses and accessed by personal and business computer users via telephone. The system has been expanded from its Los Angeles base to all major metropolitan areas in California. The service is still in its infancy and so far poses little threat to newspaper classified ads. Further expansion of the CLEO system is under study.

Newspapers remain Copley's principal source of income. The company's San Diego properties grew despite the recent recession, while its six Illinois papers felt the impact of hard times more strongly, according to marketing director Stuart Neffeler. Daily circulation for all Copley newspapers in 1983 was 687,366, up 6.3% from 1982 (not including the recently purchased *Waukegan News-Sun*).

The *San Diego Union* has accounted recently for more of the growth in the San Diego market than the *Tribune*, the company's evening paper. The *Union*, aside from having greater drawing power as the city's morning paper, is edited to appeal to the growing outlying areas of San Diego County. Total circulation for both papers, as reported by the ABC's March 31, 1984, figures, is 344,106 daily, and 355,960 for the *Union* on Sunday.

With the purchase Jan. 3, 1984, of the *News-Sun*, Copley has five dailies covering all suburban counties in the Chicago metropolitan area. This allows the Copley-area newspapers to offer advertisers a more efficient vehicle for reaching the prosperous and growing Chicago suburban market.

Due to a soft economy in the Chicago area, the Copley dailies (not including Waukegan) together had lost about 2,500 in daily circulation. With the improved economy, circulation is again on the upswing with the total daily circulation at 127,937, according to ABC's latest figures, and 125,310 on Sunday. This represents an increase of more than 1,000 copies, both daily and Sunday, compared with the same period of 1983. Counting Waukegan, the current daily circulation for all five Copley Chicago area papers is 169,432. In its other Illinois property, year-to-year circulation for the Springfield, Ill., *State Journal Register* stayed about the same. Current figures are 69,492 daily and 71,409 Sunday.

Copley solidified its market position in the Los Angeles south bay and harbor area with the purchase of the *Santa Monica Outlook* in March, 1983. Combined with the Torrance *Daily Breeze* and the *San Pedro News Pilot*, the new property gives Copley a growing and upscale market running along the coastline from Malibu to Long Beach. These three dailies currently have a combined circulation of 130,264 in this important segment of the Los Angeles market. Circulation on Sunday is 123,328.

MEDIA PROPERTIES

Cable/video

CALIFORNIA: San Pedro-Wilmington-Harbor City, Lomita and portions of unincorporated areas, franchises in Los Angeles County; Costa Mesa and Cypress, plus an unincorporated area in Orange County. All jointly owned with Colony Communications. CLEO, an electronic classified ad service.

Newspapers (dailies)

CALIFORNIA: *San Diego Evening Tribune, San Diego Union, San Pedro News-Pilot, Daily Breeze* (Torrance), *Santa Monica Evening Outlook*. ILLINOIS: *Aurora Beacon-News, Elgin Courier-News, Joliet Herald-News, Springfield State Journal Register, Waukegan News-Sun, Wheaton Daily Journal*.

Newspapers (nondailies)

CALIFORNIA: *Borrego Sun*. Also, 23 nonpaid circulation weeklies and shoppers associated with dailies.

OTHER OPERATIONS

Casa del Zorro (resort hotel); Copley Computer Services; Copley News Service; Copley Press.

Courier-Journal & Louisville Times Co.

Revenues	1983	1982
Media	$107,000,000	$98,000,000
Other	59,000,000	62,000,000
Total	$166,000,000	$160,000,000

Courier-Journal & Louisville Times Co. and WHAS Inc., a separate company also owned by the Bingham family, combined to be the 83rd largest U.S. media company in 1983. Net operating revenues from media operations last year totaled $107 million, a 9.2% increase from 1982. Revenues from newspaper operations edged slightly upward from $90 million to $92 million. Broadcast revenues were estimated at $15 million in 1983.

Total company revenues were $166 million in 1983, a 3.8% increase from 1982. The Bingham's Standard Gravure and Standard Colorprint operations are not included in media figures; neither are revenues from another operation, the four-year-old Computer Emporium. The operation runs personal computer retail stores, and it generated an additional $4 million in sales last year.

The newspaper company's morning *Courier-Journal* and evening Louisville Times, supplemented by five zoned weekly papers, fared exceptionally well in a market that did not prosper last year, the company reports. The total market coverage capability, coupled with tight expense controls and favorable newsprint pricing, produced profits that were 65% above 1982, a year in which profits were relatively flat.

At the end of 1983, the morning *Courier-Journal had a daily circulation of about 178,000, the evening Times'* circulation was about 139,000 and the *Courier-Journal* Sunday circulation was estimated at 333,000. The widely acclaimed papers long have put considerable money into editorial, and the company takes pride in its extensive statewide delivery. According to senior vp John L. Richards, it is "darned expensive" to maintain daily home delivery "225 miles east and 225 miles west" of home base. But it seems to be a "sacrifice" the company is determined to make.

In the broadcast end of the company's business, high ratings helped boost profits 22% at WHAS Inc. last year. WHAS-TV ranks No. 1 in a four-station tv market. Radio stations WHAS (am), a contemporary adult format, and WAMZ (fm), country, are among the top three in a 17-signal radio market.

WHAS has moved into the teleconferencing and video training program market, combining its own satellite uplink and commercial production company to offer full-service video conferencing capabilities. Mr. Richards says several major locally based corporations are looking into the service.

The Courier-Journal Co. also is pursuing various options in electronic publishing. It operates a 24-hour-a-day text news and classified advertising service—the C-J&T Channel—on leased cable channels. The C-J&T Channel has a potential audience of 128,000.

In 1983, the newspapers' classified phone operation and cable advertising staff combined to sell 147,600 cable classifieds, primarily as add-ons. For a small additional fee, newspaper classified ads are beamed over the cable channel. A directory informs viewers of the times that particular types of classified ads will appear.

In July, 1983, the company concluded its nine-month test of C-J&T Teletext among 111 households. The company characterizes the experiment as well-received and says it found that the most popular information offered was local news, weather, sports, movie guides and classified ads. The company is evaluating results and plans to test other approaches in the teletext area later this year.

Ways of distributing information via personal computer also are being explored, Mr. Richards says. A wholly owned subsidiary of the company operates two Computer Emporium retail stores in Louisville, selling Apple Computer and IBM products. Mr. Richards says expansion into several additional markets is expected this year.

The executive cites the training programs offered by the outlets, as well as the parent company's "software expertise" as factors that point to future strengths for the operation. He suggests that "maybe a big bang" would be to enable personal computer owners to hook up with the Courier-Journal Co.'s database.

MEDIA PROPERTIES

Broadcasting

TV: WHAS, Louisville, Ky.
RADIO: WHAS (am), WAMZ (fm), Louisville.

Newspapers

KENTUCKY: *Louisville Courier-Journal, Louisville Times*.

OTHER OPERATIONS

C-J&T Teletext; C-J&T Channel, cable news and advertising service.

Cowles Media Co.

Revenues	1983	1982
Media	$227,800,000	$238,000,000
Other	—	—
Total	$227,800,000	$238,000,000

Cowles Media Co., Minneapolis, is the nation's 44th largest media company with revenues, all from media, of $227.8 million for fiscal 1983, ended April 2, 1983, a decline of 4.3% from revenues in 1982.

Net income dropped to $531,000, in fiscal 1983 from $747,000 in fiscal 1982, a sign that the company still had not recovered financially from the March, 1982, merger of the *Minneapolis Star* and *Tribune* and a disastrous diversification spree in the 1970s.

Although Cowles' fiscal 1984 has already ended, the company is ranked by its 1983 revenues to be consistent with the rest of the 100 Leading Media Companies issue.

Figures just released for 1984, however, show Cowles on the rebound, particularly via its mainstay, the *Minneapolis Star & Tribune*.

Company earnings more than doubled to $19.5 million compared with $8.3 million in fiscal 1983 (a figure including operating losses of $4.2 million for the *Buffalo Courier-Express* which was closed after the second quarter of fiscal 1983).

Earnings were aided by the sale of CableScope Inc., the cable tv station in Buffalo, N.Y., to Denver-based Tele-Communications Inc. for $41 million, and the sale in March, 1984, of uhf station WDRB in Louisville, Ky., to WWSW Radio Inc., a subsidiary of Toledo Blade Co., for $10 million. Also buoying profits were increases in ad linage and circulation figures for the *Minneapolis Star & Tribune*.

Daily circulation figures for the paper exceeded 372,000 for the six months ended March 31, 1984, up 2.76% from the year earlier, and Sunday circulation was slightly more than 586,000, up 1% from a year earlier. R.o.p. advertising linage for the daily newspaper increased more than 6% in calendar 1983 over 1982.

Finally bereft of ill-fated acquisitions in radio, tv and cable, the company's holdings are pared down to print operations. David Kruidenier, who took over as president 15 months ago, says no acquisitions or further divestitures are planned now.

In the past year, management has stabilized and, in turn, improved morale at the Minneapolis Star & Tribune.

"A year ago, we didn't have an editor, an advertising director or a circulation director," Mr. Kruidenier says. "All those positions were filled as of a few months ago, and I'm optimistic that morale has improved."

The ouster of John Cowles Jr. as president early last year ushered in the reign of Mr. Kruidenier, also chairman of Des Moines Register & Tribune Co., which owns 14% of the Cowles stock.

Although observers expressed doubts at Mr. Kruidenier's ability to lead Cowles out of trouble, fiscal 1984 results and a stable slate of managers at the Minneapolis paper indicate that his straightforward management style may be just what the embattled company needs.

Under the leadership of executive editor Joel Kramer, who occupied the same position at the Cowles-owned *Buffalo Courier-Express* before its collapse in 1982, the *Minneapolis Star & Tribune* has expanded its business and local coverage, focused more energy on investigative reporting, improved graphics and made plans to enhance and enlarge its Sunday magazine.

More staff reporters have been hired, and a bigger news hole has been provided for the expanded sections—quite a contrast to more recent times when editors, instructed to enhance sections, were provided a shrunken news hole.

Improving circulation figures seem to indicate that the strategy is working. Company projections for the *Minneapolis Star & Tribune* circulation called for increases of between 7,000 and 8,000 daily and Sunday in the past year, but numbers released March 31, 1984, put circulation 10,000 ahead of a year earlier, a trend Mr. Kruidenier predicts will continue in fiscal 1985.

As for threats from competition, Mr. Kruidenier says he is not as worried about the *St. Paul Pioneer-Press*, just 20 minutes away and noted for its coverage of state government, as he is about two advertising shoppers, one of which recently made its debut and another that just changed hands.

Mr. Kruidenier says the company is looking at its press and mailroom needs, and it plans to buy new presses sometime this year. Until those needs are filled, diversification through acquisitions won't be considered.

Mr. Kruidenier also disregards the never-ending rumors of a merger with

Des Moines Register & Tribune Co., seemingly made more feasible by his elevation to chairman, or the sale of the company by the Cowles family, said to be tired of the 149-year-old company's slow growth in recent years.

Although Mr. Kruidenier wouldn't make projections for earnings in fiscal 1985, he indicates they should continue to climb. With the shedding of poor performers complete, a sound management team in place and an end to the shuffling and sidestepping tactics of the past, chances are he's got a good chance of being right.

MEDIA PROPERTIES

Newspapers (dailies)

MINNESOTA: *Minneapolis Star & Tribune*; MONTANA: *Great Falls Tribune*; SOUTH DAKOTA: *Rapid City Journal*; IDAHO: *South Idaho Press*.

Newspapers (nondailies)

COLORADO: Sentinel newspapers in Arapahoe, Arvada, Aurora, Commerce City, Englewood, Lakewood, Littleton, North Glen-Thornton, South Jefferson, Westminster, Wheat Ridge; IDAHO: *Minidoka News*, *Reminder Shopper*.

OTHER OPERATIONS

Publishers Inc., a commercial printer and publisher of community directories in the Twin Cities.

Cox Communications

Revenues	1983	1982*
Media	$537,600,000	$443,000,000
Other	77,023,000	71,746,000
Total	$614,623,000	$514,746,000

*Restated

Cox Communications, Atlanta, is the country's 21st largest media company with 1983 media revenues of $537.6 million, or 87.5% of the company's total revenues of $614.6 million.

The media contribution increased 21% on a year-to-year basis, based on restated media revenues of $443 million in 1982, or 86.1% of the company's total revenues.

Total operating revenues from media operations were $132.6 million, up 17% from 1982. Similarly, net income for the company's total operations rose to $77.9 million, up 19% from 1982.

Cox is a diversified media company with interests in broadcasting and cable tv, as well as several new media, including satellite master antenna tv. The nonmedia portion of Cox's earnings comes from its organizing of automobile auctions and from programing and nonaffiliate media sales from its TeleRep subsidiary.

Cox Communications and Cox Enterprise both profiled on this page, are essentially flip sides to the same coin. Although Cox Communications is a public company, it is 40.81% owned by the Cox family, and its board of directors includes Barbara Cox Anthony and Anne Cox Chambers.

Both Mmes. Anthony and Chambers are daughters of the late James M. Cox, founder of the media conglomerate and former governor of the State of Ohio.

The two companies were one until 1964 when Cox Communications, then called Cox Broadcasting Corp., was spun off for the purpose of obtaining equity from the sale of stock to use for broadcast acquisitions.

Cox' broadcasting division had total revenues of $231.5 million in 1983, up 10.3% from 1982. Gains in operating income were more dramatic: $87.1 million, 15% higher than the previous year. The division was segmented into tv $161.8 million, radio $38.4 million, and ad sales to non-Cox affiliates $31.3 million.

The company says that after adjusting for the closing of its subscription tv operations in St. Louis and the deconsolidation of Christal, a radio representation company, 1983 broadcasting revenues were up 11%.

Cox's flagship station, WSB-TV, Atlanta, continues to enjoy first place in the ratings in its market. In 1983, it earned a commendation from President Reagan for its "WSB on the Job" campaign to help Atlanta find jobs. It also won an Iris Award from the National Assn. of Television Programing Executives for a special on "The Making of Nightline."

It was a year of acquisition and format changes for Cox's radio group. Cox acquired WXFM in Chicago, but to do so it had to sell its Baltimore station, WLIF. Cox got $5.75 million for the station.

Cox also completed an agreement to purchase WKBD-TV, Detroit, one of the nation's largest independent tv stations, for $70 million. The transaction was completed in May, 1984.

Significantly, Cox already has become a part of the am stereo wave, having installed the technology in its transmitters in Atlanta, Charlotte and Los Angeles.

In a year in which many cable companies and franchises were floundering, Cox's cable unit scored substantial gains. Paid subscriptions surpassed basic subscriptions, achieving a 1.06 to 1 pay-to-basic ratio; the national average is 0.84 to 1.

At the end of 1983, total basic subscribers were 1.445 million, compared with 1.527 million pay subscribers. In addition, mini-tiers (ad-supported satellite services) grew to 121,598 subscribers.

The cable unit had revenues of $337.4 million in 1983, up 29% over 1982, while operating income rose to $45.4 million, up 20% over 1982.

The company successfully negotiated franchise renewals for the city and county areas of Gainesville, Fla., The Dalles, Ore., North Adams, Mass., Eureka, Cal., and Columbus, Ind. However, it sold franchises in St. Clair Shores, Mich., and Marquette, Mich.

In the race for the New York boroughs, Cox received half the Staten Island franchise (50,000 homes) and signed an agreement with Queens Inner City Cable System (QUICS) under which Cox will design, engineer, construct and operate QUICS' 180,000-home franchise in Queens.

When many cable companies are attempting to modify the terms of their franchise agreements, Cox successfully altered its contracts in four of its systems—Omaha, Tucson, Vancouver, Wash., and New Orleans. The renegotiation has helped the company offer certain sevices, such as its interactive Indax, that it was finding difficult to offer under the terms of the old franchise agreements. However, the renegotiation hasn't come easy. In return, Cox has had to promise a greater number of hours for local and public access programing and to continue providing WOR without charge.

Cox Cable has launched a vigorous campaign to counter theft of service, which is estimated to cost the industry losses in excess of $700 million. In San Diego, for example, Cox was successful in converting 9,000 illegal users to a paid status for an expected gain of $1.8 million in annual revenue. It also gained a landmark ruling when a U.S. district court judge ruled that the Communications Act of 1934, which protects radio communications from unauthorized reception, also applies to cable tv communications.

Cox Cable has participated in a study that examined churn—the rate of cable disconnects. In its Oklahoma City franchise, it initiated a nonpay disconnect program that was effective in reducing disconnects by half the average rate in only four months, thus adding 2,800 subscribers.

Cox Cable has been exploring activities complementary to its cable franchising. In May, it purchased the remaining 80% of *On Cable* magazine. As a result of the purchase, Cox plans to offer *On Cable* in all of its systems and market it to other systems as well. Currently, Cox has *On Cable* in 29 of its systems, accounting for 500,000 of the magazine's current 1.3 million circulation.

Cox is approaching the two-way interactive market with a great deal of enthusiasm and aggressiveness. It has signed an agreement with the Jerrold Division of General Instrument Corp. under which Jerrold will develop, manufacture and market equipment.

Also, Cox and Chase Manhattan Bank announced an agreement to develop electronic home banking systems that can be delivered over the Cox Cable systems.

Ironically, Cox's pay-per-view (ppv) baseball packages in San Diego are not attracting the large number of subscribers the company had anticipated. According to Robert McRann, vp-general manager, Cox Cable in San Diego, the company began to offer San Diego Padres home games on a ppv basis in packages of 40, 20 and individual games.

However, only 20,000 subscribers are ordering game packages even though as many as 7,000 have been watching individual games.

In terms of business applications for cable, Cox continues to pursue and develop COMMLINE, its business communications network that has been active in Omaha since 1982.

In the New York boroughs, Cox Cable plans to go into satellite master antenna tv (smatv) operations in the area's multi-unit dwellings before it begins to turn on its cable operations. While the smatv operations are not seen as a permanent venture, they are seen as a move to preempt other operators from taking over subscribers in Cox's franchise areas.

The company's national tv sales rep company, TeleRep, the third largest in the U.S., billed $451 million in 1983. TeleRep contributed $31.3 million to broadcast revenues in sales to nonaffiliate stations (its list of client stations has grown to 43) and in programing through its Television Programing Enterprises. TPE has developed "Solid Gold," which is carried on 220 stations, and "Star Search," a weekly talent competition hosted by Ed McMahon, seen on more than 170 stations. Only TeleRep sales to Cox stations are included in media revenues calculated by ADVERTISING AGE.

MEDIA PROPERTIES

Broadcasting

TV: KDNL, St. Louis; KTVU, Oakland, Cal.; WHIO, Dayton, O.; WKBD, Detroit; WPIX, New York; WSB, Atlanta; WSOC, Charlotte, N.C. RADIO: KFI (am), KOST (fm), Los Angeles; WAGO (fm), WXFM, Chicago; WHIO (am, fm), Dayton, O.; WIOD (am), WAIA (fm), Miami; WSB (am, fm), Atlanta; WSOC (am, fm), Charlotte, N.C.; WWSH (fm), Philadelphia.

Cable/video

ARIZONA: Tucson. CALIFORNIA: Bakersfield, Eureka, Porterville, San Diego, Santa Barbara. CONNECTICUT: Hartford. FLORIDA: Gainsville, Jacksonville Beach, Ocala, Pensacola, Sebring/Avon Park. GEORGIA: Macon, Warner Robbins. ILLINOIS: Lake County, Maywood, Moline, Orland Park, Park Forest, Robinson. INDIANA: Columbus, Fort Wayne, Michigan City, Peru/Wabash. IOWA: Cedar Rapids, Davenport. LOUISIANA: Jefferson Parish/Kenner, New Orleans. MASSACHUSETTS: North Adams. MICHIGAN: Owassa, Saginaw. NEBRASKA: Omaha. NEW YORK: Great Neck, Saranac Lake/ Lake Placid/Tupper Lake. OHIO: Cleveland. OKLAHOMA: Oklahoma City, Pan-Oklahoma Communications. OREGON: Astoria/Seaside, The Dalles. PENNSYLVANIA: Lewiston, Lock Haven, Tyrone. RHODE ISLAND: Cranston/Johnston. SOUTH CAROLINA: Myrtle Beach. TEXAS: Denton, Lubbock. VERMONT: Burlington, Montpelier, Rutland. VIRGINIA: Norfolk/Portsmouth/Virginia Beach, Roanoke. WASHINGTON: Aberdeen, Camas/Washougal, Long Beach, Spokane, Vancouver, Yakima.

Magazines

On Cable.

OTHER OPERATIONS

Auto auctions, TeleRep programing and nonaffiliate ad sales, COMMLINE data and business communications services.

Cox Enterprises

Revenues	1983	1982
Media......	$467,000,000	$425,000,000
Other.......	—	—
Total.....	$467,000,000	$425,000,000

Cox Enterprises, Atlanta, is the nation's 22nd largest media company with 1983 revenues estimated by ADVERTISING AGE at more than $467 million.

In 1982, the company had estimated revenues of $425 million.

With the *Atlanta Journal* and *Constitution* as its flagships, the family-owned chain operates dailies in 14 cities and several weeklies in suburban New Orleans and in Texas. It also has shoppers in Arizona, Colorado, Florida, Ohio, and Texas, and its *Palm Beach Life* claims the title of America's oldest society journal.

In February, 1984, Cox Enterprises purchased a 50% interest in the *Yuma* (Ariz.) *Daily Sun* from the Soldwedel family, thereby becoming a partner in the venture with Donrey Media, which owned the other half. Cox has since bought out Donrey.

"The paper [*Daily Sun*] has shown steady growth over the past few years," says Charles E. Glover, president, Cox Enterprises. "Besides, it's in a good market in a growing state. It's very appealing." The potential for growth, however, may be more than its actual growth. ABC Fas-Fax circulation figures ended March 31, 1984, show a slight decline in daily circulation from 25,000 the previous year to 24,803. Sunday figures went from 25,226 to 25,556. The company also completed the purchase of the *Chandler Arizonan* during the year.

Cox Enterprises now operates 20 daily newspapers with a total circulation exceeding 1.4 million. Its Sunday editions reach another 1.4 million readers.

The impact of *USA Today*, which chose Atlanta as one of its target markets, has had little impact on the circulation of the *Atlanta Journal* and *Constitution*, according to Mr. Glover. Both the morning and afternoon papers have shown healthy increases during the past year.

While Cox Enterprises continues to emphasize the print aspect in its operations, it has been looking to the electronic media as well.

The company leases cable channels in Longview, Tex., and Mesa, Ariz., to provide a mix of news and advertising.

In Miami, it is exploring the possibility of cablecasting on a few channels together with Knight-Ridder Newspapers. "The educational channels may help us develop an effective interconnect with other systems in the area," Mr. Glover says. Cox is not stopping here. It plans to explore leased channel opportunities in other cities as well.

Much of this diversification comes when some of the Cox newspapers are experiencing problems. The *Miami News'* circulation had sunk to 62,200 at the end of 1983. A number of analysts believe Cox might sell the *Miami News* if an overture were made.

Quite apart from looking at other media, Cox also has entered the personal computer industry. Last year, it purchased a minority interest in the Sunnyvale, Cal.-based Creative Software, which designs an array of software, including those for the self-improvement market.

The company believes that most of its future growth will continue to come from newspapers.

"We're always interested in acquiring newspapers," Mr. Glover says. "We still believe that's the area where we have expertise and we can continue to show growth."

MEDIA PROPERTIES

Magazines

Palm Beach Life.

Newspapers (dailies)

ARIZONA: *Chandler Arizonan, Mesa Tribune, Tempe Daily News, Yuma Daily Sun.* COLORADO: *Grand Junction Daily Sentinel.* FLORIDA: *Daytona Beach Journal* (47.5%), *Daytona Beach News* (47.5%), *Miami News, Palm Beach Daily News, Post* and *Evening Times* (West Palm Beach). GEORGIA: *Atlanta Constitution, Atlanta Journal.* OHIO: *Dayton Daily News, Dayton Journal-Herald, Springfield News-Sun.* TEXAS: *Austin American-Statesman, Longview Journal, Longview News, Lufkin News, Port Arthur News, Waco Tribune-Herald.*

Newspapers (nondailies)

LOUISIANA: *East Bank Guide* (Metairie), *Jefferson Parish Times, Kenner City News, Orleans Guide, St. Bernard Guide, West Bank Guide.* TEXAS: *Opportunity Valley News, Community Post* (both in Port Arthur). Also shoppers in Arizona, Colorado and Florida.

Des Moines Register & Tribune Co.

Revenues	1983	1982
Media......	$88,500,000	$90,700,000
Other.......	—	—
Total.....	$88,500,000	$90,700,000

*Restated

Des Moines Register & Tribune Co., Des Moines, Ia., is the nation's 94th largest media company with 1983 operating revenues of $88.5 million, all in media, down from 1982's $90.7 million.

Total earnings for the privately held company were $5.3 million, compared with a loss of $816,000 the year earlier. The 1983 earnings figure includes $3 million in capital gains from selling media properties.

The earnings improvement is attributed to the company's move two years ago to put its efforts behind the statewide morning and Sunday *Register* by closing the evening *Tribune*, which concentrated on the Des Moines area.

At the same time, the company laid off 200 people. Meanwhile, 15 staff members took early retirement this year as the company reduced fulltime employment to fewer than 800, down from 1,130 three years earlier.

Circulation of the daily *Register* is down slightly from last year. March, 1984, circulation was 238,609, compared with 240,060 in March, 1983, but Sunday circulation is up to 382,745 in March, compared with 378,294 a year earlier.

Register & Tribune Co. this year appointed John Miksich, formerly display ad manager, to be the new circulation director.

In May, the company broke with a new statewide ad campaign featuring testimonials by native Iowans. Such notables as Simon Estes, Ann Landers, University of Iowa and Olympic wrestling coach Dan Gable and George Gallup talk about the newspaper and how it played an important role in their lives.

The ads end with the tag line, "Iowa's best read newspaper." The campaign is part of the company's avowed commitment to statewide sales and distribution. In the fall, it will begin an aggressive sales push that will concentrate on the central Iowa region.

Company execs. are reviewing a two to three-year-old cable co-op venture with Des Moines-based Heritage Communications that involves broadcasting one-minute summaries from the *Register*'s newsroom. The broadcasts, called "Iowa Update," run on Cable News Network during prime time.

MEDIA PROPERTIES

Broadcasting

TV: KAII, Wailuku, Hawaii, KHON, Honolulu, Hawaii; WQAD, Moline, Ill.

RADIO: KGON (fm), Portland, Ore., KYXI (am), Oregon City, Ore; WIBA (am, fm), Madison, Wis.

Newspapers (dailies)

IOWA: *Des Moines Register*

TENNESSEE: *Jackson Sun*

Newspapers (nondailies)

IOWA: *Independence Bulletin-Journal, Independence Conservative; Record-Herald, Indianola Tribune;* shoppers in Independence and Indianola.

OTHER OPERATIONS

14% of the stock in the privately held Cowles Media Co., Minneapolis.

Dispatch Printing Co.

Revenues	1983	1982
Media	$140,000,000	$127,200,000
Other	—	—
Total	$140,000,000	$127,200,000

Dispatch Printing Co., a family-owned newspaper and broadcast enterprise in Columbus, O., is the 67th largest media company with 1983 revenues estimated by ADVERTISING AGE at $140 million.

In 1983, the company saw significant growth in Sunday circulation of its major property, the *Columbus Dispatch*, an evening and Sunday product. The company completed some internal reorganization begun in the past several years, and it began to focus attention on thwarting competition for ad revenues in its circulation area, says Richard Franks, vp-operations.

The company's major broadcast operation, WBNS-TV in Columbus, came through the A.C. Nielsen Co. ratings battle in first place in the top 50 markets for its weekday 6 p.m. news program which claimed 48% of the viewing audience.

Dispatch, controlled by the Wolfe family of Columbus, computerized WBNS-TV's news operations this past year.

The station also opened the first of three planned regional "mini-station" bureaus that provide live coverage capabilities, vp-news operations Larry Maisel says.

The past year also brought the *Dispatch* newspaper's editorial product to full speed with a major redesign and enhanced staffing initiated during the previous 2½ years, *Dispatch* managing editor Dick Otte says.

The paper now has an editorial staff of 168, reflecting an increase of about 15 editors and 15 writers in sports, features and news from 1982.

To improve editorial and graphics production capabilities, the newspaper is chucking its 10-year-old, front-end computer system for a more sophisticated one expected to be in place within the next six months, Mr. Otte says.

The massive design update, which features prominent section indexes, front-page promotional leads for inside stories, increased use of color and a no-jump policy on stories, was necessary to remain competitive with the morning newspaper and *USA Today*, Mr. Otte says.

The pervasive presence of *USA Today*, Gannett's national general circulation daily, appears to have been a significant factor in the erosion in daily circulation of the evening *Dispatch*.

ABC figures for March 31, 1984, indicate slight declines for the daily *Dispatch* and its competition on a year-to-year basis. The newspaper's daily circulation dropped by 305, to 206,548, but the Sunday increased 8,086, to 358,289. The morning competition, the *Columbus Citizen-Journal* owned by Scripps-Howard, dropped 592 subscribers, to 121,232. Dispatch Co. handles advertising, circulation and other noneditorial functions for the *Citizen-Journal*.

Despite the erosion of daily circulation, the Sunday *Dispatch* circulation gave the *Dispatch* one of the highest market penetrations in the country.

Mr. Franks attributes the growth to the newspaper's "strong editorial and advertising content." The Sunday paper is "a bulky, powerful product, and we're certainly glad to have it," he says.

In an effort to thwart competition for its advertisers by independent advertising-distribution operations, the *Dispatch* plans to offer advertisers new programs for preprint promotional materials.

The options will include a preprint distribution service in which advertising is mailed out, using a second or third class permit.

"We have competition from companies providing that [shared mail] service and to meet the demand in the marketplace we need to provide as many options as possible for our advertisers," Mr. Franks says.

Dispatch, founded in 1871, was purchased in 1905 by two Wolfe brothers, the grandfather and the great-uncle of current board chairman John Walton Wolfe.

Daily operations are supervised by the elder Wolfe's younger cousin, John F. Wolfe, publisher-president.

The company made no acquisitions in 1983, but sold the non-local portion of its Ads promotional plastic bag company to Scripps-Howard Corp. The company makes the plastic bags used to hang advertising material from door knobs.

MEDIA PROPERTIES

Broadcasting

TV: VideoIndiana—WTHR, Indianapolis; WBNS, Columbus.

Newspapers

OHIO: *Columbus Dispatch*.

Donrey Media Group

Revenues	1983	1982
Media	$169,000,000	$147,400,000
Other	—	—
Total	$169,000,000	$147,400,000

Donrey Media Group, Fort Smith, Ark., is the nation's 56th largest media company with media revenues estimated by ADVERTISING AGE at $169 million in 1983.

Donrey is a privately held company with all of its interests in media operations. An estimated 80% of the revenues come from newspapers—49 dailies and 51 nondailies—serving an aggregate 8 million people.

The company also has 11 outdoor advertising plants, six radio, one tv and five cable companies. The group owns companies in 18 states.

Fred Smith, Donrey's exec vp, characterized 1983 as "a good year for acquisitions and plant improvement projects."

In 1984, the company continues to be acquisition-minded, buying in April the Daily Democrat in Woodland, Cal., with an evening-only circulation of 12,776.

In July, 1983, the company acquired two other dailies—*Columbia Tennessee Herald* with a circulation of 12,953, and the *Alamogordo* (N.M.) Daily News with an evening circulation of 9,083 and a Sunday circulation of 9,937.

Mr. Smith says the company continues to be interested in media acquisitions, particularly in newspapers in the 15,000 to 105,000 circulation range.

At the end of April, 1984, Donrey added a Sunday edition to its *West Hawaii Today*, which had gone from thrice weekly to daily publication in 1982 as an over-all facelift that included a new printing facility. The expanded daily now has a circulation of 8,000, and Mr. Smith expects that number to increase considerably with the Sunday edition.

Donrey continues to be "bullish on cable. We see it as a major force in our operations, and we intend to continue upgrading our plants," Mr. Smith says.

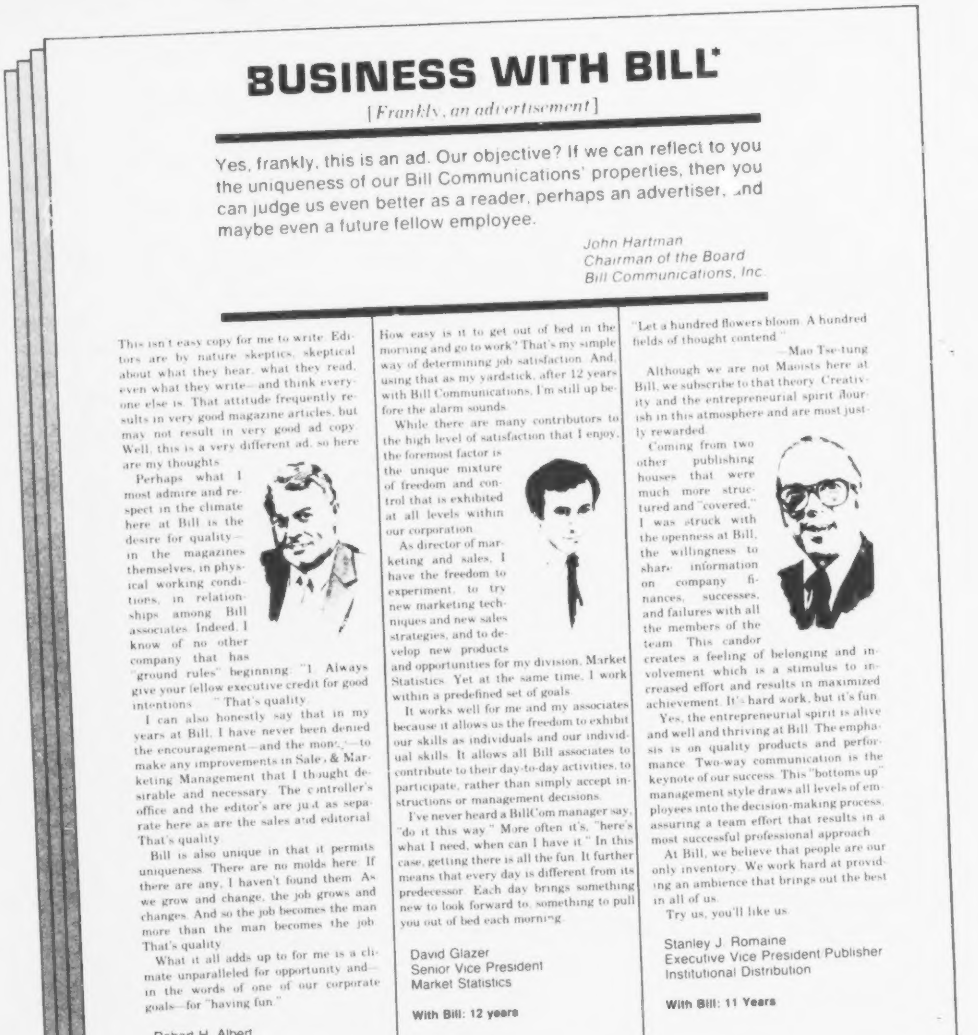
The company used 1983 to advance its cable segment, consolidating its four-cable system operation under Donrey Cablevision, and adding two other systems: Blackwell and Guymon, Okla.

The company owns 100% in all but two systems; they have a 50% share in the Kilgore, Tex., operation and 80% ownership in the Los Angeles based Falcon Communications by the Howard and Donrey Media Group.

At the Bartlesville system, the company continues to experiment with teletext channels that combine alphanumeric information with live and videotape programing.

The company also remains committed to continued growth and to pioneering technology, according to its founder and president, Donald W. Reynolds. The group continues to research a laser platemaker that is now in operation at Donrey's largest news-

'BUSINESS WITH BILL...'
Our usual way of promoting ourselves is like this-



BUSINESS WITH BILL*

[*Frankly, an advertisement*]

Yes, frankly, this is an ad. Our objective? If we can reflect to you the uniqueness of our Bill Communications' properties, then you can judge us even better as a reader, perhaps an advertiser, and maybe even a future fellow employee.

John Hartman
Chairman of the Board
Bill Communications, Inc.

This isn't easy copy for me to write. Editors are by nature skeptics, skeptical about what they hear, what they read, even what they write—and think everyone else is. That attitude frequently results in very good magazine articles, but may not result in very good ad copy. Well, this is a very different ad, so here are my thoughts.

Perhaps what I most admire and respect in the climate here at Bill is the desire for quality—in the magazines themselves, in physical working conditions, in relationships among Bill associates. Indeed, I know of no other company that has "ground rules" beginning: "1. Always give your fellow executive credit for good intentions ..." That's quality.

I can also honestly say that in my years at Bill, I have never been denied the encouragement—and the money—to make any improvements in Sales & Marketing Management that I thought desirable and necessary. The controller's office and the editor's are just as separate here as are the sales and editorial. That's quality.

Bill is also unique in that it permits uniqueness. There are no molds here. If there are any, I haven't found them. As we grow and change, the job grows and changes. And so the job becomes the man more than the man becomes the job. That's quality.

What it all adds up to for me is a climate unparalleled for opportunity and—in the words of one of our corporate goals—for "having fun."

Robert H. Albert
Editor
Sales & Marketing Management

With Bill: 20 Years

How easy is it to get out of bed in the morning and go to work? That's my simple way of determining job satisfaction. And, using that as my yardstick, after 12 years with Bill Communications, I'm still up before the alarm sounds.

While there are many contributors to the high level of satisfaction that I enjoy, the foremost factor is the unique mixture of freedom and control that is exhibited at all levels within our corporation.

As director of marketing and sales, I have the freedom to experiment, to try new marketing techniques and new sales strategies, and to develop new products and opportunities for my division, Market Statistics. Yet at the same time, I work within a predefined set of goals.

It works well for me and my associates because it allows us the freedom to exhibit our skills as individuals and our individual skills. It allows all Bill associates to contribute to their day-to-day activities, to participate, rather than simply accept instructions or management decisions.

I've never heard a BillCom manager say, "do it this way." More often it's, "here's what I need, when can I have it." In this case, getting there is all the fun. It further means that every day is different from its predecessor. Each day brings something new to look forward to, something to pull you out of bed each morning.

David Glazer
Senior Vice President
Market Statistics

With Bill: 12 years

"Let a hundred flowers bloom. A hundred fields of thought contend."

—Mao Tse-tung

Although we are not Maoists here at Bill, we subscribe to that theory. Creativity and the entrepreneurial spirit flourish in this atmosphere and are most justly rewarded.

Coming from two other publishing houses that were much more structured and "covered," I was struck with the openness at Bill, the willingness to share information on company finances, successes, and failures with all the members of the team. This candor creates a feeling of belonging and involvement which is a stimulus to increased effort and results in maximized achievement. It's hard work, but it's fun.

Yes, the entrepreneurial spirit is alive and well and thriving at Bill. The emphasis is on quality products and performance. Two-way communication is the keynote of our success. This "bottoms up" management style draws all levels of employees into the decision-making process, assuring a team effort that results in a most successful professional approach.

At Bill, we believe that people are our only inventory. We work hard at providing an ambience that brings out the best in all of us.

Try us, you'll like us.

Stanley J. Romaine
Executive Vice President/Publisher
Institutional Distribution

With Bill: 11 Years

*BILL COMMUNICATIONS, INC. *PUBLICATION DIVISION*: AUTOMOTIVE CHAIN STORE INCENTIVE MARKETING INDUSTRIAL CHEMICAL NEWS INSTITUTIONAL DISTRIBUTION JOBBER RETAILER MODERN TIRE DEALER PLASTICS TECHNOLOGY RESTAURANT BUSINESS RESTAURANT AND HOTEL DESIGN SALES & MARKETING MANAGEMENT SUCCESSFUL MEETINGS *INFORMATION DIVISION*: BILLCOM LIST RENTAL FOODSERVICE RESEARCH CENTER INTEGRATED FOODSERVICES MARKET STATISTICS SALES BUILDERS SM DATA BANK
CORPORATE HEADQUARTERS 633 THIRD AVENUE, NEW YORK, NY 10017 [212-986-4800]

paper, the *Las Vegas Review-Journal* and develop a computerized circulation system at the paper.

MEDIA PROPERTIES

Broadcasting

TV: KOLO, Reno, Nev.

RADIO: KBRS (am), Springdale, Ark.; KEXO (am), Grand Junction, Colo.; KOCM (am), Newport Beach, Cal.; KORK (am) and KEER (fm), both in Las Vegas.

Cable/video

Donrey Cablevision in Rodgers, Ark., Kilgore, Tex., Vallejo, Cal., and Bartlesville, Blackwell, and Guymon, Okla.

Newspapers (dailies)

ARKANSAS: *Northwest Arkansas Morning News* (Rogers), *Southwest Times Record* (Fort Smith), *Springdale News*. CALIFORNIA: *Chico Enterprise-Record, Lompoc Record, Ontario Daily News, Redlands Daily Facts, Vallejo Times-Herald, Woodland California Democrat*. HAWAII: *Hawaii Tribune-Herald* (Hilo), *West Hawaii Today* (Kailua-Kona). INDIANA: *Washington Times-Herald*. IOWA: *Oskaloosa Herald*. KENTUCKY: *Glasgow Daily Times*. MISSISSIPPI: *Picayune Item*. MISSOURI: *Macon Chronicle, Moberly Monitor-Index*. NEVADA: *Carson City Nevada Appeal, Ely Daily Times, Las Vegas Review-Journal*. NEW MEXICO: *Alamogordo New Mexico News*. OKLAHOMA: *Bartlesville Examiner-Enterprise, Blackwell Journal-Tribune, Chickasha Daily Express, Durant Daily Democrat, Frederick Daily Leader, Gutherie Daily Leader, Guymon Daily Herald, Henryetta Daily Free-Lance, Holdenville Daily News, Okmulgee Daily News, Paul's Valley Daily Democrat, Pawhauska Daily Journal-Capital, Wewoka Daily Times*. TENNESSEE: *Columbia Tennessee Herald*. TEXAS: *Borger News-Herald, Clebourne Times Review, Gainesville Daily Register, Jacksonville Daily Progress, Kilgore News Herald, Sherman Democrat, Sweetwater Reporter, Weatherford Democrat*. WASHINGTON: *Aberdeen Daily World, Auburn Daily Globe News, Kent Daily News Journal, Renton Daily Record Chronicle*.

Newspapers (nondailies)

51 nondailies in 14 states including *Booneville* (Ark.) *Democrat, Oskaloosa* (Ia.) *Shopper, Poplarville* (Miss.) *Democrat, Randolph County Times* (Huntsville, Mo.).

Dow Jones & Co.

Revenues	1983	1982
Media	$816,651,000	$682,082,000
Other	49,786,000	48,591,000
Total	$866,437,000	$730,673,000

Dow Jones & Co., New York, is the country's 14th largest media company, with media revenues of $816.7 million in 1983, a 19.7% increase over 1982 media revenues.

Percentage of media revenues out of total revenues of $866.4 million was 94%, the same as the year before.

National publications and news and information services accounted for 79% of total revenues; community newspapers added another 16%, while [illegible] accounted for most of [illegible]. Dow Jones' book publishing [illegible] is not included in ADVERTISING AGE figures.

Net income rose 30%, to $114.2 million, from 1982. This marked the first time in the company's history that earnings passed $100 million.

The *Wall Street Journal*, the company's principal publication, showed a circulation increase of 3.3%, to 2.1 million, larger than the circulation of any other U.S. daily newspaper. Circulation of the *Journal's* overseas editions passed 50,000.

The *Asian Wall Street Journal* showed a profit for the second consecutive year while the *Wall Street Journal/Europe* was gaining steadily.

Ottaway Newspapers, a wholly owned subsidiary publishing 21 community newspapers, showed an operating earnings increase of 18.4% on revenues of $138.5 million, following a 15.3% gain in 1982 on revenues that year of $123.6 million. Circulation of *Barron's*, the company's financial weekly, was up 4%, to 299,500, at the end of 1983, while advertising linage increased 17.3% for the year.

In 1983, the *Journal's* advertising linage increased 8.2%. At yearend, the maximum page capacity was increased to 62 pages from 60 to provide for more news and advertising. Another move affecting editorial was the expansion of the *Journal's* coverage of cultural and leisure activities with a new daily leisure and arts page.

The "Wall Street Journal Report," the company's half-hour, business-news tv program, is aired by 90 stations covering 78% of the nation's tv households.

Ad linage for Ottaway Newspapers Inc. rose slightly after three successive years of declines. Display advertising was down; classified linage was up, and total advertising revenues rose 12.3%. Circulation also showed a slight increase during the year, to an average of 535,100 in the fourth quarter on a weekday basis and to 384,200, up 2.1%, for Sunday newspapers.

Barron's in 1983 streamlined its editorial operation and now offers a carefully packaged mix of corporate profiles, interviews and industry stories. A major increase in newsstand sales contributed to record-breaking circulation in 1983, the sixth consecutive year of gains. Since 1977, *Barron's* circulation has increased 38.5%.

On the international front, the company's newest entry, Journal/Europe, ended 1983 with circulation of 23,000. The *Asian Wall Street Journal* recorded its second straight year of profitable operations, with ad linage up 0.5% and circulation up 9%.

MEDIA PROPERTIES

Magazines

American Demographics, Asian Wall Street Journal Weekly, Barron's-National Business Employment Weekly.

Newspapers (dailies)

Asian Wall Street Journal, Wall Street Journal, Wall Street Journal/Europe. Ottaway Newspaper Group: CALIFORNIA: *Santa Cruz Sentinel*. CONNECTICUT: *Danbury News-Times*. KENTUCKY: *Ashland Daily Independent*. MASSACHUSETTS: *Beverly-Peabody Times, Cape Cod Times, Gloucester Daily Times, New Bedford Standard-Times, Newburyport Daily News*. MICHIGAN: *Traverse City Record-Eagle*. MINNESOTA: *Mankato Free Press, Owatonna People's Press*. MISSOURI: *Joplin Globe*. NEW YORK: *Middletown Times Herald-Record, Oneonta Daily Star, Plattsburgh Press Republican, Tri-State Gazette*. OREGON: *Medford Mail Tribune*. PENNSYLVANIA: *Pocono Record, Sharon Herald, Sunbury Daily Item*.

Equity interests

Far Eastern Economic Review (49% interest), *South China Morning Post* (16% interest), *Press-Enterprise Co.* (20.1% interest).

Other Media Operations

Dow Jones News Service, DowAlert, Dow Jones News/Retrieval, Dow Jones Cable News (videotex).

OTHER OPERATIONS

Richard D. Irwin Inc., publisher; newsprint mills.

Dun & Bradstreet Corp.

Revenues	1983	1982
Media	$635,751,000	$584,071,000
Other	873,249,000	776,929,000
Total	$1.509 bil.	$1.361 bil.

Dun & Bradstreet Corp., New York, which recently sold its entire broadcast business, is the country's 18th largest media company, with 1983 revenues of $635.8 million from the media portion of its business, up 9% from last year's $584.1 million.

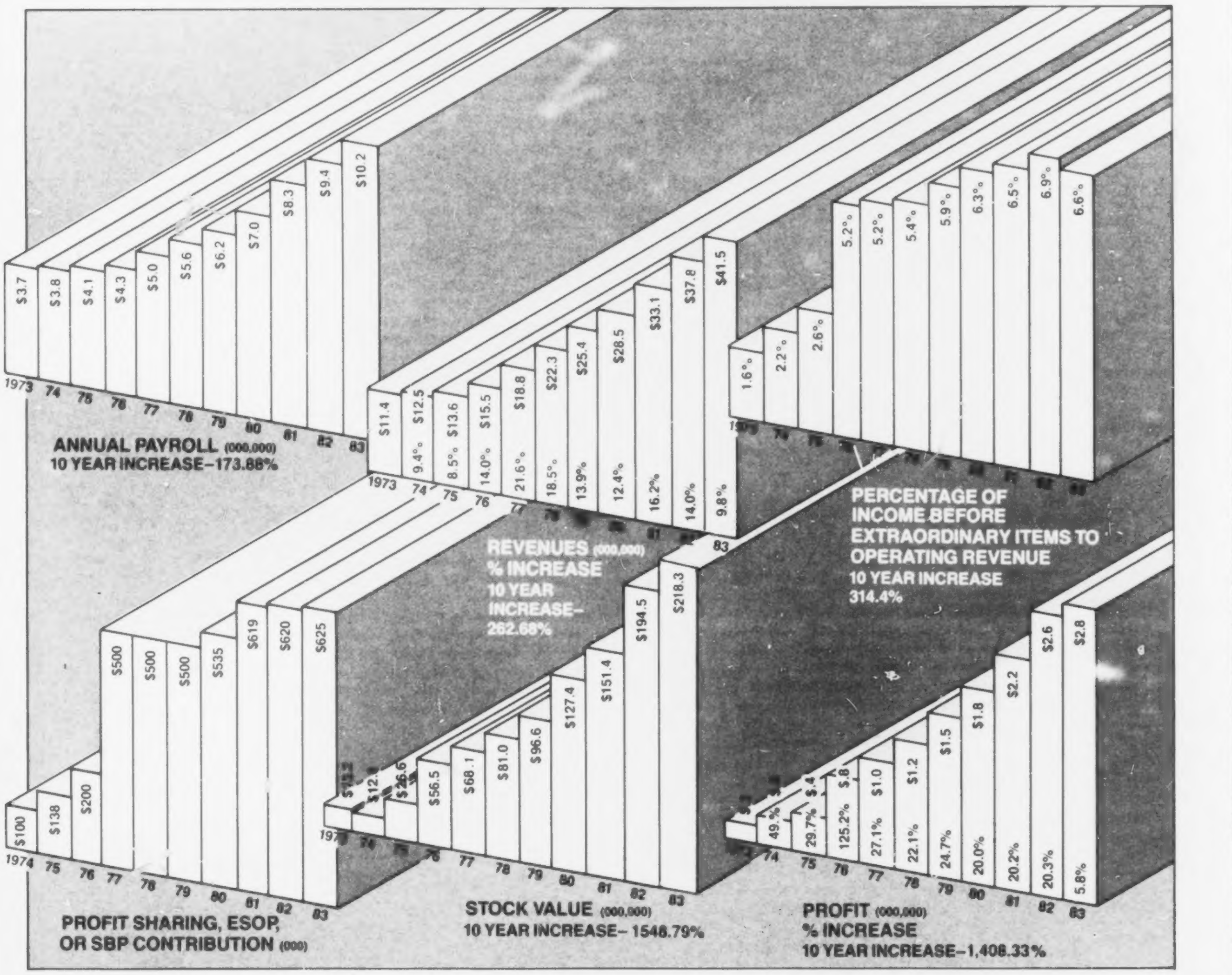
Media contributors included D&B's primarily ad-generated publishing segment with $528.5 million, a 9.3% increase over the previous year, and Corinthian Broadcasting adding $107.3 million in revenues, up 7%.

In 1983, the publishing segments comprised 35%, respectively, and Corinthian 7% of D&B's total record operating revenues of $1.5 billion. The

AND BILL BUSINESS

But here's another way of looking at us–

Bill Communications 10 Years, 1973-1983



*BILL COMMUNICATIONS, INC. *PUBLICATION DIVISION:* AUTOMOTIVE CHAIN STORE ☐ INCENTIVE MARKETING ☐ INDUSTRIAL CHEMICAL NEWS ☐ INSTITUTIONAL DISTRIBUTION ☐ JOBBER RETAILER ☐ MODERN TIRE DEALER ☐ PLASTICS TECHNOLOGY ☐ RESTAURANT BUSINESS ☐ RESTAURANT AND HOTEL DESIGN ☐ SALES & MARKETING MANAGEMENT ☐ SUCCESSFUL MEETINGS ☐ *INFORMATION DIVISION:* BILLCOM LIST RENTAL ☐ FOODSERVICE RESEARCH CENTER ☐ INTEGRATED FOODSERVICES ☐ MARKET STATISTICS ☐ SALES BUILDERS ☐ SM DATA BANK

CORPORATE HEADQUARTERS: 633 THIRD AVENUE, NEW YORK, NY 10017 [212-986-4800].

Who bought what from whom in 1983-84

Broadcast

A 100 Media Buyer	Property	Seller	Price (000,000)
Allbritton Communications	KATV, Little Rock; KTUL, Tulsa	Leake TV	80.0 for both
American Broadcasting Cos.	KIXX (fm), Dallas/Ft. Worth	Hicks Communications	N/A
A.H. Belo Corp.	KOA (am), KOAQ (fm), Denver	*General Electric Co.	22.0 for both
	Corinthian Broadcasting: KHOU-TV, Houston KXTV, Sacramento-Stockton, Cal. WVEC-TV, Hampton-Norfolk, Va. KOTV, Tulsa	*Dun & Bradstreet Corp.	$606.0
Blade Co.	WDRB-TV	*Cowles Media Co.	10.0
Bonneville International Corp.	KYA (am), San Francisco	King Broadcasting Co.	3.5
Chris-Craft Industries United Television	KBHK-TV, San Francisco	Field Enterprises	23.0
Cox Communications	WKBD-TV, Detroit; WXFM, Chicago	Field Enterprises	70.0; 9.0
Freedom Newspapers	WTVC, Chattanooga, KFDM-TV, Beaumont, Tx.	*A.H. Belo Corp.	49.0 for both
Gannett Co.	WLVI-TV, Boston,	Field Enterprises	N/A
	WTCN-TV, Minneapolis	*Metromedia	75.0
Knight-Ridder Newspapers	WNGE-TV, Nashville (now called WKNR)	*General Electric Co.	37.0
Kohlberg Kravis Roberts & Co.**	KTLA-TV, Los Angeles	*Golden West Television	245.0
LIN Broadcasting	WOTV, Grand Rapids	*Time Inc.	32.0
	WISH-TV, Indianapolis, WANE-TV, Fort Wayne, Ind.	*A.H. Belo Corp.	104.9 for both
Meredith Corp.	KSEE-TV, Fresno	San Joaquin Communications Group	17.6
	WOFL-TV, Orlando	Omego Communications	16.0 for remaining 60% interest
Metromedia	WFLD-TV, Chicago	Field Enterprises	136.0
	KNBN-TV, Dallas	National Business Network	14.9
	KSDK-TV, St. Louis	*Pulitzer Publishing Co.	8.5 plus WYFF-TV, Greenville, S.C. and WXII-TV, Winston-Salem, N.C.
Oklahoma Publishing (Gaylord)	WSM (am & fm), Nashville	American General Insurance Co.	N/A
Outlet Co.	WHFS (fm), Bethesda, Md., (now called WTKS)	High Fidelity Broadcasting	2.1
Pulitzer Publishing Co.	WLKY-TV, Louisville, WPTA-TV, Fort Wayne	*Gannett Co.	15.4 8.8
RCA Corp.	WJIB (fm)	*General Electric Co.	N/A
Rockefeller Center Inc.†	Outlet Co.	*Outlet Co.	335.4
Scripps-Howard	KNXV-TV, Phoenix	New Television Corp.	26.0
Taft Broadcasting Co.	KEX (am), KKRZ (fm), Portland	Golden West Broadcasting	8.0
	WCIX-TV, Miami	General Cinema Corp.	70.0 plus WGR-TV, Buffalo
Tribune Co.	WANX-TV, Atlanta	*Continental Broadcasting Co.	32.0
	WGNO-TV, New Orleans	*General Media Corp.	21.0
Viacom International	WHEC-TV, Rochester	Broadcast Enterprises National	swap for KDIA (am), Oakland, WDIA (am), Memphis

Print

A.S. Abell Co.	*Ski Racing*	Edward G. Pickett	N/A
Advance Publications (Conde Naste)	*Gourmet*	Earle R. MacAusland estate	24.0
American Broadcasting Cos.	Compute! Publications	Robert Lock	N/A
Cahners Publishing Co.	*Interior Design, Corporate Design*	Whitney Communications Corp.	N/A
Capital Cities Communications Corp.	*Ocean County Reporter*, Toms River, N.J.	*Macromedia	N/A
Copley Newspapers	*Santa Monica Outlook*	United Western Newspapers	N/A
	Waukegan News Sun	Keystone Printing Corp.	N/A
Cox Communications	*On Cable*	Ray Barnes Newspaper Group	N/A
	Chandler Arizonan	On Cable Publications	N/A
	Yuma Daily Sun	50% from Soldwedel family, 50% from Donrey Media Group	N/A
Donrey Media Group	*Alamogordo (N.M.) Daily News*	Alamogordo Daily News	N/A
	Columbia Tennessee Herald	Columbia Publishing Co.	N/A
	Daily Democrat (Woodland, Cal.)	Leake Publishing Co.	N/A
Dun & Bradstreet	*Contractor, Industrial Distribution*	Morgan-Grampian Publishing Co.	N/A
	World Coal, World Mining	Miller Freeman Publications	N/A
Harcourt Brace Jovanovich	*Meat Processing, Meat Processing Intl, Telefood*	Davies Publications	N/A
	Machine & Equipment, Machine & Equipment Postcards, Plastic Design Forum, Plastics Compounding, Plastics Compounding Postcard Plastics Compounding Redbook	Industry Media	N/A N/A N/A N/A N/A
International Data Group	*HOT CoCo, inCider, jr, 80 Micro, Run*	Wayne Green Publications Group	N/A
International Thomson Holdings	*American Banker, Bond Buyer*	Otis Communications	N/A
	Daily Spectrum, St. George, Utah	Mr. Gail Stahley	N/A
	Daily Tribune, Wisconsin Rapids	William F. Huffman	N/A
	Express, Easton, Pa.	Easton Publishing Co.	N/A
	Waukesha Freeman, Wis.	Des Moines Register & Tribune	N/A
LIN Broadcasting	Leisureguides	T.L. Enterprises	3.0
Maclean-Hunter Communications	*Hospital Practice*	H.P. Publishing Co.	N/A
New York Times Co.	*Cruising World*	Murray L. Davis, editor & publisher	N/A
News America Publishing	*Chicago Sun-Times*	Field Enterprises	90.0
	New Woman	New Woman	N/A
Park Communications	*Albion Advertiser*, Albion, N.Y., *Journal-Register*, Medina, N. Y.	Medina Daily Journal-Register	N/A
	News-Virginian, Waynesboro, Va.	Waynesboro Publishing Co.	N/A
	Courier News, Blytheville, Ark., *Osceola Times*, Osceola, Ark.	Frank Lehay, Hank Haines	N/A N/A
Stauffer Communications	*Brainerd Daily Dispatch*, Braine[illegible] Minn.	McCullough Family	N/A
	Daily Ardmoreite, Ardmore, Okla.	Albert Reiser, Douglas Dillard et. al.	
	Grit Publications	ADVO Systems, Hartford, Conn.	N/A
Toronto Sun Co. (Maclean-Hunter)	*Houston Post*	*H & C Communications	100.0

*Indicates seller is a 100 Leader
**Leveraged buyout
†Buyer of a 100 Media company

company's increasing profit performance was driven by publishing, which represented $170.2 million, or 64.6% of D&B's total operating income for 1983. Corinthian contributed $49.2 million in operating income, equivalent to 18% of the total.

Corinthian, which had shown a 6% to 7% yearly increase in revenues since 1981, was sold to A.H. Belo Corp. for $606 million, resulting in a $350 million net after-tax gain at D&B in the first quarter of 1984 when the sale was completed.

The sale of the broadcast unit was part of D&B's long-term strategy to redeploy its assets into the mainstream of the business services and information sector. The company promptly turned its investment around in mid-May, buying A.C. Nielsen Co., Northbrook, Ill., for $1.1 billion in stock. D&B had built up further cash reserves through the sale in 1983 of TVS Tv Network and in January, 1984, the divestiture of Funk & Wagnalls encyclopedia and publishing operations. D&B also is negotiating to sell Pembroke Cable Corp.

The acquisition of Nielsen, according to those close to the company, fulfills the desire of top management to make D&B a major marketing-advertising research company, and one with a strong databank orientation.

Nielsen meets all such criteria. In fiscal 1983 ended Aug. 31, 1983, Nielsen had net income of $49.5 million, an increase of 12.2% from the previous year, on revenues of $680.3 million, up 5.7%. Its research-only revenues of $463.6 million in the 12 months ended Nov. 30, 1983, grew 7%, largely because of the company's local market tv panel expansion programs.

The marketing advertising research strength at Nielsen is vested in its tv audience measurement service. Media Research Group, which competes in the meter-based panel systems against Arbitron Ratings Co., a Control Data Corp. subsidiary. Nielsen also is a major factor in product movement at the retail level through its Food Index Services, which competes head-on with Time Inc.'s SAMI service, which monitors grocery product movement at the warehouse level. Its test marketing service—ACN Marketing Research Group USA—competes heavily with rapidly growing BehaviorScan, a subsidiary of Information Resources Inc., Chicago.

In another acquisition, D&B in 1983 acquired McCormack & Dodge, an applications software company that produces proprietary packages for financial users. By internal use of the new acquisitions expertise, the company hopes to share its software-writing capabilities with other D&B divisions.

While the proliferation of personal computers is helping D&B's software business, it has hurt traditional computer service operations that offer time-sharing services to remote subscribers. D&B Computing Services continues to lose revenue, and the company says, "We do not now foresee a reversal of the decline in time-sharing revenue."

Responding to the recent recession's shakeup of the trade and professional publishing industry, D&B has restructured these operations significantly. In June, 1983, it acquired *Industrial Distribution* and *Contractor* magazines; in October, 1983, it acquired two more: *World Mining* and *World Coal*. It combined its October acquisitions with its *Mining Equipment International* to form a new monthly trade journal, *World Mining Equipment*, introduced in November.

Also in 1983, D&B sold *Purchasing World*, citing slow market growth and inadequate market penetration. It launched *Plant Engineering Products*, a tabloid to complement its existing *Plant Engineering*.

Last year also marked the company's major entry into electronic publishing. D&B introduced DunsNet, a private data network that delivers D&B resources to internal divisions and customers. While currently available on a regional basis, the startup service becomes nationwide by the end of this year. Also, the electronic edition of its Official Airline Guide came out last year. In addition to direct hookups, the ever-popular OAG is available through five D&B information networks.

DunsPlus, another internal development in 1983, capitalizes on the explosion of the personal computer market, combining the IBM PC with D&B's software for applications in financial, marketing and planning department of corporate users. Also introduced in 1983 was DunsVoice, a computer-generated voice network, accessed over any telephone. The new service provides subscribers with up-to-date business and credit information from Dun's National Business Information Center.

MEDIA PROPERTIES

Cable/video

Pembroke Cable Corp., a division of Corinthian, a wholly owned subsidiary of D&B serving NORTH CAROLINA: Ahoskie, Murfreesboro. VIRGINIA: Emporia, Greenville County, Halifax, Halifax County, LaCrosse, Mecklenburg County, South Boston, South Hill.

Magazines

American Journal of Cardiology, American Journal of Medicine, American Journal of Surgery, Consulting Engineer, Contractor, Control Engineer, Cutis, Datamation, Dun's Business Month, Electric Light & Power, Fire Engineering, Graphic Arts Monthly, Highway & Heavy Construction, Industrial Distribution, Industrial Research & Development, Plant Engineering, Plant Engineering Products, Power Engineering, Solid State Technology, Software News, World Mining Equipment (merger of *World Mining, World Coal* and *Mining Equipment International*).

Other media-related operations

Moody's Investors Services, Reuben H. Donnelley.

OTHER OPERATIONS

Dun & Bradstreet Business Education Services, Donnelley Marketing, Dun & Bradstreet Credit Services, Dun & Bradstreet International, Dun's Marketing Services, National CSS, Salesnet, Financial Services Industry Group, Dun & Bradstreet Commercial Collections, Dun & Bradstreet Credit Services, McCormack & Dodge software.

Evening News Assn.

Revenues	1983	1982
Media	$260,200,000	$244,000,000*
Other	N/A	N/A
Total	N/A	N/A

*Restated

Evening News Assn., Detroit, whose flagship media property is the *Detroit News*, is the nation's 38th largest media company with total media revenues estimated by ADVERTISING AGE at $260.2 million.

The company, whose media revenues for 1982 were revised downward to $244 million to reflect deletion of the commercial printing or the nonmedia portion of Times Graphics Inc. that had been figured into the total, has experienced steady but slow growth in the *Detroit News* as with its other media properties.

The *Detroit News* represents about 70% of the company's total media revenues. It leads in the circulation race against a longtime competitor, the *Detroit Free Press*, a Knight-Ridder Newspapers property.

The *News'* average daily circulation for the six months ended March 31, 1984, was 657,015; its Saturday circulation increased to 628,493, and Sunday, 861,004.

Compared with competitor the *Free Press*, these gains meant leads of 25,928 daily, 52,767 Saturday and 73,704 Sunday. The *Free Press'* daily circulation dropped slightly (0.7%) while its Sunday paper increased 0.9% (compared with the Sunday increase of 0.6% for the *News*).

The *News* has an even higher lead in the city and retail trading zones, an area where a majority of the state's population lives. In the six-county area of southeast Michigan, the *News* has a daily lead of 104,610; 121,431 on Saturday's, and 220,830 on Sundays, according to ABC audited figures. The *News* admits the *Free Press* is strong on newsstands and "out-state."

The market is so competitive that it is one of the few remaining metropolitan areas in the country where the price of a daily newspaper is below 25¢. The *News* undercuts the *Free Press* in this battle with a newsstand price of 15¢ daily and 50¢ Sunday compared with the *Free Press'* 20¢, daily and 50¢ Sunday.

The *News* also offers seven-day home delivery at $1.40 compared with the *Free Press'* $1.65; however the *Free Press* makes up the difference by offering new subscribers a 25 cents per week discount on home delivery. The *News* counters with programs that discount up to 70 cents off its weekly subscription rate.

The *News* is losing some ground to the *Free Press* in advertising. The *Free Press*, which had total advertising revenues of $94.8 million in 1983, reached an all-time high in 1983 of 44.6% share of the linage total of the combined total of the two papers. According to the *Free Press*, this compares with 41.1% in 1982, 39.6% in 1981 and 38.7% in 1980.

While the *News* is believed to be making money, the *Free Press* is not. Knight-Ridder indicates that in recent years the *Free Press* has had operating losses.

Among the broadcast properties, the company's lead station, WDVM-TV in Washington, is locked in a ratings duel with ABC affiliate WJLA-TV, an Allbritton station, for the top spot. Other tv properties include NBC affiliates, WALA-TV in Mobile, Ala., and KTVY, Oklahoma City, both in third place in the ratings; ABC affiliate KVUE-TV in Austin, Tex., No. 2 behind the CBS station, and CBS affiliate KOLD-TV in Tucson, No. 2 behind ABC.

Detroit-based radio station WWJ, an all-news station, has risen to third place in that 40-station market ahead of WJR, the voice of the Detroit Tigers. But James F. Clark, director-corporate communications, says he believes that the baseball season will propel WJR back into third. ENA's WJOI-FM in that market has a "beautiful music" format, the only one in the city.

Circulation rates of ENA-owned publications also remain solid, Mr. Clark says. New Jersey publications and circulations are: Two daily papers, *Vineland Times Journal*, 17,698, and *Millville Daily*, 7,060. New Jersey weekly publications are: *Mainland Journal*, 6,800; *Hammonton News*, 6,212; *Egg Harbor News*, 2,046, and *Atlantic County Record*, 1,386. ENA California newspapers and circulations are *Palm Springs Desert Sun*, 29,355, and *Indio Daily News*, 8,758.

ENA is not looking for any more radio stations, but the search for tv stations is continuing. Top executives still are looking to buy another midsize paper, preferably in a Sunbelt monopoly market.

ENA is considering new cable tv ventures as well as using teletext for news purposes. However, ENA is studying and "looking into" these resources rather than doing anything at the moment.

MEDIA PROPERTIES

Broadcasting

TV: KOLD, Tucson; KTVY, Oklahoma City; KVUE, Austin, Tex.; WALA, Mobile, Ala.; WDVM, Washington.

RADIO: WWJ (am) and WJOI (fm), Detroit.

Newspapers (dailies)

CALIFORNIA: Desert Sun Publishing Co.—*Indio Daily News, Palm Springs Desert Sun*. MICHIGAN: *Detroit News*. NEW JERSEY: Times Graphics Inc.—*Millville Daily, Vineland Times Journal*.

Newspapers (nondailies)

NEW JERSEY: Times Graphics Inc. —*Atlantic County Record, Egg Harbor News, Hammonton News*.

OTHER PROPERTIES

Commercial printing of Times Graphics Inc.

Forbes Inc.

Revenues	1983	1982
Media	$89,700,000	$72,100,000
Other	22,500,000	16,600,000
Total	$112,200,000	$[illegible],700,[illegible]

Forbes Inc., New York, is the nation's 93rd largest media company with 1983 net revenues of $89.7 million, 80% of total corporate revenues of $112.2 million, a gross figure. Media revenues, almost all from *Forbes* magazine, were up 24.4% from a media contribution of $72.1 million out of total gross revenues of $88.7 million in 1982. (Forbes Inc. would not disclose total net income).

While the vast majority of company revenues and profits are derived from *Forbes*, its holdings include a range of properties, from real estate developments to founder Malcolm Forbes' substantial art collection. In *Forbes'* own annual listing of the nation's wealthiest individuals—the *Forbes 400*—Mr. Forbes is included, but his net worth is not disclosed. Estimates, however, range from $200 million to $300 million.

Forbes, a fortnightly, had another successful year in 1983. According to published audit figures, *Forbes'* advertising pages surged 15.6%, to 3,400 in 1983. At yearend, the magazine's circulation was 719,908, a 1.4% increase over 1982.

Both advertising and circulation revenue gains contributed to the magazine's performance last year. According to Publishers Information Bureau figures, gross revenues from advertising were $84.5 million, up 32% from 1982.

Forbes detailed its own breakdown of net advertising and circulation revenues. In 1983, according to the company, net revenue from advertising was $62 million, up from $47.6 million in 1982. Net circulation revenue was $27.7 million, compared with $24.5 million in 1982, the company said.

In addition to advertising rate increases, ad page gains and higher circulation, *Forbes* gained ground last year because it converted the *Forbes 400* into a separate special issue. The "Rich List" was a hit at the newsstands. The company sold 766,670 issues, making it the best-selling *Forbes* of the year.

April 30, *Forbes* published a second special issue—the annual *Forbes 500* index of the nation's largest companies. Previously, it was included in a regular issue. And this year, because of calendar breaks, *Forbes* will publish an additional regular issue.

A *Forbes* spokesman said the magazine had no plans for additional special issues this year. Moreover, he said, the magazine does not intend to increase its frequency to once-a-week, a move that is rumored periodically.

Mr. Forbes' well-publicized personal exploits have helped to promote the magazine in the past, and this year has been no exception. In February, 1984, he led a hot-air balloon and motorcycle tour of Egypt. He was pictured in national newsmagazines in a hot-air "sphinx" above the Pyramids.

Forbes continues to be an aggressive advertiser in major daily newspapers, magazines and the advertising trade press. Leading National Advertisers, which monitors ad spending for six media, credits Forbes Inc. with spending $1.4 million in advertising, largely on its resort property Sangre de Christo Ranch in Fort Garland, Colo.

To highlight its advertising and circulation gains as well as tweak competitors *Business Week* and *Fortune*, the magazine uses outdoor advertising, too. The magazine's long-running slogan, "*Forbes*: The Capitalist Tool," remains prominent in the ads.

During 1983, there were no major management changes at the publication. Both publisher James Dunn and editor-in-chief James Michaels are well-entrenched in their positions, sources say. Mr. Forbes' son, Malcolm S. Forbes Jr., continues in his position as president of the company.

MEDIA PROPERTIES

Magazines

Forbes, Forbes Investment Advisory Newsletter.

OTHER PROPERTIES

Forbes Investment Advisory Institute, New York; Forbes Sangre de Christo Ranch, Fort Garland, Colo.; Forbes Lake of the Ozarks resort, Warsaw, Mo.; various real estate holdings including Laucala Island in the Fiji Islands and art collection.

Freedom Newspapers

Revenues	1983	1982
Media	$224,800,000	$207,700,000
Other	—	—
Total	$224,800,000	$207,700,000

Freedom Newspapers, Santa Ana, Cal., is the country's 45th largest media company, with 1983 revenues estimated by ADVERTISING AGE at $224.8 million, all from media operations. In 1982, media revenues were an estimated $207.7 million.

A privately held company, owned by descendants of the late R.C. Hoiles, Freedom Newspapers is a print-oriented media company, although two tv stations have been its most recent acquisitions.

Freedom in January, 1984, paid $49 million to Dallas-based A.H. Belo Corp. for two tv stations that had been in Belo's stable for several years—WTVC (an ABC affiliate), Chattanooga, Tenn., and KFDM-TV (a CBS affiliate), Beaumont, Tex.

Belo had to divest itself of the stations in order to comply with FCC regulations limiting ownership of tv properties to seven. Belo had picked up six stations sold as a package by Dun & Bradstreet's Corinthian Broadcasting.

The purchase boosted Freedom's number of tv properties to four. Existing tv stations are KTVL, Medford, Ore., and WLNE, New Bedford, Mass./Providence, R.I., the latter acquired in 1983.

Among other properties, growth was evident at the *Register* in Santa Ana, the largest and most rapidly growing of the Freedom properties. It serves affluent Orange County, the suburban area south of Los Angeles. The company also publishes two smaller dailies in this area: *Anaheim Bulletin* and *La Habra-Brea Star Progress*.

Freedom Newspapers owns 30 newspapers, of which the *Colorado Springs Gazette-Telegraph*, with 92,296 combined circulation, is next largest after the *Register*. Some of its newspapers have local partners holding minor interests, but in all cases Freedom Newspapers is majority owner.

Increasing circulation of the *Register* reflects the steady growth of Orange County. As of March 31, 1984, the paper was distributed daily to a high of 279,452, up 8% over the previous reporting period, according to ABC reports. Sunday circulation stood at 311,062, up 7.7%.

The *Register* did much better than the formidable *Los Angeles Times* in its backyard circulation area. According to the Sept. 30, 1983, publisher's statement, the *Register* showed an average daily circulation of 255,638, a gain of 17,759 from the previous year, compared with the *Los Angeles Times*, which posted a total of 161,143 for its Orange County edition, down 5,975 from year-earlier figures.

General advertising linage at the *Register* also has risen a dramatic 49.4% in the past five years, from 3.8 million lines in 1978 to a high of 5.7 million in 1983.

In January, 1984, the newspaper was No. 1 in the nation in color linage. It is fifth nationally in full-run advertising linage and fourth in full-run retail advertising.

Rollout of the *Register's* community editions in early 1983 provided the newspaper with full market coverage. Originally called *Orange County Week*, the section has been reconfigured from a broad sheet to a tabloid and renamed *Register Community Edition.*

The community editions are being sent by second-class mail to nearly 300,000 nonsubscriber households, with zoned advertising and inserts. As of May 1, the rollout had been completed, with 31 community editions blanketing all of the county with local news coverage and zoned advertising capability. Included with each community edition is a broadsheet section, called Section A, which contains articles of general interest from the *Register.*

Each community edition also is inserted into the *Register* on Tuesday of each week, bringing local news to all of the newspaper's subscribers. The combination provides an 83.3% penetration of the market, with a variety of advertising opportunities available, as well as a package that includes the other Freedom newspapers in the county, the Anaheim Bulletin and *La Habra Star Progress.*

MEDIA PROPERTIES

Broadcasting

TV: KFDM, Beaumont, Tex.; KTVL, Medford, Ore.; WLNE, New Bedford, Mass./Providence, R.I.; WTVC, Chattanooga, Tenn.

Newspapers (dailies)

CALIFORNIA: *Anaheim Bulletin, La Habra-Brea Daily Star-Progress, Marysville Appeal-Democrat, Porterville Recorder, Santa Ana Register, Turlock Daily Journal, Victorville Daily Press.* COLORADO: *Colorado Springs Gazette-Telegraph.* FLORIDA: *Fort Walton Beach Playground Daily News, Fort Pierce News Tribune, Panama City News-Herald.* INDIANA: *Crawfordsville Journal Review, Seymour Daily Tribune.* MISSISSIPPI: *Greenville Delta Democrat-Times.* NEBRASKA: *Columbus Telegram.* NEW MEXICO: *Clovis News Journal.* NORTH CAROLINA: *Burlington Times-News, Gastonia Gazette, Jacksonville Daily News, Kinston Daily Free Press, New Bern Sun-Journal.* OHIO: *Bucyrus Telegraph-Forum, Lima News.* SOUTH DAKOTA: *Huron Daily Plainsman.* TEXAS: *Brownsville Herald, Harlingen Valley Morning Star, McAllen Monitor, Odessa American, Pampa Daily News.*

Newspapers (nondailies)

ALABAMA: *Dothan Progress.* Three weeklies, Dothan, Alabama. 28 shoppers, Community Press Newspapers, Denver.

Gannett Co.

Revenues	1983	1982
Media	$1.671 bil.	$1.493 bil.
Other	33,000,000	27,000,000
Total	$1.704 bil.	$1.520 bil.

Gannett Co., Rochester, N.Y., is the sixth largest U.S. media company, with media revenues of $1.67 billion in 1983, or 98.1% of total revenues of $1.7 billion. Newspapers accounted for about 76% of the total revenue, outdoor advertising 11.5% and broadcasting 11%, about the same percentages as in 1983.

Media revenues were up 10% from $1.49 billion in 1982 when total revenues were $1.52 billion. Total earnings rose to $191.6 million from $180.5 million in 1982, an increase of 5%, the same percentage gain as in the previous year.

The company reported that first-quarter 1984 earnings were $34.8 million, a 7% increase over the first quarter of 1983.

As was the case a year earlier, Gannett's national newspaper, *USA Today,* attracted heavy media attention. The daily, which debuted in September, 1982, is now available to 70% of the U.S. population, according to the company, which also said its circulation was 1.328 million at yearend. The long-awaited first audit on *USA Today* from the Audit Bureau of Circulations was to be released this month.

Early in 1984, Gannett announced the formation of an international task force to explore the possible printing and distribution of *USA Today* in Europe and the Far East.

Gannett chairman Allen H. Neuharth reported that 1984 would be the year for advertising at *USA Today.* Plans are to double the paper's color capacity from eight to 16 pages daily in July and expand the total page capacity from 40 to 48 pages. "Advertising is 11% to 12% short of goal," Mr. Neuharth said in April, and he termed this "well within the tolerance factor."

During 1983, new executives were installed both at *USA Today* and on the corporate level.

John J. Curley, president of Gannett's newspaper division and former editor of *USA Today,* was named president-chief operating officer of Gannett. Douglas H. McCorkindale, exec vp-chief legal officer, was appointed vice-chairman-chief financial officer. William J. Keating, president of the Gannett Central Newspaper Group and publisher of the *Cincinnati Enquirer,* was named president of the newspaper division.

Mr. Neuharth called these promotions "another step in the orderly and effective transition to younger top management." Mr. Neuharth, 60, has an employment contract that runs to 1989.

Cathleen Black continued her rapid rise in the company, being named publisher of *USA Today* this month. She replaces John E. Heselden, who previously announced he would retire next April, when he reaches 65. Mr. Heselden continues as deputy chairman of Gannett.

Ms. Black had been named president of *USA Today* in 1983, when Vincent E. Spezzano was appointed corporate senior vp-communications. Mr. Spezzano also heads Gannett's international task force.Replacing Ms. Black as president of *USA Today* is Paul B. Flynn, former executive vp of the paper and also former president of Gannett/Southeast Newspaper Group and president and publisher of the *Fort Myers News-Press.*Thomas J. Farrell, assistant treasurer of Gannett, was named executive vp-business manager of *USA Today,* a new position.

During 1983, John C. Quinn, Gannett's chief news executive and president of Gannett News Service, was named exec vp-chief news executive-editor of *USA Today.*

Other developments within the company include the start of construction of an offset printing plant in Chandler, Ariz., and the beginning of "USA Today of the Air," a daily radio feature series developed jointly with Mutual Broadcasting.

In January, Gannett's *Observer-Dispatch* in Utica, N.Y., distributed the first newspaper to contain pages printed with plates engraved electronically from the output of newsroom and advertising computers.

Gannett sold the *Oakland Tribune* to *Tribune* publisher Robert Maynard and a group of investors, and it terminated discussions with Chronicle Broadcasting to acquire KRON-TV in San Francisco. Gannett also sold KARK-TV, Little Rock, Ark.; WLKY-TV, Louisville; WPTA-TV, Fort Wayne, Ind., and the screen printing company Romo, Green Bay, Wis.

Gannett acquired WTCN-TV, Minneapolis-St. Paul, from Metromedia and WLVI-TV, Boston, from Field Communications. It also announced an agreement to acquire WDAE-AM in Tampa-St. Petersburg from Taft Broadcasting.

In April 1984, Gannett changed the call letters of KBTV in Denver to KUSA.

MEDIA PROPERTIES

Broadcasting

TV: KOCO, Oklahoma City, KPNX, Phoenix; KUSA, Denver; WLVI, Boston; WTCN, Minneapolis-St. Paul, WXIA, Atlanta.

RADIO: KPRZ (am) and KIIS (fm), Los Angeles; KSDO (am, fm), San Diego; KUSA (am) and KSD (fm), St. Louis. *WDAE (am), St. Petersburg-Tampa and WIQI (fm), Tampa, Fla.; WGCI (am, fm), Chicago; WLQV (am) and WCZY (fm), Detroit; WWWE (am) and WDOK (fm), Cleveland.

*Pending acquisition

Newspapers (dailies)

NATIONAL: *USA Today.* ARIZONA: *Tucson Citizen.* CALIFORNIA: *Independent Journal,* Marin County, *Salinas Californian, San Bernardino Sun, Stockton Record, Visalia Times-Delta.* COLORADO: *Fort Collins Coloradoan.* CONNECTICUT: *Norwich Bulletin.* DELAWARE: *Wilmington Morning News, Wilmington Evening Journal.* FLORIDA: *Cocoa Today, Fort Myers News-Press, Pensacola Journal, Pensacola News Journal.* GEORGIA: *Gainesville Times.* GUAM: *Pacific Daily News,* Agana. HAWAII: *Honolulu Star-Bulletin, Honolulu Star-Bulletin & Advertiser.* IDAHO: *Idaho Statesman,* Boise. ILLINOIS: *Danville Commercial-News, Rockford Register Star.* INDIANA: *Lafayette Journal and Courier, Marion Chronicle-Tribune, Richmond Palladium-Item.* IOWA: *Iowa City Press-Citizen.* KANSAS: *Coffeyville Journal.* LOUISIANA: *Monroe News-Star-World, Shreveport Times.* MICHIGAN: *Battle Creek Enquirer, Lansing State Journal, Port Huron Times Herald, Sturgis Journal.* MINNESOTA: *St. Cloud Daily Times.* MISSISSIPPI: *Hattiesburg American, Jackson Clarion-Ledger, Jackson Daily News.* MISSOURI: *Springfield Daily News, Springfield Leader and Press.* NEBRASKA: *Fremont Tribune.* NEVADA: *Nevada State Journal,* Reno, *Reno Gazette, Melborne Journal.* NEW JERSEY: *Bridgewater Courier-News, Camden Courier-Post.* NEW MEXICO: *New Mexican,* Santa Fe. NEW YORK: *Binghamton Evening Press, Binghamton Sun-Bulletin, Elmira Star-Gazette, Ithaca Journal, El Diario-La Prensa,* New York, *Niagara Gazette, Poughkeepsie Journal, Rochester Democrat and Chronicle, Rochester Times-Union, Saratogian,* Saratoga Springs, *Utica Daily Press, Utica Observer-Dispatch.* Westchester Rockland Newspapers—*Mamaroneck Daily Times, Mount Vernon Daily Argus, New Rochelle Standard Star, Nyack-Rockland Journal News, Ossining Citizen-Register, Port Chester Daily Item, Tarrytown Daily News, White Plains Reporter-Dispatch, Yonkers Herald Statesman.* OHIO: *Chillicothe Gazette, Cincinnati Enquirer, Fremont News-Messenger, Marietta Times, Port Clinton News Herald.* OKLAHOMA: *Muskogee Daily Phoenix, Times-Democrat.* OREGON: *Salem Statesman-Journal.* PENNSYLVANIA: *Chambersburg Public Opinion, Lansdale Reporter, New Kensington Valley News Dispatch.* SOUTH DAKOTA: *Sioux Falls Argus Leader.* TENNESSEE: *Knoxville Journal, Nashville Tennessean.* TEXAS: *El Paso Times.* VERMONT: *Burlington Free Press.* VIRGIN ISLANDS: *St. Thomas Daily News.* WASHINGTON: *Bellingham Herald, Olympian, Olympia.* WEST VIRGINIA: *Huntington Herald-Dispatch.* WISCONSIN: *Green Bay Press-Gazette, Wausau Daily Herald.*

Newspapers (nondailies)

CONNECTICUT: *Norwalk Fairpress, Journal-Transcript,* Windham, *Community,* Norwich. FLORIDA: *Tribune, Bonita Springs Extra, Cocoa Times, Longwood Seminole Citizen News, Melbourne Tribune, Titusville Star-Advocate.* GEORGIA: *Poultry & Egg News, Poultry Marketing, Times Topics,* all in Gainesville. MISSISSIPPI: *Clinton News, Gautier Independent, Madison County Herald,* Canton, *Ocean Spring Record, Petal Journal.* NEW JERSEY: Suburban Newspaper Group (10 weeklies in Cherry Hill), *Salem Sampler.* NEW YORK: *Mount Vernon Review Press-Reporter, Commercial News,* Saratoga Springs. PENNSYLVANIA: *Butler County News,* Zelienople, *Lansdale Extra, North Hills News Record,* Pittsburgh, *Sharpsburg Herald, Town & Country,* Pennsburg. VIRGINIA: *Pennywhistle Press,* Arlington.

Outdoor

Gannett Outdoor Advertising Group, MEDIACOM (Canada).

Other media properties

Gannett Newspaper Advertising Sales, Gannett Media Sales, Gannett News Service, Gannett Satellite Information Network, Gannett Productions, MacNeil-Lehrer-Gannett Productions, Newscope, America Today.

OTHER OPERATIONS

Louis Harris & Associates Research, Gannett Offset, PIA Merchandising, TENCON sign manufacturing.

General Electric

Revenues	1983	1982
Media	$94,000,000	$175,000,000
Other	26.703 bil.	26.325 bil.
Total	$26.797 bil.	$26.500 bil.

General Electric, Fairfield, Conn., is the country's 78th largest media company, with 1983 revenues from media properties of $94 million, a 46.3% decline in media revenues of $175 million in 1983.

Media, which accounts for less than 0.4% of total revenue at GE, got the axe as GE divested itself of all of its tv properties but one and eight radio units.

GE had total revenues in 1983 of $26.8 billion, a 1.1% increase over the previous year. Net earnings were $2.02 billion, an 11.4% increase from 1982.

Revenues from continuing media operations in 1983 were derived from two sources—General Electric Cablevision, with revenues of $65 million, and General Electric Broadcasting Co., with revenues of $29 million, after the sale of 10 broadcast outlets.

GE during 1983 sold all but one of its broadcasting properties, KCNC (TV) in Denver, Colo., which the company said it is retaining because of the growth potential in the Denver broadcasting market.

The company sold two tv stations and eight radio stations for an estimated $115.5 million, which GE said resulted in a pre-tax gain of $81 million.

WNGE-TV in Nashville, an ABC affiliate, was sold to Knight-Ridder Broadcasting for $37 million; WRGB-TV, a CBS affiliate in Albany, N.Y., was sold to Universal Communications Corp., a company formed by former CBS president John D. Backe, for $35 million.

A.H. Belo Corp. paid $22 million for KOA(am) and KOAQ(fm) in Denver; Sky Communications paid $13 million for WSIX (am, fm) in Nashville and WGY(am) and WGFM in Schenectady, N.Y., and Susquehanna Broadcasting Co. paid $4.5 million for KFOG-FM in San Francisco.

RCA Corp. bought WJIB(fm) in Boston for an undisclosed sum. Industry observers estimated the station's sale price at between $3 million and $4 million.

GE had attempted to spin off its properties once before when it entered into bidding for Cox Broadcasting of Atlanta in 1979, but the deal fell through.

General Electric Cablevision, based in Schenectady, had 326,700 basic subscribers and 205,000 pay subscribers at the end of 1983, says Sal Belanger, vp-general manager.

The number of basic subscribers increased 6%, and pay subscribers increased 2.5% from the year earlier.

GE Cablevision is the 20th largest multiple cable system operator, with 12 systems in six states. GE systems are among the largest in Indiana, Michigan and Illinois, where they control at least 8% of the market in each state.

Despite industry speculation that GE has been seeking to acquire additional cable systems, the company made no acquisitions in 1983 and the first quarter of 1984. Mr. Belanger says GE continues to explore possible acquisitions, but says no deals are imminent this year.

GE chairman John F. Welch, in his annual message to shareholders, said GE improved its cash position during 1983 through the sale of a number of subsidiaries. He said the money will be used for acquisitions and to exploit existing business activities. GE's cash situation was improved further in March by the sale of its small appliance business to Black & Decker Mfg. Co. for $300 million.

MEDIA PROPERTIES

Broadcasting

TV: KCNC, Denver.

Cable/video

General Electric Cablevision Corp., in CALIFORNIA: Merced, Tracy, Vacaville, Walnut Creek. ILLINOIS: Decatur, Peoria. INDIANA: Anderson, Evansville (80% interest). MICHIGAN: Grand Rapids/Wyoming. MISSISSIPPI: Biloxi, Hattiesburg. NEW YORK: Watertown.

Golden West Television

Revenues	1983	1982
Media	$140,000,000	$125,000,000
Other	—	—
Total	N/A	N/A

Golden West Television, Los Angeles, is the 68th largest U.S. media company in 1983 with media revenues estimated by ADVERTISING AGE of $140 million, virtually all from tv station KTLA in Los Angeles.

The station had estimated revenues of $125 million in 1982 when it was under the ownership of former movie cowboy star Gene Autry and Signal Cos. of La Jolla, Cal., the engineering and electronics conglomerate that also owns Mack Trucks.

In an acquisition involving a leveraged buyout, Mr. Autry bought Signal's 49.9% interest in Golden West Broadcasters (the name of the company then) for $225 million and then sold KTLA for $245 million to a corporation formed by Kohlberg Kravis Roberts & Co., the New York-based private investment banking company. Mr. Autry held on to seven radio properties but since has begun to sell them.

The price paid for KTLA exceeded the previous record of $220 million paid in 1982 for WCVB-TV in Boston. (In 1984, A.H. Belo Corp. topped this when it paid $342 million for KHOU-TV in Houston as part of a deal in which Belo put down $600 million to buy Corinthian Broadcast properties from Dun & Bradstreet.)

KTLA is the largest independent station in the Los Angeles tv market. It is worth more than $600 million in ad revenue from local and national spot buys, not counting network buys, according to AD AGE sources.

Under the leveraged buyout, Anthony Cassara, then president of Golden West Broadcasters tv division, became president and part owner of Golden West Television Inc.

Mr. Cassara gained additional responsibilities early in 1984 when he was named president, Wometco Broadcasting Co., a new company made up of the former tv properties of Miami-based Wometco Enterprises. The tv properties were purchased in a leveraged buyout by Kolberg Kravis Roberts. Estimated revenues of the tv properties for 1984 are $100 million.

In the Wometco deal, Kohlberg, Kravis Roberts acquired six tv stations to add to KTLA.

In addition to the radio properties, Mr. Autry's Golden West Broadcasters retained ownership of KTLA's studios in downtown Los Angeles and the California Angels professional baseball team.

Kohlberg Kravis Roberts also obtained in the buyout Golden West Productions, Golden West Subscription TV of Dallas and Golden West Videotape and Golden West Television Distribution, all relatively minor contributors to revenues.

Concerning the latter property, Mr. Cassara has noted that Golden West plans to step up its syndication activity.

MEDIA PROPERTIES

Broadcast

TV: Kohlberg Kravis Roberts & Co.-controlled stations as of early 1984 (former Golden West Broadcasters and Wometco properties): Golden West Television—KTLA, Los Angeles; Wometco Broadcasting—WTVJ, Miami/West Palm Beach; WZZM, Grand Rapids, Mich.; WWHT, Newark, N.J.; WSNL, Smithtown, N.Y.; WLOS, Asheville, N.C./Greenville-Spartanburg, S.C.; KVOS, Bellingham, Wash.

Other media properties

Golden West Subscription TV of Dallas.

OTHER PROPERTIES

Golden West Productions, Golden West Videotape and Golden West Television Distribution.

H&C Communications

Revenues*	1983	1982
Media*	$90,000,000	$80,500,000
Other	—	—
Total	$90,000,000	$80,500,000

*Both years reflect only broadcast revenues.

H&C Communications, Houston, despite selling its leading media property, the *Houston Post*, to the Toronto Sun Co. in 1983, still was the nation's 92nd largest media company with revenues estimated by Advertising Age at $90 million, all in media.

That is a 12% increase over 1982's broadcast property revenues.

A private holding company owned by Houston's Hobby and Catto family interests, H&C is cash rich with $100 million from the sale of the *Post*. It is in the process of converting those proceeds into the acquisition of additional broadcast properties.

H&C is one of several suitors bidding for the tv properties of Orlando, Fla.-based Cowles Communications. Publicly owned Cowles owns the NBC affiliate, WESH, in Daytona-Orlando Beach, and the CBS affiliate in Des Moines, Ia., KCCI.

The Cowles properties, which are being sold through Goldman Sachs & Co., are valued at about $135 million. Jointly they generated earnings of $4.5 million on revenues of $24.1 million in 1983, with WESH the larger contributor.

Should H&C purchase both Cowles properties, it would have to realign its existing properties or spin off one of the new acquisitions, says Harold Crump, president of the broadcast unit. H&C already has four vhf stations—the FCC maximum is five—with WTOK, the ABC affiliate in Meridian, Miss., the only station not in a major market.

Mr. Crump suggested a sale of WTOK might be a possibility, although reluctantly so "because it's the only vhf in the market."

"We're the kind of company that buys a property and holds it," says Jim Crowther, president of the holding company. "It would be more than likely a tossup between Des Moines and Meridian. We obviously are not buying the Daytona-Orlando property to sell it."

H&C owns KPRC, the NBC affiliate in Houston that ranks second in several time slots and third in prime time in that market. The company is hoping a 2,000-ft. tower to be in operation in late summer will increase the density of its signal and improve its marketability, which has been a problem because of its low band. The Cowles station in Daytona-Orlando recently increased the height of its antenna and got better coverage as a result, Mr. Crump says.

H&C's other properties include KVOA, the NBC affiliate and No. 1 station in Tucson, and WTVF, the CBS affiliate and No. 1 station in Nashville.

Another official at H&C says the company does not intend to return to newspapers. "We fell out of love with newspapers, and I guess you'd say that leaves us in the market for more broadcast." Under regulations governing media crossownership in the same market, H&C can defer taxes up to 18 months on capital gains resulting from the sale of a major media property. If the proceeds can be turned over into other investments within that period, the company can accrue various tax benefits. "That is our intent," says Mr. Crump.

H&C has one other broadcast property—KPRC (am, fm) in Houston, its lone radio property—and owns the *Washington Journalism Review*. This spring, Crain Communications and H&C have entered into a joint venture to publish the *WJR*. Crain will provide advertising, circulation and some editorial support.

Jessica Catto, the daughter of Oveta Culp Hobby and a sister to Texas Gov. William P. Hobby, is publisher of the *WJR* and a board member of H&C. Gov. Hobby is chairman of the board, and Mrs. Catto's husband, Henry, is board vice-chairman.

MEDIA PROPERTIES

Broadcasting

TV: KPRC, Houston; KVOA, Tuscon, Ariz.; WTOK, Meridian, Miss.; WTVF, Nashville.

RADIO: KPRC (am, fm) Houston.

Magazines

Washington Journalism Review, joint venture with Crain Communications.

Harcourt Brace Jovanovich

Revenues	1983	1982
Media	$101,200,000	$98,900,000*
Other	547,600,000	476,400,000
Total	$648,800,000	$575,300,000

*Restated

Harcourt Brace Jovanovich, New York, is the country's 87th largest media company, with media revenues estimated by Advertising Age at $101.2 million in 1983, or 15.6% of total revenues of $648.8 million.

In 1982, media revenues were estimated at $98.9 million (restated), or 17.2% of total revenues.

Media properties are part of the HBJ Communications and Services unit and include magazines and broadcasting. For the purpose of this analysis, other businesses in that HBJ division—insurance, book clubs and management consulting—do not qualify as media.

The company has two other operating units: HBJ Publishers (books, academic journals and instruction courses divided into two subgroups—elementary and secondary education, and university and professional education) and Sea World Enterprises (marine parks, food processing and services and land development).

HBJ Inc., which decentralized its operations from New York the last quarter of 1982, says it derived savings from its relocation move and attendant reorganization that contributed to 1983 earnings of $27.5 million—highest in the company history—on revenues of $648.8 million, a 12.8% increase over 1982. Company management now operates out of Orlando, San Diego, Cleveland and New York.

The 1983 results contrast strongly with 1982, in which net income plummeted 86% to $3.3 million from $23.8 million in 1981, as revenues rose some 6.7%. The 1982 figures, however, reflect a pretax charge for the expenses incurred in relocating company offices.

As for HBJ Communications and Services division, revenues increased $5 million, or 4.4%. Revenues from business magazines were $3.9 million higher, owing to increases in advertising pages sold, up 7.3%, in addition to a rise in ad rates, up 7.%. According to HBJ, all units of the division reported improved operating income. For their part, business publications enjoyed a $2.9 million increase in profits on higher revenues. Farm periodicals also showed improved operating income because of lower production and operating costs following the reorganization of publishing activities and the administrative separation of magazine publishing from rural insurance sales.

In nonmedia activity, elementary and secondary education division revenues increased $45.1 million, or 27%. School textbook sales vaulted $37.3 million, or 46.3%, most notably in the elementary market. Operating income from the elementary and secondary education division increased $11.5 million, predominantly from higher sales of school textbooks and somewhat from test publishing, which saved administrative costs by relocating in Cleveland.

Analysts applaud the cost-cutting results engendered by the corporate relocation, which when announced had more than a few skeptics, who feared that the company would have trouble attracting top talent to its new headquarter cities.

Analysts also believe that the next

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decade holds promise for HBJ in terms of sheer demographics. The baby boom generation now is having children, whom HBJ can help to educate through its extensive schoolbook operations.

Indeed, the operating profit for the school department (books for grades kindergarten through 12) jumped 155%, increased 91% for HBJ Publications (business periodicals), and rose 45% for the college department (textbooks).

Among the top magazine performers during 1983, *Physician's Management* reported a 37% increase in ad pages, *Communications News* 34% and *Modern Medicine* 26%.

In addition to gains posted by existing magazines, earlier this year, HBJ purchased two companies with business magazines in new fields, Industry Media Inc.—which HBJ now is operating with the title of Resin Publications—and Davies Publications.

The acquisitions added nine new titles to the company's magazine roster. They include, under Resin, *Machine & Equipment, Machine & Equipment Postcards, Plastics Compounding, Plastics Compounding Postcards, Plastics Compounding Redbook* and *Plastic Design Forum*. From Davies Publications, the company obtained *Meat Processing, Meat Processing International* and *Telefood*.

The finishing touches will be put on the company's relocation efforts in Orlando in 1984. Currently, HBJ has placed in Orlando its major corporate offices, house counsel, contracts and copyright, real property management, data processing and general accounting. Upon completion of a new headquarters building there, HBJ will move into the building its school department, Academic Press (scientific books), Grune & Stratton (medical books), HBJ Insurance (as consolidated) and Beckley-Cardy (sale of school and office supplies and equipment), the latter of which has been placed under the umbrella of HBJ Communications and Services.

MEDIA PROPERTIES

Broadcast

TV: WDIO, Duluth, and WIRT, Hibbing, Minn.

Magazines

HEALTHCARE: *Dental Industry News, Dental Laboratory Review, Dental Laboratory Review Buyer's Guide, Dental Management, Geriatrics, Hearing Instruments, Hospital Formulary, Modern Medicine, Modern Medicine Pocket Guides, Neurology, Physician's Management*. ENERGY: *Brown's Directory, Energy News, Energy Week, L-P Gas, Petroleum Engineer International, Pipeline & Gas Journal, SGA Directory*. FARM: *Action Pac, Colorado Farmer & Rancher, Kansas Farmer, Michigan Farmer, Missouri Ruralist, Nebraska Farmer, Ohio Farmer, Pennsylvania Farmer*. EDUCATION: *Instructor, Industrial Education*, (Instructor Action Cards, Instructor Computer Director for Schools, Instructor Education Service, Industrial Education Product Sale Cards). MERCHANDISING: *ASIA Show Daily, Body Fashions/Intimate Apparel Directory, Body Fashions/Intimate Apparel Market Maker, Flooring, Flooring Market Shoppers, Gourmet Today, Home & Auto, Home & Auto APAA Show Dailies, Home & Auto Buyer's Guide, Hosiery & Underwear, Housewares, Housewares Show Stoppers, Housewares USA, NEOCON, Market Shopper, Pets/Supplies/Marketing, Rent All, Rent All Show Dailies, Selling Christmas Decorations, Toys, Hobbies & Crafts, Directory, Toy Trade News, Hobby Show News*. FOOD SERVICE & PROCESSING: *Food Management, Food Plant Ideas, Food Plant Ideas Postcards, Idea File, Quick Frozen Foods, Quick Frozen Food Directory of Frozen Food Processors*. COMMUNICATIONS: *Communications News, Telephone Engineer & Management, Telephone Engineer & Management Directory, Telephone Engineer & Management Fast Action Postcards*. TRAVEL & LODGING: *Directory of Incentive Travel International, Hotel & Motel Management, Hotel & Motel Management Buyer's Guide, Quick Order Product Directory, Worldwide Meetings & Incentives, Worldwide Meetings & Incentives Destination Guide*. MANUFACTURING, DISTRIBUTION & SERVICE: *Drug & Cosmetic Catalog, Drug & Cosmetic Industry, International Turfgrass Show Daily, Lawn Care Industry, Lawn Care Industry Show Daily, Paper Sales, Paper Sales Convention News, Paper Year Book, Pest Control, Pest Control Show Daily, Professional Remodeling, Roofing/Siding/Insulation, RSI Extra, Snack Food, Weeds, Trees & Turf*. INDUSTRY: *Beverage Industry, Beverage Industry Annual Manual, Candy Marketer Quarterly, Candy & Snack Industry Buying Guide, Dairy Field, Dairy Industry Catalog, Food & Drug Packaging, Food & Drug Packaging Post Cards, Paperboard Packaging, Official Board Markets, International Container Directory, Official Container Directory, Books for Industry, Inside Industry, Candy & Snack Industry Update*. GRIDLEY PUBLICATIONS: *DVM, Newsmagazine of Veterinary Medicine*. DAVIES PUBLICATIONS: *Meat Processing, Meat Processing International and Telefood*. RESIN PUBLICATIONS: *Machine & Equipment, Machine & Equipment Postcards, Plastics Compounding, Plastics Compounding Postcard, Plastics Compounding Redbook* and *Plastic Design Forum*.

Newsletters

Aviation Monthly, Business Digest, Cosmetic Insiders Report, Executive Edge, Homeowners Advisory Letter, Investing in Real Estate, Managing: The Entrepreneur's Guide to Success, Real Estate Investing Letter, Rental House & Condo Investor.

OTHER OPERATIONS

Book publishing, instructional materials, insurance, management consulting, Sea World Enterprises.

The media leaders: Broadcast revenues (1983)

Estimated broadcast revenues of 100 Leading Media Companies

Company	Broadcast revs. Est. ($000,000)		Number of stations			
	1983	1982	am	fm	vhf	uhf
American Broadcasting Cos.	2,614.3	2,341.9	5	6	5	0
CBS Inc.	2,389.4	2,165.2	6	6	5	0
RCA Corp.	2,090.0	1,790.0	4	4	5	0
Metromedia Inc.	371.6	324.3	7	7	5	2
Capitol Cities Communications	235.8	221.0	6	6	5	1
Tribune Co.	228.7	182.3	3	2	3	2
Cox Communications	200.2	181.5	5	7	5	2
Gannett Co.	192.9	161.7	7*	7	5	1
RKO General Inc.	175.7	164.0	6	6	3	0
Westinghouse Electric Co.	175.3	156.5	7	4	5	0
Storer Communications	167.8	156.6	0	0	5	2
Hearst Corp.	163.3	145.8	4	3	5	0
Taft Broadcasting	140.8	125.1	6	7	5	2
Golden West Television	140.0	125.0	0	0	0	1
Turner Broadcasting System	136.2	96.7	0	0	0	1
Multimedia Inc.	125.8	110.5	6	6	4	1
Oklahoma Publishing Co.	125.7	102.8	2	1	4	3
Chris-Craft Industries	122.0	53.5	0	0	5	1
Washington Post Co.	120.0	107.7	0	0	4	0
Viacom International	119.8	122.3	2	5	3	1
Times Mirror Co.	116.1	100.4	0	0	5	2
Bonneville International Corp.	107.0	89.0	5	7	2	0
Media General	105.9	64.7	0	0	2	1
Pulitzer Publishing Co.	96.8	89.6	1	1	5	2
Scripps-Howard	94.4	93.1	3	4	5	2
LIN Broadcasting	91.0	73.9	5	5	5	2
H & C Communications	90.0	80.5	1	1	4	0
Meredith Corp.	88.5	78.0	1	1	5	2
Harte-Hanks Communications	84.4	75.0	5	4	3	1
Outlet Co.	80.0	75.0	1	4	5	0
Wometco Enterprises	79.0	74.1	0	0	4	2
A. H. Belo Corp.	78.8	68.7	2	3	1	0
Evening News Assn.	72.7	64.0	1	1	4	1
McGraw-Hill	71.6	66.7	0	0	3	1
Jefferson-Pilot Corp.	66.4	58.5	5	4	2	0
Allbritton Communications	63.5	37.1	0	0	4	0
Chronicle Publishing Co.	58.0	53.1	0	0	4	0
General Electric Co.	57.0	60.0	0	0	1	0
New York Times Co.	53.4 †	47.0	1	1	2	1
Knight-Ridder Newspapers	51.6	43.3	0	0	5	0
A. S. Abell Co.	50.0	44.6	2	4	1	0
Lee Enterprises	45.5	43.2	2	2	4	0
Park Communications	42.3	39.7	7	7	5	2
Dispatch Printing Co.	31.0	28.2	0	0	2	0
Landmark Communications	26.5	23.0	1	1	2	0
Donrey Media Group	25.4	22.0	4	1	1	0
Rollins Inc.	25.1	24.6	5	1	3	0
Journal Co.	23.3	20.0	1	1	2	0
Des Moines Register & Tribune Co.	21.8	22.0	2	2	3	0
Macromedia Inc.	20.8	20.1	0	0	3	1
Stauffer Communications	17.7	19.0	4	3	2	0
Harcourt Brace Jovanovich	15.9	14.3	0	0	2	0
Courier-Journal & Louisville Times Co.	15.0	8.0	1	1	1	0
Affiliated Publications	14.5	14.8	5	4	0	0
Freedom Newspapers	14.3	13.3	0	0	3	1
Howard Publications	14.0	12.3	0	0	1	0
Providence Journal Co.	13.2	11.8	1	1	0	1
McClatchy Newspapers	10.0	9.0	2	2	0	0
Blade Co.	9.0	8.0	0	0	0	3
U.S. News & World Report	3.0	2.0	0	0	0	0
Southern Progress Corp.	2.5	2.0	0	0	0	0

Source: Advertising Age

*The acquisition of one station is pending

†Includes cable

Harte-Hanks Communications

Revenues	1983	1982
Media	$332,100,000	$308,700,000*
Other	111,500,000	85,700,000
Total	$443,600,000	$394,400,000

*Restated

Harte-Hanks Communications, San Antonio, Tex., the 28th largest media company with media revenues of $332.1 million in 1983, is preparing for major changes as a team of shareholders continues its efforts to take the company private in a leveraged buyout.

The company showed an increase of 7.6% in its media contribution over 1982, but media dropped as a percentage of total revenues from 78.3% in 1982 to 74.9% in 1983. The company's media revenue sources include newspapers (dailies, nondailies and shoppers), 71.9% of total media revenues in 1983; tv, 16.1%; radio, 9.3%, and cable 2.7%.

Harte-Hanks generates other revenues from direct marketing and commercial printing that are not considered media in this issue.

Total operating revenues for Harte-Hanks, which is also the nation's largest direct mass mailer, increased 12% in 1983, to $443.6 million. Total earnings jumped 22%, to $33.3 million.

Late in March, the company, which has grown from a string of Texas newspapers in 1970, announced its plans for a leveraged buyout. The deal, estimated to be worth as much as $750 million, would place about 55% of stock in the hands of the Harte and Hanks families, with the remainder going largely to company officers.

There has been speculation that the move to go private was fueled in part by investor uncertainty in the company's direct marketing operations, a depressed stock price and a fear of hostile takeover attempts.

The company long has been thought of as a well-managed newspaper company, with a sharper eye on its bottom line than many similar companies. In fact, in a performance analysis by Veronis, Suhler & Associates, an investment banker, the company ranks among the top five publicly held companies in newspaper operations, and in the top 10 of broadcasting operations.

Its extensive investments in its Harte-Hanks Direct Marketing segment has given the company a large network of delivery systems for advertisers. Currently, it can reach 52 million people in 98% of the U.S. through those operations. The division contributed $139.5 million in revenues in

1983, a 16% jump from 1982.

The company also registered an 8% gain to $181.3 million in operating revenues for its newspaper division in 1983. Operating revenues in the radio group grew 16%, to $30.9 million, and in the tv group, operating revenues climbed 12%, to $53.5 million.

Newspaper operating revenues, representing 46% of the company's total operating revenues, were up largely as a result of a 28.1% increase in total inserts distributed. Total ad linage dropped 2.5%.

Circulation revenues dropped for the second year in a row.

In response to the soft economy of recent years, which hit Harte-Hanks hard because many of its holdings are concentrated in oil-dependent Texas, the company has unloaded marginal operations.

It sold the *San Francisco Progress*, the *Walton Tribune*, Monroe, Ga., and in 1984, the *Gloucester County Times*, Woodbury, N.J. Early in 1984 Harte-Hanks purchased a free distribution weekly paper in Tampa, Fla., the *Neighbor*, from Morris Communications Corp.

In radio, the company has said it will concentrate its resources in markets where it owns am/fm combinations.

Consequently, stations in Memphis and Portland, Ore., were jettisoned. Its final stand-alone station, in Birmingham, Ala., remains unsold.

Like many media companies, Harte-Hanks is hoping that 1984—with its presidential election and the Olympics—will increase advertiser spending.

Significant personnel moves in 1983 include the appointment of Tucker Sutherland to president, newspaper operations and corporate senior vp, replacing Richard Schlosberg III, who left San Antonio to head the *Denver Post* as publisher.

Four new group presidents were added in 1984—James Hopson, Frank Puckett Jr., Stephen Sullivan and John Williams.

The four new group presidents also were given the titles of corporate vps as part of a reorganization of the newspaper group.

MEDIA PROPERTIES

Broadcasting

TV: KENS, San Antonio, Tex.; KYTV, Springfield, Mo.; WFMY, Greensboro/High Point, N.C.; WTLV, Jacksonville, Fla.

RADIO: KOY (am) and KQYT (fm), Phoenix, Ariz.; KKBQ (am, fm), Houston/Pasadena, Tex.; WRBQ (am, fm), Tampa/St. Petersburg, Fla.; WRVA (am) and WRVQ (fm), Richmond, Va.; WSGN (am) Birmingham.

Cable/Video

ARIZONA: Douglas, Payson, Williams (all Southwest Cablevision). COLORADO: Akron, Otis and Yuma (all National Telecommunications Services). TEXAS: Deer Park, Highlands, Katy, LaPorte, Northwest Harris County, Pasadena, South Houston and unincorporated areas of Waller, Fort Bend and Harris counties. (All Harte-Hanks Cable Communications.) Channel 24, San Antonio, a 24-hour cable "shoppers channel."

Magazines

Radio and Records, R&R Ratings Report (semi-annually), *R&R Computer Printouts*.

Newspapers (dailies)

ARKANSAS: *Malvern Daily Record, Russellville Courier-Democrat, Searcy Daily Citizen, Stuttgart Daily Leader*. GEORGIA: *Carrollton Daily Times-Georgian*. MASSACHUSETTS: *Middlesex News* (Framingham). MICHIGAN: *Ypsilanti Press*. OHIO: *Hamilton Journal News*. SOUTH CAROLINA: *Anderson Independent-Mail*. TEXAS: *Abilene Reporter-News, Big Spring Herald, Bryan-College Station Eagle, Corpus Christi Caller* and *Times, Corsican Daily Sun, Del Rio News-Herald, Denison Herald, Greenville Herald Banner, Huntsville Item, Marshall News Messenger, Paris News, San Angelo Standard* and *Times, Wichita Falls Record News* and *Times*. WASHINGTON: *Yakima Herald-Republic*.

Newspapers (nondailies)

ARKANSAS: *Charleston Express, Dardanelle Post-Dispatch, Greenwood Democrat, Malvern Meteor Journal, Paris Express-Progress*. CALIFORNIA: *Coronado Journal, La Jolla Light, Sentinel, Star-News* (San Diego County). GEORGIA: *Bowdon Bulletin, Times-Advertiser* and *Dollar Saver* (both in Carrollton) *Douglas County Sentinel* and *Sentinel Super Saver*, (both Douglasville), *Haralson Gateway-Beacon* (Bremen, Buchanan and Tallapossa), *Sweetwater News Enterprise* (Austell), *Tallapoosa Journal-Beacon*. OHIO: *Fairfield Echo, Edgewood This Week, Pulse Journal*. TENNESSEE: *Gatlinburg Press, Sevier County News Record* (Sevierville). NEW MEXICO: *Valencia County News Bulletin*. TEXAS: *Commerce Journal, Cooper Review, Lamar County Echo, Royse City Leader*. Harte-Hanks also publishes 56 community information publications, including nine shoppers.

OTHER OPERATIONS

Twenty-three direct mail systems, seven alternate delivery systems, seven research companies, a trucking service, commercial printing and computer services.

Hearst Corp.

Revenues	1983	1982
Media	$1.116 bil.	$1.030 bil.*
Other	N/A	N/A
Total	N/A	N/A

*Restated

Hearst Corp., New York, is the tenth largest U.S. media company with 1983 media operating revenues estimated by Advertising Age at $1.116 billion. Media revenues at the privately owned company represented an increase of 8.4% over estimated revenues of $1.030 billion (restated) in 1982.

Hearst, founded by newspaper magnate William Randolph Hearst Sr., bills itself as the foremost monthly magazine publisher in the nation and continues to expand on all media fronts. During 1983, Hearst magazines saw substantial growth in advertising revenue, ad pages and circulation.

In the U.S., the company distributed more than 273 million copies of its 12 monthlies, one every-other-monthly and numerous special publications. Ad pages increased 5.7%, to 16,211, with the growth rate increasing in the last quarter. Total advertising for the 12 monthlies was up an estimated 10%.

Redbook, acquired in 1982, recorded impressive single copy circulation gains in its first full year of operation under Hearst ownership, reaching almost 4 million. Ad pages were up 5%, reversing several years of decline.

It was also the first full year in which *Country Living* was published as a monthly, to become one of the most successful startups in Hearst's history. Circulation was at an all-time high of 1 million and 1983 ad pages totaled a record 635.

The magazine division's "Corporate Buy" program in 1983 evolved into "Power Packages," an ad marketing program that enables advertisers to combine use of a group of magazines to achieve high penetration of key demographic markets at more economical rates. One of three Hearst "Power Packages" is "Woman Power," consisting of *Cosmopolitan, Good Housekeeping* and *Redbook*. The year also saw the unveiling of *House Beautiful's First Home*, a 64-page magazine that began publishing this month.

After two years of recession, the general upswing in the national economy had a positive effect on Hearst operations, particularly in newspapers, where an improved climate for advertising resulted in steady gains in retail and classified ad volume.

Total circulation at the company's 14 daily newspapers remained at slightly more than 1 million and circulation at its eight Sunday papers neared the 2 million mark. Circulation figures for Hearst's nondaily newspapers totaled another 400,000 per week during 1983.

Aggressive growth is at the heart of the major comeback taking place at some Hearst newspapers. The company has added seven daily and 30 weekly papers in the past four years, including a new daily sports product, *Sportsfirst*. Launched in 1983 at the *Baltimore News American*, the publication reportedly has received good

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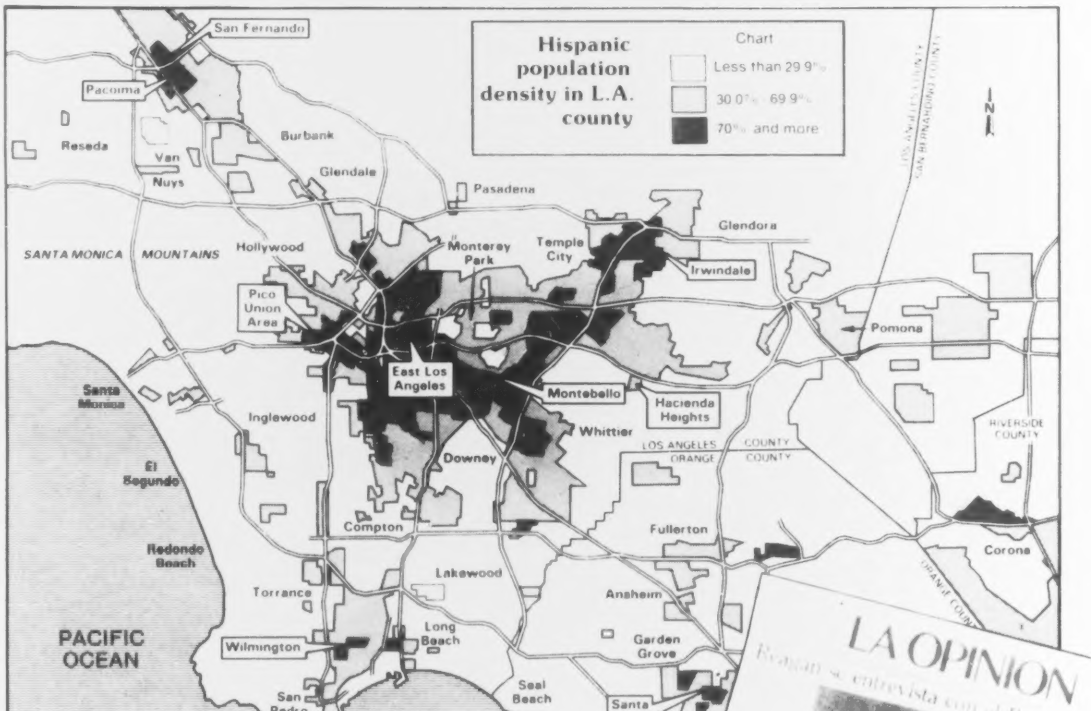

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Los Angeles, California 90015

market acceptance. *Sportsfirst* has a magazine format, heavy emphasis on local Baltimore teams and a late deadline, which allows final scores on the West Coast to be included.

The *San Francisco Examiner* introduced a completely redesigned Sunday magazine. Circulation was up 1.5% to 706,150 for the combined *Examiner & Chronicle* Sunday paper in the March 31, 1984, ABC reports, but the evening *Examiner* dropped 0.7% to 152,321. Ad linage at the paper, particularly classified, began to grow again and new growth opportunities were expected with the added capacity provided by the new $36 million East Bay satellite printing plant.

In Los Angeles, circulation at the *Herald Examiner* declined 10.9% for the evening paper to 236,660, and 25.5% for the Sunday product to 219,900, according to the ABC March 31 report. The paper launched a weekly "Las Vegas" magazine, which is being circulated in the Sunday paper and through the network of Hearst's weekly newspapers in Southern California. At the same time, the newspaper continues to explore new editorial approaches to make it more competitive with its rival, the *Los Angeles Times*. Two such experiments were a redesigned Sunday prototype and a Spanish-language newspaper, the latter designed for high-density Hispanic areas in eastern and central Los Angeles.

Neither of the Los Angeles projects proceeded further than the testing stage. The exit of Buddy Hayden as president-ceo, *Herald Examiner*, came after a Hearst Corp. decision not to proceed with the redesigned Sunday edition.

Despite unfavorable economic conditions in some markets, four of Hearst's five vhf tv stations and its four am radio stations maintained the lead in their respective markets. The broadcast group also added a new unit, Hearst Broadcasting Productions, which in partnership with King Features Entertainment, is developing original programing for Hearst tv stations that can also be syndicated to other stations.

In cable communications, Hearst/-ABC Video Services, a joint venture of Hearst and ABC, continued to pursue opportunities in the advertiser-supported cable tv satellite network business.

However, two networks developed by the venture, ARTS and Daytime, made significant changes in their operations in recent months.

The Entertainment Channel, a joint venture of RCA Corp. and Rockefeller Center, folded in March, 1983, after less than a year of operation. It joined with Hearst's ARTS to become an advertiser and cable system-supported service in February, 1984. The new service is known as the ARTS & Entertainment Network. ABC Video Enterprises and RCA Cable each own one-third of the cable network.

At the end of November, 1983, an agreement was reached to merge Daytime with the Cable Health Network. The new 24-hour service started in February, 1984, and is called Lifetime. It is operated by Hearst/ABC Viacom Entertainment Services, a joint venture of Hearst/ABC Video Service and Viacom's Cable Health Network. It features programs on personal health, fitness, current trends and life style.

Hearst Cablevision of California now has four systems (Santa Clara, Los Gatos, Milpitas and Newark, Cal.) and serves about 28,000 subscribers.

With other Hearst groups, the cable communications group is developing a corporate strategy for the emerging electronic publishing field. The group also continues to study acquisition candidates and is pursuing systems that meet the company's acquisition standards.

MEDIA PROPERTIES

Broadcasting

TV: KMBC, Kansas City, Mo.; WBAL, Baltimore; WDTN, Dayton, O.; WISN, Milwaukee; WTAE, Pittsburgh.

RADIO: WTAE (am) and WHTX (fm), Pittsburgh; WAPA (am), San Juan, Puerto Rico; WISN (am) and WLPX (fm), Milwaukee, and WBAL (am) and WIYY (fm), Baltimore.

Cable/video

Hearst Cablevision of California (28,000 San Francisco Bay Area subscribers); Hearst/ABC Video Services, Hearst/ABC Viacom Entertainment Services and Hearst/ABC-RCTV (joint ventures in programing).

Magazines

Colonial Homes, Connoisseur, Cosmopolitan, Country Living, Good Housekeeping, Harper's Bazaar, House Beautiful, House Beautiful's First Home, Motor Boating & Sailing, Popular Mechanics, Redbook, Science Digest, Sports Afield, Town & Country. Also, the Hearst Books/Business Publishing Group, which includes United Technical Publications, has more than 35 titles including: *American Druggist, Electronic Products, EEM-Electronic Engineers Master, I.C. Master, I.C. Update, Integrated Circuits, Motor, Today's Office, Office World News, Lens, Lens On Campus, Floor Covering Weekly, Industrial Machinery News, Black Book Guides.*

Newspapers (dailies)

CALIFORNIA: *Daily Southeast News* (Southeast Los Angeles), *Huntington Park Daily Signal, Los Angeles Herald Examiner, San Francisco Examiner.* ILLINOIS: *Edwardsville Intelligencer.* MARYLAND: *Baltimore News American.* MICHIGAN: *Huron Daily Tribune, Midland Daily News.* NEW YORK: *Albany Knickerbocker News, Albany Times-Union.* TEXAS: *Midland Reporter-Telegram, Plainview Daily Herald, San Antonio Light.* WASHINGTON: *Seattle Post-Intelligencer.*

Newspapers (nondailies)

29 weeklies in California and two in Michigan.

OTHER OPERATIONS

Arbor House Publishing, Avon Books, Cal Graphics, Communications Data Services, Eastern News Distributors, Hearst Advertising Service, Hearst Broadcasting Productions, Hearst Metrotone News, Hearst Special News Service, International Circulation Distributors, King Features Entertainment, King Features Syndicate, Motor Books, William Morrow & Co. (includes Hearst Books and Hearst Marine Books), Pejepscot Paper Division, Puck-The Comic Weekly, Reader Mail Inc., Arthur Schroeder Paper Co., Data Resources Division.

Houston Chronicle Publishing Co.

Revenues	1983	1982
Media	$186,200,000	$167,900,000
Other	— —	— —
Total	$186,200,000	$167,900,000

Houston Chronicle Publishing Co., Houston, is the nation's 51st largest media company, with 1983 revenues estimated by Advertising Age at $186.2 million, all from the company's sole media property, the *Houston Chronicle*.

The company had estimated media revenues of $167.9 million in 1982.

The *Chronicle* continued its record as the nation's leader in classified ad linage for the sixth year in a row, and as the nation's second largest in total ad linage for the third year, second only to the *Los Angeles Times*.

The all-day newspaper strengthened its leadership in 1983, and in the first four months of 1984 increased classified ad linage by 16.5% over the first four months of 1983, despite the continued depression of Houston's economy.

Chronicle classifieds are promoted constantly in radio and r.o.p. ads and in some tv spots, but no discounting or promotional programs are used by the *Chronicle* unless it is forced to by competition, *Chronicle* officials say.

The *Chronicle* has continued its all-day strategy, emphasizing to prospective subscribers that they have a choice of morning or evening delivery. During the months that the paper's morning competitor, the *Houston Post*, was in negotiations to be sold, the *Chronicle* took advantage of the *Post's* relatively quiet time to promote and further position itself as *the* source of information in Houston.

In mid-1983, the *Chronicle* was expected to add a satellite printing and distribution center on a 21-acre tract west of Houston where the city's growth is strong.

That development was postponed when the *Chronicle* purchased the former *Post* downtown printing plant from Hobby-Catto Interests Inc., which had leased the facility to the *Post* until new presses could be installed at *Post* headquarters. The *Chronicle* will take over the plant in June, 1985.

In January, 1984, the *Chronicle* began to change its graphics, reorganize some areas and strengthen local coverage. The newspaper had made some graphic changes when *USA Today* entered the market during the year, but the 1984 shift was more extensive and coordinated.

Parade terminated its contract with the *Post* after Toronto Sun acquired the *Post*, and the *Chronicle* quickly picked up *Parade*. During the summer of 1984, *Parade* is testing distribution of the magazine in the *Chronicle* with the newspaper's own Sunday magazine tucked into *Parade* and presented as a single package.

In the fall of 1983, the *Chronicle* tested street sales in Dallas with about 75 racks placed in the city's downtown area. But the *Chronicle* withdrew the news racks before the end of 1983.

The newspaper's 5,000 racks in Houston were given a bold new design featuring a white background and super graphic decals wrapped around the racks, with a red accent. The design was created to position the *Chronicle* more effectively against the colorful point-of-sale display of *USA Today*, the *Chronicle* said.

MEDIA PROPERTIES

TEXAS: *Houston Chronicle.*

Howard Publications

Revenues	1983	1982
Media	$150,000,000	$139,500,000
Other	— —	— —
Total	$150,000,000	$139,500,000

Howard Publications, Oceanside, Cal., is the 62nd largest media company in the U.S. All the company's 1983 revenues, estimated by Advertising Age to be $150 million, were from media holdings.

Howard derives its media from 19 daily newspapers, the CBS-TV affiliate in Buffalo, N.Y., and cable tv systems in California and Wyoming.

The privately held company's founder and owner, Robert S. Howard, indicates that advertising linage for his 19 dailies increased "very moderately" in 1983, after a "flat" performance the year before. Mr. Howard also says over-all newspaper circulation was up about 1% last year, when the total was 460,000.

The company's *Cedar Falls Record* has been merged with the *Waterloo Courier* in Iowa to create an afternoon and Sunday paper with a daily circulation of about 59,000. Howard purchased both papers early in 1983; the *Cedar Falls Record* had been the smallest of Howard's properties, with a premerger morning circulation of about 4,500. Howard's largest newspaper is the *Hammond* (Ind.) *Times*, with a daily circulation reported by the company at about 72,000 daily and 78,000 on Sunday.

Last year, the company expanded in cable tv. It added more than a half-dozen new franchises to its California properties. The subscriber total for Los Angeles-based Falcon Communications has more than doubled since mid-1983, to 71,000, according to Mr. Howard. Falcon is 80% owned by Howard and Donrey Media Group, Fort Smith, Ark. Newest franchises are Pasadena, Montebello, Monterey Park, Temple City, San Gabriel, West Covina, Norco, Walnut, Riverside and some areas of Los Angeles County.

Mr. Howard says no new additions are in the works. The company is concentrating on building up the current systems, which will take another year and a half. Howard and Donrey also own Overthrust Cable TV in Evanston, Wyo.

Mr. Howard says several of the company's cable operations are beginning to carry advertising "to a modest degree." While he says he believes that this is a growth area to pursue, he says nobody knows what the real potential of advertising on cable will be.

In the broadcast area, Howard's sole property is WIVB-TV, Buffalo, the No. 2 station in its market. The station's earnings have risen steadily since Howard purchased it in 1977, the company says.

MEDIA PROPERTIES

Broadcasting

TV: WIVB, Buffalo, N.Y.

Cable/video

CALIFORNIA: Alhambra, Huntington Park, Montebello, Monterey Park, Norco, Norwalk, Pasadena, Riverside, San Gabriel, Temple City, Walnut, West Covina and unincorporated parts of Los Angeles County. WYOMING: Evanston.

Newspapers (dailies)

CALIFORNIA: *Oceanside Blade-Tribune, San Clemente Sun-Post.* COLORADO: *Northwest Colorado Press* (Craig). IDAHO: *Twin Falls Times-News.* ILLINOIS: *Charleston Times-Courier, Freeport Journal-Standard, Mattoon Journal-Gazette, Pekin Daily Times.* INDIANA: *Hammond Times, Logansport Pharos-Tribune & Press.* IOWA: *Sioux City Journal* (owned jointly with Hagadone Newspapers), *Waterloo Courier.* KENTUCKY: *Maysville Ledger-Independent.* NEW YORK: *Auburn Citizen-Advertiser, Corning Leader, Glens Falls Post-Star.* PENNSYLVANIA: *Carlyle Sentinel.* SOUTH CAROLINA: *Orangeburg Times & Democrat.* WYOMING: *Casper Star-Tribune.*

International Data Group

Revenues	1983	1982
Media	$85,000,000	$49,000,000
Other	25,000,000	15,000,000
Total	$110,00,000	$64,000,000

International Data Group, Framingham, Mass., is the 97th largest U.S. media company with 1983 media revenues of $85 million, or 77.3% of $110 million total revenues recorded by this computer information company, which has grown like the computer industry it serves.

IDG media revenues increased 73% from the previous year. Total revenues soared 69% above 1982 totals.

IDG is a holding company with two subsidiaries, Interdata Corp. and CW Communications. Interdata is devoted to market research in the computer field, and CW Communications to the publishing of periodicals in the computer field.

IDG's large gains are attributed to three factors: The startup of *PC World* magazine, acquisition of the Wayne Green Group of publications, and growth of *Computerworld*, according to Jack Edmonston, IDG's group vp-communications services.

Company growth to date is only the beginning, Walter Boyd, publisher CW Communications, says of IDG, which entered the publishing business in 1967 as a kind of last-minute hip shot:

"Over-all, for the past two years our volume of business has doubled each year. IDG plans to be a billion-dollar company by 1990. To do that we will have to grow 40% each year from now until then, and I see every possibility that we will do so."

This growth is aimed at specific goals, strictly in IDG's proven field of activity—information processing. "We don't intend to become a McGraw-Hill, with publications in many different fields," Mr. Boyd says.

CW Communications has more than 400 editors and reporters producing more than 50 tabloids and magazines with combined monthly readership exceeding 9 million.

Of these publications, 15 are U.S.-based, published in four separate groups: CWC/I, Framingham, Mass.; CWC/I, Peterborough, N.H.; PC World Communications Inc., San Francisco, and Popular Computing Inc., Menlo Park, Cal.

Also, there are nearly 40 international publications in 17 countries organized into four groups: Northern Europe, Southern Europe, Central and South America and the Pacific.

At CWC/I, Framingham, is the company's leading publication, *Computerworld*, a weekly with total ad revenues of $42.8 million, an increase of 50% from 1982. The flagship publication established in 1967, is tabloid in format and has all-paid circulation exceeding 122,000 (CWC/I claims total readership of nearly 600,000).

The Framingham arm also publishes three related *Computerworld* publications, each with 115,000 circulation: Semi-annual *Computerworld Office Automation*, every-other-monthly Computerworld on Communications and every-other-monthly *Computerworld Buyer's Guide*.

CW Communications took a major step toward its development goals in July, 1983, when it purchased Wayne Green Publications Group, based in Peterborough, N.H. Under publisher Wayne Green, the southern New Hampshire company had established a number of microcomputer-user publications.

The group, newly named CWC/I, Peterborough, publishes mainly machine-specific publications. These magazines and their paid circulations are:

- *80 Micro* for Tandy Radio Shack TRS-80 users, 145,000 copies, with ad revenues climbing from $4.45 million to $5.7 million in 1983.
- *Hot Coco*, a paid monthly for users of the TRS-80 Color Computer, had 1983 revenues (seven issues) of $400,000. Its circulation of 145,000 was 190% ahead of 1983.
- *inCider*, more than 125,000 paid monthly circulation, edited for users of Apple computers and equipment compatible with Apples—a new magazine with 1983 ad revenue of $3.5 million.
- *Run*, for Commodore 64 and Vic 20 users, has circulation of 146,000 paid monthly.
- *jr*, an IBM PC*jr* magazine, which premiered in May with projected 100,000 monthly paid circulation.

CWC/I Peterborough also includes more general and less successful fare. *Microcomputing*, for the computer user with advanced skills, circulates more than 100,000 paid copies monthly. Ad revenues for 1983 were off 30%, dropping to $1.16 million. *73*, a hobbyist's magazine primarily geared to ham radio operators, circulates more than 90,000 paid copies monthly. Ad revenues were off 36% to $777,000, a reflection of the diminishing interest in amateur radio communications as its partisans' age (average ham radio operator is 57) and other kinds of electronics capture the fancy of the younger audience, says the company.

Although Wayne Green has stepped down as publisher, his name will continue on the masthead of the Peterborough magazines as "founder." He is now heading a new IDG-created company, Wayne Green Enterprises, that will produce a digital audio publication and a software protection device.

"Rocketing success" is the name of the publishing game at *InfoWorld*, produced by CWC/I subsidiary Popular Computing Inc., in Menlo Park, Cal. This weekly news magazine for personal computer users has a 100,000-plus paid circulation and zoomed 101% in ad revenues for the year to $10.05 million in 1983.

CW Communications' other California subsidiary, PC World Communications, San Francisco, publishes two other magazines, both new. *PC World*, a monthly, is aimed at operators of IBM PC and compatible computers. Monthly paid circulation exceeds 200,000, and 1983 ad revenues totaled $8.2 million. Covering Apple's Macintosh and Lisa II models is *MACWORLD*, an every-other-monthly due to go monthly in November and circulating more than 200,000 paid copies, but too new yet for revenue results.

At the heart of the IDG organization is the Central Services Facility in Framingham, which supplies the various publications with supportive services such as circulation promotion, sales programs, market research and printing production. Also in Framingham is the home base of IDG's International News Network, which services the tabloids and magazines with as much as 30% of their news copy.

MEDIA PROPERTIES

Tabloids/magazines, U.S.

CW Communications Inc., Framingham, Mass.: *Computerworld* (tabloid), *Computerworld Office Automation, Computerworld on Communications, Computerworld Buyers Guide, Micro Marketworld* (tabloid—formerly *ISO World*). CW Communications Inc., Petersborough, N.H.: *Microcomputing, 80 Micro, HOT CoCo, inCider, Run, jr. 73.* Popular Computing Inc., Menlo Park, Cal.: *InfoWorld.* PC World Communications Inc., San Francisco: *PC World, MACWORLD.*

Tabloids/magazines, international

ARGENTINA: *Computerworld Argentina.* ASIA: *Asian Computerworld.* AUSTRALIA: *Computerworld Australia, Australia Micro Computerworld, Australia PC World.* BRAZIL: *DataNews, Micro Mundo.* DENMARK: *Computerworld Denmark, Micro Verden.* FRANCE: *Le Monde Informatique, Golden, PC World France* (OPC). GERMANY: *Commodore, CW Edition Seminar, Software Market, Computerwoche, Micro Computer-Welt, PC Welt, Computer Business.* ITALY: *Computerworld Italia.* JAPAN: *Computerworld Japan, PersoCom World.* NETHERLANDS: *Computer Benelux, Micro/Info.* NORWAY: *Computerworld Norway.* MEXICO: *Computerworld Mexico, CompuMundo.* PEOPLE'S REPUBLIC OF CHINA: China Computerworld (50% joint venture). SAUDI ARABIA: *Saudi Computerworld.* SPAIN: *Computerworld Espana, Micro Systemas.* SWEDEN: *ComputerSweden, MikroDatorn, Min Hemdator, Mikro.* U.K.: *Computer Management, Computer Business Europe, Computer News.*

Ingersoll Publications Co.

Revenues	1983	1982
Media	$129.0 mil.	$95.0 mil.
Other	—	—
Total	$129.0 mil.	$95.0 mil.

Ingersoll Publications Co., Lakeville, Conn., is the 74th largest U.S. media company, with media revenues estimated by ADVERTISING AGE at $129 million, compared with estimated media revenues of $95 million in 1982.

Traditionally known as "newspaper doctors," the company strayed from that role when, in May, 1983, it purchased the two family-owned chains that comprise Suburban Newspapers of Greater St. Louis for $80 million.

The St. Louis weeklies long have been considered a viable operation, which leads those in the industry to question the role they will play in Ingersoll's stable of "former underdogs."

"There definitely has been a shift in our operating philosophy—for a couple of reasons," says Ralph Ingersoll II, president of each newspaper corporation under the Ingersoll umbrella.

The main reason for the change is the availability of more resources, Mr. Ingersoll says. The company now has the capital to support strong—even growing—ventures.

Structurally, Ingersoll operates as a confederation, with various properties managed and some owned in part by Ingersoll. The company, which publishes 23 dailies and more than 40 weeklies in 12 states, earned its reputation by assembling syndicates to purchase ailing newspapers, often taking an equity position and then managing the papers.

Regarding the history of his company, Mr Ingersoll says, "When you're growing, you can buy more for less when it's broken."

This proved to be the case in the purchase of both the *Orange Coast Daily Pilot* in February, 1983, and the *Terre Haute* (Ind.) *Tribune-Star* in March, 1983. At the time of their purchase, both papers were suffering from what Mr. Ingersoll refers to as financial and managerial problems—and, for the *Tribune-Star*, union disputes.

According to Mr. Ingersoll, both papers are performing "very well." Since its aquisition, the *Tribune-Star* has shown a slight increase in circulation, despite the merging of a morning and evening edition, which usually results in some loss of readership. Tom Geyer, president-ceo, Ingersoll Publications, says the *Tribune-Star* is "one of our most pleasing turnarounds."

Mr. Ingersoll says the $80 million in cash paid for the St. Louis suburban papers was "well worth it." With most of the company's papers printing on a daily basis, Ingersoll sees a fundamental shift toward weeklies under way in America. "We've observed weeklies enjoying unbroken growth in market share, ad linage and reader acceptance," Mr. Ingersoll says.

Concerning the stiff competition metropolitan dailies are faced with from free-circulation newspapers in the St. Louis market, Mr. Ingersoll says, "We have it all under one umbrella."

The largest individual Ingersoll paper, in terms of circulation, is the morning *Trentonian*, in Trenton, N.J.,with the most recent available daily figure of 66,050 as of March 31, 1982.

The *Trentonian*—along with the *Trenton Times*—is in one of few markets left with evenly matched, independently owned newspapers.

In June, 1983, Mr. Ingersoll charged Allbritton Communications, owner of the *Times*, with illegally misrepresenting its circulation figures and that the Audit Bureau of Circulations (ABC) aided that fraud.

In October, 1983, the *Times* filed a countersuit in Trenton, N.J., federal court, contending that the *Trentonian's* management was using a variety of illegal tactics to run the *Times* out of business.

Following the ABC's attempt to have the suit filed against it dismissed, a federal judge in Newark, N.J., ruled that the *Trentonian* could go ahead with its suit against the *Times* and the ABC. The case still is pending in federal court in New Jersey.

Mr. Ingersoll, who is primarily concerned with what he considers inaccurate ABC audit procedures, says, "The case will come to a head this summer, in July, and we are absolutely right." To date, Ingersoll Publications has spent $1.4 million on the case.

In line with its new philosophy, Ingersoll is negotiating for newspapers with circulation between 30,000 and 50,000 daily.

MEDIA PROPERTIES

Newspapers

CALIFORNIA: Costa Mesa newspapers, Costa Mesa—*Orange Coast Daily Pilot* (d*). JFP Publications, Glendale—*Glendale News Press* (d), *Burbank Daily Review* (d), *Leader, Burbank Weekly Review, Glendale Weekly Review, North Hollywood Review.* OSWeGI Newspaper Publications, Richmond—*Contra Costa Independent* (d), *Berkeley Gazette* (d), *News, Times Journal.* CONNECTICUT: Milford Publishing, Milford—*Milford Citizen* (d), *Stratford Bard, West Haven News, Milford Reporter.* INDIANA: Terre Haute Newspapers, Terre Haute—*Tribune-Star* (d). MASSACHUSETTS: Berkshire Newspapers, North Adams—*North Adams Transcript* (d). Northeast Publishing, Fall River—*Fall River Herald News* (d). MICHIGAN: Royal Oak Newspapers, Royal Oak—*Royal Oak Tribune* (d), *Tribune Plus.* MISSOURI: Suburban Newspapers of Greater St. Louis. NEW HAMPSHIRE: Eagle Publications, Claremont—*Claremont/Springfield* (Vt.) *Eagle-Times* (d), *Advisor.* NEW JERSEY: Capital City Publishing, Trenton—*Trentonian* (d), *Midweek, Weekend.* Manahawkin Newspapers, Manahawkin—*Beach Haven Times, Beacon, Summer Times.* Pre-

Eugene Patterson

THE SECOND HUNDRED

The St. Petersburg Times, Florida's largest independently-owned newspaper, celebrates its 100th Anniversary July 25, 1984. In this golden year, the newspaper has twice won international acclaim: as one of Time magazine's 10 best U.S. newspapers and as Eastman Kodak's World's Best in color reproduction.

These honors serve as a benchmark of the newspaper's progress in its first 100 years and as a standard to uphold in meeting these goals set for The Second 100 by Times' Chairman of the Board and Chief Executive Officer Eugene Patterson:

"In our second century, the St. Petersburg Times will grow and stretch and enlarge its vision to match the coming growth of Florida and the communities we serve.

"To keep pace with public needs, we must elevate our capacities to explain and simplify and clarify complex issues that will confront the self-governing society so that citizens can comprehend and decide these issues wisely.

"We must maintain and advance the Times' commitment to highest quality in content, in printing, in service to our people's commerce as a vital advertising medium.

"We will renew this newspaper's dedication to placing the public's interest ahead of private advantage, and to shielding the people's rights against abuse by claimants of privilege or holders of power.

"Most of all, by the simple force of gathering and presenting facts and searching them for truths, we will seek to illuminate the new century for the public to whose service we rededicate our daily labors."

ST. PETERSBURG TIMES · 1884 · 1984 · A CENTURY OF SERVICE

St. Petersburg Times

Evening Independent

100

cision Publications. Toms River—*Toms River Ocean County Times-Observer* (d). *Jackson News, Point Pleasant Leader.* Riverdale Publishing, Butler—*Suburban Trends.* RNI Publications, Ridgewood—*Ridgewood News, Local Review, Sunday News, Sunday Post.* NEW YORK: Mid-Hudson Publications, Kingston—*Daily Freeman* (d). Oneida Publications, Oneida—*Oneida Daily Dispatch* (d). Tonawanda Publishing Corp., North Tonawanda—*Tonawanda News* (d). *Kenmore Record-Advertiser, Tonawanda News Extra.* OHIO: Massilon Newspapers, Massillon—*Evening Independent* (d). Phoenix Publications, Niles—*Daily-Times* (d). *Girard News, Hubbard News, Liberty News, Austintown Leader, Poland Clarion, Howland Bandwagon, Courtland Home News, Western Reserve Democrat, Brookfield Masury News.* PENNSYLVANIA: Acme Newspapers, Ardmore—*Main Line Times, News of Delaware County, Neighbors News, Germantown Courier, West Philadelphia Scene, TMC News.* Central States Publishing, Primos—*Delaware County Times* (d). Community Service Publishing, Coatesville—*Coatesville Record* (d). *Tri-County Shopper News, Chester County Courier.* Peerless Publications, Pottstown—*Mercury* (d). Phoenixville Newspapers, Phoenixville—*Evening Phoenix* (d). Shenandoah Valley Publishing, Shenandoah—*Evening Herald* (d). Wayne Publications, Wayne—*Suburban* and *Wayne Times, Suburban Advertisers, King of Prussia Courier.* RHODE ISLAND: New England Newspapers, Pawtucket—*Pawtucket-Central Falls Times* (d).

*(d) means daily. Papers not marked as such are either weeklies or shoppers.

Jefferson-Pilot Corp.

Revenues	1983	1982
Media	$109,300,000	$101,100,000
Other	920,700,000	922,900,000
Total	$1.030 bil.	$1.024 bil.

Jefferson-Pilot Corp., Greensboro, N.C., is the nation's 82nd largest media company, with media property revenues in 1983 of $109.3 million, or 10.6% of total revenues of $1.030 billion. Of the media contributors, broadcasting provided $66.4 million and newspapers contributed $42.8 million in revenues. Media revenues on a year-to-year basis increased 8% over 1982.

The publicly held company's major business is insurance. Of the company's $98.7 million profit, its broadcasting division accounted for $8.67 million and publication (newspapers) division added $2.4 million.

Jefferson-Pilot Broadcasting rebounded from a sluggish 1982 with strong local sales in both radio and tv offsetting continued softness in national sales.

"The country had a consumer driven economic recovery, and our local retail business reflected that," says Waliace Jorgensen, president, Jefferson-Pilot Broadcasting.

"Our local sales showed substantial gains in both radio and television in all markets. The national spot business has been soft throughout the year, but we had enough increase in our local volume to offset the shortages in the national business we had anticipated," he adds.

Mr. Jorgensen says the company added more than $5 million in new business during 1983, a 1% increase over 1982. He notes the company's radio properties in Atlanta (WQXI am, fm) and Denver (KIMN am and KYGO fm) and the tv station in Richmond (WWBT) "did remarkably well. The common thread that ran through those markets was the stability of our sales staff. We had little or no turnover."

The company's Charlotte station (WBTV) expects to be broadcasting from its new tower by the end of October. The $5 million project will nearly double the present antenna height above average terrain.

WBTV pioneered the industry's first local-national teletext service in April when it added 20 pages of locally produced material to 80 pages of the CBS ExtraVision national teletext service. The local ExtraVision project cost about $300,000 to mount, but Mr. Jorgensen says the company would be spending "in six figures but much less than $300,000" annually to keep it running.

"It will be three years before we see any significant impact from it," he says, "and we're convinced the secret to making it successful is the local-national combination." He says the company wouldn't expand its teletext effort "until we get some action in the receiver area." High-priced decoders have kept teletext household penetration very low.

The company in March sold its Wilmington, N.C., radio stations, WWIL (am) and WHSL (fm), but Mr. Jorgensen says the company "is on the lookout for acquisition opportunities. Without disclosing markets, we're looking at three right now, both radio and television."

Jefferson-Pilot Teleproductions, a Charlotte-based production house, extended its involvement with the nation's most successful regional sports package by extending its three-year, $18 million contract to broadcast Atlantic Coast Conference basketball games through 1990.

The 38-game package regularly achieves shares in the mid-30s for prime-time games, and its commercial time has been sold out each of the three years Jefferson-Pilot has broadcast the games (in partnership with sports packager Raycom Inc. of Charlotte).

However, the basketball deal also spawned the disastrous "Season Ticket," a joint venture with Entertainment & Sports Programming Network in which a package of 21 additional ACC games were shown in the five-state ACC region for an additional cost but broadcast nationally as part of ESPN's basic feed. Cable operators complained, fans attacked the pay-for-play idea and avoided the package in droves. It was abandoned in mid-season. Mr. Jorgensen says he believes regional pay packages eventually will be accepted but, asked if the company would attempt to resurrect "Season Ticket" this season, his answer is a quick and resounding "No."

The Electronic News Processing computer newsroom system continues to be a slow seller, but Mr. Jorgensen says a microcomputer system for news archival and retrieval "has turned out to be popular."

Jefferson-Pilot Retail Sales, a consulting company that helps stations take advantage of vendor credits built up by their advertisers, "made a profit its first year of operation," Mr. Jorgensen says.

Operating income from Jefferson-Pilot Publications slipped 20% in 1983 as revenues increased only 0.5%. In May, the company announced it would sell its newspaper operations in eight Texas and Oklahoma cities. Those sales would leave Jefferson-Pilot with two dailies (in Beaumont, Tex., and Clearwater, Fla.) and a group of weeklies based in Plant City, Fla.

"We have decided that we should either go one way or the other in the newspaper business, either expand or cut back," Jefferson-Pilot vp John T. Warmath Jr. says. There is speculation within the company that Jefferson-Pilot eventually may get out of the newspaper business, but, Mr. Warmath says, "That decision hasn't been made."

Among the newspapers for sale are the *Mineral Wells Index* and the *Palo Pinto Star*, papers Jefferson-Pilot acquired in 1983. Other properties for sale are located in Altus, Hollis, Sayre and Snyder, Okla., and Jasper, Laredo and Texas City, Tex.

MEDIA PROPERTIES

Broadcasting

TV: WBTV, Charlotte, N.C.; WWBT, Richmond, Va.

RADIO: KIMN (am) and KYGO (fm), Denver; WGBS (am) and WLYF (fm), Miami; WQXI (am), Atlanta; WQXI (fm), Smyrna, Ga; WBT (am) and WBCY (fm), Charlotte, N.C.; WBIG (am), Greensboro, N.C.

Newspapers (dailies)

FLORIDA: *Clearwater Sun.* OKLAHOMA: *Altus Times.* TEXAS: *Beaumont Enterprise, Beaumont Journal, Laredo Times, Texas City Daily Sun, Mineral Wells Index.*

Newspapers (nondailies)

FLORIDA: *Brandon News, Brandon News Weekender, Palmetto Press, Plant City Courier.* OKLAHOMA: *Blair Enterprise, Granite Enterprise, Hollis News, Kiowa County Democrat* (Snyder), *Jackson County News* (Duke). TEXAS: *Hardin County News* (Lumberton), *Jasper News Boy, Palo Pinto Star.*

OTHER OPERATIONS

Life, casualty and title insurance.

Journal Co.

Revenues	1983	1982
Media	$177,300,000	$165,800,000
Other	125,400,000	124,200,000
Total	$302,700,000	$290,000,000

Journal Co., Milwaukee, is the 52nd largest media company in the U.S., with 1983 media revenues of $177.3 million in 1983, or 59% of total revenues of $302.7 million. In 1982, the company posted media revenues of $165.8 million, or 57% of $290 million in total revenues.

Net income rose 42%, to $26.7 million, in 1983, reversing the 17% loss the company reported in 1982. Journal Co., which is privately held, does not break down earnings by company segments.

A resurgence in publishing and broadcast revenues accounted for the gain, according to the company, but was offset somewhat by increased paper costs in its printing operations.

Performance of the Journal Co.'s print properties was mixed. While circulation figures were down slightly for both the *Milwaukee Journal* and *Sentinel* newspapers, ad linage and ad revenues were up.

Ad linage for 1983 grew 3.9% and ad revenues were up 5% over 1982, according to the company. Ad rates increased modestly.

The ABC March, 1984, report shows circulation for both papers fell slightly from the same period in 1983. Circulation for the *Journal* in 1984 was 306,055, off 0.5%; the *Sentinel's* circulation was 180,371, down 0.9%.

Thomas J. McCollow, former president of Journal Co., was promoted to chairman of the board, replacing Donald B. Abert, who retired after 55 years with the company. Mr. McCollow was replaced as president by Warren J. Heyse, formerly exec vp.

Robert A. Kahlor is now president of Newspapers Inc., which governs the two newspapers. Mr. Kahlor was formerly senior vp-operations of Newspapers Inc.

Staff for both papers voted to institute a guild in June, 1984, by a vote of 161 to 136. The guild will cover the editorial staff of the *Journal* and *Sentinel*, as well as the library staff, which serves both papers of the employe-owned company. Journal Co.'s tv properties include ABC affiliate KNTV, Las Vegas, and WTMJ-TV, the NBC affiliate in Milwaukee.

KNTV is ranked No. 1 in a tight market that includes the top independent station in the country, edging out CBS affiliate KLAS in the last Arbitron Ratings Co. rating period.

The station is attempting to establish itself as the market's "community station" with an extensive media campaign. It also is attempting to boost its news ratings, where it currently ranks No. 2, with a revamped news team lineup and new broadcasting facilities, which it will move into in August.

WTMJ-TV ranks third over-all in the Milwaukee market, tied in ratings and a share point below ABC affiliate, WISN. WITI, the CBS affiliate, ranks first, according to Arbitron. The station promoted Wayne Barnett, former news director at the station, to general manager. He replaces Wayne Godsey, who left to join WISN.

Radio properties include WTMJ (am) and WKTI (fm), both based in Milwaukee.

The company consolidated its printing plants, folding both Milwaukee-based Tempo Inc. and Trumbull Printing Co., Fairfield County, Conn., into Perry Printing Co., Waterloo, Wis. Add Inc., a group of shoppers in Montana and Wisconsin, added the *New London Press-Star* to its list of eight properties.

In its cable operations, Journal Co. discontinued its Teltron Electronic Informations Systems in 1983. The two-channel system, one news and one advertising, was dropped because it failed to penetrate the market effectively, according to the company.

The system, which was hooked up in late 1981, served the west and northwest suburbs of Milwaukee. It reached only 30,000 of the 400,000 homes in the Milwaukee market.

Another cable property, Teltron Inc., is meeting projections, according to the company. The system, which was added in 1982, serves the central Wisconsin cities of Stevens Point, Wausau and Wisconsin Rapids.

Journal Co. also owns Teleport, Skokie, Ill., a division of Midwestern Relay Co. Teleport supplies communications satellites to feed signals to Chicago-area broadcasters for pickup and transmission.

MEDIA PROPERTIES

Broadcasting

TV: KTNV, Las Vegas; WTMJ, Milwaukee.

RADIO: WTMJ (am), WKTI (fm), Milwaukee.

Cable/video

Teltron Cable TV, serving Stevens Point, Wausau and Wisconsin Rapids.

Newspapers (dailies)

WISCONSIN: *Milwaukee Journal, Milwaukee Sentinel.*

Newspapers (nondailies)

CONNECTICUT: Hometown Publishing, includes *Easton Courier, Huntington Herald, Monroe Courier, Trumbull Times.*

Shoppers

Add Inc. with papers in MONTANA: Great Falls, Missoula. WISCONSIN: Berlin, New London, Seymour, Stevens Point, Waupaca, Wausau, Wisconsin Rapids.

OTHER OPERATIONS

Education: MJE Corp., Niles, Ill. Microwave service: Midwestern Relay Co. Commercial Printing: Perry Printing Corp., Waterloo, Wis., with plants in Baraboo, Milwaukee, Norway, Mich., and Trumbull, Conn.; Edwards & Deutsch, Cicero, Ill.

Knapp Communications

Revenues	1983*	1982*
Media	$88,500,000	$79,700,000
Other	10,800,000	13,200,000
Total	$99,300,000	$92,900,000

*Results from fiscal years 1984 and 1983 ended Jan. 31.

Knapp Communications, Los Angeles, is the country's 95th largest media company with media property revenues for the fiscal year ended Jan. 31, 1984, of $88.5 million, up 11% from the previous year. Media revenues were 89% of Knapp's total revenues of $99.3 million. Knapp's fiscal performance is treated on a calendar basis for this issue because there is only a one-month overlap.

During the year, each of Knapp's four magazines came under the leadership of new publishers, according to Harry Meyers, senior vp-magazine group publisher, who oversees operations.

Architectural Digest, which launched a much-awaited Japanese edition in November, 1983, now lists as its publisher Bob Griswold, who was recruited from the same position at McGraw-Hill's *Housing.*

Opportunities similar to the Japanese endeavor are being explored by the company in France, England, Germany, the Netherlands, Brazil and Australia. But "expanding overseas licensing agreements" is "a relatively small" part of Knapp's business this year. Instead, the company is concentrating on its four U.S. publications, Mr. Meyers says.

During calendar year 1983, *Architectural Digest's* ad pages declined 3.6% compared with 1982, but the magazine logged a 10.4% gain in gross revenues to $24.6 million. During the first six months of 1984, the magazine experienced a 22.7% increase in ad revenues over the comparable 1983 period, according to Mr. Meyer. Circulation during the six months ended Dec. 31 increased 8.1%, to 602,397.

Robert Phelps, former advertising director at Meredith's *Metropolitan Home*, this year became publisher of *Bon Appetit.* The gourmet magazine lost a slight 0.1% in ad pages, while gross revenues increased 13.8%, to $20.7 million. Circulation was up 2.8%, to 1.3 million. For the first six months of 1984, *Bon Appetit's* ad revenues were up 20%.

Geo, the natural history, travel and photojournalism magazine, entered the new year under new publisher Jack Grant, former ad director for the publication. *Geo* suffered the loss of its 47-year-old editor, David Maxey, who recently died of cancer, and is selecting a new editor. Mr. Meyers says *Geo* is "evolving on the basis of reader interest and research. We see it moving toward more and more travel."

Geo logged the biggest increase in ad pages, 54.5%, and ad revenue, 70.2%, to $2.6 million. Circulation was up 18.8%, to 233,600, and, during the first six months of 1984, ad revenues were up 44% for the still relatively new magazine that Knapp relaunched after purchasing it in September, 1981, from Gruner & Jahr, the German publishing house.

George Fields took over the publisher's post at *Home*, rising from the office of ad director. *Home* witnessed a 46.2% increase in ad pages and a revenue increase of 47.2%, to $4.6 million. Circulation was down slightly to 540,769. During the first half of 1984, *Home* has seen its ad revenues rise 74%.

"Recognizing the importance of market segmentation," as well as an improved economy are key to Knapp's improved results, Mr. Meyers says.

Last year, Knapp, "mainly as an effort of corporate good citizenship," published and marketed, at the request of the Los Angeles Olympic Organizing Committee, 15 posters by top American artists, including Robert Rauschenberg, Roy Lichtenstein and Billy Al Bengston. The posters are being sold in the U.S. and abroad.

Wilshire Marketing, which along with Knapp Press and Rosebud Books make up the balance of the Knapp organization, has become inactive as an operating entity, according to a company spokesman. He said the marketing operations that were once the responsibility of Wilshire have been divided among Knapp's other departments.

Knapp has moved to establish an as yet unnamed research and development venture.

MEDIA PROPERTIES

Magazines

Architectural Digest, AD (Milan), *Bon Appetit, Geo, Home* (general partner).

OTHER OPERATIONS

Knapp Press, Rosebud Books.

Knight-Ridder Newspapers

Revenues	1983	1982
Media	$1.451 bil.	$1.305 bil.
Other	22,713,500	[illegible]
Total	$1.473 bil.	$1.327 bil.

*Restated

Knight-Ridder Newspapers, Miami, the nation's eighth largest media company, recorded media revenues of $1.45 billion in 1983, an increase of 11.2% from 1982.

Media accounted for 98.5% of the $1.48 billion in total revenues the company had in 1983, a proportion similar to that of the previous year.

The national economic recovery rubbed off on Knight-Ridder, as reflected in the company's earnings performance. Net income in 1983 amounted to $119.4 million, a 16% increase from 1982. In the previous year-to-year period, the company was beset by sluggish advertising revenue and managed only a 2.6% increase in income.

The surge continued into the first quarter of this year. The company recorded $26.9 million in net earnings, an increase of 36.7% from the first quarter of 1983. Revenues rose 14.7%, reaching $390.7 million.

Although newspapers continue to dominate the Knight-Ridder empire, most of the attention in 1983 fell on Viewtron, the pioneering videotex system that went into commercial operation in October, about six months later than scheduled.

Viewtron is the element of the Knight-Ridder family that differentiates the company from the nation's other media giants. It gives the company a roster of media holdings that few others, if any, can match. (Times Mirror Co. is preparing to introduce its videotex system, Gateway, in Southern California in September.)

Still, no one is ready to call the system a success. The company is projecting an operating loss of $17 million in 1984.

The system, in Broward, Dade and Fort Lauderdale counties, allows fee-paying customers to receive a variety of services and advertising in their home. Initially, the customers paid $600 for a Sceptre, the hardware developed by American Telephone & Telegraph that brings the message to the home's tv. There were also a set of monthly fees and hourly use costs.

But Viewdata Corp. of America, the Knight-Ridder unit that markets Viewtron, recently introduced a monthly fee system that enables customers to lease the Sceptre. The company said the $600 charge had been hindering sales.

The key to Viewtron is its two-way capability. This enables customers to perform such services as banking and shopping in their homes, as well as allows advertisers to convey messages that the viewer requests.

So far, Knight-Ridder professes guarded optimism for Viewtron's prospects. A total of 150 advertisers have signed up, and at last count 1,500 households were using the service.

Many outsiders have a less sanguine view. Critics have pointed out that videotex in general has been much promise but little delivery, at least in terms of financial returns.

Knight-Ridder has spent more than $27 million in developing Viewtron, but it does not break down how much it provided in revenue. Its financial reports say "other" revenues, of which Viewtron is a part, brought in $23.4 million in 1983.

A crucial strategy Knight-Ridder has devised for its videotex venture is to share interest in information developed on Viewtron with other major publishing companies. Knight-Ridder has contracted with, among others, Advance Publications (S.I. Newhouse newspapers) and Scripps-Howard. This means residents of Denver, Memphis, New Orleans, Pittsburgh and elsewhere someday could have Viewtron flashing across their tv screens.

In contrast to Viewtron, Knight-Ridder's newspapers spent a quiet year introducing incremental editorial changes, shoring up advertising strength and proceeding with capital improvement projects. Nonetheless, newspapers form the company's spine: In 1983, they provided 91.1% of total revenues.

No new papers were added to the roster in 1983. In three markets, however, Knight-Ridder merged the papers it owns. The morning *Lexington Herald* absorbed the afternoon *Leader*, forming the morning *Lexington Herald-Leader*. In Macon, Ga., the same procedure took place, creating the *Macon Telegraph & News*. And in San Jose, the morning *Mercury* combined with the evening *News* to make an all-day paper, the *San Jose Mercury News*.

In advertising, full-run linage declined about 4% from 1982, but advertising revenues rose 11.4%. Classified ads, which showed the strongest gains, were up 18.1%.

Among Knight-Ridder's newspapers, the flagship *Miami Herald* continues to be the individual revenue leader, accounting for 17% of the company's newspaper revenues in 1983. The *Herald*, expanding circulation and coverage in Florida and developing a reputation for laudable Latin American coverage, consistently is judged as one of the nation's 10 best papers by various surveys.

In the latest reporting period, the *Herald* showed continued slow circulation growth, rising to 451,206 daily for the six months ended March 31, 1984, from 443,223 from the similar period the year earlier. Sunday circulation rose to 545,356, from 533,539.

The Philadelphia market is where Knight-Ridder has made quicker strides, helped by the demise two years ago of the *Philadelphia Bulletin*. Combined, the company's two papers there—the *Inquirer* and the *Daily News*—accounted for 21% of the company's newspaper revenues.

But the effects of the *Bulletin's* closing are beginning to wear off. In 1983, the two papers had ad revenues of $222.6 million, up 15.6% from 1982. That compares with the 28% rise that came in the previous period, during which the *Bulletin* closed.

The case is more evident in circulation figures. The morning *Inquirer*—another mainstay of top-10 paper lists—reported a daily circulation of 536,065 in the latest reporting period, down from 544,777 in the previous period, which in turn represented a 16% increase from the year before. Sunday circulation also declined, to 1,008,225 from 1,035,717.

The evening *Daily News* also showed nominal drops in circulation, reporting 293,031 at the end of March, compared with 295,732 the year before. In the previous period, the paper had a 15% gain.

In Detroit, Knight-Ridder's *Free Press*, the only major paper in the company's family that faces head-knocking competition, eked out a gain in its share of the market's advertising to 44.6%, closing the gap slightly with the leader, Evening News Assn.'s *Detroit News*. Ad revenues at the morning *Free Press* grew by 10.4%, reflecting in part the recovery of the auto industry and reversing the sluggish growth of recent years.

But in circulation, the *Free Press*, which contributed 9% of Knight-Ridder's newspaper revenues in 1983, lost some ground. For the six months ended March 31, the *Free Press* had a daily circulation of 631,087 (the largest among Knight-Ridder newspapers), compared with 635,740 last year. The *News'* latest circulation figure, by comparison, rose to 657,015 from 651,763.

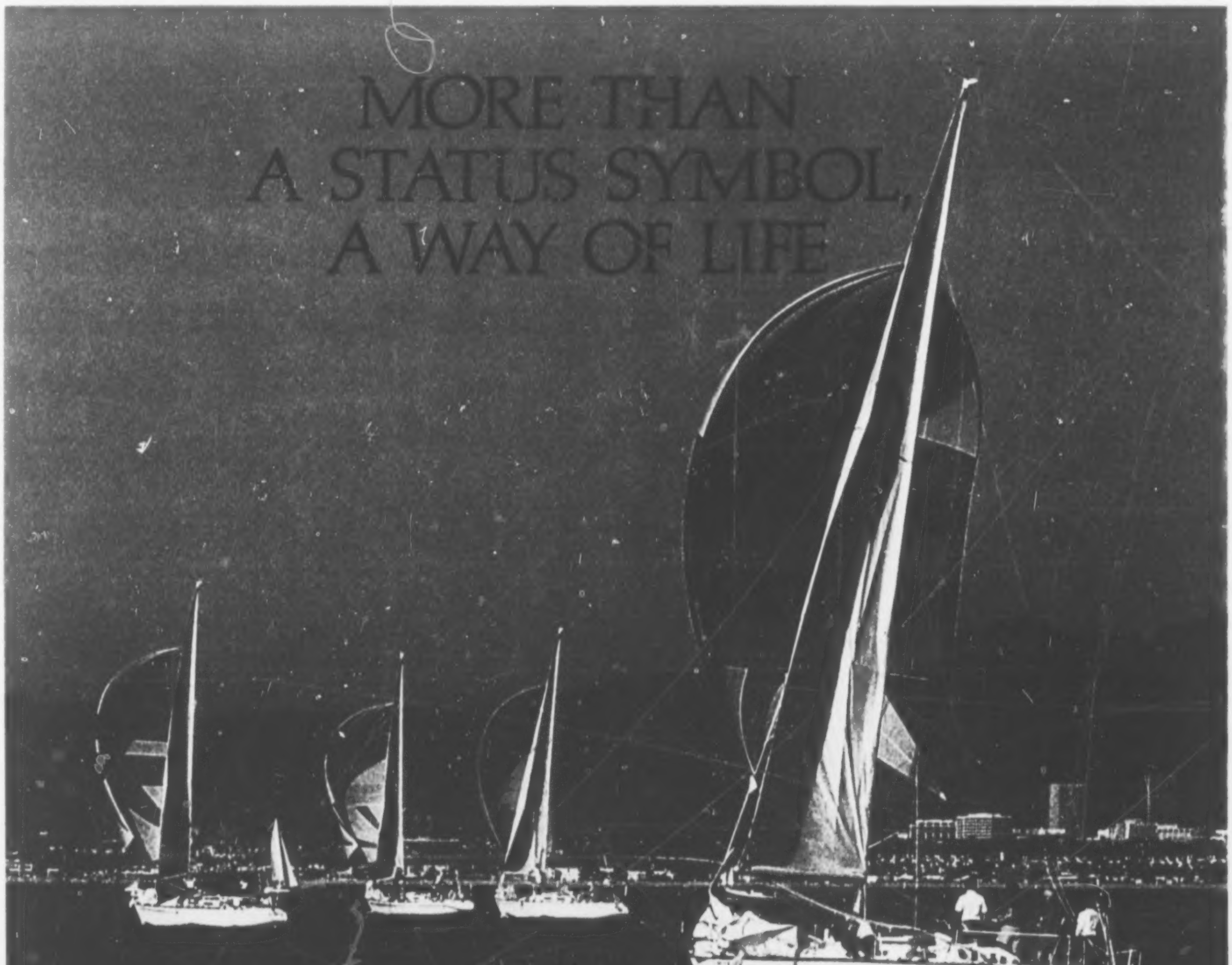
On Sundays, both newspapers recorded about the same advances. The *Free Press* saw its circulation rise to 787,300 from 780,647, while the *News* went to 861,004 from 855,461.

In San Jose, besides combining the *Mercury* and *News*, Knight-Ridder saw the combined property rise to No. 3 among newspaper revenue producers in its family. The all-day *Mercury News*, in the middle of high-tech country, contributed 10% of newspaper revenues in 1983, surpassing the *Free Press*.

The paper reported its most recent daily circulation figure at 245,868, up from 234,043 of the two papers combined last year. Sunday circulation increased to 298,797 from 287,574.

While all of these papers did manage gains in one form or another, such was not the case with Knight-Ridder's attempt to spin off an all-sports daily from its *Pasadena* (Cal.) *Star-News*. After reportedly losing hundreds of thousands of dollars a month on the project, the company killed the paper, called *All Sports*, in September, not quite a year after it started.

More successful was Knight-Ridder's effort to enlarge its broadcast family. In 1983, the company completed its $37 million acquisition of WNGE-TV, Nashville, from General Electric.



Orange County in Southern California is a market you can't afford to pass up for a wealth of reasons. The median household income at $30,126 is well above the national average and is reflected in a buying power that tops out at $25 billion — more than the po[illegible] of Miami, San Francisco or Seattle. On[illegible]ne major newspaper group sets a direct course to this marketplace. The Orange County Register MetroGroup.

It's largest paper, The Register, outdistances the nearest competition by 95,000 daily and has moved into 2nd place in all of Southern California. In just 5 daily issues, The MetroGroup reaches 65% of the affluent adults, those with $50,000+ incomes. When 8 out of 10 of our adult readers take no other daily newspaper, it's clear to see why The MetroGroup is considered the most powerful media buy in this highly desirable market.

Orange County Register MetroGroup

Bringing the best of Orange County to you.

Represented nationally by Story & Kelly-Smith.

Source: S & MM, Survey of Buying Power, 1983; Scarborough Research Corp., 1983

The addition of the station, now called WKNR, brought to five the number Knight-Ridder owns. All are ABC affiliates, except CBS affiliate WTKR, Norfolk, Va. With WKNR in tow for part of the year, the company's broadcast operations, including cable properties, brought in $46.1 million in revenues, up 6.6% from 1982.

Among cable properties, Knight-Ridder's operations—shared 50-50 with two other companies—saw revenues of $36 million in 1983. Tele-Communications Inc. shares interest in one venture, TKR Cable Co., which had 124,000 subscribers at the end of 1983. The other partnership, with Times Mirror and called Long Beach Cablevision, had 30,000 subscribers.

The kind of modern technology that cable tv represents came to Knight-Ridder's business-oriented properties. Reflecting in part the growing electronic content of these operations, the formation of Knight-Ridder's Business Information Services group last year consolidated Commodity News Services, Unicom News (50% interest), the *Journal of Commerce* and VU/TEXT. These business-data dissemination operations produced revenues of $58 million in 1983.

In another area, Knight-Ridder has followed other major media companies by acquiring interests in cellular radio ventures. As with Viewtron, these mobile phone operations are full of promise, but the magnitude of returns are not clear.

MEDIA PROPERTIES

Broadcasting

TV: WJRT, Flint, Mich.; WKNR, Nashville; WPRI, Providence, R.I.; WTEN, Albany, N.Y.; WTKR, Norfolk, Va.

Cable/video

TKR Cable Co. (50% interest): NEW JERSEY: Aberdeen, Barnegat Light, Beach Haven, Bernards, Bound Brook, Bridgewater, Dunellen, Edison, Elizabeth, Green Brook, Harvey Cedars, Highland Park, Keansburg, Key Port, Long Beach, Manville, Matawan, Metuchen, Middlesex, Milltown, Montvale, New Brunswick, Old Bridge, Piscataway, Raritan, Sayerville, Ship Bottom, Somerville, South Amboy, South Bound Brook, Surf City, Union Beach, Warren, Watchung. NEW YORK: Rockland County. Long Beach Cablevision Co. (50% interest): CALIFORNIA: Long Beach.

Videotex

Viewdata Corp. of America (Viewtron).

Newspapers (dailies)

CALIFORNIA: *Long Beach Press Telegram, Pasadena Star-News, San Jose Mercury News.* COLORADO: *Boulder Daily Camera.* FLORIDA: *Boca Raton News, Bradenton Herald, Miami Herald, Tallahassee Democat.* GEORGIA: *Columbus Enquirer, Columbus Ledger, Macon Telegraph & News, Milledgeville Union-Recorder.* INDIANA: *Fort Wayne News-Sentinel, Gary Post-Tribune.* KANSAS: *Wichita Eagle-Beacon.* KENTUCKY: *Lexington Herald-Leader.* MICHIGAN: *Detroit Free Press.* MINNESOTA: *Duluth News-Tribune & Herald, St. Paul Dispatch, St. Paul Pioneer Press.* NORTH CAROLINA: *Charlotte News, Charlotte Observer.* NORTH DAKOTA: *Grand Forks Herald.* OHIO: *Akron Beacon Journal.* PENNSYLVANIA: *Philadelphia Daily News, Philadelphia Inquirer, State College Centre Daily Times.* SOUTH DAKOTA: *Aberdeen News American.*

Newspapers (nondailies)

CALIFORNIA: *Anaheim Independent, Arcadia Tribune, Buena Park News, Duartean* (Duarte), *Huntington Beach Independent, La Mirada Lamplighter, Monrovia News-Post, Orange County News, Temple City Times.* FLORIDA: *Florida Keys Keynoter.*

Business information

Commodity News Services, *Journal of Commerce,* Unicom News (50% interest), VU/TEXT Information Services.

OTHER OPERATIONS

Commercial Terminals of Detroit, HP Books, Observer Transportation Co., Portage Newspaper Supply Co., Southeast Paper Co. (Dublin Newsprint Mill), TelAir Network, Twin Cities Newspaper Services.

Landmark Communications

Revenues	1983	1982
Media	$265,000,000	$230,000,000
Other	—	—
Total	$265,000,000	$230,000,000

Landmark Communications, Norfolk, Va., is the country's 37th largest media company, with revenues of about $265 million in 1983, all in media, a 15.2% increase over 1982 revenues.

In 1983, Landmark gleaned $159 million (60% of revenues) from newspapers, $79.5 million (30%) from cable and $26.5 million (10%) from broadcast.

Cable tv showed substantial increases in 1983 as a percentage of total revenues at the expense of newspapers, according to new ventures analyst Bahnson Stanley. Newspapers were 65% of total revenues in 1982, and broadcast remained static both years.

While Landmark continues its emphasis in media, the company has recently started branching into other fields. These include local real estate development and the marketing of office computers and business systems through its Executive Productivity Systems division.

Landmark president Richard Barry says, "These are sidelines. We are really in the newspaper and broadcast business."

Effective Jan. 1, 1984, Landmark spun off its TeleCable Systems division into a separate company, headed by president Dick Roberts, because principal owner Frank Batten, who is chairman of both companies, thought newspapers and cable were disparate businesses in rapidly changing areas, requiring separate management.

Stockholders remain the same, and the new company also is privately held. Stock in TeleCable has been distributed to Landmark's stockholders, who after the split hold an equal number of shares in both companies.

TeleCable is the 14th largest cable tv operator in the U.S. with 20 cable systems and 410,478 basic subscribers in 15 states. It added one franchise in 1983 in Plano, Tex.

During 1983, Landmark's Weather Channel cable network was the focus of several major changes. John Coleman, president and minority owner, resigned after trying to put together $4 million to take control of the service from Landmark. Landmark contended that the Weather Channel lost $7 million in its first year and about $800,000 monthly because of overstaffing and other management mistakes made by Mr. Coleman. The company said escalating costs and ad revenue shortfall also contributed to a financial crunch.

Mr. Coleman was succeeded by interim president John Wynne, who is president of Landmark's broadcast and video enterprises division. John Janas, formerly president of Sea Shell Inc., a media company, then succeeded Mr. Wynne as president of the Weather Channel. Other management changes include the organization of a separate marketing department for the Weather Channel.

In August, the Weather Channel announced it would seek subscriber fees. About 85% of its customer base has agreed to pay.

Mr. Stanley says the service now has more than 12 million subscribers and soon would be eligible for A.C. Nielsen Co. meters, which should assist ad sales.

(Nielsen monitors a service once it reaches 15% of total U.S. households. There will be 83.8 million households by 1985, so the Weather Channel will need 12.6 million household subscribers.)

Mr. Stanley says ads sold for 1984 to date already exceed all of those sold in 1983. The Weather Channel has not been an easy sell. In 1983, the company estimated that the average sale took about 20 calls.

Landmark also set up a special publications division last year to publish newsprint magazines.

Port Folio covers the Hampton Roads market, the 34th largest market in the U.S. *Spectator Magazine of the Triad* covers Greensboro, N.C. The publications focus on entertainment.

Among its newspapers, the only change was the discontinuance of the nondaily *South Carroll Herald,* Sykesville, Md., and the startup of *Randallstown News,* Randallstown, Md.

MEDIA PROPERTIES

Broadcasting

TV: KLAS, Las Vegas; KNTV, San Jose.

RADIO: WTAR (am) and WLTY (fm), Norfolk, Va.

Cable/video

TeleCable Systems in ALABAMA: Auburn, Decatur, Selma. FLORIDA: Broward County. GEORGIA: Columbus. ILLINOIS: Bloomington. INDIANA: Kokomo. KANSAS: Overland Park. KENTUCKY: Lexington, Radcliffe. MISSOURI: Springfield. NORTH CAROLINA: Roanoke Rapids. SOUTH CAROLINA: Greenville, Spartanburg. TENNESSEE: Cleveland. TEXAS: Arlington, Richardson. VIRGINIA: Wytheville. WEST VIRGINIA: Beckley, Princeton. WISCONSIN: Racine.

Newspapers (dailies)

CALIFORNIA: *El Cajon Daily Californian.* INDIANA: *Mount Vernon Democrat.* KENTUCKY: *Elizabeth News Enterprise.* MARYLAND: *Westminster Carroll County Times.* NEW MEXICO: *Los Alamos Monitor.* NORTH CAROLINA: *Greensboro News & Record.* VIRGINIA: *Norfolk Virginian Pilot, Ledger-Star* (Norfolk), *Roanoke Times & World News.*

Newspapers (nondailies)

FLORIDA: *Citrus County Chronicle* (Inverness), *Sumter County Times* (Bushnell). ILLINOIS: *Vandalia Leader Union.* INDIANA: *Journal & Democrat* (Rockport), News (Tell City). IOWA: *Opinion Tribune* (Glennwood), *Red Oak Express.* KENTUCKY: *Anderson News* (Lawrenceburg), *News Democrat* (Carrollton), *Casey County News* (Liberty), *Central Kentucky News-Journal* (Campbellsville), *Cynthiana Democrat, Lebanon Enterprise, Oldham Era* (La Grange), *Shelbyville Sentinel-News, Springfield Sun, Trimble Banner Democrat* (Bedford). MARYLAND: *Reisterstown Community Times, Randallstown News.* MISSISSIPPI: *New Albany Gazette.* VIRGINIA: *Galaxy Gazette.* Also, 22 free shoppers plus special interest publications magazines and Capital-Gazette Newspapers, Annapolis, Md. (49.9% owned).

Lee Enterprises

Revenues	1983	1982
Media	$166,059,000	$155,300,000*
Other	6,498,000	5,258,000
Total	$172,557,000	$160,580,000

*Restated

Lee Enterprises, Davenport, Ia., which is readying itself to expand through new ventures and acquisition now that regions covered by its media properties are coming out of a recession, had media revenues of $166.1 million out of total revenues of $172.6 million in 1983, ranking 57th among U.S. media companies.

The showing in 1983 for media properties represented an increase of 7% from 1982.

Media revenues, which represented 96.2% of total revenues in 1983, break down into $44.5 million from tv, an estimated $1 million from radio, $80.4 million from newspaper advertising, $29.4 million from newspaper circulation and $10.8 million from editorial services and management fees from associated companies.

In an industry characterized by corporate acquisitions and sales, Lee remained distinctly uninvolved in either in 1983.

"We made no acquisitions during the year, not from lack of opportunity," says Lee president Lloyd Schermer. He told stockholders, "We chose not to [purchase] at the prices being asked."

Lee comptroller Richard Galligan says the company during 1984 is on the lookout for tv stations in the top 50 markets and other media companies in state capitals.

Government services in state capitals provide the stability often lacking in cities where business concentration is in agriculture or is in a recession-vulnerable business segment, Mr. Galligan says.

Six of Lee's operations are in state capitals; five smaller enterprises are in communities reliant primarily on agribusiness.

While the company continues its search for new acquisitions, it plans in 1984 to improve color and graphics capabilities, increase newspaper circulation by 35,000 through stepped-up marketing, upgrade front-end systems for electronic copy processing, and continue expansion of the use of cable to distribute news and advertising in its markets.

Lee also has established as a priority for 1984 a thorough management training program involving more than 300 top and middle-level managers. The payoff, says Larry Seigel, vp-human resources, will be in a more effective working environment for Lee's more than 4,000 employes and a more consistent framework for management short and long-term planning.

Using outside consultants and staff resources, the company initiated the program 12 years ago. "The industry has been so planning and budgeting and numbers-intensive for so long, we've really neglected the behavioral side of the [management] equation," Mr. Seigel says.

During 1983, Lee entered into a joint venture with Audichron Co., Atlanta, to develop audiotext opportunities that have opened up as a result of FCC action and the divestiture of American Telephone & Telegraph and its 22 Bell operating companies.

Under the name of Call-It Co., Lee hopes to establish a national network of local and national mass announcement services in the top 150 markets. Under the system, a user (anyone with a telephone) calls a published number for sports scores, weather reports, humorous quips or Bible readings and quizzes. The caller is billed by the local phone company. Included in the bill is the phone company's locally regulated rate (19¢ per call in Los Angeles, for example) plus a fee, which contains a regulated ceiling, charged by Lee Enterprises and other service initiators. Total cost per call may run 50¢ or more.

Call-It Co. went on-line in January in Los Angeles in a joint venture with the *Los Angeles Times* and in Atlanta in a joint venture with the *Atlanta Constitution.*

Early this year, Lee's KOIN-TV in Portland, Ore., moved into its newly constructed studio, three years in the making.

MEDIA PROPERTIES

Broadcasting

TV: KGMB, Honolulu; KHQA, Hannibal, Mo.; KOIN, Portland, Ore.; WSAZ, Huntington, W.Va.

RADIO: WTAD (am) and WQCY (fm), Quincy, Ill.; KFAB (am) and KGOR (fm), Omaha, Neb. (partially owned by Journal-Star Printing Co.).

Newsletters

Montana Legislative Service.

Newspapers

ILLINOIS: *Decatur Herald & Review, Kewanee Star Courier, Southern Illinoisan Review* (Carbondale). IOWA: *Mason City Globe-Gazette, Muscatine Journal, Ottumwa Courier, Quad-City Times* (Davenport). MINNESOTA: Winona Daily News. MONTANA: *Billings Gazette, Butte Montana Standard, Helena Independent Record, Missoula Missoulian.* NEBRASKA: *Lincoln Star.* NORTH DAKOTA: *Bismark Tribune.* OREGON: *Corvallis Gazette-Times.* WISCONSIN: *La Crosse Tribune, Racine Journal, Wisconsin State Journal* (Madison).

OTHER OPERATIONS

NAPP Systems (USA) Inc., a manufacturer of graphic system products.

LIN Broadcasting Corp.

Revenues	1983	1982
Media	$102,000,000	$83,800,000*
Other	5,300,000	4,600,000
Total	$107,300,000	$88,400,000

*Restated

LIN Broadcasting Corp., New York, is the country's 86th largest media company with revenues of $102 million from media operations, or 95.1% of total revenues of $107.3 million in 1983.

Media revenues increased 21.7% from 1982. Profits from media operations last year were $22.5 million, while total profits were $23.5 million, up 17% from 1982.

For the first quarter of this year, net income was $4.6 million, up 16% from the first quarter of 1983. Net revenues were $28 million, up 11% (excluding the effects of acquisitions).

In 1983, operating profits rose in all divisions but percentage gains were greatest in radio paging and specialty publishing. Tv gains were slightly more than 10%. The company attributed this to increased demand for the relatively fixed supply of advertising spots, which pushed up advertising rates.

In 1983, about 81% of LIN's operating income before depreciation and expenses was from tv, nearly 11% was from radio and 8% from radio paging and specialty hotel publications.

ADVERTISING AGE estimates in 1983 tv revenues were $71.5 million, radio $19.6 million, and ad-supported Guest-Informant publications $11 million.

About 74% of the company's operating income came from properties in Texas, where LIN operates NBC affiliates in Dallas-Fort Worth and Austin, am/fm radio stations and a radio paging company in Houston. LIN also publishes magazines for hotels in Dallas-Fort Worth, Houston and San Antonio. During 1983, the company bought Leisureguides Inc. for $3 million. Leisureguides publishes hardcover magazines on local attractions. The magazines are placed in hotel rooms in Chicago, Boston, Houston, Miami and several other major markets. Leisureguides has been incorporated into the company's similar GuestInformant operation. The combined operation now services hotels in 32 cities. That gives it a virtual lock on this market in the U.S., according to Virginia Butcher, vp of F. Eberstadt & Co. brokerage house in New York.

Other acquisitions in the past year include WOTV-TV, the NBC affiliate in Grand Rapids, Mich., 37th largest U.S. market; WISH-TV, the CBS affiliate in Indianapolis, Ind., 21st largest market, and WANE-TV, the CBS affiliate in Fort Wayne, Ind., 94th largest market. WOTV, purchased April 1, 1983, cost $32 million; WANE and WISH, purchased from A.H. Belo Corp. on Feb. 4, 1984, together cost $104.9 million. Belo acquired the stations in a package deal with the Corinthian Broadcasting subsidiary of Dun & Bradstreet, but divested itself of the property to comply with FCC regulations limiting ownership to five vhf and two uhf stations.

The company also has purchased 5.1% of the shares of *The New Yorker* magazine during the past two years for $3.2 million.

In its latest stock report on LIN, Standard & Poor's Corp. said the company "is actively seeking acquisition candidates."

Ms. Butcher says that still holds, but the most venturesome aspect of the company's efforts is its investment in cellular radio systems. The mobile telephone service is speculative, but LIN has been investing in a "safe, conservative way," she says. LIN's broadcast properties are steady money makers and provide substantial amounts of cash for investment, she says.

The company estimates that, if it were granted licenses to operate cellular radio in each of the five major markets for which it has applied, its initial investment would be $35 million, of which $7 million could be spent in 1984.

LIN applied for construction permits from the FCC, either alone or in partnerships, in New York, Los Angeles, Philadelphia, Dallas-Fort Worth, Houston, and eight smaller markets. The company has had mixed success in obtaining the licenses: FCC staff at various levels have approved its franchise applications in New York, Philadelphia and Houston, but an administrative law judge recommended against LIN in Los Angeles. No FCC staff had made recommendations for Dallas-Fort Worth at press time.

LIN president Donald A. Pels is optimistic about the company's investment in cellular radio and points out that the first operational system in Chicago (not LIN's) is selling ahead of projections. But he admits that "wireline carriers [such as the divested Bell companies] may well begin operations before us. This headstart results in a significant advantage, which includes the opportunity to pick up a substantial part of the initial demand. Nonetheless, we believe that our investment in time and expense [about $3 million pre-tax to date] will prove to have been very rewarding."

Ms. Butcher says she believes LIN is well positioned to prosper in cellular radio. If it gets franchises in only a couple of major markets, she said, the technology "could provide 25% to 50% of the company's revenue by 1990."

MEDIA PROPERTIES

Broadcasting

TV: WAND, Decatur/Champaign/Springfield/Danville, Ill.; KTVV, Austin, and KXAS, Dallas/Fort Worth, Tex.; WAVY, Portsmouth/Norfolk/Newport News/Hampton, Va.; WOTV, Grand Rapids, Mich.; WISH, Indianapolis, and WANE, Fort Wayne, Ind.

RADIO: WIL (am, fm), St. Louis; WBBF (am) and WMJQ (fm), Rochester, N.Y.; WFIL (am) and WUSL (fm), Philadelphia; KILT (am, fm), Houston; WEMP (am) and WMYX (fm), Milwaukee.

Magazines

GuestInformant and *Leisureguides*, distributed in hotel rooms.

OTHER PROPERTIES

Radio paging operations in New York and Houston-Galveston, and cellular radio ventures approved in several major markets.

Maclean Hunter Communications

Revenues	1983	1982
Media*	$115,000,000	$75,000,000
Other	403,100,000	353,900,000
Total**	$518,100,000	$428,900,000

*U.S. only revenues

**Consolidated worldwide revenues

Maclean Hunter Communications, Toronto, the 80th rated media company in the U.S., had 1983 revenues from U.S. operations of $115 million, or 22.2% of the company's worldwide revenues of $518.1 million generated from U.S., Canadian and British properties.

U.S. media revenues, which represented an increase of 53.3% over 1982, included $60 million from cable, $40 million from periodicals and about $15 million from one month's consolidated revenues of the *Houston Post*.

Total revenues at Maclean Hunter were up 20.8% from 1982. Some 31% of total operating revenues come from international operations, which are located primarily in the U.S. (Over-all revenue figures are expressed in U.S. dollars in this profile based on the yearend rate of C$1 equals 0.817 U.S. dollars.)

Clearly the biggest single development affecting Maclean Hunter during 1983 was the acquisition of the *Houston Post* by Toronto Sun Publishing Corp., in which Maclean Hunter has held a 50% interest since 1982. Maclean Hunter reports the *Post* had revenues in 1983 of $140 million.

"The *Houston Post* would have to be the biggest thing for us last year," says Harvey T.M. Botting, assistant vp. It may be a year or two before the *Post* makes a significant imprint on Maclean Hunter's yearly results, but once that happens, the company expects it to be a healthy impact.

Until then, the *Post* is on its own from an operational standpoint, says Mr. Botting, who explains the parent company maintains, for the most part, a "hands-off" attitude toward the Toronto Sun Co. "We don't pretend to know the newspaper business the way they do," he says.

The *Post* was acquired last December for $100 million and the value of working capital from the Oveta Culp Hobby family. Almost immediately, new publisher J. Douglas Creighton set about improving the appearance and content of the paper, which has a daily circulation of 360,000 and 415,000 on Sunday.

Cosmetic changes such as new body type, masthead and more color already have been made, while new columnists, a new editorial page editor and editorial staff have been added.

Early this year, 19 new offset color press units were purchased for $20 million to modernize and consolidate its printing operations into a single plant, which should provide cost savings down the road, Mr. Creighton says. The *Post* also lost some circulation when *Parade Sunday* magazine changed its affiliation to the competing *Houston Chronicle*. The *Post* then started its own Sunday magazine, called *The Magazine*. The publication will have more of a local flavor than *Parade* and eventually will win back and surpass the lost circulation, Mr. Creighton predicts.

Even though the economic boom that blessed Houston for more than a decade has slowed, Mr. Creighton is not daunted about a delay in profitability of the *Post*. "We were not unaware of the economic slowdown in this area when we bought the paper, but we still felt it would be profitable," he says. "Our loss has only been 10¢ a share and our projections were for more than that. We forecast the growth for each of the next three quarters to be greater than the year before."

The purchase of the *Post*, Mr. Creighton says, is not to be viewed as a springboard for further Toronto Sun Co. expansion into the U.S. Not for a while, anyway. "We actually bought a paper that is larger than our company in Canada. We're going to wait and see how this works out before we move anywhere else in the U.S.," Mr. Creighton says.

In other international publishing ventures, Maclean Hunter Chicago posted a 21% increase in profits and 7% rise in revenue from operations of nine business periodicals and several vehicle pricing guides. Its Stamford, Conn., division, publisher of *Progressive Grocer* and *C-Store Business*, also responded to an improved U.S. economy by posting a 62% jump in income, thanks to a record year in customized information sales by *Progressive Grocer*. Last year, Maclean Hunter of New York bought *Hospital Practice*, a doctors' magazine.

On the Canadian front, the business press sector was not as profitable as in the U.S. because of a continuing lag in the Canadian economy, but 15 of nearly 80 business publications increased ad linage last year over 1982.

In Canada, the company has started three business publications in the past year including *Hospital Products and Technology*, *Electronic Products News* and *Canada Offshore*, an oil industry-related periodical. Planned for debut this year is a magazine called *Canadian Art* as part of a joint venture with Key Publishers Co. Ltd.

Consumer magazines, bolstered by a strong fourth quarter, posted revenue gains of 9%. The *Financial Post*, one of Maclean Hunter's flagship publications, showed a 4% revenue increase last year over 1982 on the strength of a 20% fourth-quarter jump.

Maclean's, a Canadian news magazine, increased weekly circulation to 2.6 million, up 7%, while its ad revenues rose by 3%. In addition, *Maclean's* opened a Paris bureau and expanded its Ottawa and Washington bureaus during the year.

Chatelaine, a women's-oriented magazine, improved revenues slightly over 1982 while *L'Actualite*, a French-

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Maclean Hunter continues to strengthen its foothold in cable tv. With systems in Canada, New Jersey and Michigan, its subscribership base grew by 9%, to 594,000 basic subscribers. Acquisitions have leveled off, (at least in the U.S.) as the company looks toward selling add-on and specialized services to its current cable customers, Mr. Botting says.

Total subscribers in the U.S. were 229,410 at yearend—156,410 at Suburban Cablevision in East Orange, N.J., and 73,000 at Wayne Cablevision in Taylor, Mich. The basic-to-pay ratio in the older New Jersey operation was 1.17 to 1.

On the home front, Ontario cable operations have achieved a 79% penetration and increased subscribership by 3% last year. In New Jersey, Suburban Cablevision reached the 150,000 subscriber mark and added new services to the recently completed system. The Michigan system grew to 73,000 subscribers while Maclean Hunter Cable TV entered into a 10-year management pact with Barden Cablevision of Detroit in the building and operation of cable systems in the Detroit area. It has only a limited partner in this venture, however.

Maclean Hunter's broadcast division generated $51 million in revenues. Its holdings include a tv station in Calgary, Alberta along with five radio stations.

The company also has several nonmedia operations such as Transkrit, a U.S. business forms concern, Industrial Trade Shows, Paging and Book Distribution that showed over-all increased performance.

In the executive ranks, Frederick T. Metcalf steps down as president-chief operating officer after seven years in that post. He will remain, however, on the board of directors and on various committees. Ronald W. Osborne, vp-broadcasting and chief financial officer, has been elevated to Mr. Metcalf's post. Also, Arthur J. (Pete) Little has announced his retirement as Maclean Hunter director.

U.S. MEDIA PROPERTIES

Cable/video

MICHIGAN: East Detroit, Garden City, Pontiac, Taylor, Temperance, Waterford. NEW JERSEY: East Orange.

U.S. magazines

American Print & Lithography, Boxboard Containers, C-Store Business, Coal Mining & Processing, Concrete Products, Dog World, Graphic Arts Product News, Home Improvement Contractor, Hospital Practice, Paper-Film & Foil Converter, Program Guide, Progressive Grocer, Rock Products and "National Market Reports."

U.S. newspapers

TEXAS: *Houston Post.*

Macromedia Inc.

Revenues	1983	1982
Media	$96,500,000	$86,100,000
Other	600,000	1,200,000
Total	$97,100,000	$87,300,000

Macromedia Inc., Hackensack, N.J., a holding company formed by the Bergen Evening Record Corp. on Jan. 1, 1984, is the nation's 89th largest media company, with 1983 media revenues of $96.5 million, up 12% from 1982.

Media accounts for nearly all of the company's total revenues of $97.1 million, up 11% from 1982. Earnings were $7.9 million, up 50% from 1982.

The company is privately owned by chairman Malcolm A. Borg and family trusts.

Circulation and advertising revenue from the Record, the largest evening newspaper in New Jersey, contributed $75.7 million to the company's revenues last year. The newspaper contribution was up nearly $10 million from 1982. Revenues for the company's broadcast arm, Gateway Communications, were $20.8 million last year, up 4% from 1982.

Company officials attribute the improved revenue performance to a strengthening economy and the paper's increased competitiveness, a result of its new four-color capability. Advertising linage rose 7.3%; insert advertising 25%. Over-all advertising revenue rose 18.3% from 1982.

In the past two years, the company has spent $62 million to modernize, adding such equipment as high-speed, full-color offset presses and a Feras inserting-handling system. Color advertising in 1983, the *Record's* first full year with four-color capability, surpassed 4 million lines, compared with 2.4 million lines in 1982.

The *Record* last year rose to eighth among the nation's newspapers in color advertising linage. "Before, we were almost nowhere," Macromedia president Michael H. Heath says.

The *Record's* new look also helped boost circulation, Mr. Heath says. Sunday circulation rose about 6,000, to an average of 219,000 last year, compared with annual increases of only 3,000 before the days of color, he adds. Average daily circulation had rested at about 147,000, but last year rose to 150,000 and was 154,000 in April, 1984, according to the company.

Editorially, the *Record* is extending its reach. Last year, it sent a reporting team outside the U.S. for the first time to cover the invasion of Grenada. What the company calls "a major effort" went into producing an experimental tabloid in its northwest circulation area, but costs overran circulation and ad gains so it was dropped.

Mr. Heath says creation of the Macromedia holding company allowed further separation of newspaper and broadcasting operations. The *Record's* dominance within the company and the fact that the paper had bought the broadcast properties gave the impression that the newspaper was running the tv stations, he says. The reorganization was intended to allay the appearance of a conflict of interest and to show the company considers both the newspaper and broadcasting equally important, he says.

In early 1983, the company sold Toms River Publishing Co., publisher of the *Ocean County* (N.J.) *Reporter*, to Capital Cities Media.

Gateway Communications, the company's broadcasting arm, owns and operates one ABC affiliate and three CBS affiliates.

Macromedia likes broadcasting and may acquire more stations, but is not in hot pursuit of any, Mr. Heath says. A stronger economy and the 1984 elections, he says, should boost advertising and Gateway's profits. As for cable tv and videotex, ventures Macromedia was considering last year, Mr. Heath saw little prospect of Macromedia getting involved with either soon.

MEDIA PROPERTIES

Broadcasting

TV: WBNG, Binghamton, N.Y.; WLYH, Harrisburg/York/Lancaster/Lebanon, Pa.; WOWK, Charleston/Huntington, W.Va.; WTAJ, Johnstown/Altoona, Pa.

Newspapers

NEW JERSEY: *Record* (Hackensack).

McCall Publishing

Revenues	1983	1982
Media	$121,600,000	$110,000,000
Other	—	—
Total	$121,600,000	$110,000,000

McCall Publishing Co., New York, is the nation's 77th largest media company, with total net revenues of $121.6 million in 1983, all from media properties. In 1982, total revenues were $110 million.

The company is privately held by the Pritzker family of Chicago, whose other properties include Hyatt Corp., Rosemont, Ill. Excluded from total revenues are the company's revenues from two properties owned in part with other media companies: American Family Publishers (50% owned) and Select Magazines (33⅓% owned).

The mainstay of McCall Publishing continues to be *McCall's*. The remainder of revenues are derived from *Working Mother* and its new spinoff, *Working Mother Digest*, and annual special interest publications: *Cooking School* and *Beauty, Diet & Health Guide*, formerly *Beauty & Diet Guide*.

As the outlook for the "Seven Sisters" women's magazines improves, so does the outlook for *McCall's* and, by extension, McCall Publishing. "We're pretty upbeat these days," editor Robert Stein says. "A couple of years ago, it was discouraging. Presumably, we were all dinosaurs about to be eaten by the new young animals in the forest. But we're co-existing nicely."

What seems to be happening, according to Mr. Stein, is a growing awareness in the advertising community that "it isn't either/or, that you have to have a *McCall's* or *Good Housekeeping* on one end or a *Working Mother* or *Savvy* on the other."

The joys of peaceful co-existence can be seen within the company, Mr. Stein says, as it has been able to show "gains with magazines on both ends of the scale, mass and specialized"—*McCall's* and *Working Mother*, respectively. "That's very encouraging," he says.

For *McCall's*, advertising pages and revenues both rose in 1983 after suffering declines in 1982: Pages were up 5.1%, while revenues rose 3.9%. And circulation climbed 1.4%, to almost 6.4 million. For *Working Mother*, ad pages rose 1.2% last year, while ad revenues soared 25.7%. Circulation was up 8.5%, to 484,656.

And those gains were being sustained in 1984, as ad pages for *McCall's* increased 9.5% in the first six months and newsstand sales rose about 8% in the first three months.

The "Seven Sisters" are doing better "because business is better," says Raymond Eyes, president, McCall Publishing, and publisher, *McCall's*. "Advertisers are gradually recognizing that mass magazines can complement what they do on television. That's got to help the mass women's magazines, which deal so heavily in package-goods advertising."

To help *McCall's* sustain its gains, various editorial and promotional projects are on tap for 1984. The most elaborate will be the third annual "Reader of the Year" promotion, due in the September issue. By offering a lucky reader, and family, prizes linked to both editorial coverage and advertising, this promotion is "a way to pull together what we do every month," Mr. Eyes says.

One reason for the resurgence of the mass women's books is because "we have kept ahead of what is going on" in readers' lives, he says, "and we have responded editorially. There are rather obvious differences between *McCall's* today and *McCall's* five years ago and ten years ago—and even two years ago." The major difference, as Mr. Stein sees it, is a focus on the trend that "the new generation of young women are getting more interested in marriage, commitment, children, in addition to having their careers."

That focus is also a key element in *Working Mother*, which celebrated its fifth anniversary last year by raising its rate base 25%, to 500,000. The monthly further expanded in 1983 via the introduction of *Working Mother Digest*, a special edition made available nationally by Kinder-Care Learning Centers. Initial distribution was 100,000 copies, which was raised to 300,000 in 1984 and could go higher in 1985, Mr. Eyes says.

MEDIA PROPERTIES

Magazines

McCall's, Working Mother, Working Mother Digest, Cooking School, Beauty, Diet & Health Guide.

OTHER PROPERTIES

American Family Publishers (50% owned), Select Magazines (33⅓% owned).

McClatchy Newspapers

Revenues	1983	1982
Media	$215,000,000	$185,000,000
Other	—	—
Total	$215,000,000	$185,000,000

McClatchy Newspapers, Sacramento, Cal., is the 46th largest media company, with 1983 revenues estimated by ADVERTISING AGE at $215 million, all from media operations.

Media revenues in the family-owned and operated business were up 16% from 1982 estimated revenues, and continue to come from newspaper, radio and cable tv, although McClatchy is embarking on several ventures in videotex and cellular radio.

A joint venture with FMI, Miami, and Cellular Communications, New York (both partners of Western Union), has gotten McClatchy involved in cellular radio, the technology that permits transmission from cordless telephones in cars, briefcases and wristwatches. The company currently has active franchise applications pending before the FCC, but has yet to receive a ruling from the commission.

The past year saw the launching of two new projects in videotex, one of which was Eldorado Teleguide, a public access videotex operation based on the software technology provided by Infomart of Toronto. The system is designed to serve the travel and tourism industry and contains 35 terminals placed throughout public buildings and shopping centers in the Sacramento area.

A second videotex system, using the same technology, is a joint venture with Times Mirror Co., Irvine, and the Bakersfield *Californian*. It is called Grass Roots California, a service for the agricultural community in the central valley of California. The partnership with Times Mirror and the Teleguide project, according to corporate vp Erwin Potts, eventually may lead the company into some sort of home videotex system.

McClatchy continues to operate four cable systems, all of which have registered modest increases in subscriber numbers in the past year. Norcal Cablevision, the company's only mature cable system, has 26,000 subscribers, and Fresno Cable TV Ltd. rose to 42,500. Tel-Cab Communications Cable serves another 3,400 customers in the Reno, Nev., area, and Sequoia Cablevision, activated in 1982, now has 9,400 subscribers in the Tulare County region of Central California.

LegiTech, McClatchy's computerized service for tracking state legislation and political contributions, acquired in 1982, continued to show progress. The Sacramento-based service, sold for a fee to magazines, newspapers, government agencies and lobbyists, expanded eastward with the opening of a similar operation in Albany, N.Y., to provide instant access to information regarding legislative action for subscribers in New York state.

Newspapers represent more than 85% of the McClatchy business.

McClatchy's three "Bees"—*Sacramento Bee, Modesto Bee, Fresno Bee*—continued to show gains after going through a recession-related slump. The *Sacramento Bee*, the only one of the three in a competitive market, is well ahead in the circulation battle with the *Sacramento Union*, but losing ground. While its daily circulation increased 0.4% to 224,589, and Sunday went up 0.5% to 259,069 in the year-to-year ABC Fas-Fax report of March 31, 1984, the Union's circulation increased 16.8% to 99,366 for the daily and 15% to 98,418 for Sunday. Both are morning papers.

The *Anchorage Daily News*, a morning daily that the company bought in 1979 with a circulation of about 6,000, now has surpassed its chief rival, the afternoon *Anchorage Times*, in daily and Sunday circulation. According to publisher's statements submitted to the ABC, the *Daily News'* average morning circulation for six months ended March 31 was 51,180 and had risen to 58,109 on Sunday, up 14.4% from a year earlier.

Mr. Potts declines to comment on the profitability of the newspaper, which had been a deficit operation in the past few years, but he says, "The bottom line at the *Daily News* is beginning to look very good . . . we've moved ahead of the competition in share of advertising."

The company's other newspaper properties also began to record some post-recession gains. The *Gilroy Dispatch*, a five-day-a-week paper serving the southern end of Silicon Valley and the high-tech industries to the north, showed gains and reflected improved economic conditions.

But the *Tri-City Herald*, a daily in Richland, Wash., continued to mirror the slump brought about by Washington Public Power Supply System's scrapping of two partially completed nuclear power plants with the loss of 6,000 jobs in 1982. The paper's daily circulation dropped to 34,547 for the six-month period ended March 31, compared with 36,682 a year earlier. "The bottom appears to have been reached in Richland and we've been able to show some modest gains in recent months," Mr. Potts says.

All of the company's radio stations, particularly KFBK (am) and KAER (fm) in the Sacramento area, achieved dramatic gains in 1983 and were part of a major restructuring of McClatchy that saw the creation of a new electronics communications division.

All cable operations and radio stations are in the new division, headed by vp Frank Washington, who had been with Times Mirror as general manager of Videotex America.

MEDIA PROPERTIES

Broadcasting

RADIO: KMJ (am) and KNAX (fm), Fresno, Cal.; KFBK (am) and KAER (fm), Sacramento, Cal.

Cable/video

CALIFORNIA: Norcal Cablevision, Yuba City; Sequoia Cablevision, Tulare; Fresno Cable TV Ltd., Fresno. NEVADA: Tel-Cab Communications, Reno.

Newspapers (dailies)

ALASKA: *Anchorage Daily News* (80% interest). CALIFORNIA: *Fresno Bee, Gilroy Dispatch, Hollister Freeland* (50% interest), *Modesto Bee, Sacramento Bee.* WASHINGTON: *Tri-City Herald* (Richland).

Newspapers (weeklies)

CALIFORNIA: *Clovis Independent, Lincoln News Messenger, Morgan Hill Times.*

OTHER OPERATIONS

San Joaquin TV Services (an earth station operator), Fresno, Cal.; Fresno MDS Co. (33% owned), a multipoint distribution system, Fresno, Cal.; LegiTech (90% owned), a legislative information service, Sacramento, Cal., and Albany, N.Y.; Eldorado Teleguide, a public access videotex operation, Sacramento, Cal.; Grass Roots California, an agricultural videotex service (33% owned), Sacramento, Cal.

McGraw-Hill

Revenues	1983	1982
Media	$888,683,000	$804,286,000
Other	406,317,000	389,301,000
Total	$1.295 bil.	$1.194 bil.

McGraw-Hill is the 12th largest media company in the nation, with revenues of $888.7 million from media operations in 1983, or 68.4% of total revenues of $1.295 billion. In 1982, media operations accounted for $804.2 million in revenues, or 67% of the total.

Divisions of McGraw-Hill contributing media returns include publications, 29.4% of total revenues and 24.9% operating profit of total operating income from all segments; information systems, 17% revenues and 22.7% operating profit; Standard & Poor's Corp., 10.4% revenues and 14.3% operating income; data resources, 6.2% revenues and 3.3% operating profit, and broadcasting, 5.5% revenues and 9.8% operating profit. A book division is the company's only nonmedia contribution.

McGraw-Hill, as in years past, is spending heavily on state-of-the-art communications and computer technology. The company earmarked $49.2 million for capital investments in 1983, a year when it achieved record high earnings for the 12th year in a row.

New management and a revived economy helped spur a turnaround in

1983 at McGraw-Hill Publications Co., the magazine division. This sector posted $65.2 million in operating income on $381.2 million in operating revenues, compared with $54.7 million in operating profit on revenues of $344.6 million in 1982, when operating profit from the division shrunk 11.2% from the previous year.

Early in 1983, John G. Wrede was named president, McGraw-Hill Publications. He was the former head of McGraw-Hill Information Services.

The company's flagship publication, *Business Week*, lifted its total advertising pages to 4,644, up 7% from 1982, a recessionary year in which *Business Week* ad pages dropped 10%. In 1983, for the ninth year in a row, the publication led all U.S. magazines in total number of ad pages.

The upswing in advertising, which paralleled a resurgence in the economy, came after a rare period of reconsolidation for *Business Week*. In June, 1982, the publication got a new publisher, James R. Pierce, former publisher of McGraw-Hill's *Aviation Week*. Later that year, Stephen Shepard rejoined the magazine from *Saturday Review* as executive editor. Last year, *Business Week* underwent a graphic facelift designed to give the publication a livelier look.

With a new foundation and in a healthier economy, the magazine's executives felt confident enough last fall to sink more than $2 million into an advertising campaign touting the magazine as "The Voice of Authority" in business. The campaign, designed to build ad sales and circulation, was coordinated by Bozell & Jacobs.

Ad sales continued to grow this year, and Mr. Wrede has predicted his leading publication is back on course.

Ad sales were aided in March by the introduction of the *Corporate Scoreboard* issue. The publication is a separately published comprehensive reference to the fiscal fortunes of 1,200 corporations, complete with balance sheets, inflation charts and detailed looks into research and development expenses. It attracted 120 ad pages in its inaugural run.

Business Week also doubled the number of issues of its *Career Guide*, from two to four each year. The special issues, which cover the job market from a beginner's vantage point, are aimed at the 19-to-22-year-old college student. Last year, they drew 47 pages of advertising in their first two issues.

The use of ad-generating special issues was evident at other McGraw-Hill publications as well. *BYTE* and *Popular Computing* both will put out two additional issues this year. *BYTE* plans a guide to IBM PCs in August and a similar issue devoted to Apple computers in October.

Popular Computing has on tap a guide to education for September and an issue devoted to recreational equipment in November.

Both magazines had good years in 1983, with *BYTE's* ad pages rising 8%, to 4,306, and *Popular Computing's* 93%, to 1,615. Company officials plan to make an announcement later this year about new developments in customer service for these magazines, but for now are remaining tight-lipped about specifics.

Last year, when the economy rebounded, several McGraw-Hill trade publications covering recession-racked industries also took a turn for the better. Showing significant improvement were *Architectural Record*, *Electrical Construction & Maintenance* and *Engineering News-Record*.

The trade magazine *Electronics* has been expanded to a weekly from every-other-week status and renamed *Electronics Weekly*. In addition, four publications have been spun off to service the specialty electronics market: *Computer/Systems Equipment Design*, *Communications/Systems Equipment Design*, *Military/Space Electronics Design* and *Industrial Electronics Equipment Design*.

MEDIA PROPERTIES

Broadcasting

TV: KERO, Bakersfield, and KGTV, San Diego, Cal.; KMGH, Denver, and WRTV, Indianapolis.

Financial services

Standard & Poor's Corp. Records, Blue List, Trendline, Outlook, CreditWeek International, Stock Reports, MarketScope, Unit Investment Trusts, The High Tech Handbook.

Information services

Construction Analysis System, Cost Information Services, Data Resources, Data Resources Economic Information, Datapro Reports, Dodge Reports, Multi-List, Scan, Sweet's Catalogs, Product Information Network, Healthcare Information Services, Construction Forecasting Service, World Bulletin.

Joint venture corporations

Electronic Markets & Information Systems Inc. (worldwide chemical petroleum trading and information systems company owned jointly by McGraw-Hill and I.P. Sharp Associates Ltd.), American Industrial Report Ltd. (publishing company jointly owned by McGraw-Hill and China Consultants International Ltd.), Nikei McGraw-Hill (publishing company jointly owned by McGraw-Hill and the Nihon Keizai Shimbun Inc. of Tokyo).

Magazines

American Machinist, Architectural Record, Aviation Week & Space Technology, Business Week, Business Week International, BYTE, Chemical Engineering, Chemical Week, Coal Age, Computer/Systems Equipment Design, Corporate Scoreboard, Communications/Systems Equipment Design, Data Communications, Electrical Construction & Maintenance, Electrical Wholesaling, Electrical World, Electronics Weekly, Engineering & Mining Journal, Engineering News-Record, Fleet Owner/Big Fleet Edition, Fleet Owner/Small Fleet Edition, Graduating Engineer, Industrial Electronics Equipment Design, International Management, Military/Space Electronics Design, Modern Plastics, Modern Plastics International, NC Shop Owner, Physician and Sports Medicine, Popular Computing, Postgraduate Medicine, Power, Textile Products & Processes, Textile World, 33 Metal Producing.

Newsletters

Biotechnology Newswatch, Coal Statistics International, Coal Week, Coal Week International, Electrical Marketing, Electrical Utility Week, E&MJ Mining Activity Digest, Green Markets, Inside Energy/with Federal Lands, Inside F.E.R.C., Inside N.R.C., International Construction Week, International Petrochemical Report, Keystone News-Bulletin, Long Term Care Management, Medical Utilization Review, Medicine and Health, Metals Week, Metalworking Sales Leads/MSL, Nuclear Fuel, Nucleonics Week, Platt's Energy Litigation Report, Platt's Oilgram News, Platt's Oilgram Price, Platt's Oil Export/Import Report, Platt's Oil Marketing Bulletin, Platt's Oil Policy Letter, Securities Week, SynFuels, Washington Health Record, Washington Report on Health Legislation and Regulation.

Newswires and Services

Chemical Week Newswire Service, EMIS (Electronic Markets and Information Systems), Fuel Price Analysis, Green Markets Newswire, McGraw-Hill World News, McGraw-Hill's Solventwire, Metals Week Insider Report, Platt's Bunkerwire, Platt's Crude Oil Marketwire, Platt's L.P. Gaswire, Platt's Oilgram Marketscan, Platt's Oilgram News/Wire, Platt's Petrochemical Scan, Platt's Polmerscan World News (Internal Service only).

OTHER PROPERTIES

McGraw-Hill Book Co.

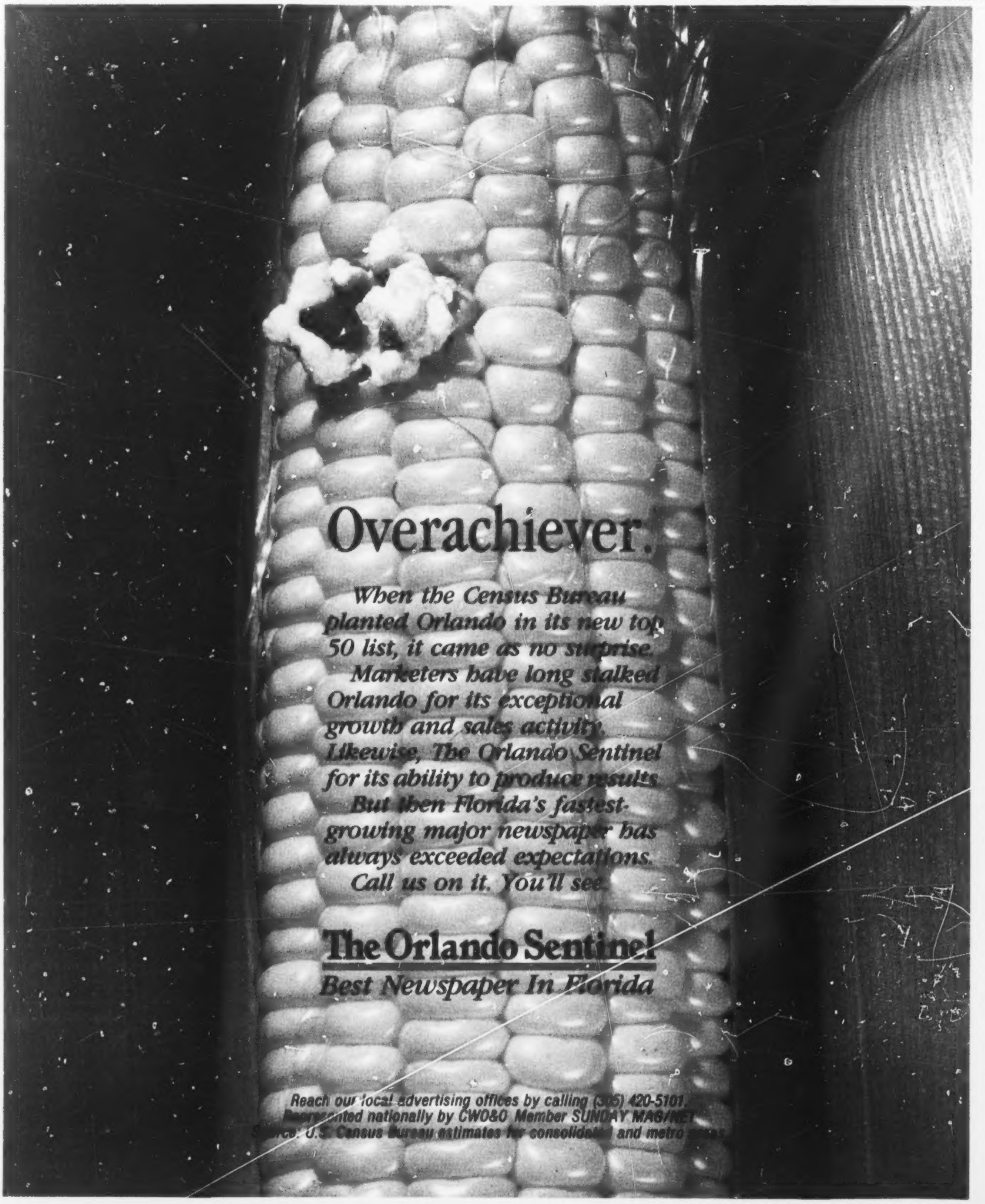
Media General

Revenues	1983	1982
Media......	$314,700,000	$248,100,000
Other.......	193,000,000	181,300,000
Total.....	$507,700,000	$429,400,000

Media General, Richmond, Va., the 32nd largest media company in the U.S., had media revenues estimated by Advertising Age at $314.7 million in 1983, or 62% of $507.7 million in total revenues.

Media revenues in 1983 were up 28.6% over the previous year, when media accounted for 57.8% of total revenues.

Newspapers contributed $208.8 mil-


Overachiever.
When the Census Bureau planted Orlando in its new top 50 list, it came as no surprise.
Marketers have long stalked Orlando for its exceptional growth and sales activity. Likewise, The Orlando Sentinel for its ability to produce results.
But then Florida's fastest-growing major newspaper has always exceeded expectations.
Call us on it. You'll see.
The Orlando Sentinel
Best Newspaper In Florida
Reach our local advertising offices by calling (305) 420-5101.
Represented nationally by CWO&O. Member SUNDAY MAG/NET
Source: U.S. Census Bureau estimates for consolidated and metro areas.

lion in revenues, and broadcast contributed $105.9 million. With the increase in 1983 sales, net income climbed 10.4%, to $35.9 million.

In 1983, the daily papers averaged an increase of 6% in ad linage, posting 182 million lines, up from 171.2 million lines in 1982. However, circulation inched up only 1% to 2%. "It was relatively flat because of the saturated markets we are in," vp David L. Jordan says.

Revenues from the company's 33 Southern California weekly newspapers "made gains in 1983," Mr. Jordan says. In aggregate, he says, the two groups of weekly community newspapers—Highlander Publications and Golden West Publishing—reach more than 600,000 households.

"While the recent recession had a negative impact on the nondailies' market, especially in real estate and construction, there was a rapid recovery in 1983," Mr. Jordan stresses.

Over-all, he says, the strong gain in newspaper revenues primarily was due to a strong economy. However, the strong showing made by the broadcast divisions was not only due to the strong economy, but to the better-than-ever showing by Media General Broadcast Services, formerly William B. Tanner Co., Memphis, Mr. Jordan explains.

For the purpose of this analysis, Ad Age figures do not include ad placement revenues from Media General Broadcast Services, the media buying arm of the company.

The division faced considerable problems in August, 1983, when the William B. Tanner subsidiary—purchased in mid-1982 for about $39 million, plus $32.5 million contingent on future profits—became the target of a federal investigation into possible tax fraud and bribery charges.

The name change was an effort to counteract the negative publicity arising from the federal investigation of the company, which buys and sells tv and radio time as its basic business.

In March, Media General Corp. filed lawsuits seeking more than $230 million in damages against William B. Tanner and some of his associates, charging them with fraud and other wrongdoing in the sale of Mr. Tanner's former company to Media General.

Mr. Tanner denounced charges filed against him as "outright lies" inspired by Media General's inability to run his former company profitably after dispensing with his services last August.

In January of this year, a federal grand jury started investigating allegations in an FBI affidavit that Mr. Tanner illegally concealed millions of dollars in advertising revenues, and that he handed out kickbacks and payoffs to obtain advertising accounts.

The Media General subsidiary currently is operating "with a completely new management, headed by James A. Linen IV, a senior vp at Media General, and there have been some major changes to bring this subsidiary into conformity with our over-all standards and operating policies," Mr. Jordan says. Mr. Linen serves as chairman-ceo, Media General Broadcast Services, while L. Donald Robinson is president.

Discussing the changes at the company he now heads, Mr. Linen says the Media General subsidiary has not been unduly hurt by publicity that surrounded Tanner Co.

Mr. Linen says the name change was one effective way to assure both current and future clients that the company was on solid ground.

In addition to Media General Broadcast Services, Media General's broadcast division includes three tv stations, a cable system in Fredericksburg, Va., and a new major cable system being constructed in Fairfax County, Va.

In tv—with NBC affiliates in Jacksonville and Tampa, Fla., and an ABC affiliate in Charleston, S.C.—the company intends to continue its program calling for significant capital outlays aimed at modernizing each station, a company spokesman says. For example, the company's WXFL-TV in Tampa has been equipped with the technological tools to produce high quality commercials with a minimum of expense and time, and it is expected to become the center for such work on Florida's West Coast, company officials say.

In the cable field, the company's system in and around Fredericksburg, Va., has 10,000 subscribers—or about 60% of all available households.

The cable system serving Fairfax County also continues to grow. About 60% of households passed subscribe to the system, one of the more technologically advanced systems with 126 channels fully addressable at the studio, interactive capabilities including pay-per-view programing and home security services.

Cliggott Publishing Co., Greenwich, Conn., leading publisher of medical journals, has had a fourfold increase in revenues since it was acquired seven years ago. Its principal publication is *Consultant*, a monthly journal that is distributed to 121,000 physicians. In addition, the company publishes the *Journal of Respiratory Diseases*, distributed to 74,000 doctors, and *Psychosomatics*, distributed to 35,000 psychiatrists.

A new publication introduced in the fall of 1983 is the *Journal of Musculoskeletal Medicine* and is distributed monthly to 80,000 physicians. The Cliggott group also includes Marketplace Publications, which distributes five direct response publications in booklet format to about 800,000 physicians, dentists, corporate presidents, attorneys and accountants. Advertised products are directed to the life style of those professionals.

Another auxiliary holding is Media General Financial Services, with several publications relating to stock market data and an extensive database covering 4,100 public companies.

The database is available to customers in a variety of ways, including through the sale of computer tapes, contracting for special analyses or time sharing. Some of the data are available through the Dow Jones News Retrieval Service.

Data also are provided to a number of trade publications and to newspapers through a joint venture with the Associated Press, reaching 16 million subscribers.

"With the explosive growth in personal and home computers, it is anticipated that there will be a growing demand for our database and related services," the company says.

MEDIA PROPERTIES

Broadcasting

TV: WCBD, Charleston, S.C.; WJKS, Jacksonville, Fla., and WXFL, Tampa.

Cable/video

Tribune Cable Network, serving Hillsborough County and Pinellas County in Florida. NewSScan, serving Winston-Salem, N.C. Media General Cable, Fredericksburg, Va., serving Fredericksburg and Spotsylvania and Stafford counties. Media General Cable of Fairfax, Fairfax, Va., serving Fairfax County.

Magazines

Cliggott Publishing Co.: *Consultant, Journal of Respiratory Diseases, Psychosomatics, Journal of Musculoskeletal Medicine.*

Newspapers (dailies)

FLORIDA: *Tampa Tribune.* NORTH CAROLINA: *Winston-Salem Journal, Winston-Salem Sentinel.* VIRGINIA: *Richmond News-Leader, Richmond Times-Dispatch.*

Newspapers (nondailies)

CALIFORNIA: Highlander Publications, publishing 25 weeklies in the Orange County-Los Angeles area. Golden West Publishing, Mission Viejo, publishing eight papers in the area between Los Angeles and San Diego.

OTHER OPERATIONS

Beacon Press (commercial printing), Garden State Paper Co., (newsprint manufacturer), Media General Financial Services (financial data dissemination), Onduline-USA (building materials), Media General Broadcast Services (tv-radio services in five areas: Media placement, special products, broadcast services, tv sports network, travel operations), Technical Information Distribution Service, an electronic database publishing company.

Meredith Corp.

Revenues	1983	1982
Media	$288,900,000	$275,400,000*
Other	158,800,000	173,700,000
Total	$447,700,000	$449,100,000

*Restated

Meredith Corp., Des Moines, is the 34th largest media company with media revenues of $288.9 million, or 64.5% of total revenues of $447.7 million for fiscal 1983, ended June 30. The company had record net earnings of $33.3 million, which included a gain of $3.8 million from the sale of radio properties.

Meredith media revenues, which increased 4.9% over 1982, come from magazines, newspapers, tv, radio and cable.

Company revenues, which were down 0.3% from 1982, appear to be on the rebound, however. Nine months into the 1984 fiscal year, Meredith had net earnings of $29.8 million on accumulated revenues of $333.9 million. This compares with net earnings of $22.5 million from revenues of $339.3 million for the comparable period in fiscal 1983. The latter figure included a $41 million contribution not found in 1984 from the Des Moines printing operation.

The printing operation was transferred in February, 1983, to Meredith/Burda Co. Ltd. Partnership. Meredith retains a 50% equity interest in the Meredith/Burda affiliate.

Meredith in 1983 had magazine revenues of $188.8 million, up from $187.6 million; broadcast revenues of $88.5 million, up from $78 million; $2.7 million from cable, up from $900,000, and $9 million from newspapers, the same as in 1982. A book division, not considered media in Ad Age's media terminology, contributed $77.8 million, up from $77.1 million in 1982.

During fiscal 1983, Better Homes and Gardens maintained its circulation of 8 million for the eighth consecutive year and its position among the five largest circulated magazines in the country. Cost reductions resulted in a larger profit contribution for the magazine, despite a decline in ad pages and lower ad revenues. Total advertising revenues for its May, 1984, issue reached $12.8 million, making the issue the most lucrative in the magazine's history.

Metropolitan Home achieved record revenues during fiscal 1983 despite about the same circulation level (730,000) and a decline in ad pages of 9%, to 733.

Successful Farming reported the second highest revenues in its history—despite the worst agricultural economy since the Depression. The magazine, with a circulation of 680,000, had fewer ad pages but a larger share of the ad market.

Forty-one editions of 20 titles were published by the *Better Homes and Gardens* Special Interest Publications during 1983. While the SIPs included fewer ad pages over-all, newsstand copy sales picked up during the last half of the year, particularly in home building and remodeling titles.

Over-all magazine ad pages during the first nine months of fiscal 1984 have exceeded the level of the like period the year earlier. A new magazine, *Better Homes and Gardens WOOD*, will begin publication Aug. 21. *WOOD* is designed both for the novice and the expert woodworker and will feature detailed home woodworking and do-it-yourself project plans as well as articles on woodworking tools and the origins and properties of woods.

Country Home now is being offered on a subscription basis. Previously, the magazine was offered only through newsstand sales. *Country Home*, which has a circulation of 600,000, will continue to be published six times a year.

KPHO-TV, Phoenix, WNEM-TV, Bay City-Saginaw-Flint, Mich., and WPGH-TV, Pittsburgh, Pa. generated significant revenue gains for Meredith's broadcasting group during fiscal 1983. KPHO maintained its position as the leading major market independent station in the nation. WNEM earned the highest revenues and profits in its history. WPGH has shown a steady improvement in market share since its acquisition.

The company acquired two tv stations during the fourth quarter of fiscal 1983: KSEE, an NBC affiliate in Fresno, Cal., was purchased for $17.6 million from San Joaquin Communications Corp., and Meredith bought the remaining interest (60% for $16 million) it did not already own in Omega Communications of Orlando, Fla., which owns WOFL, an independent uhf station serving Orlando-Daytona Beach.

In June, 1983, the company sold its Kansas City radio properties, KCMO (am) and KCEZ (fm) for $7.5 million to Fairbanks Broadcasting Co. of Kansas City Inc., Indianapolis. It has continued to sell radio properties in fiscal 1984, divesting itself of Omaha stations, WOW (am) for $2.1 million to Omaha Great Empire Broadcasting and KEZO (fm) for $3.35 million to Albimar Communications of Boston.

Meredith through Star CATV Investment Corp., Waxahachie, Tex., moved into southern Arkansas during May, 1983, by acquiring several systems from Omni Cable TV Corp. The cable company's major activity is in Texas and Louisiana. By January, 1984, Star had 26,722 subscribers and 66,206 homes passed.

Meredith's book publishing division, with revenues of only 0.9% higher in 1983 than 1982 and operating profit of $6.6 million, down 16.8% from 1982, added 18 new titles during the year, bringing to 85 the number of *Better Homes and Gardens* books. About 22 new titles are being published in fiscal 1984.

MEDIA PROPERTIES

Broadcasting

TV: KPHO, Phoenix; KSEE, Fresno, Cal.; WOFL, Orlando, Fla.; WNEM, Bay City, Mich.; KCTV, Kansas City, Mo.; WTVH, Syracuse, N.Y.; WPGH, Pittsburgh.

RADIO: WGST (am) and WPCH (fm), Atlanta.

Cable/video

Star CATV Investment Corp. (81% owned by Meredith), Waxahachie, Tex., operates 112 systems in Texas, Louisiana and Arkansas. Planned Cable Systems Corp., Fort Lauderdale, Fla., (50% owned by Meredith) offers subscription cable tv services in planned unit developments.

Magazines

Better Homes and Gardens, Country Home, Metropolitan Home, Sail, Successful Farming, Better Homes and Gardens Special Interest Publications, Better Homes and Gardens Family Shopping Service, *Australian Better Homes and Gardens, Better Homes and Gardens WOOD* (premiere issue date August, 1984).

Newspapers

CALIFORNIA: Community newspapers serving the Los Angeles area—*City News, City Press, Griffith Park News, Hollywood Independent, Los Feliz Hills News, Northwest Leader, Parkside Journal, West Hollywood Sun Living, Westlake Post, Wilshire Independent, Wilshire Press.* Community newspapers serving the San Jose area—*Campbell Press, Cupertino Courier, East San Jose Sun, Los Altos Town Crier, Los Gatos Times Observer, Milpitas Post, Mountain View Sun, Santa Clara Sun, Saratoga News, Sunnyvale Scribe.*

OTHER OPERATIONS

Wholly owned subsidiaries—Meredith International Ltd.; Meredith Relocation Corp.; Meredith Mortgage Corp. (subsidiary of Meredith Relocation Corp.); Meredith Video Publishing Corp.; MerPrint Co.; Sail Publications. Investments in other operations—Meredith/Burda Co. Ltd. Partnership (50% owned by MerPrint). Meredith has 50% interest in Meredith/Burda Corp. which has a 100% interest in European-American Ink Sales Corp. and a 40% interest in Seigwerk Inc.; Planned Cable Systems Corp., 50% owned by Meredith, owns 100% of P.C. Security Systems; Separations Inc. owned 50% by Meredith.

Metromedia Inc.

Revenues	1983	1982
Media	$383,588,000	$326,800,000
Other	149,171,000	80,274,000
Total	$532,759,000	$407,074,000

Metromedia Inc., Secaucus, N.J., is the country's 24th largest media company with revenues of $383.6 million in 1983, up 17.4% from 1982. Media revenues were 72% of total revenues of $532.7 million for the company, whose top management took it private in mid-June in a leveraged buyout.

Metromedia gleans its media revenues from broadcasting and outdoor. For the year, broadcasting revenues accounted for $371.6 million, up 14.6% from 1982; outdoor came to $12 million, up from $2.6 million in 1982.

Broadcasting operating income came to $109.3 million, up 0.3%, and outdoor was $6.8 million, up 194% from the previous year.

Total corporate revenues, which increased 31%, as income from operations (before corporate expenses of $17.3 million were extracted) totaled $126.6 million, up 17.7% from the previous year. Metromedia's other prime contributors to revenues during the year were entertainment and telecommunications.

Entertainment amounted to $81.5 million (up 3.6%) with income from operations of only $1.3 million (up from a loss of $4.4 million in 1982); Metromedia's rapidly developing telecommunications division had revenues of $67.3 million, up from only $1.9 million, and income from operations of $9.2 million, up from $413,000 in 1982.

In broadcasting, sales from the company's seven owned tv stations increased 20.4% from 1982. However, the company says sales from its seven am and six fm radio stations declined.

After aggressively building its tv station holdings over the past several years (the most costly of which was WCVB-TV, Boston, for $220 million), industry observers have speculated that Metromedia later this year may decide to sell one of its more lucrative tv outlets, a probable candidate being WCVB. Metromedia's seven owned tv stations cover about 25% of the country's available tv audience.

Metromedia, in keeping with the FCC's crossownership rules, sold WMET (fm) Chicago to Doubleday Broadcasting Inc. for $9.5 million, while purchasing WFLD-TV Chicago for $136 million in May, 1983. Seven months later the company purchased KNBN-TV, a uhf station in Dallas, for $14.9 million. WTCN-TV, Minneapolis, and WXIX-TV, Cincinnati, were sold in exchange transactions in 1983 to comply with FCC regulations limiting the number of tv outlets a company can own.

However, it is likely that WCVB would be sold under such circumstances to a limited partnership that would maintain it as a Metromedia outlet. During the past year, Metromedia has conditionally sold a number of its real estate properties (with future options to buy them back) to raise funds for its rapid cellular radio activities.

Growth in the telecommunications division reflects the company's aggressive acquisition of cellular radio licenses in major markets such as Chicago, New York, Boston, Philadelphia and Los Angeles. Metromedia has spent close to $1 million applying for each of about 50 cellular radio licenses and is expected to spend about the same amount to construct each system awarded.

Cellular radio is expected to become Metromedia's primary focus now that the company has gone private through a $1 billion leveraged buyout, approved by stockholders June 19.

There has been heavy speculation that the company would spin off its cellular radio operation in a public offering once it becomes an established money maker.

Metromedia is expected to try to sell about $300 million in assets to supply final funding for the record buyout.

John W. Kluge, 60, Metromedia chairman-president-ceo, and three members of his executive branch—Robert M. Bennett, senior vp Metromedia and president Metromedia Broadcasting; Stuart Subotnick, senior vp-finance and administration, and George H. Duncan, senior vp-telecommunications—will put up $12 million in cash and finance the remainder of the transaction with loans from an insurance company, a venture capital company and various banks.

Under terms of the buyout, Mr. Kluge (who currently controls 26% of the common stock) will own 75.5% of Metromedia. The three senior executives will own 2% each. Boston Ventures Ltd. will own 3% and Prudential Life Insurance Co. will own 15.5%. However, all voting stock will be divided among Metromedia's four officers, with Mr. Kluge claiming a majority of 92.6%.

After 25 years at the helm of the company, Mr. Kluge says he believes that Metromedia will be worth more as a private company, which he will manage to maximize the company's cash flow. He has had to maximize Metromedia's earnings as a public company and then suffer the wrath of market analysts. Although Metromedia has been able to generate sufficient cash flow to underwrite its phenomenal growth during the past several years in the tv properties and program production areas (in addition to cellular radio), the company has had problems posting the earnings growth that impresses Wall Street analysts.

These analysts speculate that once Mr. Kluge leaves the company, Metromedia could become the target of acquisition by a larger concern or might even revert to being a public company.

Metromedia officials contend that the leveraged buyout will not interfere with the company's continued leadership role in broadcast ventures. The company continues to engage in coproduction with a variety of other major companies—such as Turner Broadcasting Systems, MGM/UA and TelePictures—and is increasing its own singular programing efforts.

This fall, Metromedia and TelePictures will launch the syndicated soap opera "Rituals," a five-day-a-week, year-round venture. Metromedia also has lined up Jerry Lewis to host a new late-night talk show that could begin as early as next season.

During the past year, Metromedia Producers Corp. has been a partner in the struggling "Thicke of the Night" late-night variety talk show, the news-feature magazine "BreakAway" and the first-run syndication continuation of such former network series as "Fame" and "Too Close for Comfort." It also recently launched the ambitious two-hour live variety series "On Stage America," which costs about $800,000 an hour to produce.

Metromedia also has spent a considerable amount (an estimated $10 million at its Houston tv station alone) beefing up its local news operations with an eye toward reviving its hopes for a national news service.

MEDIA PROPERTIES

Broadcasting

TELEVISION: KRIV, Houston; KTTV, Los Angeles; WCVB, Boston; WNEW, New York; WFLD, Chicago; WXIX, Cincinnati; WTTG, Washington.

RADIO: KLAC (am) and KMET (fm), Los Angeles; KHOW (am), Denver; WWBA (fm), Tampa/St. Petersburg, Fla.; WCBM (am), Baltimore; WNEW (am, fm), New York; WOMC (fm), Detroit; WIP (am) and WMMR (fm), Philadelphia; KRLD (am), Dallas/Ft. Worth; KJR (am), Seattle; WASH (fm), Washington.

OUTDOOR

Foster & Kleiser (45,000 boards in 19 markets).

OTHER OPERATIONS

Metromedia Telecommunications, Metromedia Producers Corp., Metro-Tape, Harlem Globetrotters, Ice Capades, Ice Capades Chalets.

Morris Communications Corp.

Revenues	1983	1982
Media	$196,360,000	$117,600,000
Other	2,640,000	2,400,000
Total	$199,000,000	$120,000,000

Morris Communications Corp., Augusta, Ga., is the country's 50th largest media company, with 1983 media revenues estimated by ADVERTISING AGE at $196.4 million, representing a 67% increase over 1982 media revenues.

Total revenues of the privately held company are estimated at $199 million, up 66% from 1982's estimate.

Nearly all of Morris' revenues are generated by its weekly and daily newspapers scattered throughout Georgia, Florida and Texas—and nearly all of the company's 67% increase in media revenues during 1983 stems from its newest and largest property, Florida Publishing Co., purchased from CSX Corp. in late 1982.

Sources say Morris paid $211 million for CSX's one weekly and three daily newspapers, outbidding several other publishers by more than $40 million.

The Florida group, the sources report, added about $67 million to Morris coffers last year, $7 million in circulation revenues and $60 million from advertising. Those figures, on the strength of 1983's economic recovery, were up about 12% from the previous year.

In the deal with CSX, Morris acquired Jacksonville's only daily newspapers, the morning *Florida Times-Union* and the evening *Jacksonville Journal*, and their combined daily circulation of 205,707. Also included in the package were the daily *St. Augustine Record* (11,498 circulation) and the weekly *Crescent City Courier-Journal* (2,150).

Despite entailing few cosmetic changes, Morris' ownership has had a dramatic effect on the Jacksonville newspapers. In addition to boosting their advertising-to-editorial ratio, Morris' purchase has resulted in substantial personnel changes at the *Journal* and *Times-Union*.

As it has in previous newspaper takeovers, the company cleaned out top management, bringing in executives from its other newspapers; a number of additional staffers left on their own.

Morris combined what was left of the previously separate *Journal* and *Times-Union* editorial staffs and installed James Whyte, formerly of the company's Amarillo, Tex., dailies, as general manager.

Former *Times-Union* and *Journal* staffers term the Morris takeover "a very disappointing turn of events," citing "holding down expenses" as the company's apparent chief strategy.

In comparison, they describe the management style of former owner CSX, a railroad operator based in Richmond, Va., as "very hands-off."

The resentment expressed by the newspapers' editorial staff apparently has not spread to subscribers. Says one Jacksonville advertising executive, "The biggest conflict they've generated among the public is the comic strips they've chosen—except when they moved the weather to page two."

Although the *Times-Union's* daily circulation, most recently placed at 162,831, is more than double that of any other Morris paper, the market it serves is very similar to the parent company's other areas of operation. As in Jacksonville, the company has a newspaper monopoly in the Georgia markets of Savannah, Athens and Augusta, and in Amarillo and Lubbock, Tex. It publishes a morning and an evening newspaper in each city.

With a combined daily circulation of 79,042 for the *Chronicle* and *Herald*, Augusta, where Morris is based, is the company's second-largest market. It also publishes the *Savannah News* and *Press* (77,505 combined daily circulation); the *Amarillo News* and *Globe-Times* (75,720); the *Lubbock Avalanche-Journal* and *Lubbock Evening Journal* (75,099); the *Athens Ban-*

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ner-Herald and *News* (23,099), and the *Juneau Empire* (7,400) in Juneau, Alaska. The circulation for the 14 daily papers is nearly 555,000. Circulation figures for all Morris newspapers have been very stable: the company reports no significant gains or losses in any market.

Morris publishes three weekly newspapers in Georgia, one in Florida and one in South Carolina with total circulation of 18,555.

Early in 1984, Morris sold the Tampa *Neighbor*, a free distribution weekly, to Harte-Hanks.

The company's lone magazine is *Quarter Horse News*, published every other month, with 5,000 subscribers, based in Fort Worth, Tex. Morris also operates four job printing operations, each located in one of its newspaper markets.

MEDIA PROPERTIES

Magazines

Quarter Horse News.

Newspapers (dailies)

ALASKA: *Juneau Empire.* FLORIDA: *Florida Times-Union, Jacksonville Journal, St. Augustine Record.* GEORGIA: *Athens Banner Herald, Athens Daily News, Augusta Chronicle, Augusta Herald, Savannah Evening Press, Savannah Morning News.* TEXAS: *Amarillo Daily News, Amarillo Globe-Times, Lubbock Avalanche-Journal, Lubbock Evening Journal.*

Newspapers (nondailies)

FLORIDA: *Courier-Journal* (Crescent City). GEORGIA: *Elberton Star-Elbert Beacon, Hartwell Sun, Royston News-Leader.* SOUTH CAROLINA: *Hilton Head News.*

OTHER OPERATIONS

Hartwell Publications, Southeastern Publications, Southwestern Publications, St. Johns Publishing Co. (job printing operations).

Multimedia Inc.

Revenues	1983	1982
Media	$269,700,000	$225,500,000
Other	—	—
Total	$269,700,000	$225,500,000

Multimedia Inc., Greenville, S.C., is the country's 36th largest media company, with revenues of $269.7 million in 1983, all from media operations. This was an increase of nearly 19.6% from 1982.

Broadcasting accounted for 47% of Multimedia's 1983 revenues, down from 49% the year earlier; newspapers generated a 34% share of revenues, down from 36%. Cable provided about 20% of revenues, up from 15%.

Net earnings climbed from $28.9 million in 1982 to $35.2 million in 1983.

The strong financial position of Multimedia made it an attractive topic of takeover conversation in 1983. It has "good cash flow, low debt and it's underpriced," says analyst Sharon Armbrust, whose cable consulting company, Paul Kagan & Associates of Carmel, Cal., has reported Multimedia "a rumored candidate for a leveraged buyout."

Multimedia, however, strongly resists any suggestion that the company is in line for takeover. "That will never happen," says Hollyce Huff, director of corporate and financial communications. "We have a lot of old-line and family holdings [among the stockholder base]."

Meanwhile, at least one major securities company says Multimedia's strong performance should continue. Standard & Poor's says its "long-term earnings prospects are favorable," and "revenues of all major operating divisions are expected to advance strongly in 1984, aided by growth in broadcasting and newspaper advertising."

Standard & Poor's attributes its highly favorable prediction to the boost the company's advertising revenues should get from the economic recovery, the Olympics, the elections and more cable subscribers. The only problem it sees is higher programing costs.

On April 3, Multimedia stepped into the pay cable arena when Sports Time began operations. Multimedia is a minority owner of the network with brewing giant Anheuser-Busch and Tele-Communications Inc.

The sports programing station, based in Wichita, Kan., operates about 80 hours a week and is available to 1,600 cable companies, or about 1.2 million subscribers, in 15 states, according to Jerry Lovelace, manager of communications, Sports Time.

Sharing a satellite with the Financial News Network, Sports Time operates after 6 p.m. Mr. Lovelace says some 30,000 paid subscriptions were expected by the end of the first month. That would be 5% to 10% above initial projections.

Sports Time officials say they expect their subscriber base to be about 150,000 after the first year, and they will hit a break-even point after three years.

Competing for the sports fan of middle America, Sports Time differs from its 24-hour rival Entertainment & Sports Programming Network in that it will not be a national network and it will operate for a limited time daily.

Sports Time stresses three things: "Regional coverage, live programing [one live broadcast a day, at least] and exclusivity," Mr. Lovelace says.

Elsewhere in the communications conglomerate another change is in the offing. The company's production arm, Multimedia Entertainment Co., which controls the successful "Donahue" show, is preparing to move the property from Chicago to New York. According to Ms. Huff, the show, hosted by Phil Donahue, will begin broadcasting from New York in January and will undergo some format changes.

Meanwhile, Multimedia is awaiting the results of an appeal of the $5.9 million judgment against "Donahue" as the result of a parental child-custody case. A federal court jury in Denver awarded the money a year ago. Multimedia has appealed and is optimistic about having the ruling reversed.

In its broadcasting division, the company is putting considerable effort into the operation of its KSDK tv station in St. Louis, Multimedia's largest market. The acquisition took place more than a year ago in a trade with Pulitzer Publishing Co. for tv stations in Greenville, S.C., and Winston-Salem, N.C., plus about $8.8 million in notes. Terming the acquisition a good one, Ms. Huff says: "We made money."

Multimedia also made money in its newspaper division, which controls 13 daily newspapers—the only daily and Sunday papers in those markets—and publishes 31 nondailies, including the monthly *Music City News*, weeklies and shoppers.

Ms. Huff says the newspaper operations continued to grow faster than those of other newspaper companies. Multimedia has been shifting many of its afternoon papers to morning publication, and the papers involved "so far are breaking even."

Over-all newspaper revenues and circulation are both up 10%, and profit is up 21%.

In its cable tv division, the company had predicted 223,000 subscribers by the end of 1983, its fourth year in the industry. By last May, its subscriber rolls had climbed to 254,000.

Like other cable operators, Multi-Cablevision Inc. has been trying to consolidate its holdings and find strong acquisitions as the areas for new franchises dry up. Donald Sbarra, a Multi-Cablevision official, says his company is looking at three or four possible acquisitions.

Meanwhile, he says, "We're trying to cluster where we can." That cluster concept led to the swap early last year in which Multimedia picked up four cable tv systems in Oklahoma, with about 30,000 subscribers, for three systems in North Carolina, with about 9,000 subscribers, and $22.5 million in cash.

Behind the clustering drive, Mr. Sbarra says, are "economies of scale, marketing and a concentration of advertising." The company is awaiting the outcome of its Wichita, Kan., lawsuit against retailers that sell satellite receiving dishes, the chief method by which consumers can bypass cable systems. The ground station receivers can intercept, without cost, both traditional and pay tv signals from satellites.

Last year, the company agreed to sell two of its radio stations, WAKY (am) and WVEZ (fm) in Louisville, Ky., for $3.6 million, and radio stations KAAY (am) and KLPO (fm), Little Rock, Ark. In addition, the company still is awaiting FCC word on its application

The media leaders: Magazine revenues (1983)

	Magazine revenues Est. ($000,000) 1983	1982	'83 media revenues	Magazine % of '83 media revs.	Top magazine by ad revs.	1983 ad revs. of top magazine (Source: PIB)
Time Inc.	1,131.0	941.0	2,248.5	50.3	Time	$298.6
Triangle Publications	517.3	492.1	579.3	89.3	TV Guide	269.4
Advance Publications	406.0	355.2	1,740.2	23.3	Parade	168.6
Hearst Corp.	401.0	368.5	1,116.0	35.9	Good Housekeeping	127.2
McGraw-Hill	381.2	344.6	888.7	42.9	Business Week	156.5
Dun & Bradstreet Corp.	332.5	302.6	635.8	53.0	Datamation	15.0
Thomson Holdings, Int'l	327.0	208.3	608.6	53.7	Medical Economics	16.5
Ziff-Davis Publishing	322.1	300.0	322.1	100.0	Car & Driver	22.9
Washington Post Co.	302.0	279.2	861.6	35.1	Newsweek	218.7
CBS Inc.	293.5	269.4	2,682.9	10.9	Family Weekly	102.5
National Geographic	202.0	181.1	202.0	100.0	National Geographic	27.4
Reader's Digest Assn.	190.5	192.3	202.5	93.8	Reader's Digest	101.7
Meredith Corp.	188.8	187.6	288.9	65.4	Better Homes & Gardens	109.0
American Broadcasting Co.	187.5	170.4	2,815.2	6.7	Los Angeles	11.6
New York Times Co.	186.4	169.4	1,073.0	17.4	Family Circle	118.8
Cahners Publishing Co.	160.0	140.0	160.0	100.0	Restaurants & Institutions	20.5*
Capital Cities	156.0	124.0	762.3	20.5	W Magazine	13.9
Penthouse International	153.0	165.0	153.0	100.0	Penthouse	25.8
Playboy Enterprises	150.2	165.3	158.5	94.8	Playboy	60.6
Petersen Publishing Co.	131.0	117.5	131.0	100.0	Motor Trend	15.3*
Times Mirror Co.	130.4	123.3	1,667.3	7.8	Popular Science	22.3
U.S. News & World Report	130.0	122.0	133.0	97.7	U.S. News & World Report	93.9
McCall Publishing Co.	121.6	110.0	121.6	100.0	McCall's	64.4
Southern Progress	110.0	100.0	110.0	100.0	Southern Living	46.9
Pittway Corp.	98.0	98.0	98.0	100.0	Machine Design	18.5*
Forbes	89.7	72.1	89.7	100.0	Forbes	84.5
Knapp Communications	88.5	79.7	88.5	100.0	Architectural Digest	24.6
Harcourt Brace Jovanovich	85.3	84.7	101.2	84.0	Physician's Management	4.9
IDG	85.0	49.0	85.0	100.0	InfoWorld	10.1†
Maclean Hunter	40.0	30.0	115.0	34.8	Progressive Grocer	8.3*
News America Publishing	36.0	30.0	323.0	11.2	New York	32.0
Warner Communications	32.0	30.0	251.0	12.7	DC Comics/MAD	32.0
American Express Co.	30.7	25.0	245.7	12.5	Travel & Leisure	20.8
Dow Jones & Co.	27.6	23.0	816.7	3.4	Barron's	25.6*
LIN Broadcasting Corp.	11.0	10.0	102.0	10.8	Guest Informant/ Leisureguides	11.0*
Times Publishing Co.	10.0	8.0	134.0	7.5	Florida Trend	2.5*

Note: Companies with magazine revenues below $10 million were not included in this chart.

Source: Advertising Age

*AA estimate †Estimated by AdScope, Goldendale, Wash.

to operate cellular radio services in Charlotte, Nashville and Greensboro.

MEDIA PROPERTIES

Broadcasting

TV: KSDK, St. Louis; WLWT, Cincinnati; WZTV, Nashville, Tenn.; WBIR, Knoxville, Tenn.; WMAZ, Macon, Ga.

RADIO: KAAY (am) and KLPQ (fm), Little Rock, Ark.; WMAZ (am, fm), Macon, Ga; KEEL (am) and KMBQ (fm), Shreveport, La.; WAKY (am) and WVEZ (fm), Louisville, Ky.; WWNC (am), Asheville, N.C.; WFBC (am, fm), Greenville/Spartanburg, S.C.; WEZW (fm), Milwaukee.

Cable/video

ILLINOIS: Alsip/Worth, Batavia, Chicago Ridge, Evergreen Park, Harvey, Hometown, Lisle, Markham, Oak Forest, Oak Lawn, Phoenix, Kane County, Four Lakes, South Holland and Villa Park, both under construction. KANSAS: Bel Aire, Colonial Mobile Home Park, Crestview/Shadybrook, East Borough, Herington, Kechi, Lyons, McConnell Air Force Base, McPherson, Medicine Lodge, Oaklawn, Park City, Rolling Hills, Sedgwick County, Springdale/Timberlakes, Wichita. NORTH CAROLINA: Ayden, Battleboro, Beaufort County, Bethel, Bridgeton, Clinton, Chocowinity, Craven County, Edgecombe County, Enfield, Greenville, Kinston, La Grange, Lenoir County, Martin County, Nash County, Nashville, New Bern, Parmele/Bethel, Pitt, River Bend, Robertsonville, Rocky Mount, Sampson County, Scottland Neck, Sharpsburg, Tarboro, Trent Woods, Vanceboro, Walnut Creek, Washington, Wayne County, Winterville, Wingate. OKLAHOMA: Bethany, Bixby, Chickasha, Cresent, Cushing, Del City, Edmond, El Reno, Erin Springs, Guthrie, Lindsay, Midwest City, Moore, Mustang, Nichols Hill, Norman, Perry, Stillwater, Tinker Air Force Base, Valley Brook, The Village, Warr Acres, Yukon, Logan County.

Newspapers (dailies)

ALABAMA: *Advertiser*, *Alabama Journal*, both in Montgomery. FLORIDA: *Winter Haven News Chief*. GEORGIA: *Moultrie Observer*. NORTH CAROLINA: *Asheville Citizen*. OHIO: *Gallipolis Daily Tribune*, *Pomeroy Daily Sentinel*. SOUTH CAROLINA: *Greenville News*, *Greenville Piedmont*. TENNESSEE: *Clarksville Leaf-Chronicle*. VIRGINIA: *Staunton Daily News*. WEST VIRGINIA: *Point Pleasant Register*.

Newspapers (nondailies)

ALABAMA: *Prattville Progress*. ARKANSAS: *Baxter Bulletin*. FLORIDA: *Auburndale Star*. GEORGIA: *Weekly Moultrie Observer*. TENNESSEE: *Ashland City Times*, *Dickson Herald*, *Nashville Record*, *Gallatin News-Examiner*, *Stewart Houston Times* (Dover-Erin), *Hendersonville Star News*.

Other media

Twenty shoppers in cities in the South and Southeast. A quarterly, *Market Source*, Greenville, S.C. A monthly *Music City News*, Nashville, Tenn.

OTHER OPERATIONS

Program productions: "Donahue," "Braun & Company," "Country Comes Alive," "Young People's Specials."

National Enquirer

Revenues	1983	1982
Media	$142,000,000	$140,000,000
Other	—	—
Total	$142,000,000	$140,000,000

National Enquirer, Lantana, Fla., is the 65th largest U.S. media company with 1983 gross revenues of $142 million, a 1.4% increase from 1982. The all-media company derives revenues solely from two publications, the *National Enquirer* and *Weekly World News*.

Looking on the bright side of the flat year, publisher James Martise calls 1983 "a consolidating year for both publications."

A compilation of global news, features and brights, the four-year-old *Weekly World News* boosted circulation 6% in 1983 to 850,000. Mr. Martise says the tabloid stabilized during the year and no major changes are planned for 1984.

The company in 1984 is focusing on its larger publication, the *National Enquirer*. Circulation dropped 6%, to 4.5 million copies, when the newsstand price went from 45¢ to 65¢ in January, 1982.

Mr. Martise says the company will concentrate less on promoting circulation and mail order advertising and more on recruiting national advertisers, a project started last year.

"Circulation continues to be the largest portion of revenues, but in 1983 advertising revenues rose 10%," Mr. Martise says.

"We are making an enormous effort to position the *Enquirer* in the advertising community as a publication that reaches middle America."

The company has rebounded from actress Carol Burnett's much-publicized $1.6 million libel suit, scheduled for retrial in December, and its public apology to actress Shirley Jones. It is soft-pedaling articles about celebrities and emphasizing what Mr. Martise called "service-type articles."

"Our goal in 1984 is to show national advertisers that perceptions of the *Enquirer* as a sensational publication are not indeed the reality," Mr. Martise says. "We are showing them that the *Enquirer* editorially is dealing with more than food, fashion, beauty and how-to subjects. It is a balance of service, celebrities and human interest articles."

The company cut last year's tv advertising budget to focus on promotional mailings that target key ad executives. It also is advertising in trade publications.

National Enquirer continues to publish informational articles written in conjunction with the Arthritis Foundation, American Heart Assn. and American Cancer Society.

It also works with the Rochester, N.Y.-based Council of Adoptive Parents. Since 1980, 108 of the 192 handicapped and underprivileged children featured in newspaper writeups have been adopted. Nationally known ministers Robert Schuler, Norman Vincent Peale and Billy Graham write regularly for the *Enquirer*.

MEDIA PROPERTIES

Newspapers (nondailies)

National Enquirer, *Weekly World News*.

National Geographic Society

Revenues	1983	1982
Media	$202,000,000	$181,100,000
Other	125,400,000	99,300,000
Total	$327,400,000	$280,400,000

National Geographic Society, Washington, is the country's 48th largest media company with 1983 media revenues of $202 million, or 61.7% of total sales of $327.4 million.

For the year, the National Geographic Society generated operating revenues from advertising and circulation of $25.4 million and $176.6 million, respectively.

The company recorded net earnings of $30.1 million. Media-related losses of $1.2 million last year turned into a $10.9 million gain in 1983.

Over-all, the nonprofit group's earnings were up 46.1%, largely because of a National Geographic Society membership fee increase that went into effect Jan. 1, 1983. Under the new fee structure, which includes a subscription to *National Geographic* magazine, yearly dues increased to $15, from $13.50.

During the year, the *National Geographic*, which has a subscription base of 10.6 million, and the National Geographic Society introduced *National Geographic Traveler*, its first new adult-oriented magazine in 96 years.

National Geographic Traveler, which debuted in March with a rate base of 600,000, is a quarterly travel magazine designed to complement the *National Geographic*.

Since its unveiling, *Traveler* has surpassed its initial rate base of 600,000 subscribers and as of its September issue will increase its guaranteed circulation to 1 million.

NOBODY'S PERFECT.

#1 SIGN-ON TO SIGN-OFF

#1 EARLY NEWS (We top our nearest competitor by 67%)

#1 LATE NEWS (We top our nearest competitor by 33%)

#1 EARLY FRINGE (GOOD AFTERNOON DETROIT)

#1 LOCAL MORNING (KELLY & COMPANY)

#1 NUMBER OF HOURS OF LOCALLY-PRODUCED PROGRAMS

#1 MORNING NETWORK, NETWORK DAYTIME, NETWORK PRIME

#1 COMMUNITY OUTREACH PROGRAMS (Seven major service projects—free health screening tests, feeding the hungry, free immunization of schoolchildren, free hemoccult testing, crime-fighting Anonymous Witness program, Police Athletic League fund-raiser for child/victims of crime, valedictorian salute)

#1 IN AWARDS (Emmys, UPI, AP, and community service awards, based on last seven years)

#2 PRIME ACCESS (PEOPLE'S COURT)

We're not a Perfect Ten yet, but we're working on it.

WXYZ-TV. #1 in DETROIT

An ABC Owned Television Station

All ratings information: Nielsen, Feb. '84.

Robert L. Breeden, the Geographic's vp-publications, expects *Traveler* circulation to reach 1.5 million by next year.

Geographic officials predict *Traveler* should break even in its first year of publication and will show a profit by 1985, even with its generous 3-to-1 copy to ad ratio.

Circulation for *Traveler's* sister publication, *National Geographic*, was up only 13,000 copies in 1983, but an increase in ad pages from a disastrously low 1982 level boosted ad revenues 35.3%, to $30.3 million. Ad revenues of $16.41 million for the first six months of 1984 are ahead of last year's pace, despite a slight decline in ad pages.

Geographic editor Wilbur E. Garrett boasts the magazine reaches one in every four American households and says that its renewal rate is at a record 85%.

In addition, Mr. Garrett expects circulation figures for the magazine to remain relatively steady during the next several years.

To boost advertising interest, the magazine is in the midst of a $1 million ad campaign that stresses the publication's high-tech oriented readership and impressive demographics. Using the ad themes "National Computergraphic, National Demographic, National Psychographic and International Geographic," the society is attempting to lure more advertisers by flaunting the magazine's upscale and worldwide readership.

Among other points, the ads note that *Geographic* readers have a combined annual income of $300 billion and that one in five adult subscribers owns a personal computer.

The current campaign, which will split its advertising dollars between the spring and fall, is the magazine's first large-scale ad effort in about six years.

Geographic officials continue to be pleased by the success of "Big G," an ad program that allows advertisers to buy space in 36 selected major U.S. markets.

At about half the cost of a regular *Geographic* ad page, Big G has been especially popular among corporate and upscale advertisers.

In other advertising moves, officials in the *Geographic's* ad department say they still are discussing whether to offer joint buys in both *National Geographic* and *Traveler*.

Although the magazine is pushing for more ads, the *Geographic* has yet to lift its ban on alcohol and tobacco ads in domestic editions. It does, however, allow beer, wine and cordial ads in editions sold abroad.

The *Geographic* also notched some editorial successes during the past year. This spring, it won the American Society of Magazine Editors 1984 National Magazine Award, and the *Geographic* dazzled the publishing industry by placing a mass-produced 3-D lasar hologram on the cover of its March issue.

The society's other print property, "National Geographic World," maintains its policy of not accepting ads. Officials say its $13 million in subscription revenues are enough to cover operating costs.

"National Geographic World," which is geared toward children between the ages of 8 and 13, is expected to maintain its 1.5 million subscription level through 1985.

Society officials continue to be mum about plans to expand into cable tv by building on the following of the popular National Geographic tv specials. Last year, National Geographic Society president Gilbert M. Grosvenor said he was negotiating with pay tv companies such as Communications Satellite Corp., but since then there has been no comment on cable or satellite ventures.

MEDIA PROPERTIES
Magazines:
National Geographic, "National Geographic World," *National Geographic Traveler*.

News America Publishing

Revenues	1983	1982
Media	$323,000,000	$270,000,000
Other	—	—
Total	$323,000,000	$270,000,000

News America Publishing, New York, the U.S. branch of Rupert Murdoch's international News Corp. Ltd., is the country's 30th largest media company, with estimated U.S. revenues of $323 million, up 19.6% from 1982.

Total revenues for the fiscal year, ended June 30, 1983, were all in media for News America and did not include returns from the *Chicago Sun-Times*, bought after the close of the fiscal year. News America's parent had net income of $79 million for fiscal 1983, a 98% gain over the previous year, while revenues were up 2%, to $1.37 billion, attributable to gains at most of the British and U.S. holdings.

In November, 1983, Mr. Murdoch indulged his penchant for buying media properties by purchasing the *Sun-Times* from Field Enterprises for $90 million in cash, outbidding the *Sun-Times'* publisher, James Hoge, whose syndicate of local investors had bid $63 million.

The deal, which included real estate and other communications assets, was closed Jan. 9, 1984. The newspaper, the nation's ninth largest daily in circulation, had been offered for sale in April, 1983, by Marshall Field V and Frederick Field, equal partners in Field Enterprises. The *Sun-Times* in fiscal 1983, ended Sept. 30, had revenues of $161.4 million and net income of $3.3 million.

On the day of the sale, four top *Chicago Sun-Times* executives resigned including Mr. Hoge. Pulitzer Prize-winning columnist Mike Royko also left for Chicago's No. 1 daily and the *Sun-Times'* direct rival, the *Chicago Tribune*. Robert E. Page, publisher of News America's *Boston Herald*, succeeded Mr. Hoge as publisher.

In another acquisition, at press time, News America had reached an agreement to acquire *New Woman* magazine from New Woman Inc., Palm Beach, Fla. The monthly magazine has a circulation of 1 million.

News Corp.'s only two U.S. properties to lose money were the *New York Post*, New York's No. 3 paper, and the *Boston Herald*.

The *Post*, purchased in 1976 for $27 million, has recorded circulation gains from 489,000 on the day of its sale to 960,000 as of November, 1983, although it lost $14 million in fiscal 1983.

The *Boston Herald* had a circulation gain to 335,000 in November, 1983, from 228,228 in the similar period a year earlier. The paper's losses decreased from $12 million in 1982 to $3.4 million in 1983.

Losses were offset by profitable U.S. properties such as the *Star*, a nationally circulated tabloid, the San Antonio Express and *News*, and *New York* magazine, making "$14 million last year," according to News America president Donald D. Kummerfeld.

In October, 1983, Mr. Murdoch acquired about 1 million shares of stock in financially troubled Warner Communications, New York, for nearly $20 million.

He stated publicly that he had no intention of turning his 1.6% stake into a controlling interest. By December, 1983, he had acquired a 7% interest in Warner, paying $101.2 million for more than 4.5 million shares, making him Warner's largest individual shareholder. Last January, Mr. Murdoch declared News Corp. was ready to begin a proxy battle for control of Warner, and purchased 1 million additional shares for $29.8 million, bringing his total stake in Warner to 8.5%.

Chris-Craft Industries, in an attempt to thwart a News Corp. takeover, arranged an asset swap involving 42.5% of its tv subsidiaries in exchange for a 19% stake in Warner. The 15-week battle ended in March, when Mr. Murdoch agreed to sell News Corp.'s shares to Warner for $180.6 million, making a $41 million profit.

News America is the holding company for Skyband Inc., Secaucus, N.J., formerly Inter-American Satellite Television, New York, a direct broadcast satellite service, purchased in April, 1983.

Plans to offer five channels of pay tv programing to U.S. subscribers have been postponed indefinitely. Mr. Murdoch also purchased 69% of the struggling pan-European Satellite Television (SATV) network in early 1983, drastically cut its rate card to attract advertisers and expanded broadcast hours from two to five a night, with another two hours added in March, 1984. SATV plans to expand into Britain this year and to explore broadcasts in Holland and Germany.

MEDIA PROPERTIES
Magazines
New York.
Newspapers (dailies)
MASSACHUSETTS: *Boston Herald*. NEW YORK: *New York Post*. TEXAS: *San Antonio Express*, *San Antonio News*, *San Antonio Express-News*. ILLINOIS: *Chicago Sun-Times*.
Newspapers (nondailies)
NEW YORK: *Village Voice*. TEXAS: Houston Community Newspapers (all in Houston)—*Community News*, *Humble Echo*, *Sentinel*, *Suburban-Reporter*, *Sun*, *Sun Woodland*. NATIONAL: *Star*.

New York Times Co.

Revenues	1983	1982
Media	$1.073 bil	$890,600,000
Other	18,000,000	43,100,000
Total	$1.091 bil.	$933,700,000

New York Times Co., the nation's 11th largest media company, surpassed $1 billion in media revenues for the first time in 1983. Sales for newspapers, magazines, and broadcast and cable tv stations in 1983 reached $1.07 billion, up 20.2% from 1982.

Media revenues, which were 95.4% of total revenues in 1982, rose to 98.2% of $1.09 billion in total revenues in 1983. Total revenues increased 16.7% from 1982.

Books, information and education materials account for the remaining revenue, although that is changing. With the sale in 1983 of Education Enrichment Materials and Teaching Resources Corp., New York Times Co. has vacated the educational materials field.

Net income for the corporation rose 45%, to $78.7 million.

Continuing this pace, the first quarter of 1984 saw revenues increase 15%, to $297.3 million, from the first three months of 1983. The biggest gain was from magazines, a 34.1% boost to $55 million, although part of that increase was the result of an extra weekly published by *Family Circle* in the 1984 first quarter. Newspapers, the biggest segment of the company's business, recorded a 17.4% increase in the first quarter of 1984, to $228.4 million, while revenues from broadcasting and cable tv rose 15%, to $13.8 million.

The company's investment in new plants and equipment increased 37%, to $79.7 million in 1983 with plans to keep capital investment at that level in 1984. New York Times Co., with a reduction in long-term debt, described itself as "positioned now for further growth through both acquisitions and international development."

Last year was not a particularly major one in acquisitions, although the company had completed the purchase of 12 newspapers in late 1982, expanded its cable involvement through joint ventures and was reported to be more aggressively seeking magazine properties. It was said to be after *Gourmet* magazine, eventually sold to Conde Nast Publications. In 1984, it acquired *Cruising World*, a sailing book.

The *New York Times*, the flagship publication of the company, won two more Pulitzer Prizes in 1983, bringing it to an industry-leading 52. Ad linage in 1983 rose to 104 million lines in 1983, reflecting a 3.2% increase in retail and a 7.2% boost in national advertising; classified was down 1.1%. On the circulation side, average paid circulation rose 6,000, to 935,000, while Sunday circulation was up 28,000, to 1.55 million.

Ad gains increased into the first quarter of 1984. Total linage was up 4.9%, to 25.1 million, with classified showing the strongest gain (up 13.3%, to 5.8 million), followed by national (up 7.6%, to 8.5 million) with retail showing a decline (down 1.1%, to 10.8 million).

The *New York Times'* national edition is figuring more prominently in the newspaper's goals. The newspaper filed for status with the ABC as a national newspaper.

Also, national edition printing sites were added in Walnut Creek, Cal., and Austin, Tex., bringing the total to five. A goal has been set at 100,000 copies daily and 200,000 copies on Sunday for this edition.

Increased emphasis on the national edition was said to be one reason the newspaper, when looking for an ad agency to replace McCann-Erickson on its $4 million account last year, went to Bozell & Jacobs, an agency with 12 U.S. offices.

The *New York Times Magazine*, suffered a 9% decline in ad pages in 1982, but was up 82 ad pages in 1983, to 4,196, a 2% gain. It continued to add magazine Part 2 sections with the addition of a second "Sophisticated Traveler" section in October.

The regional newspapers, of which there are now 18, showed circulation growth, although not ad linage gains. Daily circulation rose 4.4%, to 284,000, while Sunday circulation increased 5%, to 251,800. For the weeklies, the circulation gain was 5.7%, to 46,100. The regional newspaper headquarters were moved from Lakeland, Fla., to Atlanta last year, and one of the weekly papers in that group, the *Zephyrhills News* in Florida, was sold.

Altogether, newspaper group revenues rose 23.6%, to $833.2 million in 1983, with the first quarter of 1984 showing a 17.4% revenue gain, to $228.4 million, compared with $194.5 million in the first three months of 1983.

The magazine group's revenues rose to $186.4 million and operating profit to $16.4 million in 1983. If $8.4 million recorded in 1982 from the sale of the company's Australian magazine operations were not included, those 1983 figures would represent a 16% revenue increase and a 7% operating profit boost. The first quarter of 1984 showed magazine revenues rising 34.1%, to $55 million, and operating profit ahead 44.3%, to $6.1 million.

A major investment was made last year to upgrade *Family Circle*, the largest magazine in the group. That publication's ad pages were up 96 pages, to 1,790, in 1983. *Golf Digest*, which boosted its circulation rate guarantee from 1,025,000 to 1,150,000, also had an ad page gain of 174 pages to bring it to 1,053 pages for the year. *Tennis* magazine, which increased its circulation rate base from 460,000 to 500,000 copies, had an ad page gain of 165 pages, to 924.

In the broadcasting-cable tv group, the company's three CBS affiliate tv stations all maintained their leading market positions in 1983. Revenues in this segment of the business rose 13.6%, to $53.4 million, while operating profit was up 80.9%, to $4.9 million.

Profits continued to leap in this area in the first three months of 1984 with revenues rising 15%, to $13.8 million, and operating profit jumping 191.8%, to $1.09 million.

The company's NYT Cable was an investment focus as newly constructed facilities were opened in Cherry Hill, N.J., which moved headquarters from Audubon, N.J. Cable subscriptions were up from 98,500 to 110,000 in 1983. NYT Cable last year also completed the test of a two-way system and began installation of an interactive system in Fort Dix, N.J. Also in the cable area, the company formed a joint venture with Warner Communications to produce and distribute informational programing for cable tv.

MEDIA PROPERTIES
Broadcasting
TV: WHNT, Huntsville, Ala.; KFSM, Fort Smith, Ark.; WREG, Memphis, Tenn.
RADIO: WQXR (am, fm), New York.
Cable/video
NYT Cable TV, Southern New Jersey.
Magazines
Cruising World, *Family Circle*, *Golf Digest*, *Golf World* (U.K.), *Tennis*.
Newspapers (dailies)
ALABAMA: *Florence Times Daily*. FLORIDA: *Gainesville Sun*, *Lake City Reporter*, *Lakeland Ledger*, *Leesburg Commercial*, *Ocala Star-Banner*, *Palatka Daily News*, *Sarasota Herald-Tribune*. KENTUCKY: *Harlan Daily Enterprise*, *Madisonville Messenger*, *Middlesboro Daily News*. LOUISIANA: *Houma Daily Courier*, *Opelousas Daily World*, *Thibodaux Daily Comet*. MISSISSIPPI: *Corinth Daily Corinthian*. NEW YORK: *New York Times*. NORTH CAROLINA: *Hendersonville Times-News*, *Lenoir News-Topics*, *Lexington Dispatch*, *Wilmington Star-News*. TENNESSEE: *Claiborne Progress*, *Dyersburg Star-Gazette*.
Newspapers (nondailies)
FLORIDA: *Anna Maria Islander*, *Avon Park Sun*, *Fernandina Beach News-Leader*, *Golden Gate Eagle*, *Marco Island Eagle*, *Sebring News*. MAINE: *Kennebunk York County Coast Star*. MISSISSIPPI: *Booneville Banner-Independent*.
OTHER OPERATIONS
Books, news service, features service syndicate. Also, equity interests in Madison Paper Industries, three Canadian newsprint companies and the *International Herald Tribune*.

Oak Industries

Revenues	1983	1982
Media	$106,246,000	$139,000,000
Other	320,172,000	406,700,000
Total	$426,418,000	$545,700,000

Oak Industries, Rancho Bernardo, Cal., is the country's 85th largest media company, with media operations accounting for $106.3 million, or 25% of total 1983 revenues of $426.4 million.

Media revenues declined more than 24% from last year's $139.0 million. Total revenues also dropped nearly 22%.

Media revenues were contributed by Oak Media Corp., which operates three ON TV over-the-air subscription tv systems in Los Angeles, Chicago and Miami-Fort Lauderdale.

The company owns 100% of WKID (tv), which broadcasts the stv service in the Miami-Fort Lauderdale market. It also own 100% of KBSC-TV, which carries ON TV in Los Angeles. In Chicago, the company does its stv broadcasting via a 50% owned joint venture and owns a 49% interest in WSNS-TV, which carries the stv service.

Oak Media also sells ON TV programing in other pay tv systems through a satellite distribution service.

Oak Media had an operating loss in 1983 because of a decline in the ON TV subscriber base. During the year, Oak closed its ON TV systems in Phoenix and Dallas. At the end of the year, the three remaining systems had less than 345,000 subscribers. This represented a 41% decline from the subscriber base at the beginning of the year. These declines have continued into 1984.

In Chicago, ON TV bought out its only competitor, United Cable's Spectrum. Spectrum's subscriber count of 37,000 is down from a high of 60,000, and Oak's has declined to 87,000 from 100,000. ON TV made its debut in the market in Sepember, 1983, followed by Spectrum a year later.

Last fall, Oak Media turned management of operations of ON TV over to Twin Arts, an affiliate of Ritter/Geller Communications Inc., publisher of *Playgirl* magazine. This responsibility also covers the acquisition, production and scheduling of ON TV programing

MEDIA PROPERTIES
Broadcasting
TV: WKID, Miami-Fort Lauderdale,

Fla.; KBSC, Los Angeles; WSNS, Chicago (49%).

Subscription tv

ON TV systems in Los Angeles, Miami-Fort Lauderdale, Chicago (50%).

Satellite delivery

ON Satellite TV.

OTHER OPERATIONS

Oak Communications produces both addressable and nonaddressable converters, converter/decoders and decoders for use in cable tv, over-the-air subscription tv and satellite tv systems. Racal-Oak Ltd., a British joint venture with Racal Electronics PCL, is developing pay tv in Britain and Europe. Oak also manufactures and markets a broad line of laminates used in the making of printed circuit boards.

Oklahoma Publishing Co.

Revenues	1983	1982
Media	$335,200,000	$302,C00,000
Other	N/A	N/A
Total	N/A	N/A

Oklahoma Publishing Co., Oklahoma City, is the 27th ranked media company in the U.S. with media revenues estimated by ADVERTISING AGE of $335.2 million in 1983, a 10.7% increase over 1982 media revenues.

OPUBCO, as it is known, is the tightly held, tight-lipped media arm of the Gaylord family of Oklahoma City. Its media contributions come from newspaper operations in Oklahoma and Colorado, the *Oklahoma/Texas Farmer-Stockman* magazine, and from Dallas-based Gaylord Broadcasting.

The company, through its Gaylord subsidiary, ventured into new turf in 1983 through the acquisition of Opryland properties in Nashville, Tenn., which also included radio station WSM (am, fm), the Nashville Network cable network, Opryland theme park, Opryland Productions and Hotel.

The company's largest single media property, the *Oklahoman & Times* newspaper in Oklahoma City, made waves in the market when OPUBCO merged its beleaguered evening Oklahoma Times on March 1, 1984, into the healthy morning *Daily Oklahoman*.

The move came sooner than expected by many in the market. Publisher Edward L. Gaylord only stated publicly for the first time last year that the *Times* was "becoming a dinosaur" and that it might have to be merged, although he noted the paper still was making money.

The *Times* had been losing readers since the mid-1960s when it had 125,000 circulation. It had fallen to slightly more than 82,000 when the merger took place.

The resulting product, called the *Oklahoman & Times*, was launched with the same national ad rate of $63 per inch as in 1983—high for a paper its size—and increased the local rate from $49 to $56 per inch, according to local advertising execs.

General manager Howard J. Nicks has stated the merged product would have a circulation of 275,000 to 280,000, although he gave no time frame.

ABC audited figures as of March 31, 1984, show that one month into the merger, the *Oklahoman & Times* had a daily circulation of 235,759. Just before the merger, the morning and evening paper had a combined circulation of 264,026.

There always has been considerable duplication of circulation between the two papers. This has compounded the problem of determining the paper's reach in Oklahoma City, an SMSA of about 900,000 people. Advertising sources claim the daily reaches 45% of the metropolitan households, although the paper puts its figures at between 70% and 80%. The *Sunday Oklahoman* does have such a reach.

Other activities in the local market include the development of a software products center in which OPUBCO's subsidiary, Datatek, is joining with Battelle Development Corp., Columbus, O., to offer Battelle's BASIS library to the newspaper industry. The system provides software for newspaper library applications. The center also operates as a service bureau to provide businesses with databases for a wide range of applications.

In Colorado Springs, OPUBCO's *Colorado Springs Sun* showed steady circulation gains for the morning paper, which reached 40,595, up 17% from the year earlier; Saturday morning, 40,553, up 17%, and Sunday, 43,465, up 19.5%. The paper also registered total ad linage gains of 2.5% in 1983 over 1982, compared with a 3.8% gain by its competitor and larger-circulated *Colorado Springs Gazette Telegraph* (92,296 for combined evening and morning) run by Freedom Newspapers.

The *Sun's* move to tabloid format early in 1983 and a resurgence of economic activity in the market are credited largely with the circulation and advertising increases.

Gaylord Broadcasting, which has seven tv and three radio properties, got a lot of tradition when it picked up WSM in Nashville. WSM was founded in 1925 by Nashville Life & Accident Insurance Co. as a promotional vehicle.

One of the programs created for broadcast was the Grand Ole Opry, which made its debut that year. The parent eventually became NLT Corp., which sold out to American General Insurance Co. of Houston in 1982. Gaylord bought the operation in September, 1983.

The biggest media asset among the Nashville properties, however, is likely to be the Nashville Network, an advertiser-supported cable network that went on the air in March, 1983, with 7 million subscribers. The subscriber list has grown to 15 million as of March, 1984, qualifying the network for monitoring by broadcast rating services. The network's ad sales and affiliate relationships are handled by Group W. The Nashville Network broadcasts 18 hours a day. Most of the programs are produced at Opryland Productions.

Gaylord also divested itself in 1983 of KYTE-AM and KLLB-FM in Portland, Ore., selling the stations to San Francisco contractor, resort property owner and rancher Charlton Buckley. Price was $3.75 million plus a $750,000 noncompete agreement.

MEDIA PROPERTIES

Broadcasting

TV: Gaylord Broadcasting Co.: KHTV, Houston; KSTW, Tacoma, Wash.; KTVT, Dallas/Fort Worth; WTVT, Tampa, Fla.; WUAB, Lorain (Cleveland), O.; WVTV Milwaukee; WVUE, New Orleans.

RADIO: WKY (am), Oklahoma City; WSM (am, fm) Nashville.

Cable/video

The Nashville Network with 15 million subscribers.

Newspapers

COLORADO: *Colorado Springs Sun.*
OKLAHOMA: *Oklahoman & Times* and *Sunday Oklahoman.*

Magazines

Oklahoma/Texas Farmer-Stockman.

OTHER OPERATIONS

Opryland theme park, Opryland Hotel, Opryland Productions, Gaylord Productions, Datatek.

Outlet Co.

Revenues	1983*	1982
Media	$95,000,000	$86,579,000
Other	—	—
Total	$95,000,000	$86,579,000

*Estimated; Outlet went private after its third quarter

Outlet Co., Providence, R.I., the nation's 90th largest media company, had total revenues estimated by ADVERTISING AGE of $95 million, all from media, up 9.7% from the year earlier.

Outlet turned private during the fourth quarter of its fiscal year ended Jan. 31, 1984, when it was purchased by Rockefeller Center Inc. for $335.4 million.

Not part of the sale was WSNE (fm), Taunton, Mass., a Providence-area station. It was sold in January, 1984, to a group of local businessmen for $3.6 million.

Outlet revenues during 1983 came from five tv and five radio stations. The company, which does not segment its broadcast properties for public dis-

Photo: Peter B. Kaplan

If you still believe in me, save me.

For nearly a hundred years, the Statue of Liberty has been America's most powerful symbol of freedom and hope. Today the corrosive action of almost a century of weather and salt air has eaten away at the iron framework; etched holes in the copper exterior.

On Ellis Island, where the ancestors of nearly half of all Americans first stepped onto American soil, the Immigration Center is now a hollow ruin.

Inspiring plans have been developed to restore the Statue and to create on Ellis Island a permanent museum celebrating the ethnic diversity of this country of immigrants. But unless restoration is begun now, these two landmarks in our nation's heritage could be closed at the very time America is celebrating their hundredth anniversaries. The 230 million dollars needed to carry out the work is needed now.

All of the money must come from private donations; the federal government is not raising the funds. This is consistent with the Statue's origins. The French people paid for its creation themselves. And America's businesses spearheaded the public contributions that were needed for its construction and for the pedestal.

The torch of liberty is everyone's to cherish. Could we hold up our heads as Americans if we allowed the time to come when she can no longer hold up hers?

Opportunities for Your Company.

OFFICIAL SPONSOR
LIBERTY

You are invited to learn more about the advantages of corporate sponsorship during the nationwide promotions surrounding the restoration project. Write on your letterhead to: The Statue of Liberty-Ellis Island Foundation, Inc., 101 Park Ave, N.Y., N.Y. 10178.

KEEP THE TORCH LIT

Save these monuments. Send your personal tax deductible donation to: P.O. Box 1986, New York, N.Y. 10018. **The Statue of Liberty-Ellis Island Foundation, Inc.**

closure, traditionally draws 86% of broadcast revenues from tv and 14% from radio. Allowing the purchase of a Bethesda, Md., fm station in 1983, Outlet generated about $80 million in revenues from tv and $15 million from radio in 1983.

Only revenues for Outlet's first nine months were made public during fiscal 1983. ADVERTISING AGE projected total billings based on an historical reading of fourth quarters at Outlet.

For the nine-month period ended Oct. 31, 1983, the company reported revenues of $71.4 million, compared with $64.3 million the previous year.

Nine-month net earnings from continuous operations for the period were $6.2 million versus $9.7 million the year earlier when the sale of two radio stations produced one-time earnings of $5.4 million.

Aside from being purchased itself in 1983, Outlet acquired in February, 1983, WHFS (fm), Bethesda, Md., for $2.1 million and changed the call letters to WTKS.

Bruce Sundlun, Outlet Co. president-chief operating officer, is chairman-ceo of the Rockefeller Center Inc. unit. David Henderson, Outlet's exec vp, is president-chief operating officer of the Rockefeller-owned company. Joseph Sinclair, Outlet chairman, is a consultant to the company.

Rockefeller Center Inc., which had entered into a period of property realignment in which it divested itself predominantly of real estate and moved into areas of higher return, entered the media fray several years ago as a joint-venture partner with RCA Corp. in the Entertainment Channel. The cable channel closed in 1982 after reportedly recording losses of $34 million before taxes.

With that experience in cable, new acquisitions, if any, will probably continue to follow the Outlet pattern of keeping to traditional broadcast properties, primarily tv, say sources close to the company.

That pattern became apparent in late May, 1984, when Outlet came in a close second to Gulf Broadcast Co., Dallas, in bidding for independent tv stations KTXA in Dallas-Fort Worth and KTXH in Houston. The stations, sold by parent KTXH Inc., went for at least $125 million.

MEDIA PROPERTIES

Broadcasting

TV: KOVR, Stockton-Sacramento, Cal.; KSAT, San Antonio, Tex.; WCMH, Columbus, O.; WCPX, Orlando, Fla.; WJAR, Providence, R.I. RADIO: KIQQ (fm), Los Angeles; WIQQ (fm), Philadelphia; WQRS (fm), Detroit; WTKS (fm), Bethesda, Md.; WTOP (am), Washington.

Park Communications

Revenues	1983	1982
Media	$86,300,000	$75,400,000
Other	—	—
Total	$86,300,000	$75,400,000

*Restated

Park Communication, Ithaca, N.Y., renamed from Park Broadcasting after the company became publicly traded on the New York Stock Exchange on Oct. 26, 1983, is the country's 96th largest media company with total net revenues of $86.3 million, all from broadcasting and newspaper properties.

Company net revenues, less commissions, which represented an increase of 14.4% over media net revenues of $75.4 million in 1982, were paced by broadcasting with $42.3 million in gross revenues (includes commission), up 5.6% from the previous year. Contributions came from seven tv stations, seven am and seven fm radio stations.

Newspapers had gross revenues of $44.1 million, up 23.5% from 1982. Total gross revenues were $93.8 million, up 14% from 1982.

The sizable jump in newspaper revenues was attributed largely to new acquisitions, including the daily *Courier News* in Blytheville, Ark., and a companion weekly in nearby Osceola, Ark., acquired in January, 1983, and the daily Waynesboro, Va., *News-Virginian*, acquired November, 1983. The Blytheville paper had audited circulation of 10,580 on March 31, 1983, and the Waynesboro product had audited circulation of 13,168 on March 31, 1983.

The newspaper division has 73 papers, including 25 dailies, 18 nondailies and 30 controlled-distribution weekly shoppers. Park only began accumulating newspapers in 1972 with the acquisition of the Warner Robins, Ga., *Daily Sun*. "At the time, we were well on our way toward accumulating our maximum broadcast properties, and we knew that if we were to grow it would have to be through newspapers," says Roy H. Park Sr., president-ceo.

Mr. Park says the company's acquisition policy is to acquire newspapers in small markets where competition is little to none and where local news—a Park forte—dominates state or national coverage.

The company has not changed its broadcast media lineup since 1977 when it obtained the full complement of tv and radio properties allowed by FCC regulations. The properties are located in the South, West and upstate New York. Mr. Park has stated he has no interest in acquiring cable operations.

The company undertook several capital improvements during the year, installing high technology front-end systems in a number of its newspapers and increasing the height of its tv tower in Birmingham, Ala., so it is now the highest in the market.

Park appears to be ready to acquire more media properties in the future as a result of generating cash from going public. Already in 1984 the company has purchased the *Journal-Register* in Medina, N.Y., a paper with Monday through Friday circulation of 5,002 as of the ABC audited report of March 31, 1984. Along with that purchase came the weekly *Albion* (N.Y.) *Advertiser* and two controlled-circulation shoppers.

The company stated when it filed its public offering (1 million shares of common stock at $17 to $20 a share) that funds may be used for acquisitions in addition to general corporate purposes and a $7.5 million bank note. Although the company is public, Roy Park Sr. owns 89.9%.

Mr. Park's son, Roy Park Jr., runs Park Outdoor Advertising, operating in Ithaca, Jamestown, Binghamton and Utica, N.Y., and Scranton, Pa. The outdoor advertising company, with billings of $2.8 million in 1983 and projected billings in excess of $3 million in 1984, is not consolidated into Park Communications, but is privately owned by Mr. Park Sr. through his RHP Inc. RHP also has real estate holdings, ranging from timberland to commercial properties.

MEDIA PROPERTIES

Broadcasting

TV: WBMG, Birmingham, Ala.; WUTR, Utica, N.Y.; WNCT, Greenville, N.C.; WDEF, Chattanooga, and WJHL, Johnson City, Tenn.; WSLS, Roanoke, and WTVR, Richmond, Va. RADIO: KRSI (am) and KJJO (fm), Eden Prairie, Minn.; WHEN (am) and WRRB (fm), Syracuse, N.Y.; WNCT (am, fm), Greenville, N.C.; KWJJ (am) and KJIB (fm), Portland, Ore.; WNAX (am), Yankton, S.D.; WDEF (am, fm), Chattanooga, Tenn.; WTVR (am, fm), Richmond, Va.; KEZX (fm), Seattle.

Newspapers (dailies)

ARKANSAS: *Courier News* (Blytheville), *Helena World*. FLORIDA: *Daily Sun Journal & Spring Hill Sun*, (Brooksville). GEORGIA: *Daily Sun* and *Sunday Sun* (Warner Robins). ILLINOIS: *Macomb Daily Journal* and *Sunday Journal*. INDIANA: *Pilot News* (Plymouth). MICHIGAN: *Coldwater Daily Reporter*. NEBRASKA: *News Press* (Nebraska City). NEW YORK: *Union Sun & Journal* (Lockport), *Evening Sun* (Norwich), *Journal & Advance News* (Ogdensburg), *Journal Register* (Medina). NORTH CAROLINA: *Concord Tribune*, *Daily Independent* (Kannapolis), *News Herald* (Morganton), *Observer-News-Enterprise* (Newton), *Robesonian* (Lumberton), *Sampson Independent* (Clinton), *Record & Landmark* (Statesville). NORTH DAKOTA: *Devils Lake Daily Journal*. OKLAHOMA: *Daily Ledger* (Broken Arrow), *News-Capital & Democrat* (McAlester), *Sapulpa Daily Herald*. VIRGINIA: *Journal Messenger* (Manassas), *News-Virginian* (Waynesboro).

Newspapers (nondailies)

ARKANSAS: *Osceola Times*, *Twin City Tribune*, West Helena. GEORGIA: *Houston Home Journal* (Perry). INDIANA: *Bremen Enquirer*, *Nappanee Advance News*. NEW YORK: *Albion Advertiser*, *St. Lawrence Plaindealer* (Canton), *Courier-Freeman* (Potsdam), *Massena Observer*. NORTH CAROLINA: *Bladen Journal* (Elizabethtown), *Maiden Times*, *McDowell News* (Marion), *Mecklenberg Gazette* (Davidson), *Robbins Record* (Mecklenberg), *Sandhill Citizen* (Aberdeen), *Valdese News*. OKLAHOMA: *Bixby Bulletin*, *Hartshorne Sun*, *Jenks Journal*.

Outdoor

Park Outdoor Advertising, serving Binghamton, Ithaca, Jamestown and Utica, N.Y., and Scranton, Pa.

Penthouse International

Revenues	1983	1982
Media	$153,000,000	$165,000,000
Other	12,000,000	10,000,000
Total	$165,000,000	$175,000,000

Penthouse International, New York, is the country's 61st largest media company, with 1983 media revenues of $153 million, a decline of 7.3% from media revenues of 1982.

Media revenues, which account for 92.7% of total revenues of $165 million in 1983, essentially come from *Penthouse* and related publications and *Omni*.

In politics, it's said that as Maine goes, so goes the nation. For Penthouse International, it can be said that as the "men's sophisticates" magazine market goes, so goes the company.

Five of its six publications (the exception being *Omni*) compete in the category, which generally remains in a slump because of changing economic and social factors.

For flagship *Penthouse*, 1983 was another year of declines. Advertising pages fell 4.1%, while advertising revenues fell 7.2%. Circulation at yearend stood at 3.56 million, down 6.4% from year-earlier levels. The magazine's rate base was cut 15%, to 3.4 million, effective with the October, 1983, issue.

There were two bright spots. The declines in ad pages and revenues were smaller, on a percentage basis, than those suffered by rival *Playboy*, and both declines were smaller than those *Penthouse* suffered in 1982—8.8% for ad pages and 8.5% for ad revenues.

The reduction in advertising volume and revenues was "reflected in our bottom line," says David Myerson, exec vp-ceo. Specific figures are not available because Penthouse International is privately held by Robert Guccione and members of his family.

To reverse this trend in ad volume and revenues, Mr. Guccione is taking what Mr. Myerson called "positive steps." By next January's issue, *Penthouse* is scheduled to drastically reduce the amount of service editorial it runs, replacing it with more pictorials, articles and fiction. The magazine also intends to increase its ratio of editorial to advertising to 5 to 1 from a range of 2 to 1 to 2.5 to 1. This reduction of advertising, coupled with the cutback in service features and higher production values, is designed to draw more readers to the magazine.

As for the other magazines the company publishes in the men's sophisticates field, *Forum* circulation has "basically leveled" at 425,000 to 450,000, Mr. Myerson says, "reflecting the decline in *Penthouse*." In earlier years, circulation was as high as 620,000 and more recently topped 500,000. The circulation of *Variations* continues to rise, to about 300,000.

Penthouse Letters, introduced as an every-other-monthly in April, 1983, has a circulation of 300,000 and is likely to increase its frequency to monthly. *Girls of Penthouse* is currently a special publication, but could follow in the footsteps of *Penthouse Letters*. As for *Omni*, which competes in the science category but is unusual in its editorial blend of science fact and fiction, its performance has been "basically spectacular," Mr. Myerson says. Last year ad pages rose 12% to 824 and ad gross revenues rose 16% to $14.7 million, according to Publisher's Information Bureau data.

The monthly's circulation gained by 4.4%, to 802,528, as the mix of subscription to newsstand sales changed somewhat so the former almost pulled even with the latter. This is a departure from the sales pattern of *Penthouse*, which in 1983 made 94.5% of its sales through single copies.

The company remains pleased with results of its program to license foreign editions. There are now seven licensed editions of *Penthouse* (Australia, Brazil, Great Britain, Italy, Japan, Spain, West Germany) and three of *Omni* (Italy, Japan and West Germany). Plans to license a Japanese edition of *Forum* have been carried out, giving Penthouse International three licensed editions in that country.

By this time next year, Mr. Myerson says, there could be a licensed edition of *Penthouse* in France, following a successful recent reintroduction of the U.S. edition into that market.

In Atlantic City, where Mr. Guccione for many years has tried to open a casino-hotel via Apex Properties and Boardwalk Properties, Mr. Myerson expects "some substantial progress" in completing the financing for the project by the end of this summer.

Plans for cable tv activities have been scaled back in favor of broadcast projects. One project is a syndicated show called "$1 Million Pet of the Year Pageant" which aired in April on 42 stations. It lost money. However, Mr. Myerson says the company is "looking forward to doing another pageant in '85."

At Penthouse Films, initial preproduction on "Catherine the Great" has been completed and the company is looking to a joint venture with a major, probably foreign, distribution company, Mr. Myerson says.

A new venture is Penthouse Video, which has released its first videocassette, Penthouse Films' "Caligula," at a suggested list price of $89.95. A second release is expected this summer, "a magazine-of-the-air" type of cassette, with a third release by yearend, Mr. Myerson says.

In books, *Omni* name titles are being emphasized over those bearing the *Penthouse* imprint, according to Mr. Myerson, including a series through Zebra Books and a proposed series of computer hardware and books.

MEDIA PROPERTIES

Magazines

Forum, *Girls of Penthouse*, *Omni*, *Penthouse*, *Penthouse Letters*, *Variations*.

OTHER OPERATIONS

Apex Properties, Boardwalk Properties, International Nuclear Systems Organization, Penthouse Films, Penthouse International Books, Evelyn Rainbird Ltd. (mail order), Penthouse Video.

Petersen Publishing Co.

Revenues	1983	1982
Media	$131,000,000	$117,500,000
Other	9,500,000	10,000,000
Total	$140,500,000	$127,500,000

Petersen Publishing Co., Los Angeles, is the country's 73rd largest media company, with media revenues of about $131 million, or 93% of total revenues of $140.5 million. Media revenues were up 11.5% from 1982; total revenues increased 10.2%.

The privately owned company's media revenues come primarily from its 15 special-interest monthly magazines. Petersen also has interests in real estate, restaurants and art galleries.

Petersen president Frederick Waingrow characterizes the company's performance in 1983 as "just about the expected rate of growth." So far in 1984, the company isn't projecting growth quite as dynamic as last year, because of a tightening of newsstand and subscription circulation patterns, he says. Ad pages for all publications for the first six months were up about 7%, but Mr. Waingrow expects total pages to rise about 10% in 1984. Total ad pages in 1983 rose 15.8%, to 10,217.

He expects total revenues for the year will reach $155 million and ad revenues will rise to about $80.5 million from 1983's $71.3 million.

As the U.S. automotive industry began to emerge from recessionary doldrums last year, Petersen's stable of automotive magazines was in a strong position to ride along. *Motor Trend*, a book featuring the latest domestic, imported and exotic cars, and *Petersen's 4-Wheel & Off-Road* have showed gains in both circulation and ad linage.

Petersen's hottest book was *4-Wheel & Off-Road*, with an 18.5% increase in average circulation, to 263,000 in 1983, and a 17% increase in single copy sales, according to Nigel P. Heaton, vp-circulation, marketing and development. Ad pages jumped 31.5% in 1983 and are up another 12% for the first six months of 1984 over the similar period last year.

Motor Trend's circulation increased more moderately, from an average of about 723,000 net paid in 1982 to 762,000 in 1983, with strong newsstand sales. The magazine had page gains of 13.1%.

But the surge in new car sales proved a mixed blessing as the interest in performance cars—and magazines written for that specialized segment—softened. Both *Car Craft*, edited for the drag-racing and high-performance automobile enthusiast, and *Hot Rod*, written for those with an interest in automotive machinery, felt the impact of this shift in focus. *Car Craft's* circulation remained static at about 392,000 in 1983, and ad pages fell 1.9%. *Hot Rod* circulation remained fairly flat at close to 800,000, with newsstand sales "somewhat soft" during the second half of 1983. Ad sales were up 1.6% in 1983 over 1982.

Petersen's hunting and gun books were also a little flat in ad sales and revenues in 1983. But that won't deter the company from spinning off one of its successful one-shot magazines, *International Combat Arms*, into an every-other-monthly to make its debut in August/September with a projected 80,000 circulation.

Also, ad sales in this segment should be spurred by interest in the shooting sports at the 1984 Summer Olympics. A special 54-page insert, carrying more than 30 pages of ads, will run in July issues of *Petersen's Hunting* and *Guns & Ammo*. Robert Petersen, a gun and auto enthusiast who founded the publishing company 36 years ago, is serving as commissioner of shooting events at the Olympics.

Another strong—and surprising—gainer for Petersen recently has been *Teen*. The magazine, while maintaining its 1 million rate base, increased ad pages a record 17% in 1983 over 1982 and is up 6% for the first six months of this year. The book, which struggled for years to overcome a negative image as a magazine for teenyboppers, apparently has won advertiser support. In revenues, the rewards were sweet—$8.4 million in 1983, a 20% increase over the previous year.

As its automotive and firearm magazines reflected industry trends in 1983, so *Petersen's Photographic* indicated hard times in the camera field. As Japanese photographic suppliers dealt with a tightening market by slashing ad budget, Petersen believes the industry is rebounding and is expecting a better second half.

Aside from the late summer debut of *International Combat Arms*, Petersen doesn't plan any other monthlies in 1984. *Drag Racing*, a 180,000 circulation every-other-monthly, started in

February.

Another every-other-monthly, *Sports Car Graphic*, covering the technical and racing aspects of sporting cars, went monthly at the end of 1983. Mr. Heaton predicts the growing interest in the sporty "fun-to-drive" car will help drive circulation up for this title. He anticipates 125,000 net paid circulation this year.

Petersen sold two of its regional boating magazines, *Rudder* and *Lakeland Boating* last year, after deciding the two were "marginal," Mr. Waingrow says. *Sea*, its western boating book, "is doing better," he says.

Earlier this year, the publisher changed the name of *Pickup, Van & 4-Wheel-Drive* to *Pickups & Mini-Trucks* as part of an effort to arrest a two-year circulation slide. The name change, effective with the May issue, was the company's latest effort to inject new life into the publication it purchased from CBS Publications in 1981.

Petersen had tried to change *Pickup, Van & 4-Wheel-Drive's* focus to street-truck enthusiasts, to distinguish it from its other publication in the field, *4-Wheel & Off-Road*. As circulation sank from the initial 237,000 to 185,000, Petersen decided to change its name—and editorial direction—again. The change reflects a greater emphasis on the increasingly popular downsized pickups and vans. So far the jury is still out on whether the new format is working, company sources say.

In 1983, Petersen issued 45 one-shot specialty magazines that sold more than 5.2 million copies at newsstand at prices ranging from $2.50 to $6.95. Another 45 one-shot titles are planned for 1984, including four teen-oriented specials, six or seven hunting and gun specials, and one called *Pro Football*. The remainder will be in the automotive area.

Petersen has expanded its special events division, seeking more tie-ins with major advertisers, as well as creating "customized" dealer promotion books for automotive dealers and car rental companies.

MEDIA PROPERTIES

Magazines

Car Craft, Circle Track, Dirt Rider, Drag Racing, Guns & Ammo, Hot Rod, International Combat Arms, Motor Trend, Motorcyclist, Petersen's 4-Wheel & Off-Road, Petersen's Hunting, Petersen's Photographic, Pickups & Mini-Trucks, Sea, Skin Diver, Sports Car Graphic, 'Teen. Also, one-shot special-interest publications.

OTHER OPERATIONS

Art galleries, real estate, restaurants.

Pittway Corp.

Revenues	1983	1982*
Media	$98,000,000	$98,000,000
Other	$334,000,000	$313,100,000
Total	$432,000,000	$411,100,000

*Restated

Pittway Corp., Northbrook, Ill., is the nation's 88th largest media company with media revenues of $98 million for 1983, unchanged from year-earlier figures.

Media revenues, which came entirely from Pittway's business press subsidiary, Cleveland-based Penton/Industrial Publishing Co., were 23% of Pittway's total 1983 revenues of $432 million.

The company would not disclose how much Penton/IPC's publications contributed to Pittway's 1983 net earnings of $26.3 million.

In contributing to corporate revenues, publishing ranked behind burglar-fire alarms and packaging.

Advertising revenues came from 25 magazines and one annual catalog, accounting for three-quarters of Penton/IPC's revenues of $126 million. Graphic services, marketing and education services and its Saddlebrook Real Estate and Resort business made up the balance.

Thomas L. Dempsey, chairman-ceo, Penton/IPC, and vp, Pittway, says 1984's results will break company records, projecting a 15% ad revenue increase by yearend. Already this year, he said, 23 of the company's magazines are showing gains in sales and 21 have increased their profits.

"Media profits were the best in the company's history in the first quarter," Mr. Dempsey says.

Contributing to the increase has been *Industry Week*, which is experiencing a strong turnaround since its redesign last fall. Mr. Dempsey also credits the magazine's growth in circulation within the service industries for the surge in advertising.

"The industrial [circulation] base began to drop off in the recession, and *Industry Week* was able to shift to follow the growth of the service sector," Mr. Dempsey says. Through May, *Industry Week* was up 23% in ad pages.

Nevertheless, with 1983 ad pages totaling 1,248, the magazine still has a lot of lost ground to make up. The magazine reached its peak of 2,038 pages in 1979.

Strong gains, according to Mr. Dempsey, also have been experienced by *Government Product News, Restaurant Hospitality, Modern Office Procedures, New Equipment Digest* and *Machine Design. Machine Design*, which overtook *Industry Week* in 1982 as the biggest title in the house, continued to hold that position last year. The publication had estimated gross ad revenues of $18.5 million.

Computer-Aided Engineering, launched as an every-other-monthly in the fall of 1981, is scheduled to become a monthly this fall, a result of strong advertiser interest, Mr. Dempsey says.

The company also is looking at other computer-related magazine proposals that are broader based than *Computer-Aided Engineering*. Mr. Dempsey says one of those "could see the light of day this year," and adds, "it might have consumer appeal."

Penton/IPC instituted rate increases of 4% to 5% in 1984 for most of its titles, and will examine another round of rate increases this fall for 1985.

MEDIA PROPERTIES

Magazines

Air Transport World, Chemical Engineering Catalog, Computer-Aided Engineering, Contracting Business, Foundry, Government Product News, Handling & Shipping Management, Heating/Piping/Air Conditioning, Hydraulics & Pneumatics, Industry Week, Lodging Hospitality, Machine Design, Material Handling Engineering, Materials Engineering, Modern Office Procedures, New Equipment Digest, Occupational Hazards, Power Transmission Design, Precision Metal, Production Engineering, Progressive Architecture, Restaurant Hospitality, School Product News, Used Equipment Directory, Welding Design & Fabrication, Welding Distributor.

Other Media

Direct response cards, directories, annuals and Management Personal Time, a magazine network sell based on demographics.

OTHER PROPERTIES

Animated films, C&A Investments, Curtin & Pease (direct mail marketing), list sales, Mail-Tel Service, market research, Penton/IPC Press (graphic services), Penton Learning Services, Penton Exhibition Division, Pittway Real Estate, Saddlebrook Resorts.

Playboy Enterprises

Revenues	1983	1982
Media	$158,500,000	$165,900,000
Other	$35,200,000	$44,200,000
Total	$193,700,000	$210,100,000

Playboy Enterprises, Chicago, is the 59th largest U.S. media company, with media property revenues of $158.5 million in fiscal 1983, ended June 30, 1983, down 4.5% from 1982.

Media revenues accounted for 84% of total 1983 revenues of $193.7 million, compared with 1982 when media properties represented 79% of the total.

Publicly held Playboy reported a net loss of $17.5 million for 1983, its second straight down year. However, the 1983 figure was an improvement over 1982's $51.7 million loss.

Playboy and *Games* magazines and the Playboy Channel provide the company's media contributions. About

We cure future shock.

Presenting the wrong results . . . because you've asked the wrong questions . . . of the wrong population? It's easy for research to go off target. That's why Chilton Research Services plans with expert care to be sure we know exactly **where** to look, exactly **how** to listen, and exactly **what to do** with what we see and hear.

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Diagnosing the present is the best way to ensure a healthy future.

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- **ABC News/ *Washington Post* Polls.**
  Public opinion surveys are conducted for ABC News and the *Washington Post*. On short notice — one hour to a half day — Chilton Research gears up for overnight turnaround of data on Lebanon, Grenada, the elections, even AIDS. The surveys use CATI, and a national probability computer-generated sample. Results are frequently reported on Nightline and Good Morning America.
- **Manufacturer Determines What Hispanics Drink.**
  An awareness and usage study is conducted annually among eligible Hispanics in top Hispanic population centers utilizing a telephone interview. Using an Hispanic Household Sample procedure developed by Chilton Research, telephone households are computer generated at the exchange level. All interviews are in Spanish.
- **N.Y. Stock Exchange Gains New Insight Into Investors.**
  A two-phase survey was undertaken to determine the incidence of stock ownership and to develop a profile of individual investors. In Phase I, computerized telephone interviews were conducted with a national sample of households to obtain information about ownership of stock by each member of the household. One adult shareholder was randomly selected to take part in Phase II, a mail phase of the project. This methodology enabled CRS to screen households on a national basis, and to collect detailed projectable data.

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PART OF THE ABC PUBLISHING COMPANIES

$150.2 million, or 93%, of Playboy's media revenues came from its publishing of the two magazines. The publishing segment's revenues in 1983 were down 9.2% from 1982 revenues of $165.3 million. Pre-tax income for publishing operations was $6.5 million in 1983, compared with $11.9 million in 1982.

The remainder, or $8.3 million, of the company's media revenues came from subscription fees earned by the Playboy Channel in the company's video segment. Revenues of $3.5 million attributed to programing produced for subscription tv systems and home video product sales were not included in ADVERTISING AGE's revenue totals for Playboy.

Playboy's video segment had revenues of $12.4 million, up from $584,000 in 1982. The segment posted a pre-tax loss of $2.3 million in 1983, compared with a $4.4 million loss the previous year.

Fiscal 1983 was a rough one for the company's flagship property, *Playboy* magazine. Total revenues for the magazine were $122 million, down 12.7% from 1982.

Playboy's circulation revenues declined $4.9 million on a yearlong volume decrease of 6.9 million copies, an 11.7% drop. Advertising revenues declined $13 million, or 281 fewer ad pages than in 1982. A cover price increase of 50 cents, to $3, with the October, 1982, issue partly offset the revenue declines.

The magazine's guaranteed rate base was lowered from 5 million to 4.4 million in January, 1983, and lowered again to 4.1 million, slightly more than half of which are subscriptions, in October, 1983.

The company attributes the declines in its flagship property to recessionary pressures on consumer and advertiser spending, but announced plans to revamp the 31-year-old magazine. Chairman Hugh Hefner and president Christie Hefner say those changes would include "clearer product positioning as a contemporary life style and service magazine and new targeted advertising campaigns" to enhance advertising and newsstand sales.

One of several top *Playboy* execs to leave the company last year was Henry Marks. In July, he resigned as senior vp-advertising to become associate publisher-advertising for *Rolling Stone* magazine. He was replaced by Charles Stentiford, previously with CBS Consumer Publications, New York.

The service-feature-oriented *Playboy Guides* publications, launched in 1980, were discontinued in the spring of 1983. Sent free to subscribers and sold on newsstands, the *Guides* were not profitable.

Advertising sales for its other consumer magazine, *Games*, which increased frequency to monthly from every-other-monthly in September, 1982, increased to $2.5 million, from $900,000 in 1982. The magazine's rate base was increased to 650,000, from 600,000, with the May, 1983, issue, and ad rates increased 6% with the October issue.

Playboy's activities in the video segment have been increasing, although they have not yet been profitable. The company's video segment ended fiscal 1983 with a net loss of $2.3 million on revenues of $12.4 million, compared with 1982's net loss of $4.4 million on $584,000 in revenues.

The center of attention in the company's video activities was the development of the Playboy Channel. Launched in November, 1982, it offers a mix of original programing and adult feature films. At the close of fiscal 1983, the Playboy Channel had 500,000 subscribing households. That number had reached nearly 700,000 by March, 1984.

The company also sells programing developed for the Playboy Channel to subscription tv systems and at retail in the form of videocassettes and discs. Revenues from these sources was $3.5 million in 1983.

MEDIA PROPERTIES

Cable/video

Playboy Channel.

Magazines

Playboy, Games.

OTHER OPERATIONS

Playboy Clubs International, Playboy Home Video, product sales and licensing.

Providence Journal Co.

Revenues	1983	1982
Media	$144,800,000	$132,500,000
Other	178,700,000	181,500,000
Total	$323,500,000	$314,000,000*

*Restated

Providence Journal Co., Providence, R.I., is the nation's 63rd largest media company with 1983 revenues from media operations of $144.8 million, or 44.5% of $323.5 million in total revenues. In 1982, the company had media revenues of $132.5 million, or 42% of total revenues.

The media operations of the company are diverse. It publishes the morning *Providence Journal*, the *Evening Bulletin* and the *Providence Sunday Journal*, owns WPHL-TV, Philadelphia, all-news radio stations WEAN-AM and WPJB-FM in Providence, and Colony Communications, the nation's 31st largest multiple system operator in 1982.

Its nonmedia operations consist of the Providence Gravure, which has four printing plants, in Texas, Illinois, Virginia and Rhode Island. The company is also involved in publishing the *Soap Opera Digest*, which reaches nearly 4 million readers.

The company's biggest property, with estimated 1983 revenues of $102 million, is the morning, evening and Sunday Providence newspapers circulated throughout Rhode Island and nearby communities of Bristol County, Mass. Combined ABC-audited circulation of the *Journal* and Bulletin was 214,034 in March 31, 1984, compared with 217,141 for the similar period in 1983. The Sunday paper demonstrated gains, however, moving from 245,958 in March, 1983, to 252,225 a year later, according to ABC audits.

Through its ownership of Colony Communications, Providence Journal Co. are now a major force in cable tv as well. With estimated revenues in 1983 of about $30 million, Colony has 187,500 basic subscribers and 180,000 pay.

Colony made headlines this year with its live coverage of two trials in Fall River involving a group of six men accused of raping a woman in a bar in New Bedford, Mass. Because of the trials' unpredictable schedules, Colony ran the coverage on an unused channel in its New Bedford system and on an alphanumeric message channel in the Fall River area.

Last year, a joint venture of Colony and Copley Press won the right to franchise a number of California communities. This year, it began construction of its new facilities for its Los Angeles County cable system, Copley/Colony Harbor Cablevision.

The facilities are expected to become the operations center for the franchise, which includes the San Pedro, Wilmington, Harbor City and adjacent Los Angeles County service areas. Colony also has won the right to franchise Costa Mesa, Cal., with a system that eventually will pass 33,500 homes.

In programing, the company's systems continue to receive awards and accolades for both their general and ethnic programing. Its Portuguese Channel is produced jointly with the local *Portuguese Times* newspaper and serves more than 70,000 Portuguese-Americans in the region.

Colony Electronic Information Services, a Providence Journal subsidiary, continues to produce two channels of advertiser-supported electronic videotex news and information—JTV 1 and JTV 2. JTV also has added computer-animated graphics and a colorful magazine page format, becoming the first teletext service in the nation to do so. JTV 1 consists of up-to-the-minute news briefs, 24 hours a day, while JTV 2 consists of entertainment and news features. In the evening it runs sports scores. Both JTV 1 and JTV 2 are available on Colony systems throughout the Providence-southeastern Massachusetts area.

Colony's systems continue to rebuild and upgrade both the hardware and the level of services provided to subscribers. The Greater Boston Cable Corp., a Colony system serving Woburn, Wilmington, Stoneham, Burlington and Billerica, Mass., has built 80 of a planned 140 miles of new plant and activated the first 10 miles. The company will continue to turn on 13 miles every month.

Subscribers to the system will be offered the Nashville Network, Lifetime, C-SPAN and CNN Headline News on the new, expanded basic service and the Disney Channel as a new pay option.

U.S. Cablevision Corp., a Colony system serving the Beacon-Poughkeepsie, N.Y., market area, is working with International Business Machines to interconnect the latest state-of-the-art computers using coaxial cable, enabling it to use computer-aided design and computer-aided manufacturing functions. It is also negotiating with Wang Laboratories to provide a dedicated 63-mile institutional network in Lowell, Mass. The company plans to market institutional services in major metropolitan areas, including Boston, Los Angeles, Miami, New York and Providence.

In cable advertising, Colony Interconnects, a subsidiary, signed its first interconnect agreement with Rollins Cablevision in the fall of 1983. The contract made way for an interconnection of Colony's systems in southeastern Massachusetts and Rhode Island with 16 of Rollins' systems in the same area. Colony Interconnects inserts commercials on Cable News Network, Entertainment & Sports Programming Network, MTV: Music Television, USA Cable Network and its own 24-hour a day movie service, Movietime.

Last year, Providence Journal Co. purchased the programing rights and some of the production equipment of WKBS-TV, Burlington, N.J., when the station's owner, Field Enterprises, Chicago, decided to liquidate the station's assets rather than sell the station. The price of the transaction was not disclosed.

Providence Journal Co. also is a major commercial printer through its Providence Gravure subsidiary. It provides offset and gravure printing, along with binding and mailing services at four printing locations for locally edited Sunday magazines, consumer publications, free-standing newspaper inserts for major retailers and mail order specialty catalogs.

MEDIA OPERATIONS

Broadcasting

TV: WPHL, Philadelphia. RADIO: WEAN (am) and WPJB (fm), Providence, R.I.

Cable/video

Colony Communications, serving CALIFORNIA: Harbor City, Lomita (partial interest), San Pedro, Wilmington. FLORIDA: Hialeah-Coral Gables (88.9%). MASSACHUSETTS: Fall River (84%), Lowell, New Bedford (86%), Woburn. NEW YORK: Beacon, Hyde Park, Lloyd, Monroe, Poughkeepsie. RHODE ISLAND: Hopkinton, Westerly. Multipoint distribution systems—MASSACHUSETTS: Boston, Springfield. RHODE ISLAND: Providence. Videotex system in Providence, R.I.-New Bedford, Conn. areas.

Magazines

Network Publishing Corp., publisher of *Soap Opera Digest.*

Newspapers

Providence Journal, Evening Bulletin, Sunday Journal.

OTHER OPERATIONS

Providence Gravure, Providence, R.I., wholly owned commercial printing subsidiary that includes Texas Color Inc., Dallas; Virginia Gravure Inc., Richmond, and Kable Printing Co., Mount Morris, Ill.

Pulitzer Publishing Co.

Revenues	1983	1982
Media	$242,000,000	$224,000,000
Other	—	—
Total	$242,000,000	$224,300,000

Pulitzer Publishing Co., St. Louis, is the country's 42nd largest media company, with 1983 revenues, all from media, estimated by ADVERTISING AGE at $242 million, up 8% from 1982. Newpapers provided 60% of revenues and broadcast properties 40%.

The company is privately owned, with the majority of stock held by Joseph Pulitzer Jr. and other members of the Pulitzer family.

According to company sources, the 10% increase in total sales in 1983 was accompanied by record profits.

During the past six months, Pulitzer's flagship operation, the *St. Louis Post-Dispatch*, has gone through perhaps the greatest metamorphosis in the paper's 105-year history.

Last year, the *Post* was an afternoon paper working in tandem with the morning St. Louis Globe-Democrat, owned by Advance Publications (S.I. Newhouse). In February, the *Post* switched to morning publication after independent publisher Jeffrey Gluck took over the *Globe-Democrat.*

In 1979, the *Post* and *Globe* merged business functions under a joint operating agreement, an arrangement sanctioned by the federal Newspaper Preservation Act to ensure the survival of competing dailies. But Pulitzer and Advance officials said the venture was continuing to lose money and in November, Advance announced its intention to close the *Globe-Democrat.*

However, the Justice Department intervened, sought a buyer for the *Globe* and eventually paved the way for Mr. Gluck to make his purchase. Nevertheless, the operating agreement continues, and Advance will share half of the *Post-Dispatch's* profits, losses and capital expenditures for the next 50 years.

When the *Post-Dispatch* switched to mornings on Feb. 27, 1984, it expected to lose circulation for a while, but circulation has risen steadily.

"We really underestimated the circulation strength," Nicholas G. Penniman IV, general manager, *Post-Dispatch*, says.

"We had every reason to believe it would drop temporarily." He says other newspapers that have made the move to mornings lost about 10% of their circulation initially, though they regained it within a year.

According to ABC Fas-Fax data, the *Post-Dispatch's* daily circulation at the end of the five-week period ended March 31, 1984, was 254,333 for the morning daily, up from 234,066 from the evening daily of the comparable period in 1983; Saturday morning was 247,346, up from 145,391; Sunday climbed to 489,169 from 461,222. (These are Fas-Fax revised figures from its March 31 statements which originally picked up only the paper's city zoned editions.)

Mr. Penniman views the positive results as more a reflection on the company's aggressive approach to the market than in scaring up new readers because they are dissatisfied with the *Globe's* performance. He notes in markets lacking strong mass transit systems that evening papers generally suffer more than morning papers, so the *Post-Dispatch's* increased circulation could be benefiting somewhat from this tradition.

Ad linage also increased sharply. For example, in March, the *Post-Dispatch* alone recorded 92% as much advertising as did the *Post* and *Globe* together in the similar period in 1983, officials said.

Meanwhile, Mr. Gluck claims to be making money with the *Globe*. That paper now is thinner and has less advertising than it did under previous ownership, but Mr. Gluck says he has reduced operating expenses, so there's still room for a profit. The demands of the *Globe*, according to Mr. Gluck, have left him with too little time to concentrate on another media property, the *Saturday Review*. He canceled the March-April issue and was in the process of selling the magazine in late May.

The *Post-Dispatch*, apparently determined to press its competitive advantage, is moving ahead with ambitious expansion plans on several fronts. It is pushing distribution boundaries farther into Missouri, Arkansas and southern Illinois. "Our goal is to get final editions into all major cities within a 150-mile radius," Mr. Penniman says.

The paper also seems to be advertising and promoting much more aggressively than in the past. It spent about $250,000 in institutional radio and tv advertising when it switched to the morning slot.

A promotional game launched late last year yielded 10,000 new subscribers. The newspaper plans to keep up the momentum with four, 10-week games this year.

In addition, the paper recently introduced a new total-market-coverage section called "You." It bears a striking resemblance to the *Globe's* now defunct "Living Midweek," a total-market-coverage section that was dropped when the paper changed owners. "You," a color broadsheet with features, columns and celebrity news, is dropped at some 500,000 homes in St. Louis city and county.

In 1983, Pulitzer completed its roster of five vhf and two uhf tv stations, the maximum allowed by the FCC. Early in the year, the company traded its largest broadcast property—KSDK in St. Louis—to Metromedia for stations in Greenville, S.C., and Winston-Salem, N.C., along with about $8.5 million in cash.

Then in June, 1983, it bought uhf stations in Fort Wayne, Ind., and Louisville, Ky., from Gannett Co. Pulitzer says it plans no more changes in its tv lineup.

In other arenas, however, Pulitzer apparently will continue its entrepreneurial efforts. It recently considered—then rejected—the purchase of a direct mail company and "we regularly look at eight to ten newspaper prospects a year," Mr. Penniman says.

Pulitzer recently started a small production company, Frank Popper Audiovisual Productions.

MEDIA PROPERTIES

Broadcasting

TV: KETV, Omaha, Neb.; KOAT, Albuquerque, N.M.; WGAL, Lancaster, Pa.; WLKY, Louisville, Ky.; WPTA, Fort Wayne, Ind.; WXII, Winston-Salem, S.C.; WYFF, Greenville, S.C.

RADIO: KKLT (fm) and KTAR (am), Phoenix.

Newspapers (dailies)

ARIZONA: *Arizona Daily Star* (Tucson). MISSOURI: *St. Louis Post-Dispatch.*

OTHER OPERATIONS

Sports Stats (80% interest), Frank Popper Audiovisual Productions.

RKO General Inc.

Revenues	1983	1982
Media	$175,700,000	$164,000,000
Other	159,700,000	127,800,000
Total	$335,400,000	$291,800,000

*Restated

RKO General Inc., a subsidiary of Gencorp, Akron, O., is the 53rd largest media company. Renamed from General Tire & Rubber Co., it had media revenues of $175.7 million in 1983, up 7.1% from 1982.

Media revenues, which represent 52.4% of total RKO revenues of $335.4 million, come from its broadcast division. The division's radio and tv properties had income of $18.6 million.

RKO's parent, Gencorp, generated revenues of $2.2 billion in 1983, compared with $2.1 billion in 1982. RKO is not consolidated in Gencorp returns. However, RKO would have ranked behind tires, aerospace-defense products and plastics in segmented revenues if included in Gencorp returns.

RKO comprises broadcast, soft drink bottling and a sizable investment in Frontier Airlines. Negative returns by the airline, however, dampened an otherwise strong year for RKO. After-tax losses for the air carrier totaled $9.9 million in 1983, down more than $22 million from 1982.

Competitive fare discounting, poor traffic demand and heightened competition in Frontier's hub market of Denver were cited for the poor showing.

In 1983, RKO weathered the storm of losing its license to operate WNAC-TV in Boston, ordered by the FCC in 1982 because of "improper activities." The company realized a net gain of $8.2 million from the sale of WNAC's assets to New England Television.

The company may find itself in another struggle, to keep KHJ-TV, Los Angeles, as the FCC's hearings are continuing on RKO's qualifications to run the station.

Despite setbacks, RKO forged ahead on the tv front, particularly with station WOR, New York, and KHJ, Los Angeles. RKO hopes to establish a leadership role for WOR with the addition of new programing along with upgraded public affairs programs.

WOR moved to Seacaucus, N.J., in 1983. Ground was broken early this spring on a new "state-of-the-art" broadcasting facility for WOR, according to RKO vp Steven Ellis.

Elsewhere in tv, RKO has received nationwide recognition for its award-winning series, "The Changing Family," introduced last year in New York, Los Angeles and Memphis.

In radio, 1983 was a year of "maturity" for its 12 owned-and-operated stations, a company spokesperson says. Two major format changes were made—WHBQ in Memphis and WRKO in Boston. Both stations went from music to news-talk, a format slow to reflect changes in ratings, but initial indications are that both stations will become market leaders, Mr. Ellis says.

Among fm stations, RKO owns ratings leaders WAXY in Fort Lauderdale, Fla.; WFYR, Chicago; WROR, Boston, and KRTH, Los Angeles. Also, WGMS, Washington, continues its prominence in the classical music area, and in New York, WRKS tops the city charts for urban-contemporary format and WOR leads in news-talk in New York.

RKO execs were disappointed in the performance of radio station KHJ, Los Angeles, and are deciding what to do with the station.

The company sold RKO Radio Sales in 1983.

The syndicated feature "Solid Gold Saturday Night" now is run by 225 stations and "Soap Opera Update" now plays on 210 stations, which could increase to 250 within a year.

RKO Pictures was active during the past year in the development and production of programs for national and international tv audiences and home video markets. Videogroup, a division of RKO Pictures, signed an exclusive agreement with the Royal Shakespeare Co. to bring its repertoire to worldwide tv and home video.

Aside from broadcast properties, RKO owns RKO Hotels and last year signed a management agreement with A. Cal Rossi Co. to develop and manage hotel properties. Currently, RKO/Rossi manages resort properties in Tucson, Ariz. and San Diego, Cal.

Another nonmedia property, RKO Bottlers, produces and distributes Pepsi-Cola, Dr Pepper and regional soft drinks in Ohio, Indiana, Tennessee, Virginia and West Virginia.

MEDIA PROPERTIES

Broadcasting

TV: KHJ, Los Angeles; WOR, New York; WHBQ, Memphis.

RADIO: KHJ (am) and KRTH (fm), Los Angeles; KFRC (am), San Francisco; WGMS (am, fm), Bethesda, Md.—Washington; WAXY (fm), Fort Lauderdale; WFYR (fm), Chicago; WRKO (am) and WROR (fm), Boston; WOR (am) and WRKS (fm), New York; WHBQ (am), Memphis. Also, RKO Radio Networks, New York.

OTHER OPERATIONS

Frontier Airlines, movie production, RKO Bottlers.

RCA Corp.

Revenues	1983	1982
Media	$2.090 bil.	$1.790 bil.
Other	6.890 bil.	6.450 bil.
Total	$8.980 bil.	$8.240 bil.

RCA Corp., New York, is the fourth largest media company with record media revenues of $2.09 billion in 1983, up 16.8% from 1982. All of the company's media dollars are generated from its National Broadcasting Co. operation.

NBC contributed 23.3% of total RCA's revenues of $8.98 billion in 1983, the latter figure of which was up 9% over the previous year. Pretax earnings from its NBC division gained 45% last year to a record $156.2 million.

All of NBC's operating units posted higher profits in 1983, when the NBC Television Network and the owned tv stations benefited from improved demographics and strong advertiser demand, RCA said in its annual report.

The NBC Radio division, encompassing the NBC, Source and Talknet networks and the owned am and fm stations, also increased its earnings last year, because expanded program services and audience growth. Its three networks are carried by more than 500 affiliates.

During the 1984 first quarter, RCA increased its net income by 73%, to $50.3 million, as revenues rose to a record $2.36 billion. As in the past, the company did not detail NBC's quarterly performance.

NBC enjoyed the highest profit in its history in 1983, when the tv network posted its 11th consecutive year of record ad sales despite less than satisfactory audience ratings. Part of its 1983 volume owed to NBC's coverage of the Super Bowl in January, 1983.

When the 1983-84 prime-time tv season ended, NBC had averaged a mere 14.9 rating for the 29 weeks. While that was the worst season-long A.C. Nielsen Co. rating for any network in 27 years, NBC did have some gains to tout, chiefly in demographic breakouts. Although ABC dominated the key prime-time demographic categories, NBC ranked second to ABC among males 18 to 34, 18 to 49 and 25 to 54. NBC ran third in the female groups, coming closest to runnerup CBS among females 18 to 49.

As NBC executives long have maintained, prime-time series such as "Hill Street Blues" and "Cheers" score highly among the young, urban, upscale audience "that advertisers find particularly attractive." The network's stronghold in the broad household ratings, meanwhile, is "The A Team," which began in January, 1983, and quickly moved ahead of ABC's longtime Tuesday anchor, "Happy Days." Last season, "The A Team" was NBC's No. 1 hit and the No. 4 series over-all, averaging a 24 Nielsen rating and a 35 share.

Last fall, NBC began further eroding ABC's longtime Tuesday ratings hold by building on "The A Team" lead-in with "Remington Steele" and, in the 1984 midseason, with "Riptide" (which ranked 16th for the season). NBC's other big raters were "TV's Bloopers & Practical Jokes" (No. 11) and the Monday night movie package (19th).

In other dayparts, NBC has been faring well on Saturday morning and late-night programing and has shown some improvements in evening news, daytime and early morning. In daytime as in prime time, NBC has languished in the ratings cellar for years, although this spring it has enjoyed something of a daytime comeback, closing the gap with ABC.

After dropping the dual anchor setup of Roger Mudd and Tom Brokaw in favor of Mr. Brokaw, NBC saw its evening newscast return to its runnerup position, albeit narrowly, over ABC in the ratings, although CBS through mid-April had increased its margin. However, NBC News suffered another in a long string of failures in the attempt to develop a successful prime-time news magazine. "First Camera" scored a dismal 6.4 rating and 10 share Sunday evenings, trounced by CBS' "60 Minutes" and consistently beaten by ABC's "Ripley's Believe It Or Not."

In early morning, "Today," NBC's onetime leader, has been second to ABC's "Good Morning America" for more than two years. "Today," however, has not only been increasing its margin over CBS' "Morning News" this spring but also eroding "Good Morning America's" lead somewhat.

NBC has dominated the Saturday morning children's ratings for no fewer than 33 consecutive weeks, topping CBS' old record of 31 straight wins 12 years ago. Its consistent Nielsen hits in this daypart have been "Smurfs" (the show that contributed most to NBC's change of fortune three years ago), "Mr. T," "Alvin & the Chipmunks" and "Amazing Spider-Man." NBC's strength among children during the past three seasons represents quite a turnaround from the 1970s, when the network was forced each year to scrap virtually its entire Saturday program roster.

In sports, NBC's major commitments are National Football League and major league baseball. This October's World Series will be the first under the six-year, nine-digit contract signed by NBC and ABC last year. NBC, paying more than $500 million for the Saturday baseball and rotating big-event coverage and even sought to become the only major league baseball network for a total $1 billion rights fee.

NBC currently is testing teletext, over-the-air text and graphics service offering news, sports and weather information and features as well as ad messages. The service is being tested at the World's Fair in New Orleans.

MEDIA PROPERTIES

Broadcasting

TV: NBC-TV Network, with 214 affiliates. NBC-owned stations: KNBC, Los Angeles; WMAQ, Chicago; WNBC, New York; WKYC, Cleveland, WRC, Washington.

RADIO: NBC Radio Network, The Source Network, Talknet. NBC-owned stations: KNBR (am) and KYUU (fm), San Francisco; WMAQ (am) and WKQX (fm), Chicago; WNBC (am) and WYNY (fm), New York; WRC (am) and WKYS (fm), Washington.

OTHER OPERATIONS

Hertz Corp., RCA Americom (satellite), RCA/Columbia Pictures International Video (home video), RCA consumer products division, RCA Records.

Reader's Digest Assn.

Revenues	1983	1982*
Media	$202,500,000	$199,300,000
Other	1.298 bil.	1.101 bil.
Total	$1.500 bil.	$1.300 bil.

*Restated

Reader's Digest Assn., Pleasantville, N.Y., is the country's 47th largest media company with 1983 U.S. media property revenues estimated by ADVERTISING AGE at $202.5 million, up 1.6% from last year's estimated media revenues of $199.3 million (restated).

Media revenues came from the U.S. edition of *Reader's Digest* and from Source Telecomputing, an electronic information service for personal computer users.

Reader's Digest is estimated to have provided 94.1% of the company's domestic media revenues. In addition, the company also derives substantial revenues from 41 editions in 17 languages.

Lila Acheson Wallace, who along with her husband, DeWitt Wallace, founded *Reader's Digest* in 1922, died May 8, 1984, three years after her husband's death. After the death of Mr. Wallace in 1981, Mrs. Wallace had gained control of all the voting stock. With her death, all voting stock of the company is to be administered by a trust. Most of the nonvoting stock, according to the company, is owned by foundations and employes.

Just before Mrs. Wallace's death, a major corporate shuffle occurred at Reader's Digest Assn., in which Edward T. Thompson, editor in chief, and John A. O'Hara, president, both trustees who between them controlled 50% of the voting stock, apparently were forced to resign.

Their resignation left the voting stock in the control of the two remaining trustees—Laurance S. Rockefeller, a former chairman of the Rockefeller Brothers Fund, and William J. Cross, who has become president and chief operating officer of Reader's Digest Assn.

Rumors reported in the press at the time of Mr. Thompson's resignation in mid-March (Mr. O'Hara's resignation followed a month later) indicated that an influential group within the company had become disenchanted with the magazine's straying from the *Digest's* original vision.

Following Mrs. Wallace's death, George V. Grune, previously publisher of *Reader's Digest*, was appointed chairmen-ceo, replacing Mr. O'Hara; Richard F. McLoughlin became vice-chairman, a new post, while William J. Cross became president-chief operating officer. The three, along with *Reader's Digest* editor Kenneth O. Gilmore, will make up the executive committee of Reader's Digest Assn.

Meanwhile, according to the terms of the DeWitt and Lila Wallace Trust, Messrs. Rockefeller and Cross will select four more trustees to help run the Reader's Digest Assn. The *New York Times* reported that insiders believe two of those are likely to be Messrs. Grune and Gilmore, and outsiders consider the remaining two slots will go to Donald C. Platten, chairman of the executive committee of the Chemical New York Corp., and its Chemical Bank, and Theodore F. Brophy, chairman and ceo of GTE Corp.

Most of the *Reader's Digest* editions are owned directly by Reader's Digest Assn., but several are licensed out. These include editions in Arabic, Czech, Hindi, Korean, English (India) and Spanish (Colombia). Of the total circulation of 30 million, 18 million is within the U.S. The worldwide economic slump has whittled these numbers down from record highs in the 1970s.

The circulation of the magazine has remained fairly stable over the past few years, although it took a dip in 1983 to 17,942,016 in the U.S., down from 18,171,628.

The stability is by design, notes a company spokesperson. "When you have the kind of circulation that we have, any major increase in the numbers could drive a number of advertisers out of the market," the spokesman says, pointing out that the rates could become too expensive for a number of advertisers. A typical four-color page in the magazine now runs $108,000.

Advertising, however, has been tracking the circulation drop. Ad pages fell nearly 6%, to 1,033, from 1982. At the same time, gross revenues dropped 3.2% to $101.6 million, according to Publisher's Information Bureau.

The ad picture has changed dramatically in the first six months of 1984, however. Total pages during the period jumped 5.7%, to 474.5 pages, compared with the same months in 1983.

Revenues in the period shot up 15%, to $41.3 million from January to June, 1984, compared with the corresponding months in 1983. The most dramatic turnaround came when ad pages jumped 19.6% to 85.6 pages in the June issue compared with the June, 1983, issue. Revenue that month alone rose 26% to $7.9 million.

The ad pages continue to be bolstered by special marketing inserts such as the eight-page detachable Better Life Guides from Campbell Soup Co.

Planned for February, 1985, is a special supplement titled "Helpful Eating: The Light Way."

Source electronic information service is Reader's Digest's other media operation in the U.S. It continues to be unprofitable, but has been undergoing steady growth and development since 1980, when Reader's Digest purchased an 80% stake in it.

As of April, 1984, Source had more than 55,000 subscribers. In March, it added 3,000 new subscribers to its list. Subscribers pay a $100 registration fee and are then charged for the time they are connected to the service—$20.75 an hour between 7 a.m. and 6 p.m., Monday through Friday, and $7.75 an hour for all other times.

A spokesperson for Source says there are six main categories of service available on the service: Communications, news and sports, business and finance, travel, games and consumer services. However, it also provides a service called Public, where members of Source can publish electronic newsletters or create services for other members to use.

During the past few years, Source has been aggressive in providing investment-related financial services to its subscribers. Last year, it began providing Stockcheck to allow subscribers to retrieve information on specific stocks and bonds from all the major exchanges by simply typing in the conventional Standard & Poor's symbol. Recently, it also added the Donoghue database, which provides comprehensive information and commentary about the money market and mutual funds. Information about other investment opportunities also is included.

Reader's Digest plans to concentrate on its magazine business. However, it will continue to develop its role in the publishing of books and records. The company expects Source to become profitable soon.

MEDIA PROPERTIES

Electronic publishing

Source Telecomputing.

Magazines

Reader's Digest.

OTHER OPERATIONS

Book publishing, educational materials, mail-order sales of music records and tapes.

Rogers Cablesystems

Revenues	1983	1982
Media	$139,000,000	$107,000,000
Other	—	—
Total	$139,000,000	$107,000,000

Rogers Cablesystems, Toronto, Canada, is the nation's 69th largest media company with 1983 net revenues, all from U.S. media properties, of $139 million, a 30.4% increase over $107 million in 1982. Operating income in 1983 was $57.4 million, compared with $38 million in 1982.

The company's U.S. operations consist of Rogers U.S. Cablesystems Inc. and Rogers Cablesystems of America Inc., the latter of which is half the former Rogers-UA Cablesystems.

(Figures in this profile have been converted from Canadian dollars at the yearend rate of C$1 equals 0.817 U.S. dollars).

RUSCI consists of eight franchise groups with 745,000 homes and 385,000 passed by cable. There are 154,000 basic subscribers and 232,000 pay. RUSCI's net revenue increased by $15.2 million, to $29.8 million in 1983.

The increased revenue resulted from new subscribers in newly developed cable areas. Also showing an increase was the annual net revenue generated per subscriber—up from $210.80 in 1982 to $239.78.

Rogers owned a 51% interest in Rogers UA Cablesystems until August, 1983, when the cable systems owned by Rogers UA Cablesystems were distributed to its shareholders. The distribution resulted in Rogers receiving 307,000 basic cable subscribers and 374,000 pay subscribers. The systems are centered around San Antonio, which has 164,000 basic subscribers and 291,000 pay. The remainder are located in other parts of Texas and six other southern states.

RCAI's net revenue increased 64%, to $109.7 million in 1983. Its operating income rose to $48.2 million, up 44% from 1982.

At the same time, annual net revenue per subscriber increased from $174.43 to $184.43.

Two areas were added to the company's operations during 1983, both of which are adjacent to existing systems. These areas include part of the city of Minneapolis and part of Multnomah

County, Ore.

The company successfully has introduced a new generation of technology in its new systems, says Edward S. Rogers, ceo, Rogers Cablesystems. It has done so without cost overruns or management problems. "The investment in the latest technology allows us to gain new sources of income such as pay per view," Mr. Rogers says.

During the past two years, the company has acquired expertise in programing and marketing pay-per-view services with good results in Portland, Ore., and Southern California. Revenues also are being generated from the sale of communications services to banks and other institutions and from the sale of advertising spots in satellite network services to local businesses.

Nonetheless, the company says it is facing substantial wholesale price increases in pay tv and specialized satellite services. In addition, many of the satellite services that were once available free from suppliers must now be purchased. Says the company, "Where franchise agreements currently prevent passing these costs on to subscribers, the company is actively seeking regulatory relaxation."

Efforts to seek such regulatory relief became a major controversy in Minneapolis when the company's request for rate increases was vetoed by Minneapolis Mayor Don Fraser, who thought that the city's new agreement amounted to a "one-way give-back" of contract provisions. However, the week after the mayor's veto in February, the city council unanimously voted to override the mayor's actions, thus allowing Rogers to increase its rates for its premium movie channels and to shift some programs to its more expensive tiers. Rate changes were implemented on April 1, 1984.

Rogers also is seeking changes in Portland, Ore., where it has notified the cable office it is seeking to expand its franchise boundary to include unincorporated areas east of the city. If approved, the company would have control over one of the fastest growing urban-suburban zones in the state.

Amidst all this, Rogers is setting up a new management structure for its U.S. operation. It has named Robert Clasen, vp-U.S. operations, as head of all U.S. divisions. At the same time, it has reorganized its southern division operations (formerly part of Rogers-UA Cablevision) into three divisions: Rogers Cablesystems Central, Rogers Cablesystems West and Rogers Cablesystems of Texas.

MEDIA PROPERTIES

Cable/Video

U.S. Cablesystems, serving CALIFORNIA: Huntington Beach (50% interest), La Mirada, Rossmoor. MINNESOTA: Minneapolis (southwest suburbs, 75% interest). NEW YORK: Syracuse (67% interest). OREGON: Portland (50% interest). UA-Columbia Cablevision, serving ARIZONA: Yuma. ARKANSAS: Bay, Bonanza, Fort Smith, Greenwood, Hackett, Jonesboro, Lake City, Luxura, Manila, Osceola, Roland. CALIFORNIA: Brawley, Calexico, El Centro, Hotville, Imperial, Westmoreland. COLORADO: Aspen, Basalt, Rifle, Snowmass. FLORIDA: Fort Pierce, Vero Beach. KANSAS: Marysville, Pittsburg. MASSACHUSETTS: North Attleboro, Taunton. NEBRASKA: Beatrice. NEW JERSEY: Allendale, Bloomingdale, Bogota, Butler, Cedar Grove, Clifton, Elmwood Park, Garfield, Glen Rock, Hackensack, Haledon, Hasbrouck Heights, Hawthorne, Hillsdale, Ho-ho-kus, Kinnelon, Lincoln Park, Little Falls, Lodi, Maywood, Midland Park, Montville, North Caldwell, North Haledon, Nutley, Oakland, Paramus, Park Ridge, Passaic, Pequannuck, Pompton Lakes, Prospect Park, Ramsey, Ridgewood, Ringwood, Riverdale, River Edge, Rochelle Park, Saddle Brook, South Hackensack, Teaneck, Totowa, Upper Saddle River, Waldwick, Wanaque, Wayne, Washingon Township, West Paterson, Westwood, Wood-Ridge, Wyckoff. NEW MEXICO: Alamagordo. NEW YORK: Ardsley, Bellport, Bronxville, Brookhaven, Dobbs Ferry, Eastchester, Elmsford, Greenburg, Hastings-on-Hudson, Irvington, Lake Grove, New Rochelle, Patchogue, Pelham, Pelham Manor, Scarsdale, Tuckahoe, White Plains. OKLAHOMA: Arkoma, Krebs, McAlester, Muldrow, Sallisaw. OREGON: Hermiston, Pendleton, Pilot Rock, Stanfield. TENNESSEE: Fayetteville, Lawrenceburg, Pulaski. TEXAS: Alamo Heights, Balcones Heights, Balinger, Baxar County, Castle Hills, Cibolo, Comol County, Converse, Fort Sam Houston, Gainesville, Guadelupe County, Hill City Village, Hollywoood Park, Kirby, Laredo, Leon Valley, Live Oak, Miles, Mount Pleasant, Mount Vernon, Pittsburg, Randolph Air Force Base, San Angelo, San Antonio, Schertz, Selma, Terrell Hills, Universal City, Windcrest, Winters. WASHINGTON: Kennewick, Pasco.

Rollins Inc.

Revenues	1983	1982
Media	$82,000,000	$69,200,000
Other	$362,200,000	$457,300,000
Total	$444,200,000	$526,500,000

Rollins Inc., Atlanta, the 99th largest media company in 1983, had media revenues of $82 million for fiscal 1983 ended June 30, out of total revenues of $444.2 million. Media revenues were up 18.5% over 1982, but total revenues were down 15.6%.

Midway in its current 1984 fiscal year, Rollins took a major reorganizational step by moving to split itself into three new independent entities, including a communications division covering broadcast, cable tv and outdoor advertising.

At the midpoint of the fiscal year, the media revenue total was $45 million, compared with $40.1 million for the comparable period a year earlier, an increase of 12%. The returns were keeping pace with performance in 1983, which was up 2% in broadcasting, 47% in cable tv and 13% in advertising.

Pending government approval, Rollins will become three separate organizations: Rollins Inc., consisting of Orkin Pest Control Co. (termite and other vermin extermination) and Rollins Protective Services Co. (fire and intrusion alarms); Rollins Communications Inc. (broadcast, cable and outdoor advertising), and RPC Energy Services Co. (oil and gas field service).

"The reorganization will separate three basically dissimilar businesses—consumer, media and oil and gas services—and enable management of each business to concentrate its energy and skills on the respective business," says vp H. Tim Crow.

"In addition, the board believes that the aggregate value of the individual businesses exceeds the value placed upon Rollins Inc. as a whole by the equity markets. The reorganization will enable each business to be valued similar to comparable companies in the marketplace."

Rollins' various cable tv franchises are grouped under the collective title Rollins CableVue.

In its cable tv operations, Rollins is striving for maximum efficiency through several means, including developing markets it knows well from past experience, such as Philadelphia; building cable franchises in the nation's most compact and densely populated areas, such as Southeastern New England, and determining what viewers want to see on specific markets, as in Wilmington, Del.

In the case of Philadelphia, Rollins prepared bids for that city's four franchises of 155,000 homes each, submitting those bids in January, 1983. To Rollins, Philadelphia was of particular interest for cable, according to Mr. Crow, because "we know and understand the Philadelphia market." But in November, the city elected a new mayor, and he chose to re-initiate bidding, starting the process over.

The company is committed to active development of its cable tv operations in Delaware, Rhode Island, Connecticut and Massachusetts. For 1983, Mr. Crow characterizes growth of its cable tv systems in Delaware and Connecticut as "internal" and growth in Rhode Island and Massachusetts as "external," through the building of new franchises.

In May, 1983, Rollins circulated a 10-choice ballot to its Wilmington-area subscribers, asking them to pick their favorites for cable viewing. Reports Mr. Crow, "The results were successful in planning our programing."

MEDIA PROPERTIES

Broadcasting

TV: WCHS, Charleston-Huntington, W.Va., WEAR, Mobile, Ala.-Pensacola, Fla.; WPTZ, Plattsburg, N.Y.-Burlington, Vt.

RADIO: KDAY (am), Santa Monica, Cal.; WAMS (am), Wilmington, Del.; WBEE (am), Harvey, Ill.; WCHS (am) and WBES (fm), Charleston, W.Va., WRAP (am), Norfolk-Portsmouth, Va.

Cable/video

CONNECTICUT: Community Television System (90% interest), serving Branford, East Haven, Guilford, Madison, North Branford, North Haven, Wallingford. DELAWARE: Bellefonte, Elsmere, Hockessin, Newark, Newcastle City, Newport, Wilmington. MASSACHUSETTS: Rollins CableVision of Southeast Massachusetts Inc. (90% interest), serving Andover, Blackstone, Dracut, Franklin, Middleton, Millis, North Reading, Norton, Plainville, Somerset, Swansea. RHODE ISLAND: Bellevue CableVision Inc. and Narragansett CableVision Corp., serving Central Falls, Cumberland, Lincoln, Narragansett, North Kingstown, North Smithfield, Smithfield, South Kingstown, Woonsocket.

Outdoor Advertising

Rollins Outdoor Advertising Inc., Atlanta.

Sammons Communications

Revenues	1983	1982
Media	$94,000,000	$81,000,000
Other	—	—
Total	$94,000,000	$81,000,000

Sammons Communications, Dallas, is the nation's 91st largest media company, with revenues in 1983 of $94 million, all in media. This represented an increase of 16% from 1982. The company is a wholly owned subsidiary of the privately owned Sammons Enterprises.

Sammons is the nation's 12th largest multiple system operator, with systems in 21 states. At last count it had 593,000 basic subscribers and 461,000 pay subscribers. A company spokesman says the remaining basic subscriber potential for the company is about 365,000.

Even though Sammons is not active in its franchising efforts, it continues to emphasize a strategy of consolidation. "But we're always in the market for a good purchase," the spokesman says. This year, Sammons acquired the assets of cable tv systems serving the Texas communities of Dumas and Sunray from Warner Amex Cable Communications. The systems together serve about 3,000 basic subscribers and are close to other Sammons' systems in the Texas Panhandle.

Since that time, the company has reached an agreement with Storer Cable Communications for the acquisition of 13 Fort Worth, Tex., area systems. The 13 systems represent 15,000 basic subscribers in an area ringing Fort Worth, which is served by Sammons.

Amid all this, Sammons is proceeding with an ambitious plan of upgrading and rebuilding its systems. Its largest rebuilding plan involves boosting the channel capability from 22 to 54 at its Harrisburg, Pa., system, which has been in existence since the early 1950s. The two-year construction program initially will increase the number of available channels from 22 to 30. Currently, 57,000 basic subscribers are on the system, about 70% of homes passed. About 44% of subscribers also take pay tiers. The Harrisburg rebuild is one of the largest single-system rebuilds attempted in the country.

Sammons' Fort Worth system is being constructed on schedule, the company says, with nearly 80% completed. The company has purchased the shares of a number of investors in the system, thus increasing its own equity to 81%.

Early this year, Sammons withdrew from a cooperative cable advertising campaign being organized through the Council for Cable Information and subsequently withdrew from the organization. While sources pointed to the company's displeasure with the campaign, the company itself wouldn't comment.

MEDIA OPERATIONS

Cable/video

ALABAMA: Lannett, Moulton, Russellville. CALIFORNIA: Burbank, Ceres, Glendale, La Crescenta, Sylmar, Turlock, Whittier. CONNECTICUT: Waterbury. FLORIDA: Live Oak. GEORGIA: West Point. ILLINOIS: Dwight, Jacksonville, Ottawa, Pontiac, Streator. INDIANA: Logansport. IOWA: Estherville, Graettinger. KENTUCKY: Middlesboro. LOUISIANA: Vidalia. MISSISSIPPI: Brookhaven, McComb, Natchez. MISSOURI: Neosho. NEW JERSEY: Dover, Morristown, Pleasantville. NEW YORK: Cortland, East Hampton, Gloversville, Johnstown, Penn Yan, Wellsville. NORTH CAROLINA: Black Mountain, Canton, Clyde, Montreat, Waynesville. OKLAHOMA: Clinton, Elk City. PENNSYLVANIA: Bensalem, Easton, Emmaus, Falls Township, Fleetwood, Harrisburg, Morrisville, Oil City. TENNESSEE: Bristol, Elizabethton, Johnson City, Morristown, Newport. TEXAS: Benbrook, Borger, Dumas, Duncanville, Fort Worth, Highland Park, Pampa, Sunray, University Park. VIRGINIA: Covington, Petersburg. WASHINGTON: Ephrata, Moses Lake, Othello. Also, Sammons Productions.

Scripps-Howard

Revenues*	1983	1982
Media	$750,600,000	$670,600,000
Other	56,680,000	56,900,000
Total	$807,280,000	$727,500,000

*Consolidated revenues of E.W. Scripps Co. and Scripps-Howard Broadcasting for '83-'82.

Scripps-Howard, the trade name ascribed to E.W. Scripps Co. and Scripps-Howard Broadcasting, is the nation's 17th leading media company with estimated media revenues of $750.6 million, or 93% of total revenues of $807.28 million in 1983.

Media revenues in 1983 comprise the largely newspaper operations of E.W. Scripps Co., which ADVERTISING AGE estimated had $650 million in media revenues, and the tv, radio and cable operations of Scripps-Howard Broadcasting, which contributed media revenues of $100.6 million.

The two companies were combined in this fourth annual 100 Top Media issue because the companies themselves are seeking common identity. The two share common ownership and many of the same directors and executives, the difference being that Cincinnati-based E.W. Scripps Co. is private and Cleveland-based Scripps-Howard Broadcasting is public and has been since 1963. E.W. Scripps Co., however, owns 70% of the broadcasting company's stock.

Media revenues in 1983 compared with combined media revenues of $670.6 million in 1982 for an increase of 11.9%. Combined total revenues in 1983 were 11% above total revenues of $727.5 million in 1982.

E.W. Scripps Co.

Two years after sales of United Press International, its financially troubled wire service, E.W. Scripps once again is expanding its holdings. New corporate executives have been appointed to improve its public image and the marketability of its products.

Although the publisher and supplier of newspaper services suspended publication of one of its 16 daily newspapers in 1983, it acquired five additional weeklies and began manufacturing newspaper distribution equipment.

In 1878, Edward Willis Scripps started pulling together his network of communications companies. In 1907, he founded United Press International, which grew to be the second largest wire service in the world. It was sold to Media News Corp. in 1982. ADVERTISING AGE estimates UPI suffered losses of $7 million in 1980 and $8 million in 1981.

During the past year, funds partially generated from the $180 million UPI sale enabled the acquisition of three weekly Florida newspapers, *Destin Log, Jensen Beach Mirror, Port St. Lucie Mirror*, and two Kentucky papers, *Mt. Washington Star* and *Pioneer News*. This brings Scripps' weekly newspaper total to 28 with a combined circulation of 563,000.

However, "a continuing decline in circulation and readership" caused the company to suspend publication of one daily, *Memphis Press-Scimitar*. According to Robert K. Doerr, Scripps' communications director, from 1973 to 1983 circulation dropped from 127,000 to less than 80,000. Mr. Doerr says much of the defunct paper's news-gathering and publication equipment is now in use at another Memphis daily owned by Scripps, the *Commercial Appeal* (circulation: 195,000 daily and 280,000 Sundays).

Mr. Doerr is one of four company executives Scripps hired during 1983 and 1984 to help the company improve and expand. Charged with enhancing the company's image, he helped develop six page ads appearing in the *Wall Street Journal* promoting products and services under the heading of the company's now official trade name, Scripps-Howard.

One ad pictures a family at leisure. A woman is watching one of Scripps-Howard's six tv stations via one of its eight cable services. Her husband reads a Scripps-Howard newspaper as his son, wearing earphones, listens to one of seven radio stations while leafing through the "World Almanac" (published by Scripps-Howard). A little girl is snuggling her Snoopy and Garfield dolls.

The toys generate royalties paid by manufacturers that borrow cartoon characters owned by Scripps-Howard's United Features Syndicate.

Another exec, Banks Leonard, is now in charge of special publications produced by the Houston-based subsidiary, Cordovan Corp., which publishes 12 city business journals and several sportsman periodicals. Mr. Leonard also oversees Scripps' media service companies such as United Media Enterprises, the world's largest syndicate and features service, which include such diverse enterprises as Tele-Log of Atlanta (suppliers of tv listings to newspapers, magazines and cable tv systems), Scripps-Howard News Service, the "World Almanac" and Berkley-Small Inc., of Mobile, Ala., a supplier of newspaper racks. Scripps-Howard recently formed Berkley-Small Mfg. in Medina, O., to make newspaper racks.

Mr. Doerr says a graphics expert also was positioned at the company's executive level to introduce new color graphics technology to its newspapers, which now are headed by Bill Burleigh. Formerly of the *Cincinnati Post*, Mr. Burleigh took retiring George Hanna's place as vp-general editorial manager for the company's newspapers, which include the *Post* and Scripps' two largest circulation dailies: *Rocky Mountain News* (daily: 315,500, Sunday: 356,000) and *Pittsburgh Press* (daily, 255,000, Sunday: 609,000).

The *Stuart* (Fla.) *News* recently became a morning publication and expanded from six to seven days a week, operating from a new facility. The combined circulation of all Scripps daily newspapers is about 1.5 million.

Scripps-Howard Broadcasting

Scripps-Howard Broadcasting is putting its major thrust behind cable, although it is poised to conclude negotiations for its seventh tv station—its meat-and-potatoes business. The company's revenues of $100.6 million in 1983, all in media, represented a 5.2% increase over 1982. Net income, however, dropped by 11%, to $17.6 million. The decline was brought on by nonrecurring gains from the 1982 sale of radio station WNOX-AM, Knoxville, Tenn.

Cable revenues more than doubled from $2.5 million in 1982 to $6.2 million. In 1981, cable revenues totaled only $351,000. Nonetheless, broadcasting (tv and radio) still accounted for 95% of the company's operating revenues in 1983, down slightly from its previous year's percentage.

Scripps-Howard appointed Gilles R. Champagne in 1984 to direct cable tv and telecommunications ventures, which are slated to continue to expand as systems now being installed become available to new cable subscribers. New telecommunications ventures so far have meant an agreement with Knight-Ridder Newspapers to introduce Viewtron videotex in Denver, Pittsburgh and Memphis in the future, and a recent investment in cellular telephones with McCaw Communications of Bellevue, Wash.

The publicly held company increased subscribership in wholly owned and partnership cable systems to more than 72,000 last year and expects the total to surpass 120,000 by the end of this year because of a franchise agreement in Sacramento, Cal., says Donald L. Perris, president of the broadcast entity. Hopes are that within four years the company will have 400,000 total subscribers in its affiliated systems.

The company is expected to spend some $16 million this year on cable system construction.

The Sacramento cable package, described as a "large and desirable franchise" by Mr. Perris, was landed late last year by a syndicate made up of Scripps-Howard, Cablevision Systems Development Co., owned by tv entrepreneur Charles Dolan, and Sacramento investors. Scripps-Howard and Mr. Dolan's company each own 47.5% of the franchise. The local investors own the rest.

Landing the franchise culminated a lively scramble for the Sacramento-area cable rights. The race featured some fancy footwork by Mr. Dolan, who is known in the industry for an entrepreneurial spirit and innovative dealing. In 1982, Sacramento officials turned aside a bid by Mr. Dolan's Cablevision company and awarded the package to United-Tribune, a joint venture between United Cable and Tribune Cable.

But contract negotiations between the city and the company broke down last summer and the bidding was reopened. Mr. Dolan re-submitted his bid with Scripps-Howard as a partner and won the race to wire the 350,000-home area. "The first subscribers in the Sacramento system will be on line sometime this summer," Mr. Perris says.

Elsewhere in cable tv, the Southern Connecticut Cablevision System, also a partnership with Mr. Dolan, has some 55,000 subscribers, or almost one-quarter of the homes in the state, according to Mr. Perris. The system currently is the largest single area of Scripps-Howard cable operations.

The company added to its Colorado cable operations last year by acquiring systems serving the communities of Fort Lupton, Louisville, Loveland and Parachute, bringing total subscribers there to 20,000.

In tv broadcasting, Scripps-Howard's strong suit, the company recently announced it is acquiring KNXV, an independent in Phoenix, from New Television Corp. of Phoenix for $26 million. Acquisition of the station brings Scripps-Howard to its full complement of seven tv stations allowed by the FCC.

In another development, the FCC granted permission for construction of a 1,900-ft. transmitter tower in Tulsa, Okla., as part of a joint venture with A.H. Belo Co. of Dallas. The tower will serve Scripps-Howard's KJRH in Tulsa along with a Belo-owned station by improving transmissions and increasing the viewership area by 15%, Mr. Perris says.

MEDIA PROPERTIES

Broadcasting

TV: WCPO, Cincinnati; WEWS, Cleveland; WMC, Memphis; WPTV, West Palm Beach, Fla.; KJRH, Tulsa; KSHB, Kansas City; KNXV, Phoenix. RADIO: KMEO (am, fm), Phoenix; WMC (am, fm), Memphis; KUPL (am, fm), Portland, Ore.; WBSB (fm), Baltimore.

Cable/Video

CALIFORNIA: Tulare County, Sacramento (47.5% interest). COLORADO: Lafayette, Longmont, Fort Lupton, Louisville, Loveland, Parachute. FLORIDA: Volusia County, De Bary, Leesburg, Lake County. MICHIGAN: Ann Arbor, (50% interest).

Newspapers (dailies)

ALABAMA: *Birmingham Post Herald.* CALIFORNIA: Daily News Tribune (Fullerton). COLORADO: *Rocky Mountain News* (Denver). FLORIDA: *Hollywood Sun Tattler, Stuart News.* INDIANA: *Evansville News.* KENTUCKY: *Kentucky Post* (Covington). NEW MEXICO: *Albuquerque Tribune.* OHIO: *Cincinnati Post, Columbus Citizen Journal.* PENNSYLVANIA: *Pittsburgh Press.* PUERTO RICO: *San Juan Star.* TENNESSEE: *Commercial Appeal* (Memphis), *Knoxville News-Sentinel.* CALIFORNIA: *Daily News Tribune* (Fullerton).

Newspapers (nondailies)

CALIFORNIA: *Alhambra Post-Advocate, Anaheim Hills Journal, Brea Advocate, Commerce Tribune* (Montebello), *East Los Angeles Gazette, East Los Angeles Tribune, Fullerton Forum, La Habra Advocate, Montebello News,* (Monterey Park), *Placentia Journal, Pico Rivera News, Post-Advocate/San Gabriel Progress, Santa Fe Springs News, South San Gabriel/Rosemead Progress, West Whittier Independent, Yorba Linda Journal.* FLORIDA: *Courier-Journal* (Jupiter), *Courier-Journal News Shopper* (Jupiter), *Destin Log, Jensen Beach Mirror, Port St. Lucie Mirror, Stuart-Port St. Lucie Shopper* (Stuart). INDIANA: *Sunday Courier & Press* (Evansville). KENTUCKY: *Grant County News* (Williamstown), *Kentucky Standard* (Bardstown), *Mt. Washington Star, Pioneer News.*

Seattle Times Co.

Revenues	1983	1982
Media	$135,000,000	$116,500,000
Other	——	——
Total	$135,000,000	$116,500,000

Seattle Times Co., Seattle, is the nation's 70th largest media company, with revenues in 1983 estimated by ADVERTISING AGE at $135 million, all from newspaper properties.

A privately held business owned by Seattle's Blethen family (50.5%) and Knight-Ridder Newspapers (49.5%), Seattle Times Co. operates two newspapers, the *Seattle Times* and the *Union-Bulletin*, published in Walla Walla, Wash.

In 1982, the *Seattle Times* and the *Seattle Post-Intelligencer*, a Hearst Corp. property, merged their advertising and circulation departments under a Joint Operating Agreement, which gives the *Times* 66% of the papers' combined revenues, and the *Post-Intelligencer* 34%.

The agreement had been challenged by the publishers of suburban papers and a Seattle newsmagazine, but after the agreement was upheld by the Justice Department, the opponents decided not to appeal.

The *Times* dropped its morning edition under the agreement, and the Sunday *Post-Intelligencer* became an insert to the *Times*. These adjustments have contributed largely to declines in the *Times'* circulation, says W.J. Pennington, president-publisher of the paper.

As of March 31, 1984, the *Times'* Monday-through-Friday circulation stood at 226,038, off 23,615 from a year earlier.

Sunday circulation was 473,155, about 30,000 fewer than the *Times* had told advertisers to expect.

Mr. Pennington says much of the slippage is attributable to a 50% increase in ad rates for the Sunday paper following the implementation of the JOA and to the end of the *Times'* daily morning edition. Just a few months before the JOA went into effect, the *Times* had forced its readers in Seattle's outlying areas to take the morning edition in lieu of the regular afternoon paper. Some 12,000 of those subscribers were lost in the switch back to a p.m. edition after the JOA, according to Mr. Pennington.

Harold Fuhrman, *Times*, senior vp-general manager, says the *Times* also encountered more resistance to the combined Sunday edition from readers of the *Post-Intelligencer*, and he says there were more people who subscribed to both papers than research had indicated.

The *Times'* ad linage also is down, but only slightly. For the first 17 weeks of 1984, the number of column inches of ads in the daily *Times* was 723,000, off 2% from the similar period in 1983. The total for the Sunday paper dropped 9%, to 330,000 column inches.

Mr. Fuhrman says many advertisers reduced or eliminated their space in the Sunday paper because they didn't want or need to reach readers who formerly had subscribed only to the *Post-Intelligencer*, and he says about 50% of the ads sold so far under the JOA have been combined buys. "We've done much better than our goals," Mr. Fuhrman says.

Mr. Pennington notes the *Times* hasn't kept pace with the rapid growth of the suburbs and attributes that partially to stiff competition in Seattle's suburbs. In the past couple of years, both the *Everett Herald* and the *Bellevue Journal-American* have added Sunday editions. But Mr. Pennington notes changes in the wind. For example, the *Times* enjoys its highest penetration in Bellevue, an affluent city that has begun to outgrow its former status as one of the bedroom communities surrounding Seattle.

To boost readership in the suburbs, the *Times* has added to the zoned editions it distributes each Wednesday, and the paper's management is talking with advertisers about increasing the frequency of its total market coverage supplements from monthly to weekly. But Mr. Pennington says the *Times* isn't considering any "extraordinary" advertising or promotions to raise circulation. "We're not unhappy where we are," he says.

MEDIA PROPERTIES

Newspapers (dailies)

WASHINGTON: *Seattle Times, Walla Walla Union-Bulletin.*

Southern Progress Corp.

Revenues	1983	1982
Media	$110,000,000	$100,000,000
Other	——	——
Total	$NA	$NA

Southern Progress Corp., Birmingham, Ala., is the 81st largest media company, with media revenues estimated by ADVERTISING AGE at $110 million in fiscal 1983, ended Nov. 30. This represents about a 10% increase from the 1982 estimate of $100 million.

The privately held company, whose publications include *Progressive*

CNN
ESPN
USA CABLE NETWORK
WTBS SUPER STATION

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Farmer and *Southern Living*, declined to release total corporate revenues, but Emory Cunningham, chairman-president, says the Oxmoor House book publishing division "is the fastest-growing division in our company, including our media operations."

The company's only national magazine, *Decorating & Craft Ideas*, is undergoing a name change to *Creative Ideas*, effective July 1, 1984. Since its purchase from Tandy Corp. in 1975, the magazine has moved from quarterly to monthly, and has increased its circulation rate base to 725,000. *Creative Ideas'* editorial focuses on the how-to instruction of crafts, food and home decorating.

The company's flagship publication, *Progressive Farmer*, more than 95 years old, also is one of the country's oldest continually published magazines. The primary editorial focus is farm production and management, seasoned with life-style sections.

Effective Jan. 1, *Progressive Farmer's* circulation rate base dropped from 625,000 to 525,000, and regional publication was reduced to four from five regions in the South. Ad pages were up about 5% during the first half of 1984, says publisher Jerry Jehle.

"The lowering of the rate base was by design," Mr. Jehle says. "Like all farm magazines, we must keep circulation in line with the farm population, and over the years there have been sharp decreases in the number of farm units."

The restructured regional editions reflect agricultural breakdowns by region rather than by state line as had been established in the five previous regional editions. *Progressive Farmer* covers cotton, soybeans, peanuts, tobacco, cattle and hogs.

"By restructuring the regional editions, we achieved internal production efficiencies, and defined agricultural regions by crop rather than geographic regions. Agricultural crops don't stop at state lines," Mr. Jehle says.

The company's most profitable publication, *Southern Living*, continues to grow by using the editorial formula it has been using for 18 years: Home and family, community and travel information that enhances living in the South. "We've had 18 consecutive years of circulation growth, so we think we're very much on target with our editorial," says publisher Jim DeVira, who claims there is no direct competitor. "We feel very confident we have an enduring editorial format."

The figures bear out the company's strategy. The circulation rate base is 2.2 million, up slightly over 1982, and ad pages were up 54 pages, to 1,509, with 1,600 pages projected for 1984.

Southern Progress Corp. also added three radio stations to its syndicated radio show, bringing the total to 88. The program provides agricultural business news to farmers in Arkansas, Louisiana, Mississippi and Missouri.

In other developments, Emory O. Cunningham was named chairman of the board and retains his previous office of president.

MEDIA PROPERTIES

Magazines

Creative Ideas, Delta Report, Destinations, Progressive Farmer, Southern Living, Southern Supermarket.

Broadcasting

Progressive Farmer Radio Network.

OTHER OPERATIONS

Ag Response, Agra Data, Oxmoor House book publishing, Progressive Farmer Insurance Service, Southern Living House Plan Service, Southern Living Cooking School, Sunland Plans.

Stauffer Communications

Revenues	1983	1982
Media......	$77,458,000	$63,952,702
Other.......	10,742,000	6,247,298
Total.....	$88,200,000	$70,200,000

Stauffer Communications, Topeka, Kan., reestablished itself as one of the country's 100 largest media companies, ranking 100th in 1983, with revenues from media properties of $77.5 million.

The company's return to the list after a one-year absence is attributed to an increase of 21.1% in media revenues, the result of several changes in company holdings.

Media properties account for 87.9% of the company's total operating revenues of $88.2 million, which represents a 25.6% increase over 1982. Net income increased 23.1%, to a reported $4.8 million for the year.

Ridding itself of two properties that continuously failed to meet the company's earnings expectations, Stauffer acquired *Daily Ardmoreite*, an Ardmore, Okla., newspaper in February, 1983, and Grit Publishing & Printing Co., Williamsport, Pa., in March, 1983. *Ardmoreite* recorded a profit and the *Grit* Sunday newspaper and periodical operations broke even for the year.

Stauffer sold KARZ (am) in Phoenix to Tom Chauncey, Phoenix, and KGBX (am) in Springfield, Mo., to Alfred C. Sikes & Associates, Springfield.

Newspapers and magazines were the two media segments showing growth at Stauffer. Newspapers contributed $50.4 million in revenues, up from $44.7 million in 1982; magazines, via the acquisition of *Grit*, delivered weekly by school children to 775,791 subscribers, contributed $9.4 million in revenues, up from $300,000 in 1982 when *Capper's Weekly* was the company's only entry in the magazine segment.

A steady increase in revenues is apparently in the picture for Stauffer. Company president Stanley Stauffer says, "The company is on target to receive $100 million in operating revenues for 1984."

Stauffer sees its future growth also coming through acquisition. "We are targeting newspapers and television stations primarily," Mr. Stauffer says, adding that Stauffer is "still interested in relatively small cable systems and good combined am/fm radio stations, if we can find them."

On March 1, 1984, the company purchased *Brainerd Daily Dispatch*, circulation 14,214, published weekday evenings and Sundays in central Minnesota's lake resort country. According to Stauffer's annual report, the company is enthusiastic about the growth potential of its newest daily newspaper market.

In addition to its media-related properties, Stauffer owns three Computer Patch computer retail stores; Capper's Insurance Service and Communications & Signaling, which markets security systems and small business telephone systems.

In 1983, Stauffer named four new assistant vps: David A. Belilies, publisher, *Grand Island* (Neb.) *Independent*; Robert D. Fromme, manager, Kansas City Royals Radio Network; Lee Porter, publisher, *Daily Ardmoreite*, and Rockford E. Smith, manager, Stauffer Media Systems.

MEDIA PROPERTIES

Broadcasting

TV: KCOY, Santa Maria, Cal.; WIBW, Topeka, Kan.

RADIO: WIBW (am, fm), Topeka; KGNC (am, fm), Amarillo, Tex.; KRNT (am), KRNQ (fm), Des Moines, Ia.; KGFF (am), Shawnee, Okla. Kansas City Royals Radio Network (broadcast to 110 stations).

Cable

Total TV of Amarillo (system 50% owned with Marsh Media, Amarillo).

Newspapers (dailies)

COLORADO: *Glenwood Post.* KANSAS: *Topeka Capital-Journal, Pittsburg Morning Sun, Newton Kansan, Arkansas City Traveler.* MICHIGAN: *Hillsdale Daily News, Holland Sentinel.* MINNESOTA: *Brainerd Daily Dispatch.* MISSOURI: *Hannibal Courier-Post, Independence Examiner, Marshall Democrat-News, Maryville Daily Forum, Nevada Daily Mail, Blue Spring Examiner.* NEBRASKA: *Beatrice Daily Sun, Grand Island Independent, York News-Times.* OKLAHOMA: *Daily Ardmoreite* (Ardmore), *Shawnee News-Star.* SOUTH DAKOTA: *Brookings Register, Yankton Daily Press & Dakotan.*

Newspapers (nondailies)

PENNSYLVANIA: Sunday Grit, Williamsport.

Magazines

KANSAS: *Capper's Weekly Topeka.* PENNSYLVANIA: *Grit*, Williamsport.

OTHER PROPERTIES

Capper's Insurance Service, Communications & Signaling, Computer Patch stores in Joplin, Mo.; Topeka and Arkansas City, Kan., Stauffer Media Systems.

Storer Communications

Revenues	1983	1982
Media......	$458,900,000	$379,300,000
Other.......	—	—
Total.....	$458,900,000	$379,300,000

Storer Communications, Miami, is the 23rd largest media company in the country, with revenues of $458.9 million in 1983, all generated by the company's cable and broadcast operations. The total is an increase of 21% from 1982.

However, the company slipped to a loss of $39.7 million for the fiscal year ended Dec. 31, a sharp drop from the $9.2 million net income posted in 1982, which, in turn, was a steep decline from the $31.9 million in net income of the previous year.

Management blamed the loss—Storer's first in more than a decade—on a 35% increase in depreciation charges and a 32% rise in interest expenses. Storer promises both areas will improve significantly in 1984 and future years, and is taking steps to shed all but its most cost-effective properties.

During 1983, Storer continued the policy of retrenchment started in 1982. It acquired no new cable franchises and put several systems it owned up for sale.

The company's strategy, according to corporate chairman Peter Storer, was to get rid of systems that were geographically isolated or drains on corporate investment.

"We have been out of the franchising business for 2½ years," he says. "This has been the year when we have been completing the clustering of our existing franchises."

In 1983, the company sold cable franchises in four communities in Colorado and five in Florida. It is trying to wrap up sales of other systems in Maryland, Pennsylvania and Texas. A franchise in the Minneapolis area has been optioned to Rogers Cablesystems, and another near the same city also is tagged for divestiture. In May, 1984, Storer agreed to sell its two systems in Virginia (Chesterfield County and Fort Belvoir in Leesburg) and a system in Northern Prince Georges County, Md. to a group of local investors for $49 million.

While profitability was nonexistent, revenues were at an all-time high, with both the broadcasting and cable divisions producing record revenues. Cable tv operations accounted for 63.5% and broadcast stations the remainder.

Storer owns and operates seven tv stations. In 1983, it serviced about 1.38 million basic cable subscribers representing 620 communities in 18 states. That was an increase of about 208,000 subscribers from 1982. Storer lost nearly 17,000 subscribers from the sale of cable systems in Colorado and Florida last year.

The tv division, which turned in net revenues of $167.8 million in 1983, was hurt by the recession because of its base in vulnerable industrial cities, including Detroit, Toledo, Milwaukee, Cleveland and Boston. But with the economy on the mend, sales in all these markets except highly industrial Cleveland have been expanding since the end of last year.

With a cautious eye on pay tv, Storer used its independent station WSTK-TV in Boston as a base for a new satellite-delivered New England Sports Network featuring the Boston Red Sox and the Boston Bruins. The cable sports network was launched this spring. A potential subscription base of 150,000 is expected.

Eventually, the network will expand to include feature sports, talk and interview shows and telecast rights to other sporting events.

Storer's cable division brought in more than $290 million in net revenues in 1983. Last year, the company eliminated its Dallas regional office, leaving it with three regional headquarter cities—Atlanta, Phoenix and Fairfax, Va.

Storer got out of another marginally productive commitment in January when it and three partners—Cox Communications, Tele-Communications Inc. and Times Mirror Co.—sold their Spotlight pay tv system to Showtime. Storer took a pre-tax loss of $1.28 million in disposing of its interest in the system, which had never become as profitable as was hoped.

Rate increases also figured into the plan to boost profitability. Local approval was given last year for rate hikes for about 300,000 subscribers. Storer has targeted an additional 700,000 customers for increases this year, pending approval.

MEDIA PROPERTIES

Broadcasting

TV: KCST, San Diego; WAGA, Atlanta; WSBK, Boston; WJBK, Detroit; WJKW, Cleveland; WTVG, Toledo, O., and WITI, Milwaukee.

Cable/video

Storer Cable Communications, serving ALABAMA: Montgomery, Prattville (includes Clanton and Sylacauga), Troy (includes Brundidge, Baldwin County, Fairhope, Geneva, Bay Minette, Daphne, Slocumb, Samson, Elba, Florala). ARIZONA: Glendale (80% interest), Mesa, Peoria/Buckeye (80% interest), Phoenix. ARKANSAS: Little Rock (80% interest, includes Cammack Village). CALIFORNIA: Anaheim/Villa Park, Banning, Fairfield (includes Solano County, Suisun), Fortuna, Hermosa Beach, Laguna Beach (includes Orange County, San Clemente, San Juan Capistrano), Norcal (includes Sonoma, Napa Valley, Rohnert Park, St. Helena, Monterio), Ojai, Roseville, Union City, Ventura. CONNECTICUT: Clinton (includes Old Saybrook, Durham, Haddam, Killingworth, Chester, Deep River, Essex, Westbrook), Groton (includes Ledyard, North Stonington, Stonington, Voluntown), New Haven (includes West Haven, Hamden). DELAWARE: Dover (includes Camden, Dover Air Force Base, Smyrna, Wyoming, Kent County), Rehobeth (includes Lewes, Rehobeth Beach). FLORIDA: Altamonte Springs (80% interest, includes Seminole County, Lake Mary), Dade/Broward (includes Biscayne Park, El Portal, Miami Shores, Miramar, North Miami, North Miami Beach, Pembroke Park, Pembroke Pines), Hollywood (75% interest), Lehigh Acres, Polk/Levy, Port Charlotte (includes Arcadia, North Port, Charlotte County, Punta Gorda), South Dade, Venice, West Pasco. GEORGIA: Albany, Adel, Americus, Ashburn, Bainbridge, Camilla, Cordele, Cook County, Dawson, Dougherty County, Donalsonville Moultrie, Nashville, Pelham, Sparks, Sylvester, Tifton, Tift County, Vienna. KENTUCKY: Bowling Green, Campbell County, Covington, Jefferson County (80% interest, excluding Louisville), Newport. MARYLAND: Howard/Elliott (80.5% interest), Prince Georges, Salisbury/Pocomoke. MINNESOTA: Bloomington, Fridley, northwest suburbs of Minneapolis (80% interest, includes Golden Valley, Plymouth, Brooklyn Park, Brooklyn Center, New Hope, Osseo, Robbinsdale, Crystal, Maple Grove), St. Cloud (includes Sartell, Sauk Rapids, Sterns County, Waite Park), St. Louis Park. MISSOURI: Florissant (80% interest). NEW JERSEY: Burlington, Cinnaminson (80.3% interest, includes Delanco, Palmyra, Riverside, Riverton), East Windsor/Brunswick, Gloucester (93.3% interest, includes Woodbury, Clayton, Deptford Township, East Greenwich, Glassboro, Greenwich, Mantua National Park, Paulsboro, Wenonah, Westville, West Deptford Township, East Greenwich, Glassboro, Greenwich, Mantua National Park, Paulsboro, Wenonah, Westville, West Deptford, Woodbury Heights), Hackettstown (includes Lambertville, Washington Township, Mansfield, Mount Olive, Independence, West Amwall Township and New Hope, Pa.), Plainfield, Plainsboro. OREGON: Clackamas, Washington County (includes Banks, Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Lake Oswego, Sherwood, Tigard, Tualatin). PENNSYLVANIA: Radnor. SOUTH CAROLINA: Charleston (90.4% interest, includes Berkley County, Charleston Air Force Base, Charleston County, Colleton County, Goose Creek, Hanahan, Isle of Palms, Mount Pleasant, Naval Weapons Station, North Charleston, Sullivan's Island, Summerville Marine Corps Air Station, Walterboro). TEXAS: Bay Area, Dallas/Fort Worth-North, Dallas/Forth Worth-East, Dallas/Fort Worth-South, Houston, New Harris County.

Taft Broadcasting

Revenues	1983	1982
Media......	$140,800,000	$125,100,000
Other.......	240,200,000	233,100,000
Total.....	$381,000,000	$358,200,000

Taft Broadcasting Co., Cincinnati, is the nation's 66th largest media company with media property revenues totaling $140.8 million for the 1983 fiscal year ended March 31, up 13% from 1982.

Broadcasting properties accounted for all of the company's media revenues, or about 37% of Taft's total revenues of $381.0 million, a total up 6.4% from the previous year.

Of the company's total operating profit of $79.1 million, Taft's seven tv stations and five am and six fm radio stations contributed $50.1 million, or 63%. While the company's total net revenues and operating profits were up 6% in fiscal 1983, broadcasting's operating profits gained 10%.

Taft's tv stations generated $110 million in revenue during the fiscal year, up 16% from the previous year; its radio stations brought $30.2 million in revenues, up 3%. For consistency, the figures used to rank Taft in this issue are for fiscal 1983 even though the company just concluded its 1984 fiscal year March 31.

During fiscal 1984, its broadcast group showed much stronger growth. Net revenues for Taft's broadcast group rose 22% to $171.5 million. The broadcast group's operating profit for 1984 was $58.1 million, up 16%. The company's total net revenues in fiscal 1984 rose to $453.8 million, up 19%, and total operating profit increased 11.6%.

Taft, which put its first radio station on the air in 1939 and brought tv to Cincinnati in 1949, always has considered communications its core business. For awhile, it was involved in building and operating amusement parks, but recently the company signaled that it was ready to turn its attention back to communications.

In April, 1984, Taft sold its three domestic theme parks—and one still under construction—for $167.5 million to Kings Entertainment Co., an independent investors group that included some of Taft's own Attractions Group management.

Sold in the transaction were Kings Island near Cincinnati, Kings Dominion near Charlotte, N.C., and Hanna Barbera Land near Houston. Taft, however, kept Canada's Wonderland in Toronto. The company said it would reinvest $5 million in the new venture and retain one-third equity.

Taft's chairman-ceo, Charles S. Mechem Jr., calls the sale a critical step in the company's goal of concentrating its resources on the expansion of its communications operations.

Taft often has expressed its hope that the FCC would lift its limit on the number of tv and radio stations a single company could own. Barring that, officials say their strategy is to improve existing properties and to trade up from small-market operations to larger ones.

The company has taken several steps in that direction during the past year. It moved into Miami—the 13th largest market—early in 1983, when it acquired vhf independent WCIX-TV from General Cinema Corp. in trade for WGR-TV in Buffalo and $70 million in cash and notes.

It is also making several changes in its radio roster. In fiscal '83 it sold KQV (am) in Pittsburgh. Then in March of this year, Taft finalized the purchase of two Portland radio stations, KEX (am) and KKRZ (fm), from Golden West Broadcasting for $8 million.

Also, it has announced plans to buy WSUN (am) in the Tampa/St. Petersburg market from Plough Broadcasting. WSUN has a stronger signal than WDAE (am) in Tampa, which Taft already owns. It intends to sell WDAE to Gannett Co. to comply with FCC ownership rules.

Finally, Taft plans to sell its two Buffalo radio stations, WGR (am) and WGRQ (fm), to CRB Broadcasting of New York. All pending transactions are subject to negotiation of final agreements and FCC approval.

Taft officials say the amusement parks sale also gives them the financial flexibility to take advantage of emerging opportunities in new technologies such as satellite networking and cellular radio.

In September, the company acquired 21.5% interest in VideoStar Connections, the nation's leader in point-to-multipoint videoconferencing, and 22.5% interest in Midwest Mobilephone Corp., an Indianapolis-based company that develops cellular radio service.

Taft and Tele-Communications Inc., Denver, jointly own 15 cable systems in Michigan and New England. Of 238,000 homes passed, the systems have 150,000 basic and 68,000 pay subscribers. These systems are being upgraded, and Taft says it would consider limited expansion of its cable holdings.

Taft has its limit of tv properties with five vhf and two uhf stations and in recent years it has developed them aggressively.

Three of Taft's four network affiliates—WKRC-TV in Cincinnati, WDAF-TV in Kansas City and WBRC-TV in Birmingham—have top-rated news shows. And two of its independents—WCIX-TV, Miami, and WTAF-TV, Philadelphia—rank as the top independent stations in their markets. WTAF's rights to broadcast Philadelphia Phillies baseball games is cemented by Taft's 47.5% ownership of the team.

Taft's Entertainment Group owns several production companies and one programing distribution company, Worldvision Enterprises, which handles tv series such as "Love Boat," "Barnaby Jones" and "Little House on the Prairie."

Two of Taft's production subsidiaries, Hanna-Barbera and Ruby-Spears, provide the bulk of the networks' Saturday morning cartoons. In addition, Taft Entertainment, which produces films and live-action tv shows, recently announced a joint venture with Keith Barish Productions to do nine movies in the next three years.

Taft's teletext experiment, Electra, still is in test at WKRC in Cincinnati. In a partnership arrangement, Zenith Electronics Corp. sells decoders to people in Cincinnati who want to receive Taft's electronic newspaper. But only about 150 decoders have been sold during the past six months.

MEDIA PROPERTIES

Broadcasting

TV: WBRC, Birmingham, Ala.; WCIX, Miami; WDAF, Kansas City, Mo.; WKRC, Cincinnati, and WTVN, Columbus, O.; WTAF, Philadelphia; WDCA, Washington.

RADIO: KEX (am) and KKRZ (fm), Portland, Ore., WDAE (am) and WYNF (fm), Tampa, Fla.; WDAF (am) and KYYS (fm), Kansas City, Mo.; WGR (am) and WGRQ (fm), Buffalo; WKRC (am) and WKRQ (fm), Cincinnati, and WTVN (am) and WLVQ (fm), Columbus, O.; WDVE (fm), Pittsburgh.

Cable/video

Through TCI-Taft Cablevision Associates, Taft owns 50% interest in the following systems: CONNECTICUT: Lakeville. MASSACHUSETTS: Cape Cod, Nantucket. MICHIGAN: Alpena, Battle Creek, Brighten, Charlevoix, Cheboygan, Muskegon, Niles, Ontonogan, Petoskey, Saginaw, St. Joseph, Ypsilanti. NEW HAMPSHIRE: Lebanon.

OTHER OPERATIONS

American Microwave (50%), Black Entertainment Television (20%), Midwest Mobilephone Corp. (22.5%), Philadelphia Phillies baseball team (47.5%), Taft Entertainment Co., Taft-TCI Programs (50%), VideoStar Connections (21.5%), Worldvision Enterprises.

Tele-Communications Inc.

Revenues	1983	1982
Media	$347,300,000	$265,600,000
Other	21,100,000	17,000,000
Total	$368,400,000	$282,600,000

Tele-Communications Inc., Denver, was the nation's 25th largest media company in 1983 with $347.3 million in media revenues, up 30.8% from 1982. Media revenues were 94% of total revenues of $368.4 million.

At yearend, TCI owned or managed cable systems serving 2.8 million basic subscribers and 1.9 million pay tv subscribers. Of these, nearly 170,000 homes were equipped with addressable converters.

Basic subscribers increased nearly 26% in 1983, while pay subscribers showed an increase of more than 39%, according to the company.

Regarding future growth, TCI recently noted it had commitments totaling more than $60 million for the purchase of cable systems in the coming months. In the past year, the company spent more than $216 million on acquisitions.

TCI, which earns about 6% of its total revenues from microwave operations, spun off its microwave subsidiary in the early part of 1984. It also sold several of its cable systems for a total of $45.3 million, resulting in a net gain of $5.75 million.

TCI's hectic pace in 1983 seems geared for duplication in 1984. In March, the company announced it had completed negotiations with Warner Amex Cable Communications for the purchase of its cable system in Pittsburgh for $93.4 million. TCI agreed to buy the franchise with its 74,000 basic and 55,000 pay subscribers subject to approval by the Pittsburgh city council.

That approval may face rough sledding because TCI has indicated that it may cut back on services in Pittsburgh. According to John Sie, senior vp, TCI, the company would have to scrap Warner's Qube system in Pittsburgh to make the system profitable.

During 1983, TCI purchased all the outstanding stock of Liberty Communications, several cable companies from Tele-Media for a price estimated at $145 million, and CableScope Inc., a unit of Cowles Media Co.'s Buffalo Media Inc. for $41.5 million.

The company also made several single-system acquisitions: Two Oakland, Cal., systems (23,000 subscribers) from Group W Cable for $15 million; Marquette, Mich. (16,000 subscribers) for $10 million, and Southern Illinois Cable TV (12,717 basic and 6,550 pay subscribers) for $9 million. Lenfest Communications is a 44% partner in the Oakland systems.

TCI continues to be involved in franchising bids, the most recent being in Baltimore, a 300,000-household city, where it competed with Cox Cable Communications and United Cable Television Corp. TCI dropped out after initial bidding and the franchise was awarded eventually to Cox.

TCI has been involved in a variety of joint ventures during 1983. In the Bay Area, it teamed up with five other multiple system operators to form the Bay Area Cable Advertising Cooperative. The co-op will represent systems that claim an aggregate of 300,000 basic cable subscribers. In the Midwest, TCI is involved in Sports Time, a pay cable network that is being offered to subscribers in several states. The other partners in the project are Anheuser-Busch Cos. and Multimedia Inc.

Amid all this, TCI has not been without its problems. Its major challenge came when the Richland County board gave it 90 days, ended Feb. 14, 1983 to clear up a plethora of problems with its Columbia, S.C., franchise—including picture quality and the existence of only one converter store. Failing that, the board threatened to revoke the TCI franchise, which passes about 25,000 homes and has about 14,500 subscribers.

At press time, TCI had obtained a delay in the revocation vote to complete correction of the problems.

MEDIA PROPERTIES

Cable/video

ALABAMA: Arab, Boaz, Centre, Hartselle, Homewood (80% interest), Jacksonville, Piedmont. ALASKA: Benton (50% interest). CALIFORNIA: Berkeley, Brisbane (84% interest), Carson, Daly City (84% interest), Fremont (90% interest), Grass Valley, Inglewood, Lake Wildwood (80% interest), Millbrae, Oceanside, Pacifica, Penn Valley, Pomona, San Carlos, San Mateo (86% interest), South Lake Tahoe, Sunnyvale. FLORIDA: Daytona Beach (99% interest), Key West, Titusville. GEORGIA: Carrollton (87% interest) and Columbus. IDAHO: Ammon, Burley, Idaho Falls (25% interest), Iona, Preston. ILLINOIS: Alorton (86% interest), Alton, Cahokia (86% interest), Canton (80% interest), Carbondale, Centreville (86% interest), Chanute Air Force Base, Chicago (Chicago Cable Communications), Coal City, Dixon, East St. Louis (86% interest), Manteno, Marion, Mattoon (50% interest), Mokena, Morris, North Utica, Peotone, Piper City. INDIANA: Attica, Bloomfield, Bloomington, Bonnville, Carmel, Delphi, Elwood, Fowler, Franklin, Greencastle, Greenfield, Greensburg, Hartford City, Jasper, Lebanon, Linton, Martinsville,, Monticello, Mount Vernon, New Castle (80% interest), Princeton, Richmond, Salem and Sullivan. KANSAS: Andover, Augusta, Bonner Springs, Caney, Coffeyville, Derby, Dodge City, El Dorado, Fredonia, Garden City, Garnett, Goddard, Hesston, Iola, Kansas City, Leavenworth, Newton, Ottawa, Park City, Peabody, Rose Hill, Topeka. KENTUCKY: Dawson Springs, Fulton, Henderson, Pineville, Princeton, Providence and Winchester. MARYLAND: Cumberland, Elkton. MASSACHUSETTS: Waltham. MICHIGAN: Baraga Village, East Jordan, Niles. MINNESOTA: Albany, Albert Lea (80% interest), Alexandria, Austin (80% interest), Browerville, Browns Valley, Clarissa, Faribault, Glenwood, Long Prairie, Melrose, Moorhead, Ortonville, Osakis, Park Rapids, Sauk Centre, Staples, Wadena. MISSISSIPPI: Brandon (80% interest). MISSOURI: Cape Girardeau, Centralia, Clinton, Grandview, Hannibal, Hazelwood, Huntsville, Jackson, Jefferson City, Knob Noster, Mexico, Moberly, Monroe City, Mountain Grove, Republic, Vandalia. MONTANA: Anaconda, Billings, Bozeman, Butte, Deer Lodge, Dillon, Glendive (50% interest), Havre, Helena, Lewistown, Livingston, Miles City. NEBRASKA: Broken Bow, Grand Island, Hastings, Kearney, Kimball, LaVista, Lexington, McCook, North Platte, Ogallala, O'Neill, Scottsbluff, Sidney. NEVADA: Battle Mountain, Carson City, Elko, Hawthorne. NEW JERSEY: Beach Haven, Bound Brook, Elizabeth, Gloucester City (50% interest), Parlin, Sayreville. NEW MEXICO: Artesia, Carlsbad, Eunice, Hobbs, Jal. NEW YORK: Kingston, Orangetown, Poughkeepsie, Schenectady (87% interest), Spring Valley. NORTH CAROLINA: Elkin (50% interest), Marion, Mount Airy (50% interest). NORTH DAKOTA: Grand Forks, Minot. OHIO: Barnesville, Bethesda, Bridgeport, Cadiz, East Liverpool, Golf Manor, Hamilton, Hanover Township, Holloway, Irondale, Marion, Martins Ferry, Middleton, Mingo Junction, Shadyside, Steubenville, Warren, Wheeling Township. OKLAHOMA: Duncan, Enid, Marlow, Muskogee, Owasso. PENNSYLVANIA: Ambridge, Carnegia, Castle Shannon, Clarion, Dormont, Etna, Kane, Lebanon (20% interest), McKeesport, McKees Rocks, Mechanicsburg, Monessen, Penn Hills Township, Perkasia (20% interest), Phoenixville (16% interest), Pottstown (20% interest), Red Lion, State College, Towanda, West View. SOUTH CAROLINA: Bennettsville, Richland County. SOUTH DAKOTA: Mitchell (50% interest), Rapid City, Sioux Falls (50% interest), Sisseton. TENNESSEE: Knox County, Knoxville, Manchester, Memphis (44%), Shelbyville, Soddy-Daisy. TEXAS: Albany, Breckenridge, Clifton, Corpus Christi, De Leon, Eastland, Huntsville, Lake Jackson, Mart, Mineral Wells, Range, Refugio (99% interest), Vernon, Woodsboro (99% interest). UTAH: Centerville, Clearfield, Clinton, Davis County, East Carbon, Farmington, Grantsville, Kaysville, Layton, Nephi, Ogden, Park City, Price, Provo, Salt Lake City, Smithfield, Sunset, Tooele, Utah County, West Ogden, West Valley, Woods Cross. VERMONT: St. Albans. VIRGINIA: Culpepper, Orange. WASHINGTON: Airway Heights, Anacortes, Bellingham, Bremerton, Burlington, Deer Park, Olympia, Poulsbo, Wilbur. WEST VIRGINIA: Chester, Gassaway, Logan, Moundsville, New Cumberland, Parkersburg, Summersville, Weston, Wheeling. WISCONSIN: Madison (33% interest), Richland Center. WYOMING: Cody, Lander, Laramie, Powell, Riverton, Thermopolis, Worland.

Other media operations

Tele-Communications Inc. owns a 50% interest in Taft-TCI, which in turn holds interest in Black Entertainment TV. Also, it operates National Telefilm Associates (74% interest).

International Thomson Holdings

Revenues	1983	1982
Media*	$608,612,000	$462,287,000
Other	——	——
Total	N/A	N/A

*Revenues from properties held in U.S.

International Thomson Holdings, the principal U.S. subsidiary of International Thomson Organisation, London, ranked 19th among U.S. media companies in 1983 with aggregate operating revenues from U.S. media properties of $608.6 million, a 32% increase in media over the previous year.

Contributing to media revenues for ITO are Thomson Newspapers, Toronto, Ont., which has extensive newspaper operations in the U.S., and its sister company, International Thomson Organisation, the trade magazine group.

The two Thomson media companies, both private like the rest of the worldwide company, are united in this issue because ownership of both is controlled by the Thomson family (Lord Thomson of Fleet). The family has a 61% stake in Thomson Newspapers, down from 72% in 1982, and a 73.5% interest in International Thomson Organisation, down from 82% in 1982.

Thomson Newspapers publishes 84 daily newspapers and four weeklies with a combined circulation of 1.3 million for the dailies. Revenue was $281.6 million in 1983, up 10.9% from the previous year. Operating income was $113.3 million, up 16.6% from 1982.

During the year, Thomson Newspaper bought two properties, *Waukesha* (Wis.) *Freeman* and the *Daily Tribune* of Wisconsin Rapids, Wis., and closed the *Antelope Valley Daily Ledger Gazette*, Lancaster, Cal. In 1984, the company has acquired the *Express*, in Easton, Pa., and the *Daily Spectrum*, St. George, Utah.

Most development is expected to be in the U.S., since there is a possibility of legislation in Canada on the concentration of ownership. Thomson owns 53 daily and weekly newspapers in Canada.

In December, 1983, charges alleging the company's newspaper operations acted illegally in Montreal, Ottawa, Winnipeg and Vancouver were dismissed. The charges had been filed in May, 1981, under the Canadian Combines Investigation Act.

International Thomson Holdings, the magazine and book publishing arm, had total operating revenue in the U.S. of $327.0 million from its magazine interests, up 57% from 1982. ADVERTISING AGE does not count books as media.

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publishing through its purchase of *American Banker* and *Bond Buyer* for $58.7 million.

The company, through International Thomson Business Press, began operations in the U.S. in the 1970s and has grown through acquisitions and launches. *Medical Economics*, one of the company's most successful trade magazines, had an estimated $20 million in ad revenues from more than 4,000 ad pages during 1983.

Further acquisitions can be expected during 1984, as the company's stated aim is to expand its media and information services, leaving oil and natural resources on the back burner for now.

MEDIA PROPERTIES

Magazines

American Banker, Big Farm Weekly, Building Trades Journal, The Bond Buyer, Brandon's Shipper & Forwarder, CableVision, Consumer Electronics, Computer Merchandising, Contemporary OB/GYN, Designfax, Diagnosis, Diagnostic Medicine, Geriatric Medicine Today, Hospital Development, Hosital Equipment & Supplies, Huebner's Tooling & Production, Liquor Guide, LIST, Medical Economics, New Electronics, Nursing Opportunities, Pacific Shipper, Physician, Practice 83, Purchasing World, Radio Communicatons Report, RN, Software Merchandising, Veterinary Economics, Veterinary Medicine/Small Animal Clinician, Ward's Auto World, Ward's Automotive Reports, The Weekly Bond Buyer.

Newspapers (dailies)

ALABAMA: *Dothan Eagle, Enterprise Ledger, Opelika-Auburn News.* ARIZONA: *Douglas Daily Dispatch.* ARKANSAS: *Northwest Arkansas Times* (Fayetteville). CALIFORNIA: *Barstow Desert Dispatch, Eureka Times-Standard, Oxnard Press-Courier, San Gabriel Valley Tribune* (West Covina), *Siskiyou Daily News* (Yreka), *Whittier Daily News.* CONNECTICUT: *Ansonia Evening Sentinel.* FLORIDA: *Clay Today* (Orange Park), *Jackson County Floridian* (Marianna), *Key West Citizen, Punta Gorda Daily Herald-News.* GEORGIA: *Cordele Dispatch, Dalton Daily Citizen-News, Griffin Daily News, Thomasville Times-Enterprise, Tifton Gazette, Valdosta Daily Times.* ILLINOIS: *Jacksonville Journal Courier, Mount Vernon Register-News.* INDIANA: *Kokomo Tribune, New Albany Tribune.* IOWA: *Council Bluffs Nonpariel, Oelwein Daily Register.* KANSAS: *Atchison Daily Globe, Levenworth Times.* KENTUCKY: *Corbin Times-Tribune.* LOUISANA: *Lafayette Daily Advertiser.* MARYLAND: *Salisbury Daily Times.* MASSACHUSETTS: *Fitchburg Daily Sentinel and Leominster Enterprise, Taunton Daily Gazette.* MICHIGAN: *Adrian Daily Telegram, Escanaba Daily Press, Houghton Daily Mining Gazette, Iron Mountain Daily News, Marquette Mining Journal.* MINNESOTA: *Albert Lea Evening Tribune, Austin Daily Herald.* MISSISSIPPI: *Laurel Leader-Call.* MISSOURI: *Cape Girardeau Southeast Missourian, Carthage Press, Sikeston Daily Standard.* NEW HAMPSHIRE: *Portsmouth Herald.* NEW YORK: *Herkimer Evening Telegram, Newburgh Evening News, Oswego Palladium-Times.* NORTH CAROLINA: *Rocky Mount Evening Telegram.* OHIO: *Canton Repository, Coshocton Tribune, East Liverpool Evening Review, Greenville Daily Advocate, Lancaster Eagle-Gazette, Marion Star, Middletown Journal, Newark Advocate, Piqua Daily Call, Portsmouth Times, Salem News, Steubenville Herald-Star, Xenia Daily Gazette, Zanesville Times Recorder.* OKLAHOMA: *Ada Daily News.* PENNSYLVANIA: *Connellsville Daily Courier, Easton Express, Greenville Record-Argus* (Kittanning), *Hanover Evening Sun, Kittanning Leader-Times, Lock Haven Express, Meadville Tribune, Monessen Valley Independent.* SOUTH CAROLINA: *Florence Morning News.* SOUTH DAKOTA: *Mitchell Daily Republic.* UTAH: *Daily Spectrum* (St. George). VIRGINIA: *Petersburg Progress-Index.* WEST VIRGINIA: *Fairmont Times-West Virginian, Weirton Daily Times.* WISCONSIN: *Fond du Lac Reporter, Manitowoc Herald-Times Reporter, Waukesha Freeman, Daily Tribune,* Wisconsin Rapids.

Newspapers (nondailies)

ALABAMA: *Phenix Citizen.* FLORIDA: *Englewood Herald.* ILLINOIS: *McLeansboro Times-Leader.* INDIANA: *Howard County News.* OHIO: *Greentown-Franklin Chronicle.* PENNSYLVANIA: *Midland News.*

Time Inc.

Revenues	1983	1982
Media	$2.249 bil.	$1.822 bil.
Other	468,000,000	549,000,000
Total	$2.717 bil.	$2.371 bil.

*Restated

Time Inc., New York, which spun off its huge forest products division last year, still generated record revenues in 1983 as media increased the contribution to $2.25 billion, making Time Inc. the third largest media company in the U.S. Excluding consideration of forest products in a 1983-to-1982 comparison, magazine and video holding revenues rose to 81.7% of the total $2.72 billion in revenues in 1983, from 75.8% in 1982.

Media revenues for the year increased 23.6% over 1982 as Time Inc. focused greater attention on its remaining business after the divestiture of its forest products activities, which in 1982 generated $1.2 billion in revenues for a third of the company's total revenue.

Magazines continued to represent the largest revenue source, though by a decreasing margin over video. In 1983, Time Inc.'s magazines brought in $1.13 billion, up 20.2% from 1982. Video contributed $1.09 billion, a 27.3% gain over 1982. Video, however, was considerably more profitable, yielding $215 million in operating profits in 1983 while magazines, including the $47 million in losses taken on *TV-Cable Week*, brought in only $106 million.

Time Inc. also derives media revenues from Pioneer Press, a chain of weekly newspapers, though it does not break out the revenue or income separately. ADVERTISING AGE estimates Pioneer Press generates about $32 million in revenue.

Time Inc.'s nonmedia businesses include Selling Areas-Marketing Inc., the company's market information service. The company, which lumps SAMI with Pioneer in its reporting procedures, reports the two pulled in $95 million in revenues in 1983, up 6.7% from 1982. Book publishing is Time Inc.'s other major line of business, and it produced $401 million in revenues, a drop of 21%.

Freed from its forest products division, Time Inc. only now is looking for new opportunities in the information and entertainment areas. Magazine acquisitions and startups also assumed greater importance, particularly after the folding of *TV-Cable Week*. The company formed a new Magazine Development Group late in the year.

TV-Cable Week was Time Inc.'s big fiasco. The guide was launched in April with five cable systems signed up, plans to invest up to $100 million and expectations that it eventually could become the company's biggest publication. It was folded five months later, a $47 million loss that had met resistance from cable operators and, as a result, was carried by only 19 cable systems at its demise.

However, Time Inc.'s established magazine properties continued strong with their combined circulation rate bases rising 905,000 and their share of the magazine advertising market increasing 21.4%. Each of the seven magazines reported increases:

- *Time* magazine's worldwide ad revenues rose 13.5%, to $396.7 million, and its worldwide circulation was up 1.8%, to 5,916,000.
- *Sports Illustrated's* ad revenues increased 12.5%, to $183.2 million, and its circulation was up 4.3%, to 2,425,000.
- *People's* ad revenues rose 10.2%, to $175.5 million, and circulation rose 7.2%, to 2,600,000.
- *Fortune's* ad revenues rose 33.1%, to $101.4 million, and its circulation 3.0%, to 690,000.
- *Money's* ad revenues increased 27.7%, to $42.0 million, and its circulation 27.3%, to 1,400,000.
- Life's ad revenues were up 26.3%, to $29.3 million, and its circulation was up 7.7%, to 1,400,000.
- *Discover's* ad revenues rose 22.9%, to $ 1.8 million, and its circulation rose 2.9%, to 875,000.

Time Inc. saw major growth and transformation in the video area, too, though there were also some disappointments. The company shelved its plans to launch a commercial teletext service after spending between $20 million and $30 million in tests in Orlando, Fla., and San Diego. Involvement also was ended in over-the-air subscription tv as the Cleveland service was closed and the Boston one sold.

But cable tv grew, and American Television & Communications, with cable systems serving subscribers in 464 municipalities in 31 states, experienced increases both in its total number of basic subscribers (up 14%, to 2.4 million) and pay subscribers (up 16%, to 2.2 million). ATC decided both to decentralize operations and to focus growth in areas it already serves, rather than become involved in new franchise fights. It did add one new franchise, the western part of the borough of Queens in New York.

ATC also entered the international arena, winning two franchises in Scotland and England that are partnerships with several British companies. Similarly, Home Box Office, the largest U.S. pay tv network, also expanded internationally, forming a joint venture to create a new pay tv service for British cable.

But HBO's biggest maneuvers were in the U.S. It added 2 million subscribers for the third year in a row. It now numbers more than 13.5 million subscribers in some 5,400 cable systems.

HBO also entered the feature film area. It formed, along with CBS and Columbia Pictures, Tri-Star Pictures, to produce and distribute feature films. It also established licensing agreements giving it exclusive rights to exhibit movies turned out by certain studios, including Columbia Pictures and Orion Pictures.

HBO was the subject of U.S. Supreme Court action this month that allowed Crimpers Productions Inc. of Hicksville, N.Y., to go ahead with its $50 million antitrust suit against HBO and Showtme Inc. They are charged with boycotting a trade show meeting staged by Crimpers.

Cinemax, the country's third largest pay tv network, also sought growth in directions parallel to HBO. Time Inc. originally began Cinemax as a film buff's supplement to HBO in 1980, but it soon broadened it into a network carrying original programing, a greater number of movies than planned and more varied programs. Cinemax also added more than 700,000 subscribers in 1983, giving it a total of 2.7 million.

MEDIA PROPERTIES

Cable/video

Cinemax, Home Box Office, USA Cable Network (33% interest). Also, American Television & Communications Corp., now divided into 13 divisions and one national division that includes many smaller communities in 23 states. The individual divisions include Birmingham, Ala.; San Diego, Cal.; Florida; Hawaii; Indianapolis; Kansas City; Manhattan, N.Y.; Rochester, N.Y.; Charlotte, Raleigh, Greensboro, Fayetteville, all in North Carolina; Austin, Tex. Included in the national division are the following states and, in parentheses, the number of systems in those states: Arkansas (one), California (five), Colorado (eight), Connecticut (one), Illinois (one), Indiana (two), Iowa (five), Kansas (five), Kentucky (four), Maine (two), Michigan (one), Minnesota (three), Missouri (five), Nebraska (two), New Jersey (one), New York (one), Ohio (two), Oklahoma (one), Pennsylvania (six), Texas (one), Virginia (one), West Virginia (one), Wisconsin (seven).

Magazines

Discover, Fortune, Life, Money, People, Sports Illustrated, Time.

Newspapers

Pioneer Press, 30 nondaily newspapers serving suburban Chicago—*Citizen* (serving Addison Park, Harwood Heights, Norridge, northwest Chicago, Norwood Park), *Deerfield Review, Des Plaines Highlander, Elm Leaves, Evanston Review, Forest Leaves, Forest Park News, Franklin Park Herald-Journal, Glencoe News, Glenview Announcements, Herald* (Northlake, Leyden Township, Stone Park, Melrose Park), *Highland Park News, Lake Forester, Libertyville Review, Maywood Herald, Morton Grove Champion, Mundelein Review, Niles Spectator, Northbrook Star, Oak Leaves, Park Ridge Advocate, River Grove Messenger, Rosemont Progress, Schiller Park Independent, Skokie Review, Vernon Review, Weekend World* (Oak Park), *West Proviso Herald, Wilmette Life, Winnetka Talk.*

OTHER OPERATIONS

Book-of-the Month Club, Little Brown, Selling Areas-Marketing Inc., Time-Life Books.

Times Journal Co.

Revenues	1983	1982
Media	$84,000,000	$73,700,000
Other	35,000,000	30,500,000
Total	$119,000,000	$104,200,000

Times Journal Co., Springfield, Va., formerly named Army Times Publishing Co., is the country's 98th largest media company, with 1983 media property revenues estimated by ADVERTISING AGE at $84 million, or 71% of total estimated revenues of $119 million.

The company continued its growth pattern in the first-quarter 1984. "We're about where we thought we'd be. Revenues have increased 14% over last year," says Henry Belber, exec vp.

Major developments at the company include a new name and new home. In January, Army Times was recast as Times Journal Co., a name bearing the titles of the company's *Times* military tabloids and *Journal* Washington suburban newspapers. Administrative headquarters recently were moved from Washington to a modern three-story complex in Springfield, Va., also the site of the company's production plant.

Times Journal Co. is made up of four operating divisions: Army Times Publishing Co. provides the military publications; Journal Newspapers publishes the suburban papers; Times Journal Telemarketing Co. provides telephone marketing services, and Times Journal Printing Co. rolls out the publications and prints for outside clients. ADVERTISING AGE media figures are based on revenues from Army Times Publishing Co. and Journal Newspapers.

Founded by Mel Rider, the company evolved during pre-World War II days with papers serving Depression-era work camps and the Army. Today, the circulation of the weekly *Army Times, Navy Times* and *Air Force Times* runs at 320,000. *Federal Times*, another paper in the group, has a circulation of 40,000.

In the 1970s, the company diversified with the *Journal* newspapers, serving five suburban counties that encircle Washington. When the daily *Washington Star* folded in August, 1981, and left the nation's capital a one-newspaper town, *Journal* executives executed their goal of making the papers dailies, publishing on weekdays but not weekends.

The three Virginia papers are managed at the new Springfield building, while the *Montgomery Journal* is based in Rockville, Md., and the *Prince George's Journal* operates in Lanham, Md.

While the *Journal* papers are still in the red, Mr. Belber cites "big improvements" over the past year.

ABC audit for March 31, 1984, places the *Journals'* total circulation at 147,000, compared with 136,000 the previous year. Ad linage is up 11% through April, Mr. Belber says.

In addition to printing its own publications, Times Journal presses roll out Gannett Co.'s national daily, USA Today, for the Washington-Baltimore, Richmond and Norfolk, Va., markets. The company also prints a portion of Rupert Murdoch's national tabloid, the *Star*, and all copies of Times Mirror Co.'s *Sporting News*.

The company's presses also produce the company's *Times Magazine* monthly military supplement and 11,000 copies of *Military Market*, a trade publication for military commissaries as well as the *Washington Post's* Sunday tv guide and occasional retail supplements.

Based on its success with telephone marketing to sell its own publications, the company offers phone services to outside clients through its Times Journal Telemarketing division. The telemarketing service is the second largest in the country, Mr. Belber says. Telemarketing is performed from offices in the Washington area, Virginia Beach, Va., and Florida.

The company has tested some teletext activity on a small scale in Virgina, but Mr. Belber says no determination has been made on whether to play a role in cable.

MEDIA PROPERTIES

Magazines

Times Magazine (supplement to all three military papers), *Military Market* (trade magazine).

Newspapers (dailies)

MARYLAND: *Montgomery Journal, Prince George's Journal.* VIRGINIA: *Alexandria Journal, Arlington Journal, Fairfax Journal.*

Newspapers (nondailies)

NATIONAL: *Air Force Times, Army Times, Federal Times, Navy Times.*

OTHER OPERATIONS

Times Journal Printing Co., Times Journal Telemarketing Co.

Times Mirror Co.

Revenues	1983	1982
Media	$1.667 bil.	$1.489 bil.
Other	824,000,000	722,000,000
Total	$2.491 bil.	$2.211 bil.

Times Mirror Co., Los Angeles, is the country's seventh largest media company, with media operations accounting for $1.67 billion, or 66.9%, of total 1983 revenues of $2.49 billion.

Media revenues rose 12.1% from last year's $1.49 billion. Total revenues were up 12.7% from 1982's $2.21 billion.

Newspapers made up $1.27 billion of revenues, broadcast $116.1 million, cable $154 million, and magazines $130 million.

For Times Mirror, 1983 was the best year in its 100-year history. Leading the surge was the company's Newspaper Publishing Group. Revenues for the group increased 11% from 1982 levels, fueled in part by hefty gains in classified ad linage. In the previous recessionary year, classified advertising had dropped 2% at Times Mirror newspapers over-all; at the *Los Angeles Times*, the longtime national leader in classified advertising, that category had fallen a staggering 23%.

For 28 consecutive years, the *Los Angeles Times* led U.S. newspapers in ad volume. It had 180,112,236 lines in 1983. Times Mirror says the paper's select market coverage program, started in 1982, played a major role in those gains—its preprint ad linage rose 66% for the year.

Editorially, the *Times* is continuing efforts to upgrade its coverage, to increase its dominance in its home base, Southern California, and build its reputation as a national and international newspaper. After more than 20 years of intense effort, the *Times* is considered one of the country's best, but it has yet to enjoy the influence and prestige of major eastern rivals, such as the *New York Times* and the *Washington Post*.

During 1983, the paper expanded coverage in its Orange County and San Diego editions, two regions in which the *Times* seeks further growth.

In addition, the *Times* also is looking to the affluent San Fernando Valley for expansion. Starting Oct. 1, the flagship of Times Mirror will begin publishing a newly designed Metro Valley section with added pages containing local news and advertising, plus an expanded sports section. It will be printed at the $96 million printing plant in Chatsworth, Cal. Parts of the paper have been printed there since December.

The paper also is contemplating a major overhaul of its Sunday *Home* magazine, which in recent years has been dwindling in size because of waning advertiser interest. The *Times* is testing three prototypes, and publisher Tom Johnson says it is unlikely the paper will make any changes in *Home* before fall, 1985.

Dallas and Denver continue to be the most competitive newspaper markets in which Times Mirror competes. In an attempt to solidify its precarious positions in those cities where it runs a close second, the company has increased staffing and is taking steps to modernize and expand production facilities.

In Dallas, the tug of war between Times Mirror's *Dallas Times Herald* and the *Dallas Morning News* continued. During the year, both papers claimed leadership and dominance in the market; over-all, the *Times Herald* still trails the *Morning News* in circulation and ad linage.

Denver Post publisher Lee J. Guittar moved to the *Dallas Times Herald* as publisher when Dallas publisher Thomas R. McCartin became president-ceo of Times Mirror National Marketing, a new ad sales organization for Times Mirror newspapers. Richard T. Schlosberg III succeeded Mr. Guittar at the *Post*.

Newsday, the nation's 12th largest paper, showed serious interest in moving beyond its Long Island base into New York City. The 500,000-plus circulation paper named a new editor to run its Queens edition, and coverage in the section has begun to focus more on citywide news. *Newsday* publisher David Laventhol denies the change in editorial focus is a precursor to the paper moving into Brooklyn or Manhattan. He maintains that Queens is the only section of New York that it makes sense for *Newsday* to include in its territory.

While newspapers traditionally have been the core of Times Mirror's business, the company also is increasing its involvement in electronic media. During the year, it strengthened its involvement in broadcast, cable tv and other new technologies.

The broadcast group's 1983 revenues represented a 16% increase from 1982 levels. Its operating profit reached $61.8 million, a 25% year-to-year improvement.

Times Mirror's cable operations continue to be a drain on company profits. Cable tv revenues increased 23% over 1982 results, but operating profit declined 23.5%, to $15.3 million. Times Mirror says its cable operations are making substantial subscriber gains in several markets.

In December, Times Mirror Cable Television and three other multiple system operators agreed to drop Spotlight, a pay cable tv service that was envisioned as a grass-roots competitor to Time Inc.'s powerful Home Box Office. After it failed to work, the backers sold the service to Showtime/The Movie Channel in January.

Videotex America, a joint venture between Times Mirror Videotex Services and Infomart, Toronto, to develop videotex systems, signed an agreement in 1983 with several newspapers.

Also, Videotex America joined forces with two California newspaper publishers to form a videotex service geared to farmers. The new service, which will get started in late 1984, will provide farmers in California's enormous San Joaquin Valley with information on weather, news and the stock market, in addition to chemical and livestock reports.

In mid-1984, the company will start its Gateway commercial videotex service in Orange County, offering electronic news and other services, such as home banking and shopping.

Larry Wangberg, former president of the metro division of Warner Amex Cable Communications, New York, joined Times Mirror Cable as president-ceo. He succeeded Ralph Swett, who assumed the new post of chairman.

As a marketing opportunity and as a way to show its support for Los Angeles, Times Mirror contributed $5 million to become an official sponsor of the 1984 Olympics.

In November, Times Mirror sold its New American Library paperback book unit to an investor group for $50 million.

MEDIA PROPERTIES

Broadcasting

TV: KDFW, Dallas; KTBC, Austin; KTVI, St. Louis; WETM, Elmira, N.Y.; WHTM, Harrisburg, Pa.; WSTM, Syracuse; WVTM, Birmingham, Ala.

Cable/video

Times Mirror Cable Television owns 61 cable properties, serving the following areas—ARKANSAS: Jacksonville, North Little Rock. ARIZONA (All 50% owned, with American Cable Television): Bullhead City, Casa Grande, Chandler, Eloy, Fountain Hills, Heber, Lake Havasu, Nogales, Paradise Valley, Phoenix, Rio Verde, Superior, Tempe. CALIFORNIA: Escondido, Long Beach, Orange County, Palos Verdes, Perris, Victorville. CONNECTICUT: Hartford, Meriden. ILLINOIS: Springfield. INDIANA: Lafayette. KENTUCKY: Ashland, Hopkinsville, Louisville. MASSACHUSETTS: Amherst, Bradford, Brewster (95%), Brookline, Greenfield, Longmeadow, Palmer, Weymouth (90%). NEVADA: Las Vegas. NEW JERSEY: Point Pleasant Beach. NEW YORK: Riverhead. OHIO: Caldwell, Cambridge, Coshocton, Defiance, Greenfield, Ironton, Logan, Newark, Newcomerston, New Philadelphia/Urichsville, Toronto, Waverly. PENNSYLVANIA: Beaver Falls, Glenolden/Darby, South Philadelphia, Upper Darby, Washington, Williamsport. RHODE ISLAND: Providence, West Warwick. TEXAS: Del Rio, Kerrville, Marlin, Midland, Texarkana, Uvalde. WEST VIRGINIA: Weirton.

Magazines

Golf, Outdoor Life, Popular Science, Ski, Sporting News.

Newspapers

CALIFORNIA: *Los Angeles Times*. COLORADO: *Denver Post*. CONNECTICUT: *Greenwich Time, Hartford Courant, Stamford Advocate*. TEXAS: *Dallas Times Herald*. NEW YORK: *Newsday*.

OTHER OPERATIONS

Book publishing, electronic publishing, newsprint and forest products group.

Times Publishing Co.

Revenues	1983	1982
Media	$134,800,000	$119,500,000
Other	—	—
Total	$134,800,000	$119,500,000

Times Publishing Co., St. Petersburg, Fla., the 71st largest media company in the U.S., had revenues estimated by Advertising Age at $134.8 million in 1983, all from media operations.

The major impetus for the 12.8% year-to-year increase was a "surging economy in the Tampa Bay area and along Florida's Gulf Coast" and the city's downtown resurgence, according to Andrew Barnes, who was managing editor until he was elected president and editor this year.

The privately held company cited constant growth in satellite areas as reasons for a 4% increase in daily circulation of the *St. Petersburg Times*, to 260,682, and a 5% increase in Sunday circulation, to 330,089. This growth also has resulted in an increase in part-run and preprint advertising.

The company's afternoon newspaper, *St. Petersburg Evening Independent*, completed 1983 with a drop in circulation, dipping 563 subscriptions in 1983, to 37,837. This represents the third straight year of decreases. The company purchased the paper 22 years ago from Thomson Newspapers Ltd.

About the decline, Leo L. Kubiet, Times Publishing advertising director, says, "Anytime you have a minus where all other areas are pluses, you have to be concerned. This year we have a program concentrating on sales and promotion designed to change all that." He says he believes the entry of *USA Today* into the St. Petersburg market may have exacerbated the subscription declines.

Advertising linage showed strong gains for 1983. For the *Times*, the increase was 12.9%, to 91.9 million lines in 1983. For the *Independent*, linage climbed 3%, to 24.1 million. Linage rates were increased by an average of 8% for both newspapers in 1983.

The two newspapers continued to be among the leading U.S. daily publications in tourism and travel advertising with a total of 731,715 lines in that area last year, according to Walter R. Stecher, general advertising manager.

During the peak tourist season last winter, the combined newspapers posted 12 new daily and Sunday circulation highs. The Sunday *Times* peaked at 373,838 copies Feb. 20, 1983. Daily circulation reached a high of 309,685 March 3.

Color ad linage also reached a new high during 1983, with 12.03 million lines in the *Times* and 2.16 million lines in the *Evening Independent*, increases of 14% and 9%, respectively.

Executive changes in 1983 included the retirement in April of John B. Lake, publisher. No one has replaced him. Eugene C. Patterson, former president-editor, was elected chairman.

Mr. Barnes, 44, says that in his new position as president he will concentrate on "staying on top of the tremendous growth we've experienced in the past 10 years."

The paper also plans to expand its news coverage, which has concentrated on detailed coverage of the region, and beef up its foreign news. The foreign news department has grown from one person to four, and now includes a foreign news editor and an assistant editor.

Also in early 1983, the *Times* changed the title and content of the Family/Day sections—MonDAY, TuesDAY, WednesDAY, etc.—to the all-encompassing Floridian.

The publishing company's statewide business magazine, *Florida Trend*, which turned 25 years old in 1983, reached an all-time high circulation of 36,000. General manager Andrew P. Corty expects circulation to grow to 40,000 this year. Ad pages for 1983 totaled 890, compared with 788 in 1982, up 13%. Substantial increases in color advertising helped boost ad revenue gains to almost 40%.

MEDIA PROPERTIES

Newspapers

FLORIDA: *St. Petersburg Times, St. Petersburg Evening Independent.*

Magazines

Florida Trend.

Other Publications

Congressional Quarterly, Editorial Research Reports.

OTHER OPERATIONS

Modern Graphic Arts commercial printer.

Triangle Publications

Revenues	1983	1982
Media	$579,320,000	$549,400,000
Other	—	—
Total	$579,320,000	$549,400,000

Triangle Publications, Radnor, Pa., is the nation's 20th largest media company with 1983 operating revenues estimated by Advertising Age at $579.3 million, all from print media. The company's estimated operating revenues for 1982 were $549.4 million.

Three publications, *TV Guide, Seventeen* and *Daily Racing Form*, produce total revenues for the privately held company, which is controlled by Walter Annenberg.

Last year, *TV Guide* had an estimated $712.6 million in gross revenues, up 6.7% from 1982 revenues of $655.5 million. *Seventeen* magazine had an estimated combined advertising and circulation gross revenue of $53.3 million, while *Daily Racing Form* had estimated combined revenues of $62 million. (Ad Age estimates are operating rather than gross figures.)

For *TV Guide*, 1983 was a pivotal year as Time Inc. attempted to challenge the 30-year-old publication's dominance with the launch of *TV-Cable Week*. *TV-Cable Week* folded, however, after only five months of publication.

Revenues remained flat for *TV Guide*. Though 1983 was the publication's best year ever for advertising revenue, at $269.4 million gross, according to sources at the magazine, it increased only 6.7% from $241.5 million in 1982. Ad pages increased by only 28, to 3,644, a 1% increase. The publication instituted a 9.8% rate increase in July, 1983, and has announced a 5% rate hike for July, 1984, bringing the cost of a four-color page to $89,250.

At a cover price of 50¢, *TV Guide* generates an estimated $443.2 million in gross circulation revenue. Actual circulation fell to 17,168,824, a company spokeswoman says, from an average circulation of 17,260,297 in 1982. Eric G. Larson, publisher of *TV Guide*, says he believes that these numbers reflect a slight influence from *TV-Cable Week*, and that figures for 1984 will show a modest increase.

No cover price increase is planned, though *TV Guide* continues to test a 60¢ cover price in certain markets.

Future price increases may become necessary because of the high cost of producing the magazine. Paper costs alone will add $10 million this year to the $50 million paid out for paper in 1983. Postal rate hikes also are on the horizon, according to the company.

To keep circulation steady, Mr. Larson says *TV Guide* spent $10 million in 1983 on tv advertising, and will spend another $10 million in 1984. The new campaign features the song, "That's Entertainment."

TV Guide editorial director Merrill Panitt capsulized 1983 as a year of challenge and accomplishment. In response to *TV-Cable Week*, "We put more emphasis on cable sooner than we had planned," he says. That influence carried over into 1984 to include the magazine's first ever cable cover on the miniseries, "Far Pavilions."

"It was a bit of a gamble for *TV Guide* since only some 40% of its readers receive cable," Mr. Panitt says. "But our readers are interested in everything that's on television."

Apparently, the special cover did no better or worse than usual on the newsstand.

Mr. Panitt plans to continue as if he still had competition in 1984: "*TV Guide* will evolve to reflect the dynamic nature of television. Anything that's on the screen is our business, including videocassettes and dbs [direct broadcast satellite]."

Seventeen publisher Frank G. Wolf is bullish on 1984, after a slow start in 1983. Thus far in 1984, the magazine has added 130 pages over the first six months of 1983. For all of 1983, *Seventeen* gained only nine pages from 1982, increasing to 1,311.

Advertising gross revenues climbed 8.8% from 1983, to $25.8 million, according to Mr. Wolf. And, circulation rose 9.5% from the last six months of 1982, to 1,700,000 for the last six months of 1983. This growth has continued into 1984 despite the fact that the number of girls 13 to 19 has dropped.

Seventeen also had a cover price increase in August, 1983, to $1.50, from $1.25. *Seventeen* had an estimated circulation revenue of $27.5 million for 1983. The publication will be 40 years old in August.

Daily Racing Form will commemorate its 90th anniversary in November.

According to publisher Michael P. Sandler, the turfside broadsheet started celebrating a year early with an estimated 22% to 24% increase in its ad revenues in 1983. The increase of about $4 million gives the daily a combined income of about $62 million, Mr. Sandler says.

The newspaper sells for $1.75 and has an average circulation of 140,863 on Saturdays; 71,507 on Monday; 87,567 Tuesday to Friday, and 80,939 on Sunday, according to the ABC audit of March 31, 1983. Between 36 and 40 regional editions are published throughout the U.S. and Canada, varying in number with the racing seasons. The publication had a 6% rate increase in April, 1983, but has no plans for a 1984 increase, according to Mr. Sandler.

MEDIA PROPERTIES

Magazines

TV Guide, Seventeen.

Newspapers

Daily Racing Form.

Hispanic Omnibus

1200 Households
New York • Miami • San Antonio • Los Angeles
CLOSING DATE: JULY 15

The Hispanic Research Experts

Strategy Research Corporation

100 N.W. 37th Avenue, Miami, FL 33125 (305) 649-5400
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1250 Ponce de Leon Avenue, San Juan, PR 00907 (809) 724-6120

Tribune Co.

Revenues	1983	1982
Media	$1.397 bil.	$1.240 bil.
Other	190,000,000	190,000,000
Total	$1.587 bil.	$1.430 bil.

Tribune Co., Chicago, is the nation's ninth largest media company with media revenues of $1.397 billion, up 12.7% from 1982. Media revenues were 88% of total operating revenues of $1.59 billion in 1983.

Newspapers contributed revenues of $1.14 billion, a 9% increase over 1982. Tv and radio accounted for $229 million, up 26%, and cable operations added $31.3 million, up 32%.

Net income for the company advanced to $69.3 million, a 190% increase over last year's profits. This is attributed to improved earnings and circulation at company-owned newspapers and the nearing completion of restructuring and relocating the *New York Daily News*, which has experienced costly delays.

The newspaper group saw operating profits of $140 million, slightly more than double the 1982 results. Each of the newspapers reported record levels of operating profits and improved operating margins. The *Daily News*, after two years of losses, recorded the highest operating profits in its 64-year history. The *Chicago Tribune*, after its first year in its new $185 million printing plant, also achieved record results.

During the first quarter of 1984, the company reported revenues of $394 million, a 13% increase over the first quarter of last year.

The newspaper group experienced an 11% increase in revenues in the first quarter, to $298 million. The company noted strong performances by the Florida papers, the *News* and *Sun-Sentinel* in Fort Lauderdale, and the *Orlando Sentinel*.

This was an eventful year for Tribune Co., as its long-awaited initial public offering of 7.7 million shares in October generated $125 million. The big question is what the company plans to do with the cash.

So far, Tribune Co. has reduced debt—which had increased sharply during the past few years because of the $180 million in construction costs for the new plant in Chicago and a $75 million restructuring program at the Daily News—and financed the purchase of a tv station in New Orleans.

A major event for Tribune Co. in 1983 was News America Corp.'s purchase of the *Chicago Sun-Times*, the *Chicago Tribune's* major competitor. The buyout by News America's controversial Rupert Murdoch sent many top-name reporters and columnists scurrying to the *Tribune*.

Company officials decline to estimate what effect the *Sun-Times'* revamping under new ownership had on recently released circulation figures, which show the *Tribune* gaining substantially.

According to the latest ABC Fas-Fax figures as of the six-month period ended March 31, 1984, the *Tribune's* paid all-day circulation increased to 762,889, up 0.8%, and Sunday circulation increased to 1,145,387, up 1.6%. The company pointed out that increases in the second three months of the study, ended March 31, averaged 30,000 daily and Sunday—significantly higher gains than during the first three months, which might indicate the sale of the *Sun-Times* had a direct bearing.

ABC figures for the *Sun-Times* during the same period show a decline of 4.1%, to 628,285 in all-day circulation, and a drop of 0.2%, to 687,386, in Sunday circulation.

The increases in *Tribune* circulation look especially promising considering the trend of eroding circulation a year ago, when the *Sun-Times* was going after the affluent market traditionally considered the *Tribune's* turf.

The exodus from the *Sun-Times* included publisher Jim Hoge, recently installed as publisher of the *Daily News*. A combination of job buy-outs, union concessions and the sale of the paper's building contributed to its record operating earnings in 1983, but the company already has announced that the *Daily News* will not match that performance in 1984.

A 9% drop in circulation as of March 31 and continued costs of moving the paper's operations and distribution centers are sighted as reasons.

Maintaining its stated commitment to the *Daily News* continues to be a costly venture for Tribune Co. In 1983, almost a third of $97 million in total capital expenditures was spent on the relocation of *Daily News* production facilities. Another $24 million was spent on construction of new and existing cable tv systems, although the cost of the cable operations was much lower than anticipated due to delays on joint venture plans with United Cable Television Corp.

The company continued to spend money for broadcast properties, acquiring WGNO-TV in New Orleans for $21 million. In January, the company bought WANX-TV in Atlanta for $32 million.

The company plans to spend about $140 million in 1984, 1985 and 1986, of which $60 million is budgeted for cable acquisitions in each year. Cable operations posted a $4.8 million loss for 1983, because of costs of developing and marketing new systems in Tampa, Fla., Lakewood, Cal., and Montgomery County, Md. However, existing cable franchises continued to grow and contributed to a 30% rise in the segment's revenues, to $31.3 million, for 1983.

Tribune Co.'s restructuring of the *Orlando Sentinel* seems to be paying off, as the paper's circulation continues to increase between 5% and 10% annually. Its operating margins usually outstrip those of the *Daily News* and *Chicago Tribune*. Printed at a new $38 million-facility, the paper has recently implemented a policy of taking a harder stance on the news, and has beefed up business coverage and given it a separate section six days a week.

The *News* and the *Sun-Sentinel* in Fort Lauderdale continued to make inroads. The papers opened bureaus in Miami and Washington in 1983, expanded suburban operations and added a Sunday magazine.

The Los Angeles Daily News should not be discounted, as the renamed *Valley News & Greensheet* continues to resist the urge to compete directly with the mammoth *Los Angeles Times*, opting instead to strengthen its presence in the suburbs through a series of editorial changes and expansion.

The broadcasting division continues to exhibit strong profit performance. Mostly because of good returns from WGN and WGN-TV in Chicago and WPIX and WPIX-TV in New York, the division posted operating profits of $45 million.

MEDIA PROPERTIES

Broadcasting

TV: KWGN, Denver; WANX, Atlanta; WGN, Chicago; WGNO, New Orleans; WPIX, New York.
RADIO: KGNR (am) and KCTC (fm), Sacramento, Cal.; WGN (am), Chicago; WICC (am), Bridgeport, Conn; WPIX (fm), New York.

Cable/video

Tribune Cable Communications Co., serving CALIFORNIA: Lakewood, Palmdale; MARYLAND: Gaithersburg, Montgomery County (79%); NEW MEXICO: Albuquerque; VIRGINIA: Alexandria; NEW YORK: Fredonia, Glens Falls, Oneida; MINNESOTA: Glencoe, Owatonna; MICHIGAN: Houghton/Hancock, Independence Township (80%); TENNESSEE: Jackson; OREGON: Milwaukie; FLORIDA: Tampa.

Newspapers (dailies)

CALIFORNIA: *Daily News*, Los Angeles; *Times-Advocate*, Escondido; *Peninsula Times Tribune*, Palo Alto; ILLINOIS: *Chicago Tribune*; FLORIDA: *Orlando Sentinel*; *Fort Lauderdale News* and *Sun-Sentinel*; NEW YORK: *Daily News*, New York.

OTHER PROPERTIES

Chicago Cubs baseball team, Independent Network News, Tribune Entertainment Co., Ontario Paper Co. Ltd., Thorold Mill, Baie Comeau Mill, Manicouagan Power Co. (60%), Scierie des Outardes Enr. (40%), Tribune Co. Syndicate.

The media leaders: Cable revenues (1983)

Estimated cable revenues of 100 Leading Media Companies

Company	Cable revenues Est. ($000,000)		Basic subscribers (000)
	1983	1982	
Time Inc.	1,090.0	856.0	
American Television and Communications Corp.			2,400.0
HBO			13,500.0†
Cinemax			2,700.0†
Westinghouse Electric Co. (Group W)	627.1	506.5	1,988.4
Tele-Communications Inc.	347.3	265.6	2,766.0
Cox Communications	337.4	261.5	1,494.0
Storer Communications	291.1	222.7	1,413.0
Warner Amex Cable Communications	219.0	153.8	1,383.0
Continental Cablevision	156.0	108.7	868.0
Times Mirror Co.	154.0	125.0	961.6
Viacom International	151.5	112.9	747.1
Advance Publications	140.0	112.0	837.0
Rogers-UA	139.5	107.0	871.5
United Cable Television Corp.	115.3	99.8	649.0
Oak Industries (ON TV)	106.3	139.0	370.0
Sammons Communications	94.0	81.0	593.0
Wometco Enterprises	90.3	81.5	287.5
Landmark Communications (Telecable Corp.)	79.5	57.5	410.5
Capitol Cities Communications	67.0	53.3	354.6
Turner Broadcasting System	65.1	49.7	30,000.0
General Electric Co.	61.0	53.0	327.6
Maclean-Hunter Communications	60.0	45.0	234.1
Multimedia Inc.	53.2	32.8	258.0
Tribune Co.	31.3	23.7	158.2
Providence Journal Co. (Colony Communications with Copley Newspapers in select markets)	30.0	24.0	187.5
Rollins (Community Television System, Rollins CableVision of Southeastern Massachusetts, Bellevue CableVision, Narragansett CableVision Corp.)	28.0	19.1	172.8
Chronicle Publishing Co. (Western Communications)	22.0	19.5	148.4
Blade Co. (Buckeye Cablevision, Erie County Cablevision, Monroe Cablevision)	19.5	12.1	135.7
Affiliated Publications (45% of McCaw Communicators)	18.8	3.8	116.8
New York Times Co. (New York Times Cable TV)	18.3	N/A	110.0
Outlet Co.	15.0	11.6	—
American Broadcasting Cos. (ESPN)	13.4	15.0	32,700.0
Reader's Digest Assn. (Source)	12.0	7.0	58.0
McClatchy Newspapers	11.0	9.0	83.0
Harte-Hanks Communications	8.9	6.7	48.3
Playboy Enterprises	8.3	—	700.0†
Howard Publications (Falcon with Donrey Media Group)	7.0	4.0	108.2
Scripps-Howard	6.2	2.5	189.2
Journal Co. (Teltron Cable TV)	5.0	4.0	26.5
Donrey Media Group	4.0	2.0	40.6
Copley Newspapers	3.0	2.0	—
Hearst Corp.	4.0	3.5	28.0
A. S. Abell Co. (Welcome U.S.A.)	N/A		20.0
Meredith (Star CATV)	2.7	0.9	26.7
Central Newspapers (R/G Cable)	.9	.8	75.0
Knight-Ridder Newspapers	N/A*	N/A	
TKR Cable Co. (with Tele-Communications Inc.)			124.0
Long Beach Cablevision (with Times Mirror Co.)			30.0

†Paid subscriptions
*Not available because system is joint venture operation.

Source: Advertising Age

Turner Broadcasting System

Revenues	1983	1982
Media	$201,300,000	$146,300,000
Other	23,200,000	19,300,000
Total	$224,500,000	$165,600,000

Turner Broadcasting System, Atlanta, is the nation's 49th largest media company with 1983 media revenues of $201.3 million, a 37% increase from 1982. Media revenues were about 90% of total revenues of $224.5 million.

TBS, which recorded a record $7 million profit, had its best year financially since the founding of Cable News Network in 1979. This compared with a $3.3 million loss in 1982.

After fighting to keep Satellite News Channel (SNC)—a floundering ABC Inc. and Westinghouse Broadcasting & Cable joint venture—from cutting into CNN's clearances with systems and ad revenues, TBS paid $25 million to buy SNC in late 1983. The company then folded the network by converting most subscribers to CNN.

The backlash of this bitter rivalry still was being felt in the first quarter of 1984 when TBS suffered a $5.3 million loss, compared with a $1.9 million gain for the same period of the preceding year. Revenues for the quarter climbed 21.6%, to $54 million.

Ted Turner, president, said the loss

was concessions made to hold on to cable operators and to debt service and other costs carried over from the SNC buyout. He predicted that CNN would return to the black after a new card firms up system rates for the two news networks, CNN and CNN Headline News.

Struggling to keep its advertiser-supported networks off of premium pay tiers, TBS's prices for CNN and CNN Headline News are designed to entice operators to put the services on basic, rather than premium pay channels.

TBS' three networks, superstation WTBS with nearly 30 million homes, the original CNN, with up to 25.1 million homes, and CNN Headline News, with 10.5 million homes, attracted more national cable tv advertising dollars than any other cable company. But meanwhile Entertainment & Sports Programming Network, with more than 30 million homes, and CBN Cable Network, with 23 million, were becoming more formidable rivals.

In 1983, TBS grossed $136.2 million from superstation WTBS and related broadcast activities, up 41% from 1982. Sources estimate the net profit of this hybrid over-the-air and cable operation at $42 million. (The fees from cable operators, a discounted 10¢ per home per month, do not go to the station's owner, but to the satellite carrier, Southern Satellite Systems.)

Between them, CNN and CNN Headline News took in $65.1 million from sponsors and cable operators, which paid a variety of fees for the service. In 1982, the comparable figure was $49.7 million.

Now that it has a cable news monopoly, TBS is trying to stabilize operator prices and persuade systems to pick up a greater share of escalating programing expenses. But buyer resistance forced the company to drop a plan to bill an operator for all his basic subscribers, even if CNN were being sold on a pay tier that was nowhere near 100% of basic. The revised structure permits an operator that is carrying either news service with less than 50% penetration to pay only for those people actually buying CNN or CNN Headline News.

TBS' media properties are expected to gross more than $225 million this year, but this depends on the impact the Olympics product at ABC has on the over-all fall tv market. Most sponsors do not include cable in their upfront buying.

Excluded from this media analysis is the Turner sports operation, which brought in $21.4 million. Mr. Turner, through a limited partnership, owns 96% of baseball's Atlanta Braves and basketball's Hawks. The Braves have played a major role in making WTBS a well-known name. But they face formidable competition for the informal title of "America's baseball team."

Games of both the New York baseball clubs, the Yankees, on WPIX-TV, and the Mets, on WOR-TV, now are covered via satellite. However, so far they are not challenging TBS for cable tv network ad dollars.

MEDIA PROPERTIES

Broadcasting

TV: WTBS, Atlanta; CNN TV.
RADIO: CNN Radio.

Cable/video

Cable News Network, CNN Headline News, WTBS superstation services, Turner Program Services, international syndication.

OTHER PROPERTIES

Atlanta National League Baseball, owner of Atlanta Braves and farm clubs in Savannah, Ga.; Anderson, S.C., and Richmond Va.; Atlanta Hawks basketball team.

United Cable Television Corp.

Revenues	1983	1982
Media	$115,300,000	$91,800,000
Other	——	——
Total	$115,300,000	$91,800,000

United Cable Television Corp., Denver, the nation's 79th largest media company, reported revenues in 1983 of $115.3 million, all in cable, a 26% increase over the previous year.

The publicly held company continued to gain in the first nine months of fiscal 1984, ended Feb. 29, reporting revenues for that period of $102.9 million and operating income of $39.9 million. Those totals represent increases of 23% in revenues and 28% in income over the corresponding period in 1983.

United Cable's earnings for fiscal 1983, ended May 31, 1983, totaled $2.6 million, down from $16.4 million for fiscal 1982. The company has cited development costs for new cable systems and losses by its Home Entertainment Network subscription tv service as causes of depressed earnings. For the first nine months of fiscal 1984, United reports earnings have risen to $6.8 million.

By the end of February, the multiple system operator, which owns and operates 35 cable tv systems, reported that homes passed totaled nearly 1.1 million, serving 619,000 basic subscribers and 513,000 pay subscribers.

United Cable and its managed limited partnerships are developing eight new systems with an aggregate of more than 450,000 homes.

Last fall, the company was granted the long-sought-after East San Fernando Valley franchise, which includes an upscale portion of Los Angeles. Construction, now under way, is funded by a limited partnership.

United has been designated by Los Altos to operate the franchise for that city; the company will add Los Altos to its Cupertino, Cal., franchise operation. La Puente, Cal., also is under construction, as part of the United Cable Television of Los Angeles County system.

In the Los Angeles basin area, United has a management contract with an opportunity to purchase, with Communicom, Los Angeles, a system including Hollywood and parts of the city of Los Angeles.

United is in the process of purchasing two mature cable systems from Tele-Communications Inc.—Golden and Lakewood, Colo., and Papillion, Neb., and environs.

Construction of the Denver suburban system has been completed, and building in Scottsdale, Ariz., is almost done, the company says.

Early this year, United sold its Chicago Spectrum stv operation to Oak Media Corp., a subsidiary of Oak Industries. Oak operates ON TV in the Chicago market. Spectrum, which began broadcasting in Chicago in the latter part of 1981, had about 37,000 subscribers at the time of sale.

United's Spectrum had been part of its Home Entertainment Network unit, which continues with stv operations in Minneapolis and Cincinnati. Paul Beckelheimer, who had headed the HEN operation, now is vp-operations with the parent company.

Two of United's systems, the Tulsa, Okla., franchise and United Cable of Colorado, serving the Denver suburbs, have been successful in generating advertising revenues, the company says. By the close of fiscal 1984, ended May 31, the company expected that the Tulsa operation would have taken in advertising revenues of $850,000 to $900,000; the total for Denver was expected to be about $850,000. Most of the commercials inserted in the Denver system's programing are produced by United Cable of Colorado's in-house production facility.

In June, 1984, United agreed to sell its Denver tv station WBTI and its associated Cincinnati subscription tv operations to Channel 64 Ltd. The agreement is awaiting FCC approval.

Last summer, United began testing an umbrella ad campaign to lure tv viewers to cable. The two-city test was so successful it has been adopted by 12 of the company's systems, and United expects that about 20 will be using it next year. In addition, three other operators have purchased either a generic version of the campaign or the rights to adapt the United effort.

The original tv and radio commercials, credited with increasing the subscriber base by 3%, targeted light tv viewers with the line, "The more you watch tv, the more you should join the United family."

MEDIA PROPERTIES

Cable/video

ARIZONA: Scottsdale. CALIFORNIA: Alameda, Cupertino (both 95% interest), and Foster City; East San Fernando Valley, Hacienda Heights, Hayward, LaPuente, Los Altos, San Leandro, San Lorenzo, South Whittier. COLORADO: Denver suburbs (74.5% interest), Golden and Lakewood, Grand Junction. CONNECTICUT: Eastern Connecticut (80% interest), Plainville. DELAWARE: Fenwick Island. IDAHO: Boise. ILLINOIS: Carpentersville (80% interest), Effingham, Galesburg (50% interest), Mendota, Monmouth (50% interest), Peru. INDIANA: East Chicago and Hammond (both 80% interest). LOUISIANA: Bossier City. MARYLAND: Berlin/Ocean City, Montgomery County (50% interest). MICHIGAN: Downriver Complex (80% interest), East Lansing, Lincoln Park (80% interest), Meridian, Oakland County (50% interest). MINNESOTA: Chaska, Shakopee. NEBRASKA: Bellevue (50% interest), Papillion, Tri-Cities (90% interest). NEW MEXICO: Gallup, Santa Fe. OKLAHOMA: Tulsa. TEXAS: Abilene, Anson, Hamlin, Jacksonville, Perryton, Rotan, Sweetwater, Tyler. UTAH: Moab. WYOMING: Casper. Also, STV-Home Entertainment Network: Cincinnati ON TV, Minnesota Pay TV Co. Spectrum.

U.S. News & World Report

Revenues	1983	1982
Media	$133,000,000	$124,000,000
Other	16,000,000	8,000,000
Total	$149,000,000	$132,000,000

U.S. News & World Report, Washington, sold this year after 50 years of independent operation, scores as the nation's 72nd largest media company. Its 1983 media revenues are estimated by ADVERTISING AGE to be $133 million, or 89.3% of estimated corporatewide revenues of $149 million. The 1982 comparison is $124 million in media revenues; $132 million in total revenues.

The employe-owned company was purchased for $168.5 million in mid-June, 1984, by Mortimer Zuckerman, publisher and real estate developer. Mr. Zuckerman is no stranger to the company, having been a real estate partner several years with U.S. News & World Report. The purchase price was 57 times earnings.

Mr. Zuckerman, who plans to spend a year immersed in the operations of his new investment, says the only immediate plans are to strengthen the magazine graphically. Time will tell whether his left-leaning *Atlantic Monthly* will influence the operations of the more conservative *U.S. News*. However, in a press conference announcing the purchase, he said, "There are marriages in which liberals and conservatives get together quite happily."

The prospect of an ownership change had put the company in the media spotlight, and may have created uncertainty in the advertising community about the magazine's future because ad sales have slid since last December when management disclosed it was considering an unsolicited buyout offer.

After a prosperous 1983, when *U.S. News* scored a 12% ad revenue increase, to $93.9 million, on a 3% ad page increase reported by Publishers Information Bureau, the magazine has suffered a 4% drop in ad revenue and 12% drop in pages through mid-May of 1984. Competitors *Time* and *Newsweek* reported gains or small declines during the same period.

Despite the early year results, U.S. News management predicts revenue gains for its media holdings in 1984. Knowledgeable forecasters are projecting $142 million in media-related revenues this year and $161 million in revenues for the company as a whole. Profitability is another question. It may be hard for the magazine to keep pace with its current earnings level of $2.95 million. Some senior execs long associated with the company acknowledge that *U.S. News'* profitability has been up and down, and that in some years the magazine has lost money.

U.S. News itself has been counted out a number of times by naysayers since *Time* and *Newsweek* pulled away in circulation and ad pages in the 1960s. Its creator, David Lawrence, never let go of editorial control until his death at 84 in 1973, and critics dismissed the magazine as too stodgy, too conservative, too plain.

Under editor Marvin Stone, *U.S. News* has fought back with generous splashes of editorial color, a broader editorial reach that added coverage of important "social" issues to its meat and potatoes of politics and the economy. The magazine followed *Time* and *Newsweek* on to the college campus in search of a new generation of readers. Mr. Stone is being retained in his post.

At the corporate level, a successful diversification drive promised to make the company less dependent on the magazine's fortunes. A pioneer in developing computerized typesetting for its own operations, U.S. News opened Publishers Service International to service other publishers. Sales commitments quickly rose to $10 million and more a year.

A long-awaited deal for developing its real estate holdings in the booming west end section of Washington was made during the year. The first fruit of the real estate venture is luxurious new headquarters for the company, but hotels, office buildings and residential units are yet to be built. When completed, some observers have speculated that U.S. News' 50% stake in the development could be worth $200 million.

The irony in the U.S. News story is that its success with new ventures forced it to consider the sale option. The value of its stock, held in a profit-sharing trust and by many employes through a stock bonus plan, has exploded. Priced by a private appraiser hired by the company, the stock has gone from less than $100 per share in 1976 to $625 last year. Mr. Zuckerman paid more than five times this per share value.

MEDIA PROPERTIES

Broadcasting

Parkway Communications (radio programing).

Magazines

U.S. News & World Report.

OTHER OPERATIONS

Book division, Publishers Service International (electronic publisher services).

Viacom International

Revenues	1983	1982*
Media	$271,286,000	$235,131,000
Other	44,291,000	46,287,000
Total	$315,577,000	$281,418,000

*Restated by company to reflect KSLA-TV acquisition.

Viacom International, New York, is the country's 35th largest media company, with media revenues of $271.3 million, up 13.3% from 1982. Media revenues were 86% of the company's total revenues of $315.6 million in 1983, up 12.2% from 1982.

Media company earnings from operations were $40.6 million, up 12.5%. This compared with total earnings from operations of $44.9 million, up only 2.5% from the previous year. Viacom's total net income, which climbed 8% to $28.1 million, means 1983 was the 13th consecutive year of growth for the electronic communications and entertainment company.

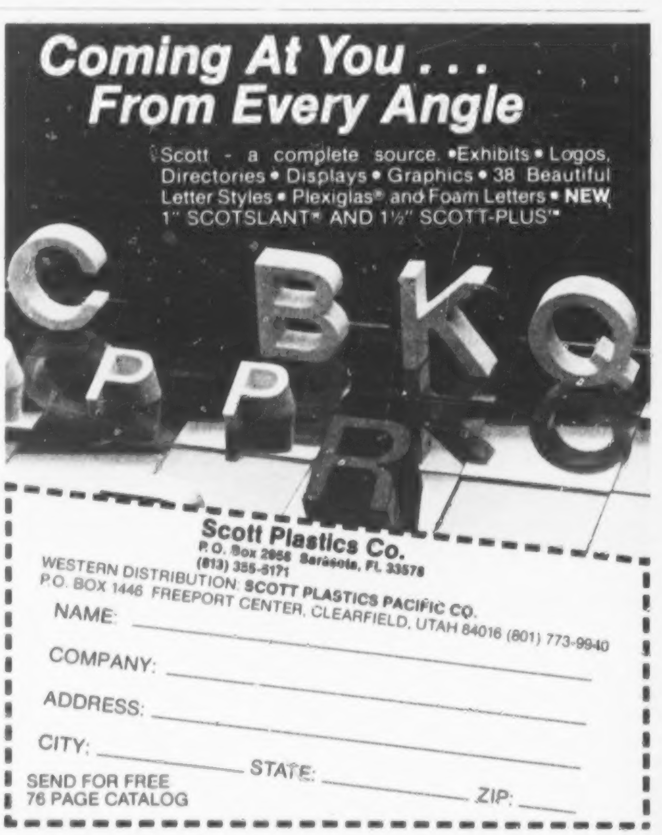
The profits trend continued into 1984, with net earnings climbing 33%, to $5.5 million, for the first quarter ended March 31. To keep major operations expanding, the company took on a debt load of $250 million from 10 major banks at prime or lower interest.

Viacom's media and program production activities overlap somewhat. AA terminology in these profiles include Viacom's radio and tv stations and cable tv systems in its ranking of media properties, but excluded Viacom Enterprises, the company's syndication division, and Viacom Productions, a movie, tv and cable program supplier.

Viacom gradually has been adding to its radio and tv station holdings. The company increased its number of tv stations to four with the acquisition of WHEC-TV, Rochester. The station was obtained from Broadcast Enterprises National Inc. in a swap for am radio stations KDIA, Oakland, Cal., and WDIA, Memphis.

The cable systems group revenues surpassed those of the broadcast group. The country's 10th largest multiple system operator, Viacom grossed $151.5 million in revenues from about 700,000 basic and nearly 600,000 premium pay cable tv subscribers.

Viacom systems are participating in two leading regional interconnects, the Bay Area link in the San Francisco



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market and the Northwest Cable Interconnect with Group W Cable in the Seattle/Tacoma market. Its systems in Nashville; Cleveland, O., and Suffolk County, N.Y., are trying to sell national advertising.

Revenues for what the company calls "broadcasting and other services" declined 2% to $119.7 million. For this division, Showtime/The Movie Channel is figured into profits but not revenues.

Showtime/The Movie Channel Inc. was created in September, a joint venture of Viacom, Warner Communications and Warner Amex Cable Communications, which combined two of the leading satellite pay tv services under single management. Viacom owns 50%. Viacom also buttressed the new venture with an additional 650,000 subscribers by acquiring the assets of the spotlight national pay tv service. This co-venture also borrowed $150 million from a consortium of 10 banks during the year.

The Movie Channel was involved in an acquisition agreement likely to boost its future when it signed a deal for exclusive national pay tv service rights to Paramount Pictures Corp.'s theatrical motion pictures release over the next five years. "Terms of Endearment," "Flashdance," "Trading Places," and "Staying Alive" are movies currently included in the pact.

In November, the Viacom-developed Cable Health Network joined with Hearst/ABC Video Services' Daytime programing service for women to form a new network, Lifetime, which debuted on cable systems in February this year. Because of its 16 million subscribers at startup, it was the first advertiser-supported, satellite-delivered cable programing network to qualify, at launch, for measurement by the national audience rating service.

Terrence Elkes, president, assum the title of ceo from Ralph Baruch, who remained as chairman, with both men sharing the office of the chief executive. Mr. Elkes promised full speed ahead on acquisitions and expansion in his speech at the annual stockholders meeting. He said the company will test two-way interactive cable and pay-per-view and push more aggressively for local and regional advertising through interconnects. Undeterred by rivals' well-publicized headaches with construction in large cities, the company is competing to wire the nation's capital.

Mr. Baruch mentioned direct broadcast satellite as an area to be scrutinized by Viacom as a new business opportunity.

Both men stressed plans for growth in programing. They intend to obtain more product from outsiders and to step up Viacom's own productions of shows to be marketed on a worldwide basis to a variety of outlets.

MEDIA PROPERTIES

Broadcasting

TV: WVIT, New Britain/Hartford/New Haven, Conn.; KSLA, Shreveport, La.; WHEC, Rochester, N.Y., and WNYT, Albany, N.Y.

RADIO: WMZQ (fm), Washington; WLAK (fm), Chicago; WLTW (fm), New York; WRVR (fm), Memphis; KIKK (am), Pasadena, Tex.; KIKK-(fm), Houston, and WEAM (am), Arlington, Va. (pending FCC approval).

Cable/video

CALIFORNIA: East Bay, Pittsburg, Redding and Red Bluff (Finer Living System); Oroville and Paradise (Oroville System); Sonora, San Rafael, Mountain View, Petaluma and Healdsburg (Sonoma System); Napa and Pinole (Napa System) and San Francisco. NEW YORK: Suffolk County, L.I. OHIO: Cleveland, Dayton. OREGON: Salem. TENNESSEE, Nashville. WASHINGTON: Everett and Oak Harbor (Snohomish System), Redmond. WISCONSIN: North Shore and Greenfield (Milwaukee System). In addition: Cable Interconnects: Bay Area; Northwest Cable. Cable Programing Services: 50% interest in Showtime/The Movie Channel; Lifetime.

OTHER PROPERTIES

Viacom Enterprises and Viacom Productions, movie, tv, cable, home video distribution and production; Viacom World Wide, MGS Services and the licensing and merchandising division.

Warner Communications

Revenues	1983	1982
Media	$251,000,000	$183,800,000
Other	3.174 bil.	3.907 bil.
Total*	$3.425 bil.	$4.090 bil.

*Includes WCI's 50% share of Warner Amex Cable

Warner Communications, New York, is the country's 40th largest media company, with media revenues estimated by ADVERTISING AGE at $251 million, up 36.6% from 1982. Media revenues increased from 4.5% to 7.3% of total revenues, which dropped 16.3% to $3.425 billion in 1983.

Warner's media revenues are attributed to its 50% ownership in Warner Amex Cable Communications (American Express owns the other half) and the publishing of "Mad" magazine and DC comics by its publishing division.

With an after-tax loss of $417.8 million compared with a gain of $257.8 million in 1982, last year was the worldwide conglomerate's "most difficult in its 22-year history," chairman Steven Ross told shareholders

Warner Communications was forced to fend off a takeover attempt by publishing mogul Rupert Murdoch. Mr. Murdoch did not win controlling interest in Warner, but his company, News America Corp., emerged $41 million richer by driving up the price of Warner's stock.

To block Mr. Murdoch's efforts, Warner acquired a 42.5% equity position in Chris-Craft Industries' wholly owned subsidiary, BHC Inc., the fourth largest non-network-owned broadcasting company with six independent tv stations. Chris-Craft as a result got 19% of Warner. In essence, this made Warner a tv operator, blunting the takeover attempt by Australian-born Mr. Murdoch because of limitations on foreign nationals owning tv stations.

Warner streamlined and decentralized its Warner Amex Cable Communications under the tutelage of Drew Lewis, former U.S. Secretary of Transportation, who became chairman-ceo in February, 1983.

Economies of scale were sought in the September, 1983, merger of Warner Amex Cable Communications' The Movie Channel with Viacom International's Showtime. The merged unit, which operates as a 24-hour-a-day pay service, created a subscriber base of more than 7 million homes. Warner Amex closed the year with 1.36 million subscribers and 1.3 million paid.

But the cable subsidiary continued to be plagued by losses amounting to a pre-tax deficit of $99 million. The division was responsible for the majority of these losses. Attempts to improve productivity were implemented throughout the year, including laying off more than 200 employes.

Warner also is trying to renegotiate the lofty franchise promises it made in several major cities, including Milwaukee and Dallas.

In addition, the company folded its Pittsburgh regional pay tv sports service and has agreed to sell its cable system there to Denver-based Tele-Communications Inc. While this transaction still needs city approval, Warner systems in St. Louis and suburban Chicago also reportedly are for sale.

The outlook is more promising on the programing side, and Warner is considering taking this division public. While both of its programing services have yet to turn a profit, two significant steps were taken toward that direction last year. Warner began to charge cable systems that carry MTV:Music Television, programing originated and distributed by Warner Amex Satellite Entertainment Co. (WASEC). It also began accepting advertising on Nickelodeon, its cable channel for children.

In other areas of the company, Warner announced in January, 1984, the sale of Warner Cosmetics to Cosmair for $146 million. Warner expects a pre-tax profit of $100 million from the sale to appear in its 1984 returns. The company bought 37% of Hasbro Industries, the toy company, and has an option to purchase additional shares. In sports, WCI purchased 48% of the Pittsburgh Pirates baseball team from Pittsburgh Athletic Club Inc. (Warner owns the New York Cosmos professional soccer team through a 95%-owned subsidiary). WCI reportedly made attempts to sell its Franklin Mint subsidiary.

Major reorganization at Warner's Atari unit resulted in naming James Morgan as the subsidiary's chairman. In 1983, Atari had an operating loss of $539 million on reported revenues of $1.1 billion. Much of Atari's problems were because of increased competition in the videogame market as well as a decline in the market's over-all growth.

Under the new leadership of Mr. Morgan, Atari's overhead is being reduced by 40% to bring its costs more in line with expected revenues.

In addition, late last year the company raised the prices of its complete line of home computer and videogame hardware. This move was aimed at reversing the downward price spiral that so disastrously affected the industry during the year. Recently, sales policies were tightened to eliminate the returns of nondefective product that cost the company more than $100 million during 1983.

On the positive side, 1983 was a good year for the company's film and publishing subsidiaries.

Warner Brothers Pictures had revenues of $877.8 million, up 26% from 1982, while operating income increased 7%, to $109.4 million. Major successes included "Sudden Impact," "Never Say Never Again," "Risky Business" and "Superman III."

Meanwhile, Warner says its publishing business revenues and operating income were substantially ahead of 1982. DC Comics and "Mad" magazine, the only media properties in publishing, contribute only a minor portion of the division's revenues.

MEDIA PROPERTIES

Cable/video

Franchises of Warner Amex Cable Communications. ARIZONA: Flagstaff, Kingman, Parker, Sedona. ARKANSAS: Booneville, Clarksville, Fayetteville, Paris, Russelville, CALIFORNIA: Avenal, Bakersfield, Barstow, Big Bear Lake, Blythe, Crestline, Lake Arrowhead, Malibu, Palm Springs, Taft, and Wrightwood. FLORIDA: Crestview, Fort Walton Beach, Immokalee, La Belle, Lake City, Niceville, Winter Haven, GEORGIA: Cedartown. ILLINOIS: Altamont, Danville, DeKalb, Rochelle. INDIANA: Union City, Warsaw, KANSAS: Hiawatha, Russell. MAINE: Island Falls, Patten. MASSACHUSETTS: Athol, Chelsea, Dalton, Everett, Lynn, Malden, Medford, Melrose, Pittsfield, Salem, Somerville, Wakefield, Winthrop. MISSISSIPPI: Batesville, Cleveland, Lambert, Marks, Yazoo City. MISSOURI: Brentwood, Country Life Acres, Crestwood, Creve Coeur, Crystal Lake Park, Des Peres, El Dorado, Springs, Eureka, Fenton, Frontenal, Grantwood Village, Harrisonville, Huntleigh, Ladue, Olivette, Richmond Heights, St. Louis County (southern portion), Sunset Hills, Town and Country, Twin Oaks, Valley Park, Warrensburg, Warsaw, Warson Woods, Waynesville, Westwood and Windsor. NEW HAMPSHIRE: Berglin, Claremont, Lancaster, Nashua. NEW JERSEY: Avalon. NEW YORK: Olean, New York City (some sections). OHIO: Akron, Blue Ash, Canton, Cincinnati, Columbus, Delphos, Fort Shawnee, Kenton, Norward, St. Mary's, Sidney, Wapakoneta. OREGON: Coos Bay, Hood River, Myrtle Point, Sandy, Wemme. PENNSYLVANIA: Altoona, Bradford, Chambersburg, Clearfield, Marietta, Morrison Cove, Newport, Pittsburgh (80% interest), Pottsville, Reedsville, Roaring Springs, Warren. TENNESSEE: Erwin, Greenville, Kingsport. TEXAS: Bear Creek, Burnet, Crockett, Dumas, Fairfield, Farmers Branch, Harris County (northwestern portion), Hico, Houston, Kaufman, Mexia, Navasota, New Boston, Pecos, Rosebud, Stephenville. VERMONT: Bellows Falls, Brattleboro, Bristol. VIRGINIA: Hampton, Harrisonburg, Reston, Williamsburg. WEST VIRGINIA: Martinsburg. WISCONSIN: Marinette (80% interest), Marshfield, Menasha (80% interest), Merrill, Neenah (80% interest), Oshkosh (80% interest). Owns 60% of Garden State Micro Relay. Also, joint venture partner in Warner Amex Satellite Entertainment Co., which supplies and distributes two advertiser-supported services, Nickelodeon and MTV: Music Television and one pay service, The Movie Channel.

Other Media Properties

DC Comics, "Mad" magazine, "Mad" Specials.

OTHER OPERATIONS

Consumer Electronics and toys, direct-response marketing, filmed entertainment, recorded music and music publishing.

Washington Post Co.

Revenues	1983	1982
Media	$861,600,000	$786,200,000
Other	15,800,000	15,200,000
Total	$877,400,000	$801,400,000

Washington Post Co., Washington, is the country's 13th largest media company with 1983 media revenues of $861.6 million, or 98.2% of total sales of $877.4 million.

The major Post revenue source again was the newspaper division, contributing $456 million in revenues, an estimated $440.2 million of which was media. Magazines brought in $302 million and tv, $120 million.

Operating income from the newspaper division increased 39% to $79 million in 1983; the magazine property, *Newsweek*, had earnings of $15 million, a 15% increase over the previous year. Income from four network affiliated Post-Newsweek tv stations hit a record $39 million, up 33% from 1982. Over-all, net income of $68.4 million increased 30%.

Fueled by a strong performance in its core print and broadcast businesses, the company is in the midst of an expansion campaign, including multi-million-dollar investments in cellular radio partnerships, pay cable sports enterprises and a new weekly national edition of the Washington Post.

Observers say the expansion beyond the Post's traditional print and tv holdings best reflects the management objectives of company president Richard D. Simmons, who envisions the Post not only as a publishing and broadcast company, but as a communications conglomerate.

"Our business strategy is to improve the margins of our current businesses, while at the same time stake out investments in new businesses that have significant growth potential," Mr. Simmons says.

In the past year alone, the Post cellular partnerships began the mobile telephone service in Washington and Baltimore, were granted a license to operate in Detroit and had a dozen other licenses pending before the FCC.

Also, the company has expanded the scope of its regional pay cable sports franchises by purchasing a 90% interest in Philadelphia's SportsChannel PRISM and an 85% stake in SportsChannel, Chicago. The latest acquisitions are in addition to the Post's existing sports cable partnerships in New York, where it has a 50% interest, and in Boston, where it owns 25% of a cable tv operation.

Despite a good performance in its core businesses, the Post is paying a price for its expansion efforts.

Lynch, Jones & Ryan, a Washington securities research company specializing in newspaper stocks, estimates the Post already has spent $44 million on its cable sports partnerships and estimates it will dole out between $12 million and $15 million more before the systems show a profit in 1987. In the past year alone, the company said, sports cable enterprises drained $2.3 million from the Post's treasury, and it is estimated the cable operations will lower this year's pre-tax income by another $8 million.

In addition, the research company estimates, the Post already has sunk $4 million into its existing cellular radio operation and predicts between $6 million and $8 million more will be needed before the cellular systems enter the black in 1986.

Mr. Simmons says there is "a very exciting future" in the Post's cellular radio operations and predicts that when the FCC completes its cellular licensing process, "The Washington Post Co. will be one of the leading players" in cellular franchises, with profit margins comparable to those of Post-Newsweek tv stations.

The Post's most significant publishing event of the past year was the introduction in November of the *Washington Post* national weekly edition, a tabloid with a rate base of 30,000. As of early May, Mr. Simmons says, the paper had a circulation of more than 50,000. With respect to advertiser reaction, he says there has been a "representative number of ads" for a start-up publication.

Company officials expect continued growth in newspaper profits in 1984, citing first-quarter advertising linage for the *Washington Post*, up about 10% over last year. Also, the *Post* hopes to expand its circulation base in Washington by intensifying marketing efforts at home. More preprinted inserts and more frequent updates of nonsubscriber lists are slated for 1984 to preserve its highest per household penetration of any metropolitan paper in the nation.

Circulation figures for the six-month period ended March 31 show the *Washington Post's* daily circulation up 2.8% from last year, to 768,288, while Sunday's circulation of 1.04 million is up 3.7%.

Newsweek, which celebrated its 50th anniversary last year, had a drop in ad revenues. But during the first quarter of 1984, its ad revenues were rebounding and circulation is up. Its 1984 domestic rate base of 3 million is up 50,000 from 1983 and ad pages for the first three months of 1984 were 7.4% above first-quarter 1983 editions, which included an additional golden anniversary issue. The rate base for *Newsweek International* also increased to 578,000, up 8,000 from 1982.

At the Post's annual shareholders meeting in May, chairman Katharine Graham put to rest any speculation that her company would either sell *Newsweek* or take the magazine private. She was responding to questions about the company's decision to repurchase 200,000 shares of its stock and *Newsweek's* disappointing profit history.

Special magazine editions geared toward college students, women and executives continue to be a part of *Newsweek's* marketing strategy, with *Newsweek on Campus* scheduled to boost its circulation to 1.2 million copies from 825,000 this year.

Newsweek also backed up its circulation drive with a multi-million-dollar ad campaign, which broke last September, aimed at "baby-boom generation readers" who comprise a large segment of the magazine's readership.

In addition to its *Newsweek* holdings, the Post also purchased a 20% stake in the "National Journal" and its sister publication, the "Almanac of American Politics." The decision to buy into the "Journal," a political affairs magazine with a small but influential subscriber base that pays $494 a year for the weekly publication, was seen by observers as a "prestige buy" to complement Legi-Slate, the Post's computer database of legislative and regulatory affairs.

Operating margins at the four Post-Newsweek tv stations increased to 33%, up from 28% last year, while the company's outlets in Miami, Jacksonville and Hartford were ranked No. 1 in their respective markets. Also, WDIV-TV in Detroit extended through 1988 its rights to carry Detroit

Tigers baseball.

The Post discontinued a handful of unprofitable operations during the year, including Newsweek Books and Post-Newsweek Video, a tv segment that produced programs for nationwide distribution. The close of the video unit marks the end of the company's involvement in the tv syndication business.

MEDIA PROPERTIES

Broadcasting

TV: WDIV, Detroit; WPLG, Miami; WFSB, Hartford, Conn., and WJXT, Jacksonville, Fla.

Cable/video

SportsChannel Associates, New York (50% owned); SportsChannel New England, Boston (25% owned); SportsChannel PRISM, Philadelphia (90% owned), SportsChannel Chicago Associates (85% owned).

Magazines

Newsweek, Newsweek International.

Newspapers

DISTRICT OF COLUMBIA: *Washington Post, Washington Post* weekly edition. WASHINGTON: *Everett* (Wash.) *Herald.*

Other Media Operations

The Washington Post Writers Group (feature syndicate), Legi-Slate (electronic data publishing), Los Angeles Times-Washington Post News Service Inc. (50% owned), *International Herald Tribune* (33% owned), National Journal Inc. (20% owned).

OTHER OPERATIONS

Robinson Terminal Warehouse Corp. (newsprint handling and storage), Bowater Mersey Paper Co. Ltd. (49% owned), Bear Island Paper Co. (33% owned), Cellular Radiotelephone Systems (Washington and Baltimore, 20% owned; Detroit, 18% owned; licenses pending in 12 other markets).

Westinghouse Electric Corp

Revenues	1983	1982
Media	$802,400,000	$663,000,000
Other	8.930 bil.	9.082 bil.
Total	$9.533 bil.	$9.745 bil.

Westinghouse Electric Corp., Pittsburgh, is the country's 15th largest media company, with revenues of $802.4 million from its broadcasting and cable operations in 1983. Media represented about 8.2% of total Westinghouse sales.

Media revenues, which were up 21% from 1982, came from six tv and 11 radio stations and cable tv systems operated by Westinghouse's Group W division. Revenues from program syndication, a line of business not classified as media in this issue, are not included in the totals. Although media revenues were up significantly, 1983 marked a period of change and turmoil for Westinghouse.

In December, the corporation installed a new chairman, Douglas Danforth. He succeeded Robert Kirby, who had served as chairman for the past nine years.

Only two months earlier, the company sold its ill-fated Satellite News Channel operation to rival Turner Broadcasting System. SNC, a joint venture between Westinghouse's Group W Satellite Communications subsidiary and ABC Video Enterprises, lost about $40 million.

After paying $20 million for SNC, TBS subsequently folded the network by converting most of its subscribers to its own Cable News Network service. Some 400 employes were laid off when the channel shut down.

Last October, the company imposed two other belt-tightening moves on its cable ventures. About 100 employes were laid off at the Group W Cable subsidiary, which is the country's third largest operator of cable systems. In addition, a proposed national pay tv sports network of sister company Group W Satellite Communications began to fall apart.

At the National Cable Television Assn.'s annual meeting in May, the company unveiled plans for a national pay tv sports service that was to launch in no less than six markets this year. But after months of difficult negotiations with professional sports teams, Group W Satellite Communications ended up with only two regional networks—in Seattle and the Washington-Baltimore area.

Amid the chaos, Group W Satellite Communications' president Jonathan Hayes resigned and was succeeded by Harlen Rosenzweig, former exec vp.

Another major executive move came at Group W Cable in December when Harry Murray left his post as vp-pensions and investments of Westinghouse to succeed William Bresan as the company's chairman-ceo.

More maneuvering at Group W Cable included the company's dropping out of two franchise races, one in Wheaton, Ill., and the other in Costa Mesa, Cal. The company said it withdrew because it already had been more successful than expected during the past year in winning new cable tv franchises primarily in the Midwest and West, and it preferred to concentrate on these outstanding commitments.

Among broadcast properties, the company sold its Pittsburgh WPNT fm radio station to industry veteran Saul M. Frischling for $3 million. It also signed a letter of intent to sell tv station WPCQ in Charlotte, N.C., reportedly for more than $20 million.

During the first quarter of 1984, despite marginally lower sales, Westinghouse profits increased 16%. Net income was $116.6 million, up from $100.3 million for the similar period a year earlier. Revenues remained virtually the same at $2.27 billion. The company did not break out media earnings or revenues.

MEDIA PROPERTIES

Broadcasting

TV: KPIX, San Francisco; WJZ, Baltimore; WBZ, Boston; KYW, Philadelphia; KDKA, Pittsburgh.

RADIO: KJQY (fm), San Diego; KFWB (am), Los Angeles; KOSI (fm) Denver; WIND (am) Chicago; WOWO (am), Fort Wayne, Ind.; WBZ (am), Boston; WINS (am), New York; KYW (am), Philadelphia; KDKA (am); KOAX (fm), Dallas; KODA (fm), Houston.

Cable/video

All designated Group W Cable unless otherwise indicated. ALABAMA: Dothan, Florence, Gadsden, Huntsville, Mobile, Tuscaloosa. ARIZONA: Prescott. CALIFORNIA: Buena Park, Camarillo, Fontana, Fort Bragg, Fullerton, Gardena, Grand Terrace, Kerman, Kings Beach, Lompoc, Loma Linda, Los Angeles, Newark, Newport Beach, Oakland (80% interest), Piedmont (80% interest), San Bernardino, Santa Ana, Santa Cruz, Santa Maria, Seal Beach, Sherman Oaks, Sierra Madre, Simi, Simi Valley, South Gate, Torrance, Ukiah, Willits, Yucca Valley. COLORADO: Trinidad. CONNECTICUT: Danbury, Middletown. FLORIDA: Boca Raton, De Land, Haines City, Hillsborough County, Holly Hill, Lakeland, Manatee County, Marianna, New Port Richey, New Smyrna Beach, Palm Beach County, Panama City, Perry, Plantation, Quincy, St. Petersburg, Tallahassee, Temple Terrace, West Palm Beach, Winter Garden. GEORGIA: Dublin, Milledgeville, Swainsboro, Thomasville, Valdosta. HAWAII: Hawaii Kai (50% interest). IDAHO: Lewiston, Pocatello. ILLINOIS: Galena, Glen Ellyn, Rock Island, Skokie. IOWA: Dubuque. KANSAS: Liberal. LOUISIANA: Leesville. MAINE: Caribou. MASSACHUSETTS: Worcester (80% interest). MICHIGAN: Calumet, Dearborn, Escanaba, Grosse Pointe (25% interest), Iron Mountain, Ironwood, Sault Ste. Marie. MINNESOTA: Brainerd, Duluth (80% interest), Rochester, Vadnais Heights, Winona. MISSOURI: Ballwin, Bridgeton, Columbia, Glendale, Kirkwood, Oakland, Rock Hill, St. Charles, Webster Groves. MONTANA: Great Falls, Hamilton, Kalispell, Missoula, Polson, Shelby, Stevensville, Whitefish. NEVADA: Fallon, Reno. NEW HAMPSHIRE: Keene. NEW JERSEY: West Milford, Wildwood. NEW MEXICO: Aztec, Farmington, Lovington, Portales, Silver City, Tucumcari. NEW YORK: Elmira, Ilion, Islip, Jamestown, Marbel Hill (49% interest), Mount Vernon, Newburgh, New York, Oswego, Riverdale (49% interest), Warwick, West Point Military Academy, West Winfield. OHIO: Portsmouth. OREGON: Baker, Coquille, Eugene, La Grange. SOUTH CAROLINA: Greenwood. TEXAS: Baytown, Commerce, El Paso (74% interest), Galveston, Graham, Grapevine, Irving, Lewisville, Palestine. VIRGINIA: Richlands. WASHINGTON: Auburn, Richland, Seattle, Tacoma, Walla Walla, Wenatchee. WEST VIRGINIA: Clarksburg, Fairmont, Morgantown. WISCONSIN: Fountain City, La Crosse. WYOMING: Rawlins.

Wometco Enterprises

Revenues	1983	1982
Media	$169,300,000	$155,500,000
Other	350,300,000	337,900,000
Total	$519,600,000	$493,400,000

Wometco Enterprises, Miami, was the country's 55th largest media company, with media revenues of $169.3 million, up 8.8% from 1982. Media revenues were 32.6% of total revenues of $519.6 million.

Broadcasting accounted for $79 million in revenues, or 46.7% of media revenues, while cable and subscription tv combined for revenues of $90.3 million, or 53.3% of total media.

Net income rose 19% last year, to $30.9 million. Like total revenues and operating income, it was the highest in Wometco's 59-year history.

Wometco founder, chairman and president Mitchell Wolfson died in January, 1983.

In March, 1984, stockholders approved a $1 billion leveraged buyout by the New York banking firm of Kohlberg Kravis Roberts & Co.

The company since has reorganized as two privately held corporations, which will retain Wometco's media holdings. "The focus of the company will ultimately be in three areas—television broadcasting, soft drink bottling in the U.S., Canada and the Caribbean and cable television," says Gerry Whaley, vp-public and employe relations.

WEI Enterprises Corp. is made up of the cable tv operations, which in 1983 showed the largest annual divisional gain. Income rose 53%, while revenues showed a 25% increase. At yearend, Wometco held 47 cable systems in 163 communities in New York, North Carolina, Georgia, Alabama, Mississippi, Louisiana, and Oklahoma. In February, WEI added 3,900 subscribers to the 272,000 it claimed at yearend and six franchise communities in North Carolina.

WEI also holds the Coca-Cola bottling operations that in 1983 posted a 10% decline in earnings on a revenue gain of 7%. Heavy price discounting in the company's competitive domestic market and losses in the Newfoundland operation contributed to the drop in profits.

The second company, Wometco Broadcasting Co., consists of six stations, including vhf stations in Miami; the Greenville-Spartanburg-Asheville market of North and South Carolina; the northern Washington-Vancouver, British Columbia area, and Grand Rapids, Mich. The broadcasting company also holds two uhf stations used for the subscription tv operations in the New York area.

Spurred by a boost in the company's New York-area operation, the stv division turned a 1982 loss of $2.8 million into a $635,000 profit in 1983. Mr. Myers attributed the gain to improved credit controls and reduced advertising expense in the Philadelphia market.

The company would not disclose plans for 1984. However, a press release pre-dating the buyout said Wometco may liquidate or sell its Philadelphia stv operation. The station over which it broadcasts is not owned by the company and is reorganizing under the Federal Bankruptcy Act.

The company also plans to sell its 100 movie theaters, its vending, industrial food and electronic games operations, and possibly the Miami Seaquarium, using the money to pay off the loan, Mr. Whaley says.

Vending division revenues increased 5%, but income dropped 14%, reflecting a decline in the popularity of electronic games.

In 1982, Wometco phased out a Latin American film-distribution business, which contributed to a $3.3 million loss for the entertainment division that year. The division posted a $2 million profit in 1983.

MEDIA PROPERTIES

Broadcasting

TV: KVOS, Bellingham, Wash., WLOS, Asheville, N.C./Greenville-Spartanburg, S.C.; WSNL, Smithtown, N.Y., WTVJ, Miami/West Palm Beach, Fla.; WWHT, Newark, N.J., WZZM, Grand Rapids, Mich.

Cable/video

ALABAMA: Wometco Cable TV of Alabama, (Daleville and Dothan). GEORGIA: Alert Cable TV (Fort Benning); Wometco Cable TV of Clayton County (Jonesboro), Fayette County, Fulton County (Hapeville), Cobb County (Marietta), Conyers-Rockdale (Conyers); Wometco Cable TV of Georgia, (Douglasville, Kennesaw, Mableton, Snollville). LOUISIANA: Cable TV of Pointe Coupee (New Roads); Church Point Cable TV (Church Point); Jeff Davis Cable TV (Jennings); Lafourche Communications (Chackbay, Labadieville, Mandeville, Thibodaux); River Parish Cable TV (Vacherie); St. Landry Cable TV (Opelousas); Cable TV of Acodiana (Eunice); St. Tammany Cablevision, (Slidell). MISSISSIPPI: Picayune Cablevision (Picayune). NEW YORK: Ausable Communications (Plattsburgh). NORTH CAROLINA: Alert Cable TV of Goldsboro (Goldsboro); Alert Cable TV of North Carolina (Carrboro, Cary, Cherry Point, Elizabethtown, Fairmont, Farmville, Garner, Guilford County, Pembroke, Roeford, Red Springs, Reidsville/Stoneville, Selma, St. Pauls, Wake Forest/Wendell); Alert Cable TV of Wilson (Wilson). OKLAHOMA: Alert Cable TV of Oklahoma (Pryor). SOUTH CAROLINA: Alert Cable TV of South Carolina (Andrews, Georgetown, Lake City/Bishopville, Summerville, Johnsonville, Kingstree); Columbia Cable TV Co., (Columbia). GRAND BAHAMAS: Grand Bahama CATV, Freeport.

OTHER OPERATIONS

Citrus Tower; Coca-Cola bottling operations in southern U.S.; food vending franchises; Miami Seaquarium; mobile homes in Florida; motion picture theaters.

Ziff-Davis Publishing Co.

Revenues	1983	1982*
Media	$322,100,000	$300,000,000
Other	—	—
Total	322,100,000	300,000,000

*Restated

Ziff-Davis Publishing Co., New York, media operating arm of Ziff Corp., is the nation's 31st largest media company, with media property revenues estimated by ADVERTISING AGE at $322.1 million in 1983. Media revenues in 1982 were estimated at $300 million (restated). All media revenues are from consumer and business magazines at Ziff-Davis, a subsidiary of Ziff Corp., a privately held company.

Spurred by the interest of William Ziff Jr., president of the company, Ziff-Davis throughout the late 1970s vaulted onto unfamiliar turf and lived to regret it. In 1982, the company sold its operations in two of those new areas, tv stations and Wharton Econometric Forecasting Associates.

Over the past year, however, Ziff has rekindled activity in the area of its first love: Special interest magazines. The big news at the company in recent months has been the formation of the consumer computer and electronics magazine division, which publishes a growing list of titles that now includes *A-Plus for Apple Microcomputing, A-Plus Disc, Color Computer, Computers & Electronics, Creative Computing, Digital Review, Microsystems, PC, PC Disc, PC Junior, PC Tech Journal, PC Week* and *Stereo Review.* This division is estimated to have recorded gross ad revenues of nearly $60 million.

Industry observers applaud Ziff-Davis' quickness to see the potential in the computer magazine market, currently between $7 billion and $10 billion. It could vault as high as $30 billion, sources say.

Consequently, competition has mounted, as is evidenced by the fact that the very week Ziff-Davis introduced *PC Week,* another company—a small Newton, Mass.-based company called PC Week Inc.—published a magazine with the same title. Last summer, Z-D and PC Week Inc. reached an agreement under which they could combine forces. At that time, Z-D purchased the assets of PC Week Inc. for an undisclosed sum.

Ziff also has completed the divestiture of both *Camera Arts* and *Psychology Today.* The former, whose assets and subscription lists were sold to CBS Inc., was reportedly a victim of the "gray market"—a pipeline through which foreign distributors sell products directly to their counterparts there, undercutting the price structure.

As for *Psychology Today*—long the darling of Bill Ziff and the "hot book" of the late 1960s and 1970s—it was sold to the American Psychological Assn. In recent years, *Psychology Today* suffered significant declines in ad pages and revenues, which between 1977-82 had dropped 49% and 27.6%, respectively.

MEDIA PROPERTIES

Magazines

CONSUMER PUBLICATIONS: *Adventure Travel, A-Plus Disc, Backpacker, Boating, Boat Owner's Buyer's Guide, Car & Driver, Car & Driver's Buyer's Guide, Color Computer, Communications Handbook, Computers & Electronics, Creative Computing, Cycle, Cycle Buyer's Guide, Digital Review, Electronic Experimenter's Handbook, Flying, Flying Annual & Pilot's Buying Guide, Microsystems, Modern Bride, PC, PC Disc, PC Junior, PC Tech Journal, PC Week, Popular Photography, Photography Annual, Photography Directory & Buying Guide, Stereo Review, Stereo Directory & Buying Guide, Unique Homes, Yachting.* BUSINESS & TRADE PUBLICATIONS: *A/C Flyer, Aerospace Daily, Aviation Daily, Business & Commercial Aviation, Hotel & Travel Index, Meetings & Conventions, Official Hotel & Resort Guide, Official Meetings Facilities Guide, Photomethods, Skiing Trade News, Travel Weekly, Weekly of Business Aviation, World Aviation Directory, World Travel Directory.*

OTHER OPERATIONS

Ziff Corp. activities—Barr Rosenberg & Associates, ComputerIntelligence Corp., Data Decisions, Data Sources, Information Access Corp., Management Contents, Strategic Information, University Communications, various real estate holdings.

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$1.25 a copy; $52 a year | *The International Newspaper of Marketing* | *Monday, July 2, 1984*

Full-size value in a full-size Litton.

Want to spend less time in the kitchen, and still provide satisfying meals for the family?

Here's the affordable answer: the new Quick 'n Easy microwave oven from Litton.

Quick because it has 700 watts of microwave power with a full 1.3 cubic foot oven. Big and fast enough for any cooking, from tasty dinners for the entire family to all those hurry-up week night meals.

Easy? Model 1752, shown above, is especially easy: has Electronic Touch Control, Ten Power Settings, Time and Temperature Cooking, plus Temperature Probe and Time of Day Clock.

And the Quick 'n Easy cooking performance is combined with fresh and attractive styling that'll brighten any kitchen. It even fits easily under your custom or standard size kitchen cabinets.

Sound nice? Your nearby Litton dealer will be pleased to assist you in owning one Quick 'n Easy.

The new Quick 'n Easy Microwave Oven. A full-size value in a full-size Litton.

Nobody knows more about microwave cooking than **Litton.**

THE NEW LITTON QUICK 'N EASY™ MICROWAVE

New wave

Litton Microwave, Minneapolis, is introducing two microwave ovens, Quick 'n Easy and Little Litton, as its ad and promotion budget for 1984-85 doubled to $20 million. Ads are handled in-house.

Don't burn those logs, ad units tell tv stations

By DIANE MERMIGAS and STEVEN W. COLFORD

Three advertising organizations had a message last week to now-deregulated tv stations: Keep maintaining your logs so that advertisers can verify that their commercials have been broadcast as ordered.

The message—sent by the American Assn. of Advertising Agencies, American Advertising Federation and Assn. of National Advertisers—came in response to the Federal Communications Commission's sweeping deregulation of tv stations last week. Among the rules the FCC lifted was a requirement that tv stations keep detailed logs of programing and commercial airings.

"Advertisers will continue to need authentication of the details relating to the broadcast of their commercials, including such specific information as the time of broadcast, duration of commercial, adequate sponsor identification and competitive product separation to assure value received for their expenditures," the groups said in a statement June 29.

While this one issue provoked immediate response from the ad community, a more far-reaching result of the FCC actions may come in the deregulation of commercials.

A potpourri of commercial formats, now partly the stock of cable tv, may filter into conventional tv broadcasts. Broadcasters said they are likely to explore such new freedoms as engaging in program-length commercials—"infomercials" in the parlance of cable—because of the rulings.

Yet, at least for now, this may be the only visible change resulting from the FCC actions. A survey of

(Continued on Page 42)

Football glut called myth

By ROBERT RAISSMAN

The predicted glut of college football tv broadcasts this fall has stumbled behind the scrimmage line because of a lack of enthusiastic advertisers, the closeness of the football season and general uncertainty.

College athletic officials had hoped that a decision striking down the National Collegiate Athletic Assn.'s role as broker for college tv rights, which the U.S. Supreme Court finally rendered last week, would open the door to riches for major college teams.

But the expected pot of gold in ad dollars awaiting the fragmentation of college football appears not to exist at all. Advertisers already are saying that, in the 60 days remaining before the start of the college season, it will be impossible to sort through the myriad network, cable and syndication proposals that will be placed before them in the next few weeks.

These advertisers also say they did not hold back money for college football in anticipation of the logistical maze that may take a few years to negotiate. Colleges are not likely to see increased revenues through rights fees for a number of years, and the decision will probably be disastrous for some of the schools.

"It couldn't have happened at a worse time for the schools," said David C. Martin, exec vp, Stroh Brewery Co., Detroit. "With sports ratings down, I can't imagine that advertisers were holding back millions waiting for this thing to break."

Although the Supreme Court

(Continued on Page 43)

A-B hops on rare upfront prime-time buy

By JAMES P. FORKAN

New York—Anheuser-Busch, in a rare upfront prime-time tv buy, is pouring a reported $16 million into various nonsports network tv series in 1984-85.

The A-B buy, which the St. Louis-based brewer said has not been completed, marks a significant adjustment to its advertising and marketing strategies. For years, the brewer has paid premium rates to secure franchise positions in key network and local sports teams programing. The network upfront buy, however, is reportedly for "run of schedule" rather than specific programs.

News of the buy came as the upfront selling season, for all intents and purposes, was ending, according to a couple of industry sources. Several network executives expected the upfront prime-time volume among the three networks to be between $2.2 billion and $2.3 billion (AA, June 25). Last year, the networks combined sold $1.85 billion in non-Olympic upfront sales.

Price increases this season reportedly averaged about 8% over 1983-84, indicating that to reach the $2.2 billion mark the networks made more time available upfront than last year.

The A-B expenditure was a highlight of the season's activity.

Tony Ponturo, director of media services at A-B, said, "We won't deny it [the buy], but nothing has been signed, sealed or delivered." He declined to comment on the reported figure of $16 million being diverted to prime time.

Network sales executives, without attesting to the $16 million figure, confirmed the beer marketer made the rare upfront commitment.

"A-B had always bought positions," one source noted. "This time they bought tonnage."

A network executive added, "They [A-B] haven't done it in quite a while, but this is

(Continued on Page 43)

Beer in the news:
Big week for brewers. Page 2
Ties to sports weaken. Page 43

Stock buy stalls DDB rumors

By STEWART ALTER

New York—Doyle Dane Bernbach International slowed speculation about an imminent takeover last week by purchasing the 15% block of stock in the agency owned by the family of the late William Bernbach and its various trusts.

Also, John L. Bernbach, president of DDB's international division, was elected to the executive committee and to the board, replacing his brother, Paul, who has resigned. Paul Bernbach, reported to be concerned about the fate of the family's estate in light of DDB's weak financial performance and volatility of the stock in recent years, is said to have been the chief force pushing for a sale of the agency.

The stock sale consolidates company power in the hands of current management. In a statement, Paul Bernbach said, "The large amount of stock held by the family gave rise to far too much concern and speculation about 'family domination' and about 'outside offers' in recent months." In that same statement, agency president-chief executive officer Barry Loughrane commented, "This should, once and for all, put the lid on rumors that we are for sale or not in control of our own destiny."

The purchase of the 914,910 shares was for $22.35 per share, or about

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Esmark's ex-boss

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NEWSPAPER

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last minute news

Texize to go national with liquid bleach

Greenville, S.C.—Texize division of Morton-Thiokol plans to introduce nationally its Vivid color-safe, all-fabric liquid bleach by the end of the summer. The latest entry into the $230 million all-fabric bleach category has been in test markets in the Northeast for a year. The product earlier had been pulled from test. A $20 million network tv and print campaign will support, created by Henderson Advertising, which also handles Texize's Spray'n Starch and Spray'n Wash laundry products. Ad copy for Vivid reads "You know you sort your laundry. Now you can sort your bleach, with regular bleach for whites and new Vivid for colors."

Rydelle moves $7 million laxative account

Chicago—Advertising for Fiberall, a sugar-free powdered laxative marketed by Rydelle Laboratories, has been assigned to Laurence, Charles & Free, New York. Foote, Cone & Belding here lost the account in the abrupt switch. Rydelle, a subsidiary of S.C. Johnson & Son, Racine, Wis.,

(Continued on Page 8)

What's on tap? U.S. decisions and Miller time

By SCOTT HUME

This week could prove significant for the troubled beer industry for more reasons than the July 4 holiday's sales peak.

Several events on tap epitomize both the internal competitive pressures and the external social pressures that have stalled breweries' growth and left them in a quandary over how best to deal with those pressures.

One of those events, of course, is Miller Brewing Co.'s expected announcement of which of three agencies will get the lucrative—$50 million—but difficult task of rescuing its faltering Miller High Life brand.

The finalists are incumbent Backer & Spielvogel, Leo Burnett USA and Chiat/Day.

Industry sources last week were casting Burnett as the favorite to land all, or at least part, of the Miller account, citing the number of assignments it already has from Miller parent Philip Morris Inc. (corporate advertising, Marlboro and several other cigaret brands, 7UP international assignments and domestic new-product work).

Brewers this week also will be facing what John Collopy, an analyst with Robert Baird & Co., Milwaukee, calls "the two imponderables": President Reagan's expected signature on a bill effectively setting 21 as the national drinking age and the process of sorting out the ramifications of the Supreme Court's ruling that broke the lock the National Collegiate Athletic Assn. had on football broadcasts rights.

Both promise to further complicate the business of beer marketing, which has been in upheaval for the past year.

Consider:

- Major brewers' blind rush to introduce brands into the still-unproven low-alcohol market.
- Faltering sales in the superpremium category, fueled partly by the sales growth of imported beers. This trend has led Miller to withdraw its Special Reserve brand from test and reportedly has led Anheuser-Busch to review advertising for its Michelob and Michelob Light brands.
- Tougher competition in the previously quiet low-price segment, brought on by new brands, including Miller's Milwaukee's Best.
- A push by the "second-tier" brewers—Coors, Hei-

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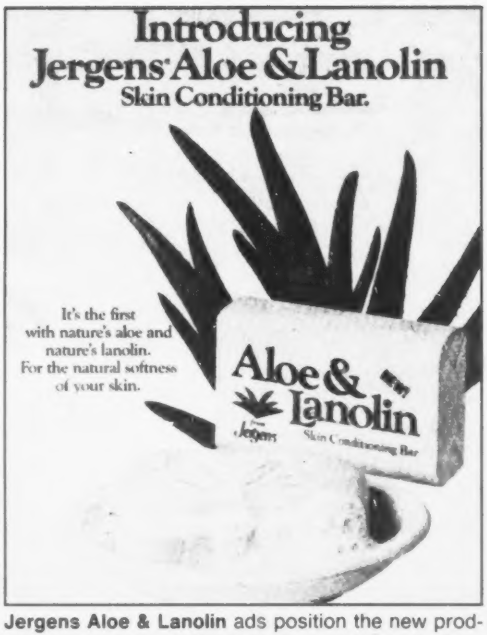

Jergens Aloe & Lanolin ads position the new product as a creamy, moisturizing bar soap. Cunningham & Walsh, New York, is the agency.

Jergens bubbly over new soap

By LAURIE FREEMAN
and JANET NEIMAN

Andrew Jergens Co., Cincinnati, using a heavy print and tv campaign, is introducing nationally its Jergens Aloe & Lanolin skin-conditioning bar.

The skin-conditioning bar, containing "the natural ingredients of aloe and lanolin," is available in both a 3.5-oz. regular bar and a 4.75-oz. bath size.

Aloe & Lanolin will be positioned differently from the company's Gentle Touch face and body bar.

Gentle Touch contains baby oil and is being promoted as a solid, good-for-the-whole-family soap. According to Jergens, the Aloe & Lanolin bar meets consumers' needs "for a mild, moisturizing soap that will

(Continued on Page 38)

Canada turning up orange for Coca-Cola test

By NANCY GIGES

Atlanta—Coca-Cola USA plans to use Canada as a test market for the future U.S. introduction of Minute Maid orange soda.

The company plans to introduce the orange soft drink with 2.5% juice content in 36% of Canada in August.

The U.S. introduction, not expected this year, would further Coca-Cola's direct competition with Procter & Gamble, which markets Orange Crush soda as well as Citrus Hill brand orange juice. The Minute Maid item parallels Sunkist's brand extension from juices to soft drinks.

Sergio Zyman, senior vp-marketing, indicated the orange-flavor segment could approach the lemon-lime business in size, and he described the Canadian situation as a "working lab."

Although he said the product was not just another orange drink nor would it be advertised in the traditional manner, he conceded it would compete directly with Sunkist and Orange Crush.

It will be supported by the ad theme "The minute you taste it, you'll know. . .it's Minute Maid." Agency is Marschalk Co., New York, which handles Minute Maid juices.

This new product was among information presented to Coca-Cola bottlers at its first systemwide gathering in five years.

Amid pyrotechnics, lasers and special sound effects, the bottlers heard Brian Dyson, president of Coca-Cola USA, proclaim that the company had not only achieved its objective of pulling away from rival Pepsi-Cola in food-store sales but, in fact, may be over four share points ahead of Pepsi by the end of the decade.

Currently, Coca-Cola brands are two share points ahead of Pepsi's, according to A.C. Nielsen Co. figures, he said.

In presenting new marketing and advertising plans to 3,500 bottlers and company officials (AA, June 28), Messrs. Dyson and Zyman discussed other new products and techniques as well as highlighting the progress made over the last five years.

Media spending this year for soft drinks is expected to approach $150 million with at least an equal amount in promotions.

Mr. Dyson said the company would probably test Fresca with some juice content in a few markets in this country this summer. Pepsi has just introduced Slice soft drink with juice into several U.S. markets.

Coca-Cola is also investigating introduction of soft drinks in aseptic containers and is negotiating with the National Aeronautics & Space Administration to develop technology that would put soft-drink dispensing units on space shuttles and stations.

In what Coca-Cola believes to be a first in American business, the company used data from political

(Continued on Page 38)

highlights

Monday, July 2, 1984

An American advertising "renaissance" was hailed at the 31st Cannes International Advertising Film Festival last week. After years of lamenting the dearth of creativity among American entries, critics saw U.S. agencies take seven of 24 gold awards given, including the festival's Grand Prix. *See Page 28.*

CORPORATE CLOSEUP

Products often are named after the companies that make them. However, Frederick & Herrud meat-packers are going to do the opposite—as part of the company's push into consumer brands, it will be renamed Thorn Apple Valley, after its best-known consumer product. *See Page 4.*

INTERNATIONAL

At the 14th Asian Advertising Congress, held in Seoul, Korea, June 18 to 21, there was one issue that divided the 800 persons who attended—global marketing. *See Page 24.*

Silvio Berlusconi, the man who, according to many, personally changed the face of Italian tv, is viewed as an unscrupulous opportunist by some and as a courageous entrepreneur by others. But few can argue with the remarkable success of his Canale 5 tv station. *See Page 24.*

VIDEOTECH

United Airlines has reached an agreement with ABC Video Enterprises and AT&T Information Systems to show on-board highlights from this year's Summer Olympics in Los Angeles. *See Page 27.*

COMING THURSDAY IN Magazine

Nestle's Helmut Maucher shares his views on acquisitions, advertising and much more with Advertising Age editor-in-chief Rance Crain.

Latin American media require advertisers to have courage, flexibility and a spirit of adventure in dealing with inflation, interfering governments and other adversities. *In special report.*

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Cleese computes pitch for Compaq

By BRIAN MORAN

New York—Compaq Computer Corp., an upstart competitor in the frantic IBM-compatible market, will feature wacky British comic John Cleese in a $15 million campaign heralding the arrival of its first line of desktop computers.

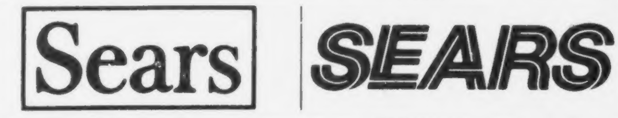
Network tv spots, in production last week in London, will break July 27 during a Summer Olympics preview on ABC. The four commercials set Mr. Cleese in a pie shop in a re-creation of Compaq's founding in a pie shop in 1982 by Texas Instruments employes.

Houston-based Compaq will join Big Blue and Apple Computer as the only computer marketers slated to advertise during the Olympics. Compaq's $20 million ad budget for 1984 is up 400% over last year; the account is handled by Ogilvy & Mather, Houston.

The commercials will have a "competitive flavor" but will not name Compaq's rivals, James D'Arezzo, a Compaq vp, said following a press conference here last week. Mr. D'Arezzo said the commercials will be "humorous in a sophisticated way" and will lampoon both IBM and Apple's images.

A print schedule supporting the commercials will kick off July 10 with a half-page spread in the *Wall Street Journal.* Inserts will run in the third quarter in *Business Week, Forbes* and computer trade books, Mr. D'Arezzo said.

Print and broadcast advertising will continue to carry the corporate tag line used for Compaq's successful IBM-compatible portables: "It works better."#



New Sears logo

Advertising this week introduces a new logo for Sears, Roebuck & Co., replacing the boxed logo (left) the retailer has used for more than 20 years. It said the new logo is to reflect "the contemporized personality of the recently introduced Sears 'Store of the Future.' " The changeover on packaging, etc., will take two years.

Armour-Dial flies into a lather over Minnetonka ads

By LAURIE FREEMAN

At least one publication is refusing to accept future Softsoap ads from Minnetonka after Armour-Dial officials complained the ads were "false and inaccurate."

The Phoenix-based soap company is up in arms over print ads for Minnetonka's Softsoap and Derma Scrub liquid soaps that show disease-causing bacteria superimposed over a picture of a soap bar.

The ads have been running in medical trade publications since last December, but in June the ad appeared in *Golf Digest*.

"The ads are deceptive, sensational and the campaign is an example of Minnetonka's shabby ad practices," said Dave Richardson, Armour-Dial vp-research and development. "The ads are catering to the fear that bar soaps can cause illness and that's just not true."

A spokesman for the *Journal of the American Medical Assn.* said the publication tries to prescreen all ads, with any questionable ad claims checked with advertising director Ray

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YOU COULD PICK UP MORE THAN A BAR OF SOAP IN THE SHOWER

This Minnetonka print ad has run into a challenge from Armour-Dial over the validity of Minnetonka Inc.'s claim that bar soaps transmit disease-carrying bacteria.

Plot's thick in Heublein's McCann pick

By GAY JERVEY

New York—The Interpublic Group of Cos.' desire to maintain its longstanding and lucrative connection with R.J. Reynolds Industries led to unusual twists and turns in the recent agency review for Smirnoff, the best-selling vodka marketed by RJR subsidiary Heublein Inc.

Farmington, Conn.-based Heublein last week announced that it had moved its $14 million Smirnoff account from the Marschalk Co. to McCann-Erickson, both Interpublic agencies. To many, the choice of McCann was a surprise in the drawn-out battle, actively contested for several months by, among others, SSC&B:Lintas, another Interpublic agency.

Although McCann reportedly assured Heublein that it would break with Brown-Forman Spirits' business, B-F executives were not informed until early last week, when Willard Mackey, McCann's chairman and ceo, flew to Louisville with the news.

For 13 years, McCann has handled advertising for Canadian Mist, Early Times and Southern Comfort, with combined billings of around $12 million. Daniel Schusterman, president of Louisville-based B-F Spirits, said the company will review its marketing strategy for at least the next month before talking to any agencies.

For its part, Heublein plans to break new ads for Smirnoff this fall. Sources said that Heublein

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world news roundup

Paris—Luxembourg Prime Minister Pierre Werner said last week there will be no French-language channel on Coronet, the new European commercial satellite broadcasting company (AA, June 18). The move is to appease the French government, which fears that American-made tv shows, dubbed in French, will steal viewers now watching French tv.

London—Financial Times will start publishing in the U.S. next year off a satellite transmission from London. Currently the paper, which has a circulation of 6,000 in the U.S., is flown in daily from Frankfurt.

Luebeck, W. Germany—Pillsbury Co. acquired two frozen cake marketers, Goldstein Biskuit AG and Jaus Frozen Food.

Sao Paulo—Unilever's Brazilian subsidiary, Gessy Lever, will launch its first low-price detergent, Gessy, this year with a tv campaign via Standard, Ogilvy & Mather.

Barcelona—Johnson's Wax Espanola picked Tiempo/BBDO to handle its $1.1 million shampoo and homecare-products account, formerly with Delvico/DFS.

Frankfurt—Richardson-Vicks launched Clearasil herb balsam skin lotion with a $2 million campaign via J. Walter Thompson Co.

Sao Paulo—Playboy Enterprises is considering licensing an Argentine edition of *Playboy*, according to Jorge Fontevecchia, head of Editorial Perfil. Playboy declined to comment.

Paris—The French Socialist government, which has been using advertising much more than previous administrations, will no longer use political advertising and marketing techniques to explain

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Free of Esmark, Kelly forms own company

By PAUL MERRION
Crain News Service

Former Esmark chairman Donald Kelly is starting a new company that will acquire and manage "one or two" diversified corporations with at least $1 billion in sales.

Along with former Esmark vice-chairman Roger Briggs and the backing of a small private-investor group, Mr. Kelly intends to repeat the success he had with his consumer products marketing giant, according to *Crain's Chicago Business*, a sister publication of Advertising Age. The Chicago-based company will be called Kelly, Briggs & Associates.

"Before the first of the year we'll be in a position to know where we're going," said the 62-year-old Mr. Kelly, who had been talking about retiring as recently as a year ago. "If we find something that fits our pistol. . .we'll make a move on it."

Mr. Kelly resigned last week, as consummation of the $2.8 billion takeover of Esmark by Beatrice Cos. neared completion.

Unlike with other investor-backed outfits that specialize in large, leveraged buyouts, Mr. Kelly plans to run the company or companies he acquires.

For that reason, Messrs. Kelly and Briggs will probably stick to the kind of businesses they know best—diversified consumer product companies—rather than high-tech or "smokestack" industrial companies, he added.

Within those limits, Mr. Kelly at this point sees only one company he would definitely not pursue. For ethical reasons, given his recent dealings with the company, Beatrice would not be a potential target.

That leaves a broad range of well-known U.S. companies in that size—sales of at least $1 billion—and product category, including

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Beatrice shuffles

Chicago—As Beatrice Cos. and Esmark merge into one of the nation's top advertisers, there are signals that the major agencies handling Esmark's food brands could be on thin ice.

Beatrice has kept its plans for the Esmark shops—Dailey & Associates; Foote, Cone & Belding, and Ketchum Advertising—close to its vest. But the company last week indicated it is reorganizing its new U.S. foods group in the likeness of Beatrice Foods and without some of Esmark's top

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Fast-food chains' tv spending

The rate of increase for the restaurant industry's tv advertising spending quickened in the 1984's first quarter, rising 30% over the year-earlier quarter. Tv spending in 1983 grew 24% over the previous year. For the first time, the Big 3 burger chains ranked 1-2-3, with Wendy's moving past KFC into third place. Moving into the Top 15 for the first time was Dallas-based ShowBiz Pizza Place, which doubled its tv ad spending. Note that network spending (up 45%) outpaced the increase in local tv (up 23%). ***Source: Television Bureau of Advertising from Broadcast Advertisers Reports data.***

	January-March 1983 ($ hundreds)			January-March 1984 ($ hundreds)			Per cent change
Rank/Chain	Network	Local	Total	Network	Local	Total	'83-'84
1. McDonald's	12,614.9	20,396.5	33,011.4	25,380.6	19,499.7	44,880.3	+ 36
2. Burger King	7,558.0	6,770.6	14,328.6	7,687.2	12,449.3	20,136.5	+ 41
3. Wendy's	3,751.3	4,853.0	8,604.3	6,707.5	8,712.7	15,420.2	+ 79
4. Kentucky Fried Chicken	5,636.1	3,862.9	9,499.0	7,027.8	4,231.4	11,259.2	+ 19
5. Pizza Hut	5,573.9	2,715.9	8,289.8	4,919.6	6,144.9	11,064.5	+ 33
6. Taco Bell	—	3,904.1	3,904.1	—	5,130.4	5,130.4	+ 31
7. Red Lobster Inns	—	5,735.4	5,735.4	2,216.9	2,780.1	5,042.0	− 12
8. Long John Silver's	—	4,480.5	4,480.5	—	4,858.2	4,858.2	+ 8
9. Hardee's	—	2,892.4	2,892.4	—	4,071.8	4,071.8	+ 41
10. Denny's	4,008.1	671.8	4,679.9	2,927.0	665.0	3,592.0	− 23
11. Jack in the Box	—	3,050.0	3,050.0	—	2,805.4	2,805.4	− 8
12. Arby's	—	1,286.4	1,286.4	372.9	2,147.9	2,552.6	+ 96
13. Sizzler	—	1,942.1	1,942.1	—	2,412.3	2,412.3	+ 24
14. Dairy Queen	—	2,077.8	2,077.8	—	2,175.2	2,175.2	+ 5
15. Showbiz Pizza Place	—	1,054.0	1,054.0	—	2,146.6	2,146.6	+104
Total	40,031.1	92,163.3	132,194.4	58,039.9	113,431.7	171,471.6	+ 30

Big fast-food chains gluttons on spending

By SCOTT HUME

This year's first quarter proved to be a good one for the nation's major fast-food chains and a bonanza for the agencies that handle those chains.

For many chains—especially the Big 3 burger chains—tv ad spending is rising at two or three times the rate of sales growth.

McDonald's, as always, spent the most of any chain on tv advertising: $44.9 million.

But its 36% increase in over-all (network and local) tv spending compared with last year's first quarter was smaller than that for Burger King ($20.1 million, a 41% increase) or Wendy's ($15.4 million, a 79% increase).

Eating-and-drinking-place sales for the first three months of 1984 totaled $28.6 billion, a 10% increase over 1983's first quarter. But tv advertising spending by the nation's top 15 chains during that period, according to figures from the Television Bureau of Advertising released last week, totaled $171.5 million, up 30% from the year-earlier quarter.

During McDonald's first quarter, systemwide sales were up 18% over the year-earlier period, rising to $2.2 billion. But its tv ad spending increased at twice the sales-gain rate.

Increased network tv spending accounted for all of the gain. McDonald's network tv spending during the quarter—and the network billings handled by national agency Leo Burnett USA, Chicago—was $25.4 million, more than

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Leaf turns over new frozen snacks

CHICAGO—Leaf Confectionery unit of Huhtamaki Group's Leaf Inc. is introducing into five states Ice 'n Creamy, a two-item line of shelf-stable "freezer snack bars" that become an ice cream-like confection when frozen.

The product, which uses a patented process, is shipped and shelved as a liquid, packaged in plastic tubes, but it can be frozen in about two hours. It is eaten from the tube in frozen form by pushing up from the bottom of the tube.

Ice 'n Creamy also can be used in its liquid state as a dessert topping or drink flavoring. Leaf, though, considers the latter uses secondary.

The Ice 'n Creamy line, in strawberry parfait, banana creme, orange sherbet and butterscotch sundae, is testing here and in downstate Illinois, Indiana, Iowa, Michigan and Wisconsin, and is being sold in various retail outlets, including grocery and mass merchandisers. Each package contains 16 bars, although Leaf's introductory program will include four-bar sample packs.

Ice 'n Creamy marks the company's second move into the frozen-novelties category, which Leaf estimates at $1 billion to $1.5 billion. Leaf also markets Mr. Freeze pops flavored ice bars. Like the new line, Mr. Freeze is marketed in shelf-stable tubes that are frozen before eating.

Ice 'n Creamy will compete most directly with frozen pudding bars, according to Robert Anderson, vp-marketing at Leaf. Top sellers in that area include General Mills' Jell-O Pudding Pops and Beatrice Cos.' Swiss Miss pudding bars.

Initially, Leaf is making available to the stores special displays patterned on the product theme of an old-fashioned ice cream parlor. But the company also is hoping to obtain permanent shelf space in the confection aisle, where Leaf has its greatest strength, or near the ice cream freezers.

Ads, via PGM will include free-standing newspaper inserts with 50¢ coupons beginning in July, and best-food-day newspaper ads once a month during the first three months. The ad theme is "Surprisingly like ice cream. . .Amazingly not ice cream."#

New products

(Continued from Page 32)

next year. The product is a dry pasta, which reconstitutes in water and can be cooked in minutes. The company plans to market the product primarily to the food-service industry but has plans for the consumer market, too. An $8 million ad campaign will support. Clark-White & Associates 6/25, P. 36.

PepsiCo—Frito-Lay expanding its GrandMa's Rich'n Chewy cookies into six undisclosed new markets. The cookies already have reached about 30% of the country. Couponing. 6/18, P. 2.

Procter & Gamble—Introducing its Duncan Hines chocolate-chip cookie line into most of New England and parts of New York state, including New York City, along with parts of Louisiana and Texas. Grey Advertising 6/18, P. 2.

Quaker Oats Co.—Introducing nationally its first puppy food, Puppy Kibbles 'n Bits. Couponing, direct mail, newspapers, tv. J. Walter Thompson USA 6/18, P. 8. Introducing nationally in September Mr. T presweetened cereal—a frosted corn and oat-based product. The product name is licensed from Taft Merchandising. Tv. AdCom 6/25, P. 116. Introducing nationally Ken-L Ration Snausages, premium sausage-style dog snacks in beef and liver flavors. Tv. JWT 6/28, P. 85.

Ralston Purina Co.—Entering national markets with Gremlins ready-to-eat presweetened cereal, set to be on store shelves by midsummer. Using the name licensed from Warner Communications' summer film, the vitamin-fortified, multigrain cereal is shaped like Gizmo, the movie's hero. Couponing, newspapers, premiums, tv. Don Tennant Co. 6/18, P. 8. Introducing a three-item line of S'mores chewy granola bars in a "substantial portion" of the country. Flavors include caramel nut, chocolate chip and chocolate chip with peanut butter. They contain graham, granola and marshmallows. An estimated $19 million-to-$24 million multimedia campaign will support. MCA 6/25, P. 8.

Schering-Plough—Plough testing la Solarie suntanning creams, gels and oils in Louisiana, New England, Southern California and Texas. Bloom 6/18, P. 93.

Sterling Drug—D-Con division introducing d-Con Exact, a roach and ant killer that comes in a felt-tip "pen" dispenser, in the Sunbelt. Couponing, print, tv. Warwick Advertising 6/11, P. 8.

Unilever U.S.—Thomas J. Lipton Inc. introducing Cala-bay wine coolers (in bottles and cans) in Southern California. Cala-bay will come in several flavors including rosé and white. Spending in the Los Angeles market is estimated at $1 million. Foote, Cone & Belding 6/25, P. 116.

U.S. Tobacco—Rolling national with Borkum Riff Ultra Light pipe tobacco, Borkum Riff's first low-nicotine entry. The product is made in Sweden. Magazines. Warwick 6/4, P. 8.

Victor F. Weaver Inc.—Rolling with Crispy Light, its first frozen fried chicken product aimed at the calorie-conscious market into undisclosed midwestern states. Tv. Marschalk Co. 6/4, P. 8.

Wienerschnitzel International—Introducing into Southern California supermarkets the hot dogs it sells at its restaurants. They are sold in 1-lb. packages bearing the company's logo. Suggested retail price is $1.69 per unit. Magazines, tv. Marsteller 6/18, P. 3.#

Introductions down from '83

NAPLES, N.Y.—New-product introductions, which were up 3.7% in the first quarter of the year versus a year ago, appear to be leveling off in 1984's second quarter, Marketing Intelligence Services reports in its new-product publication, "Product Alert."

Retail drug-outlet products are up 15.3% from last year. To date, 346 new products in this category have been reported for the January-through-June period, compared with 300 for the comparable 1983 period.

Food products are down slightly to 1,518 compared with 1,649 in the comparable 1983 period, and beverages, including beer, wine, spirits, soft drinks and fruit juices, are up to 283 versus 276 a year ago.

Cosmetics and toiletries are running below last year's total of 336, with 293 brought out to date.

The biggest drop is in the household products category. Household product introductions to date in 1984 are 176, down from 254 in the first five months of 1983. Pet products, food and nonfood, are the same as last year at 66 products introduced for the six-month period. Miscellaneous products, including automotive, gardening and pesticide categories, are up for the period to 169 versus 125 a year ago.

"We seem to be seeing less innovation and more line extension, particularly in food products," said Robert McNath, publisher of "Product Alert." "I suspect that many companies feel it is safer and it is certainly less expensive to make line extensions than to gamble on totally new products."

Marketing Intelligence Services has a staff of 19 here and 250 people across the country who report new-product introductions weekly.#

Fast-food glutton on spending

(Continued from Page 3)

double the $12.6 million spent on the networks during the first three months of 1983.

That first-quarter network budget also is 30% greater than the $19.4 million spent during last year's fourth quarter, in which the year's heaviest tv spending period occurred.

McDonald's spent $19 million on local tv in the first quarter, 4% less than it spent during the year-earlier quarter and 36% less than in 1983's fourth quarter.

Last fall, McDonald's owner/-operators voted to increase to 2% from 1.25% of sales their contribution to the Operators National Advertising Fund (which funds network advertising).

That increased commitment, coupled with rising sales, threatens to confirm the fear voiced last year by one competitor that McDonald's expanded network presence could "drown out" all competing messages aired (AA, Oct. 3).

How much is the McDonald's account worth to Burnett? While it's unlikely network tv billings for the whole year will double the $81 million spent in 1983, industry sources estimate network tv spending for the year could top $125 million.

Heavy third-quarter tv advertising spending to back the new "It's a good time for the great taste of McDonald's" theme before and during the Summer Olympics should help McDonald's reach that projection.

Wendy's agency, Dancer Fitzgerald Sample, New York, also is seeing billings blossom.

Network spending in the first quarter was $6.7 million, 79% higher than a year earlier. Local tv spending also increased 79%, to $8.7 million.

Network spending should continue to grow. Wendy's operators last fall also boosted their contribution to national advertising, increasing it from 1% of sales to 1.5%. Meanwhile, sales are growing at a record rate. First-quarter systemwide sales were $535.9 million, a 32% increase over year-earlier sales.

Network spending for the year could top $30 million, compared to $18.7 million in 1983.

The debut later this year of WTB III (the third "Where's the beef?" campaign) should contribute substantially to that total.

Burger King's advertising strategy continues to be the opposite of McDonald's. BK's first-quarter network spending was only 2% greater than in the year-earlier quarter ($7.7 million vs. $7.6 million), while local tv ad spending rose 84% ($12.4 million vs. $6.8 million).

While Burger King gets its breakfast program sorted out (regional menu variations still preclude network advertising support) and strengthens its operator co-op system, local tv advertising should continue to predominate (network ad spending for all of 1983 was only 1% greater than during 1982).

But the recent full-scale ($40 million in total support) revival of its "broiling vs. frying" campaign should benefit its national agency, J. Walter Thompson USA, New York. #

for the record

MAGAZINE ADVERTISING pages and revenues set records for May and year to date, Publishers Information Bureau reports. Pages were up 6.7%, to 13,836, for the month and 8.4%, to 60,838, for the year to date over the same periods last year. Revenues rose 11.4%, to $419.5 million, for the month and 16.3%, to $1.8 billion, for the year to date. May marked the 17th consecutive month of gains for both pages and revenues.

SHERWIN-WILLIAMS CO., Cleveland, has named Griswold Inc. to handle its consumer division paint products. The $5 million-to-$8 million account moves from W.B. Doner & Co., Baltimore. It includes paints marketed under the Baltimore, Dutch Boy, Kem-Tone and Martin-Senour labels. Wyse Advertising still handles the company's stores division.

LILLER NEAL, Atlanta, has resigned the Jim Dandy Co. dog food account. Dandy, which has been working with Promotional Merchandising on a project basis, says that it has not used Liller Neal as agency of record for more than a year. Dandy's brands, including Jim Dandy Chunx and Jim Dandy Dog Ration, are distributed in the Southeast. Dandy's ad budget is undisclosed.

KIRIN USA, Los Angeles, a subsidiary of Kirin Breweries, Tokyo, is introducing a new premium draft beer into California, the District of Columbia, Massachusetts, New Jersey, New York and parts of Connecticut. Additional markets in the Midwest and Southwest are due later this year. The product is packaged in a reusable minikeg container, similar to that introduced by Suntory Ltd. last year (AA, May 23, '83). No ad plans yet. Dentsu/Y&R, Los Angeles, is Kirin's agency.

"A TURNING POINT" for ABC came in 1959, says ABC-TV Network president James Duffy. The turning point was ABC's success in convincing major film studios "to work in television," he said at the Stanford Graduate School of Business, adding that the result was such hit series as "Maverick" and "Wyatt Earp," among the "more than 30 western series" on tv 25 years ago. Today, however, tv is leaning more to special-event programing and "serious issues," he said. ABC's annual revenues in 1959 were less than $300 million, or "barely 10% of the $3 billion-plus they'll total this year," Mr. Duffy said in his first speech since snaring the added post of senior vp, ABC Broadcast Group.

TV AD SPENDING rose 16.9% to $3.5 billion in the first quarter of 1984, says Television Bureau of Advertising and Broadcast Advertisers Reports, New York. Network spending alone was up 19.3% to $1.9 billion. Procter & Gamble led the network and spot lists. AT&T posted the biggest percentage gain within the network top-10 list (up 91% to $59 million). A.H. Robins Inc., up 131% to $12.1 million, was the biggest gainer in the spot tv top 10. McDonald's, at $19.5 million, led the local top 10, where Wendy's International and Southland Corp. showed the largest jumps (up 81% to $8.8 million and 175% to $4.8 million, respectively).

NORTH ATLANTIC TREATY ORGANIZATION has launched a campaign to stir public support. Created on a volunteer basis by J. Walter Thompson USA, New York, tv spots in the public service campaign note: "For the past 35 years, there has been one organization that has not taken our peace or our freedom for granted. NATO has succeeded in helping to prevent Europe from going up in flames." The campaign also features print ads.

CHESEBROUGH-POND'S, Greenwich, Conn., has appealed a court's refusal to grant a preliminary injunction against comparative ad claims for Wondra skin lotion, marketed by Procter & Gamble, Cincinnati. P&G's ads compare Wondra with Chesebrough's Vaseline Intensive Care lotion. In the opinion (AA, June 14), a federal district court judge here denied both Chesebrough and P&G's requests to halt the other's advertising, noting that it was not within his province to evaluate the different standards used in conducting the tests to support the claims.

FEDERAL TRADE COMMISSION has ruled that Robinson-Patman Act provisions against discriminatory advertising allowances do not apply to millions of dollars in promotion funds that General Motors gives large car-rental and leasing companies. FTC said that the act does not apply because the large car-rental companies are not reselling the vehicles in competition with smaller companies that get no allowances. Ford Motor Co. also benefits from the decision. In a companion case settled earlier, Ford agreed to halt discriminatory ad allowances to its rental fleet customers with the stipulation that its FTC order would be voided if the GM case were dismissed. In other business, FTC has squashed a marketer's ad claims that its Pest Sentry uses ultrasound to eliminate insects and rodents. Under the consent agreement, Sentronic Controls Corp., Chicago, and two related companies agreed to make no future performance claims unless they have "competent and reliable evidence" to back them up.

U.S. SUPREME COURT, by a 5-to-4 vote, has ruled that First Amendment free-speech guarantees were violated by a Maryland law aimed at fund-raisers. The law prevented fund-raisers from spending more than 25% of their gross revenues for advertising and other administrative costs. In striking down the law, the justices said that the ceiling on ad spending was not an appropriate way to achieve the state's purpose—to protect the public from fraudulent fund-raisers.

ACCOUNT ACTIVITY: **Wicks'N'Sticks**, Houston, to **Rives Smith Baldwin Carlberg/Y&R** for a $1 million-plus national consumer ad campaign. The chain, consisting of 250 franchised candle stores in 40 states, expects to break the campaign in 1985 when it plans to have more than 300 stores. Previous advertising has been handled on a project basis. . .**Wendy's International**, Dublin, O., to **Cuneo Sillon Turner**, Boston, for its New England regional account, from Sonder Levitt, Philadelphia. Budget not disclosed.

WORTH NOTING: **United States Satellite Broadcasting Co.**, Minneapolis, has contracted with RCA Astro-Electronics to design and build two satellites. The two "birds" will cost a total of $160 million. Hubbard Broadcasting owns USSB, a direct broadcast satellite operation. . .**Angostura International**, Rahway, N.J., is introducing two low-sodium products, Angostura worcestershire and Angostura soy, first in Florida and nationally by yearend. Newspaper and radio advertising by Hicks & Greist backs the debut. . .**American Airlines**, New York, will introduce nonstop service between Dallas-Fort Worth and Frankfurt and Paris on April 11, 1985, and the island of Maui in Hawaii on Dec. 15, 1984. American expects Dallas-Fort Worth to become the key Southwest hub in the U.S. for international travel, said a spokesman for the airline.

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Dewitt snaps upfront buys for Polaroid

By STEWART ALTER

Polaroid Corp.'s recruitment of DeWitt Media to design its upfront tv buy last month is raising further questions about the camera marketer's relationship with Doyle Dane Bernbach.

Gene DeWitt, who formed his own media management company 3½ months ago, confirmed that he had received the assignment. Mr. DeWitt is a former exec vp-director of media services, McCann-Erickson Worldwide.

"We have been engaged to negotiate upfront network prime time buys for several advertisers and Polaroid is one of those," Mr. DeWitt said, adding that Pizza Hut is another. For both of those clients, he said, "We've basically completed our negotiations and have our buys on hold."

Carl Johnson, vp-worldwide advertising, Polaroid, said Mr. DeWitt has been retained as the equivalent of an in-house media expert, a position that Mr. Johnson said does not exist at Polaroid. "As a prelude to creating an in-house media group, we have dealt with many consultants, and [Mr. DeWitt] is one of them. Gene is functioning as our in-house media person."

Mr. Johnson said Mr. DeWitt's role will not affect

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Introducing Fisher-Price Playwear.
children's clothing that mothers helped design.

From toys to togs

Fisher-Price broadens its product lines this August with Fisher-Price Playwear, "children's clothing that mothers helped design." Waring & LaRosa, New York, handles.

Nabisco bakes deal for ESPN as ABC partner

By CRAIG REISS

New York—ABC Video Enterprises is reportedly prepared to sell Nabisco Brands as much as a 30% ownership interest in Entertainment & Sports Programming Network for an undisclosed price, according to sources.

These sources also report that as part of the deal, Ohlmeyer Communications, half-owned by Nabisco, will play a management role in the cable sports network. Ohlmeyer Communications' chairman is Don Ohlmeyer, former executive producer of NBC Sports, and its president is John Martin, formerly No. 2 man to Roone Arledge at ABC Sports.

Officials at ABC Video Enterprises declined comment. A Nabisco spokesman also declined comment but called the report "conjecture." Officials at Ohlmeyer could not be reached for comment.

The deal with Nabisco is reportedly one of several offers ABC Video considered for part of its 100% ownership of ESPN. Other offers reportedly came from Gillette Co., Stroh Brewery, Coca-Cola Co. and Viacom Broadcasting (AA, May 7).

Sources said ABC Video is interested in having Ohlmeyer involved because of its sports background and the Olympics experience of Messrs. Ohlmeyer and Martin. Mr. Ohlmeyer was the executive in charge of NBC's aborted 1980 Moscow games coverage, and Mr. Martin handled setup of ABC's 1984 Olympics coverage.#

USFL eyes syndie play

By ROBERT RAISSMAN

New York—In the face of declining tv ratings, the U.S. Football League is exploring moving into syndication if owners decide to move to fall football in 1986.

McKinsey & Co., which is conducting research for the league on a move to the fall, has approached some major advertisers, asking if they would be interested in a syndicated USFL package if the league did not have a network option.

Jim Byrne, a USFL spokesman, said syndication is one of the scenarios that is being placed before advertisers.

In June, it reached agreement with Entertainment & Sports Programming Network for a three-year cable package worth more than $70 million. ESPN executives have indicated that they would support a USFL move to the fall. The USFL is negotiating with ABC-TV, which has exercised its option to renew its current contract.

Michael Trager, president, Robert Landau Associates International

(Continued on Page 33)

Remy tests new import

By GAY JERVEY

New York—Remy Martin Amerique and Premium Wine Merchants are introducing Frisson wine into limited test market in the U.S.

Frisson is scheduled for a Sept. 1 debut in Providence, R.I., and one city each in California and the Midwest.

The French import is made from the same grapes used to make Remy Martin cognac. "This is the first time that anybody has taken that wine [used to make cognac] and sold it as wine alone," said Gary Kreissman, Premium's vp-marketing. Remy and Premium market the cognac in the U.S.

At $2.99 a bottle, Frisson falls into the low-price range of the wine spectrum. But the main thrust of its advertising campaign will not be price but attitude and image.

"The prime target is the person in his or her early to late 20s, people who do not think of themselves as conservative and who like to be thought of as individuals," Mr Kreissman said.

Ads by Avrett, Free & Ginsberg will be themed "Frisson. . .the party is on" and will sport a youthful and upbeat look. Radio and tv will be the predominant media used, including strong use of MTV: Music Television.

"With Frisson, we will be selling wine as entertainment, as fun," Mr. Kreissman said. "It meets with the American psyche."

Ideally, Frisson will begin a regional, market-by-market rollout by spring, 1985. Mr. Kreissman did not disclose advertising budget figures but said that it was "in the millions on a national rate."

In addition to the flagship Remy Martin brand, Remy and Premium import the DeLuze Classique line of wines; Grand Empereur, a premium French brand, and Krug champagne.#

Circulation $$ top 50%: MPA

By STUART J. ELLIOTT

New York—For the first time, magazines are getting more of their revenues from circulation than from advertising, according to the latest Magazine Publishers Assn./Price Waterhouse financial survey.

The survey, based on responses from 154 magazines about their operations last year, showed 50.13% of revenues came from circulation, while 49.87% came from advertising.

Subscriptions contributed 33.7% of revenues and single-copy sales amounted to 16.43%, resulting in the 50.13% total for circulation revenues.

Revenues from circulation have been rising steadily in the past decade, as publishers increased newsstand and subscription prices. As recently as 1976, circulation revenues were 45% of the total. In the previous survey, covering 1982 results, 49.8% of revenues came from circulation and 50.2% from advertising.

The survey also showed the average magazine made more money in 1983 than in 1982. The average pretax profit, as a percentage of revenue, rose to 10.89%, from 8.76% for the previous year. In 1981 the figure was 8.97%, while in 1980 it was 7.77%.

Magazines with circulation of more than 2 million had the highest pretax operating profits, 13.26%, followed by weeklies and every-other-weeklies, at 13.02%, and those with circulations of 1 million to 2 million, at 9.66%.

One category, magazines with circulations of 250,000 to 500,000, showed a pretax operating loss of 4.05%.

Results in other categories: Less than 250,000 circulation, 9.54%; 500,000 to 750,000, 7.40%; 750,000 to 1 million, 9.49%; 1 million to 2 million, 9.66%, and not-for-profit magazines, 8.58%.#

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Firestone drops BBDO for Canadian agency

Akron—Firestone Tire & Rubber Co. has changed national ad agencies in order to target retail marketing.

BBDO, New York, lost the estimated $20 million account this week to Saffer, Cravit & Freedman, Toronto, the Firestone of Canada agency for the last two years.

Ironically, it was BBDO that created the campaign for Firestone's MasterCare service program, a retail-oriented service.

"We are redirecting our advertising to emphasize retail activity for Firestone [-owned] stores and retail stores. We selected Saffer because of its specialized expertise in retail advertising," said Gerald Kerr, director of Firestone's sales and service group. Saffer will be responsible for Firestone tires and auto service via national tv and magazine advertising and retail and newspaper advertising. BBDO had the account since 1980.

Brubaker, Cole & Associates, Twinsburg, O., handles Firestone's $2.5 million-to-$3 million farm, off-highway, light-truck, performance tire and trade advertising. Brubaker got the account in December, 1983, from Ketchum Advertising/Cleveland.#

BEST COPY AVAILABLE

Magazine

July 5, 1984

8 A conversation with Nestle's Helmut Maucher
Nestle's managing director discusses his acquisition and advertising philosophies and a range of other topics with ADVERTISING AGE editor-in-chief Rance Crain.

12 More of the best promotions of 1983
Eight companies in 1983 broke ground by using promotions for categories that hadn't done so before or by developing an unusual use of promotion.

Special Report

Latin America

17 Media test advertisers' spirit of adventure
Advertising in Latin American media requires a crash course in dealing with inflation and a spirit of adventure. You don't know who will own the medium next month that you've placed your ad with or if it will have been closed by the government.

18 Governments hold press freedom hostage
Many Latin American governments control more than half of the economy in their countries and, in their role as biggest advertiser, can make or break a publication.

24 Soap operas slip sales pitches into scripts
Consumer product advertising is built into the scripts of Brazil's popular soap operas.

27 After Europe, *Wall Street Journal* looks south
After last year's successful introduction of a European edition, the *Wall Street Journal* is considering launching a Latin American edition.

32 Cable on obstacle course
Cable companies in several countries have overcome lack of funding, interventionist governments and anti-American programing sentiments to cable their nations.

Latin American report editor: Carolyn Hulse
Illustration above: Bill Reinhold

DEPARTMENTS

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10 Parting Shot

To our readers

This week's Special Report on Latin America is a good example of a real joint effort between two professional journalists. Carolyn Hulse, a veteran AD AGE staffer on both the features and the international desks who recently "retired" to spend more time with her young sons, and Laurel Wentz, our Latin America special correspondent based in Sao Paulo, teamed up to create a blend of stories that would give a sense of Latin America's media and advertising.

The two met in Chicago in late March to exchange ideas and then sort out the strongest of them to assign to writers all over Latin America. In the planning sessions, Carolyn offered her knowledge of American readers and Laurel provided her insights on the events and culture of Latin America.

Then the teamwork really began, coordinating the efforts of correspondents in such countries as Colombia, Brazil, Peru, Mexico, Paraguay and Guatemala. Laurel contacted the writers and doled out the assignments. As their "files" poured in, Carolyn faced the task of trimming and blending several full-length stories into one that would capture the essence of the assignment.

One of the challenges for this Special Report was locating a knowledgeable opinion writer for the Commentary Corner. Laurel and Carolyn, through the efforts of two stringers in Latin America, reached Nobel Prize winner Gabriel Garcia Marquez and Argentinian writer Jacobo Timerman, but both were unable to take on the assignment. Robert Cox, an Englishman now working in South Carolina and formerly editor-in-chief of the *Buenos Aires Herald*, accepted.

Dealing with problems of communicating via telex, overloaded phone lines and the mails, coping with difficulties in comparing advertising expenditures among the various countries and melding many reports into coherent, cogent articles were all part of a day's work for Carolyn and Laurel.

On another international note, Rance Crain's lead feature story this week is an interview in Switzerland with Nestle S.A. managing director Helmut Maucher.

Marion Elmquist
Editor

Letters

Ethnic images
In the article, "Using ethnic images—an advertising retrospective" (June 14), your commentary contained an unfortunate racial slur which only perpetuates the very "crude and condescending images that appealed to largely Anglo-American audiences who found it difficult to reconcile their own visions of beauty, order and behavior with that of non-Anglo-Americans."

Clearly you are also having difficulty reconciling this vision when you make a statement that "advertisers may have gone too far and created stereotypes of 'successful' ethnic group members that are as unrealistic as those of the past."

As a "successful" (and why must you put successful in quotes?) ethnic group member, I have yet to see one advertisement that presents an exaggerated portrayal of ethnic success. Since when has it been unrealistic to see well-groomed, professional minorities socializing, leading board meetings or even breaking world records like Carl Lewis in his Nikes?

Anne Kenney-Daniels
Advertising sales representative
People
New York

Editor's note: The passage that Ms. Kenney-Daniels refers to was not written by ADVERTISING AGE, but was a direct quote from the "Ethnic Images in Advertising" catalog issued by the Balch Institute for Ethnic Studies in Philadelphia. And the word successful *was bracketed by quotation marks in the catalog.*

Feathering with fables
What a delightful addition to your publication: Stanley Burkoff's Fables (June 14).

Since his latest positions as president and creative director each were for 10-year periods, do we assume that he'll be feathering our issues for the next 10?

Irwin Dushkin
President
G/D Advertising
Miami

Tribute to Shaw
I thoroughly enjoyed James Brady's column "The old lion," (June 7) the tribute to Irwin Shaw.

As a young veteran of World War II, I enrolled in college in 1946. Two years later, I played the chief protagonist in Irwin Shaw's "Bury the Dead." Since that time I think I've read just about everything that he had published. Mr. Brady's tribute was one of the best that I have read, and I thank him.

Edwin J. Lasko
Executive vp-general manager
Cedar Rapids Television Co.
KCRG TV 9
Cedar Rapids, Ia.

Cable in paradise
After reading the headline "Cable finds trouble in paradise" (Cable Tv, May 31), I was prepared for the worst. A close reading of the articles, however, reveals an industry that will soon be the dominant technology for delivery of entertainment and information to the American household. Who could complain about that?

Instead, I'm writing to congratulate ADVERTISING AGE for telling it like it is. From Craig Leddy's summary of the improved prospects for passage of legislation to deregulate cable to Nancy Josephson's piece on successful techniques for marketing cable, it is clear that cable is achieving its potential. In fact, cable households more than doubled during the past four years. Moreover, cable will pass 70% of tv homes by the end of 1984. Without doubt, there have been growing pains during the rewiring of America. But research released at the National Cable Television Assn.'s annual convention confirms that cable is winning high marks from satisfied subscribers. Indeed, most who drop the service wind up regretting the decision.

Edward W. Dooley
Vp-public affairs
National Cable Television Assn.
Washington

Magazine

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Local

(Continued from Page 19)

"We can't provide expensive stunts, so we concentrate on local appeal, on the show's unique Peruvian quality."

The twice-monthly series costs about $5,000 per episode to produce—high by Peruvian standards—and is one of the first productions to be shot on location.

Despite "Gamboa's" high ratings and devoted fans, leading tv network Panamericana, which co-funds the series with the new production company Cinetel S.A., may replace the popular series with a soap opera.

"These are hard times," Mr. Llosa says. "Panamericana knows it can sell a soap opera outside Peru even if it's not that well done . . . they need to make money off their productions."

Chile

Chile's seven-hour tv extravaganza *"Sabados Gigantes"* ("Giant Saturdays") is an advertiser's dream. Happy program participants shout consumer product brand names, sing advertisers' snappy jingles and even gambol around the stage clutching sponsors' products. All this and high ratings, too.

"Sabados Gigantes" combines skits, songs, amateur talent competitions, games and contests. The show has been running for 22 years and still averages a 60 rating or better—the highest on Chilean tv. The show's emcee is the 43-year-old Don Francisco, quite possibly the most popular man in Chile.

Don Francisco's one-man tv kingdom is inseparable from advertising. On a typical program, a couple is chosen at random from the audience and challenged to sing the Pepsodent gel toothpaste jingle. If the two get it right, they win a handful of pesos.

Colombia

The pride of Colombian tv is an all-too-real 62-episode adaptation of Peruvian writer Mario Vargas Llosa's semi-autobiographical novel "Aunt Julia and the Script Writer."

Mr. Vargas Llosa, 48, drew on his own experience with radio in the Lima of the 1950s to write his nostalgic comic novel about the bizarre world of writers obsessed with inventing new plot twists for radio soap operas. It is also a great love story between the protagonist (age 19) and the beautiful Aunt Julia (32), whom he eventually marries.

In real life, Mr. Vargas Llosa did marry his own stunning Aunt Julia. The marriage lasted nine tempestuous years—until he fell violently in love with Julia's 15-year-old niece, Patricia, now his second wife. (Neither woman is a blood relation.)

After seeing the tv series, the enraged Aunt Julia has written her own best seller called "What Varguitas Didn't Tell" about their stormy marriage. The book picks up where Mr. Vargas Llosa's novel and the tv series leave off.

The tv series so far has been aired in seven countries outside Colombia, with negotiations going on with U.S. Spanish-language Channel 41 in New York. Now fans of Latin American literature are wondering if and when a serialized "What Varguitas Didn't Tell" may come to the small screen.

Mexico came to a standstill the night the final episode of the soap opera "The Curse" was aired.

Brazil

If there is any unifying theme to the carnival-like pandemonium of *"Cassino do Chacrinha,"* it is music. The music and assorted deafening noises never stop during the two hours Chacrinha presides over a show that alternates some of Brazil's top singers with the rankest amateurs from the studio audience. He dispatches the worst contestants with a piercing toot of his big yellow horn.

Chacrinha has been doing the show for 15 years and has been on four tv networks. He averages a 25 rating and a 50 share of audience for the 4 p.m.-to-6 p.m. Saturday slot.

Chacrinha is the master of what his current network, TV Globo, calls the "integrated commercial." Periodically during the show it is Haspa Savings Bank time. Chacrinha leads several choruses of the Haspa jingle, the Chacretes don Haspa t-shirts and ribbons, Haspa neon signs flash on and off and Chacrinha draws entries to the Haspa lottery. ■

U.S. tv series get pushed around

Brazil's cavalier treatment of its imported U.S. series would make an American programing executive shudder. Shows such as "Magnum, P.I." and "Hart to Hart" bounce from one time slot and day to another, temporarily are replaced with weekly Kung Fu movies, disappear for months and return with no fanfare at a different time.

"Hill Street Blues" and "Matt Houston," shown a few months ago at 11:30 p.m. Mondays and Tuesdays, now are being aired at 5 a.m. weekends. A loyal audience rarely develops.

Figuring out what a foreign program was called before it was dubbed into Portuguese is as much of a challenge as discovering when it is aired. Brazilians know "Hart to Hart" as "Couple 20" (*"Casal 20"*) and "Matt Houston" as "High Box" (*"Caixa Alta"*). "Hill Street Blues" becomes "Heavy Lead" (*"Chumbo Gross"*) in Portuguese. The Spanish-speaking countries where "Hill Street Blues" is popular translate it somewhat more logically as "The Price of Duty" or "Paying Your Dues" (*"El Precio de Deber"*).

Venezuelans like to watch U.S. major league baseball as well as "Fantasy Island," "Charlie's Angels" and "CHiPs." In Argentina, with "Dallas," "Dynasty" and "Dukes of Hazzard" to choose from, viewers really turn on their sets for double-feature reruns of "Get Smart." To the amazement of Argentine tv executives, the 1960s Mel Brooks' comedy about bumbling secret agent Maxwell Smart draws 29% of the prime-time audience at 8 p.m. Monday through Friday.

Peruvians watch "Fantasy Island," "Dynasty" and, twice-a-day, reruns of "The Untouchables." High quality Brazilian soap operas are guaranteed hits, but only one lucky network, Panamericana, can afford to buy them. Other channels make do with cheaper soap imports from Argentina and Venezuela.

In Mexico, nine of the top ten rated programs on one channel during a recent week were soap operas, led by a soap called "The Beast" (*"La Fiera"*). U.S. series such as "Charlie's Angels" and "Bionic Woman" were popular with Mexicans until private tv monopoly Televisa, hard-hit by massive peso devaluations, stopped importing new episodes.

"When the 'Dukes of Hazzard' began running, it achieved a 30-point rating, but viewers were seeing the same chapter five times," says Lilia Guajardo, media director at Walter Thompson de Mexico.

New episodes of U.S. shows are being imported again, but one channel nearly has doubled its ratings since last year with series such as "The Munsters" and "The Addams Family." ■

Latin American media breakdown

	Argentina	Brazil	Chile	Colombia	Mexico	Peru	Venezuela
Total advertising expenditure 1983*	N.A.	$2.1 billion	$105 million	$337.8 million	$200 million	$74 million	$186 million
Breakdown by media							
Television	29.6%	61%	45.1%	52%	50.6%	53.9%	50.5%
Newspapers	23.5	14.7	35.1	18	12.3	25.7	25.9
Radio	8.4	8	10.8	25	16.9	12.2	17.1
Magazines	5.7	12.9	6.1	5	9.2	3.8	2.0
Outdoor	7.6	2.3	2.8	—	3.0	{ 4.4	2.3
Cinema	2.4	0.4	0.1	—	1.5		0.9
Media ownership Television	Government (Buenos Aires); private outside Buenos Aires	TV Globo and other private	Chilean universities in Santiago	Government controls, but hires out to private companies	Televisa	One government, five private channels	Private and government
Newspapers	Private, mostly family-owned	Private, largely family-owned	Edwards chain and other private	Private	Private	Private	Private
Radio	Private, government	Private	Private and government	Government controls, but hires out to private companies	Televisa and other private, government	Private	Private
Commission structure	17.5% on gross, plus volume discounts; media wholesalers	20% on gross media, 15% on gross production, plus volume discounts and price cutting	17.65% of net, plus volume discounts	17.65% on net billings; discounts prevalent	17.65%; French plan prevalent	17.65% on net billings and 15% on gross; discounts common	15.2% on gross media and production plus volume discounts

*These figures are based on average exchange rates for 1983; high rates of inflation and extreme currency devaluations should be taken into account.

Source: Advertising Age

Advertising Age®

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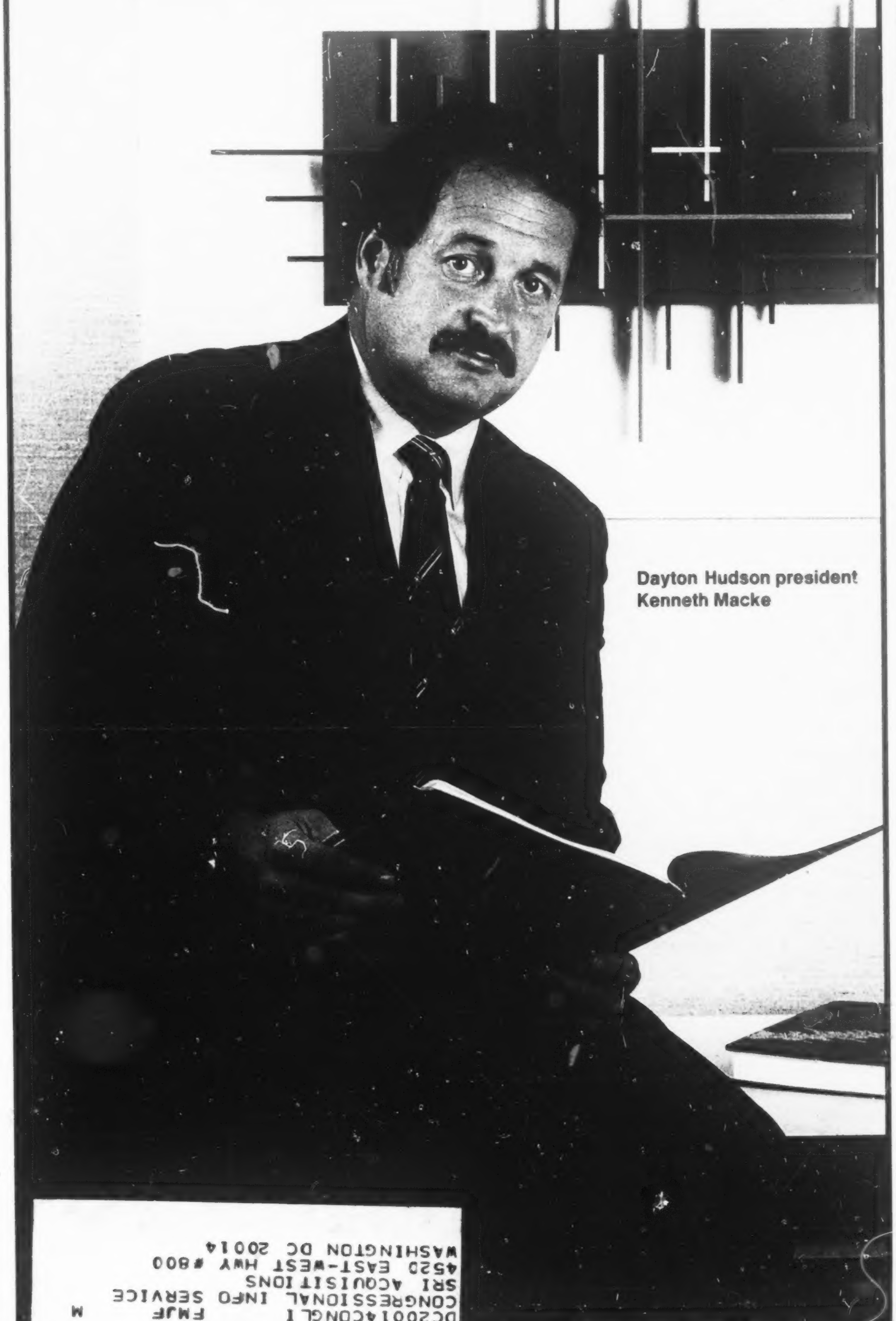
$1.25 a copy; $52 a year *The International Newspaper of Marketing* *Monday, July 9, 1984*

Dayton Hudson targets its 'other' stores

— Page 4



Dayton Hudson president Kenneth Macke

Red-faced RKO faces $4 million 'oversight'

— Page 1

Candidates learn ABC's of marketing to Hispanics

— Page 2

Texas plan to levy ad tax bites the dust

— Page 3

General Mills sweetens pot for fruit bars

— Page 3

Play ball!: An all-star look at a pastime

— Viewpoint, Page 18

Mexico fancies generic goods

— International section

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NEWSPAPER

Chex hopes bananas add to its appeal

By JANET NEIMAN

Ralston Purina Co. is giving Chex cereals a two-pronged boost this summer, with a new tv campaign and an estimated $15 million promotional tie-in with bananas.

The new commercials, from Wells, Rich, Greene, New York, have an upbeat jingle themed "The simple pleasures of Chex." It replaces the line's year-old "Can you hear it?" theme, also from WRG. Four of the five Chex flavors (all but Wheat & Raisin Chex) are included in the spots.

No print support for the tv campaign is scheduled.

Chex cereals hold about 5% of the $3.7 billion ready-

(Continued on Page 64)

Go Bananas over Chex!
FREE Bananas
Plus BIG SAVINGS on Chex with 2 Chex proofs of purchase and 1 special Chex sticker seal from bananas. (Total value $1.50)
WHEAT Chex
RICE Chex
Go Bananas over Chex FREE BANANAS
SAVE 30¢
SAVE 30¢

Print ads for Chex, including this tie-in with bananas, reappear this summer.

Crucial voting bloc

GOP briefed on Hispanics

By JENNIFER PENDLETON

'84 Marketing the Candidates

Four months ago, representatives of William F. Arens & Associates, a La Jolla, Cal.-based ad agency, trekked to Washington with a mission that, while not impossible, seemed unlikely.

The agency, meeting with the Reagan-Bush '84 campaign staff, as well as the Republican national, senatorial and congressional committees, went to the capital to discuss what at first hearing seems strange for the political party associated with the privileged and the powerful: The U.S. Hispanic market.

Arens, which has marketed goods and services to the nation's fastest-growing minority group through work for Banco Nacional de Mexico (BANAMAX) and other clients, showed the Republicans some of the mistakes Anglo marketers make when trying to reach the Spanish-speaking population.

The lessons were meant to en-

(Continued on Page 64)

May double budget to $140 million

Apple to ad-tack IBM

By BOB MARICH

Apple Computer may pump well in excess of $100 million into advertising next year as it vows to slug it out with IBM in the ad arena.

Some sources expect the ad budget for fiscal 1985, which begins Oct. 1 of this year, to hit about $140 million. That would be double its current spending level.

Cupertino, Cal.-based Apple, the second-largest marketer of personal computers, wants to distance itself from the rest of the pack as well as grapple with market-leader IBM.

The fiscal '85 ad budget has not yet been set, but Apple is certain to end up playing in the big leagues, said advertising and sales promotion manager Bruce Mowery.

"If IBM is going to spend next year what it did this year, we're not going to sit back and take a back seat to anybody," Mr. Mowery asserted.

IBM, Armonk, N.Y., will spend more than $100 million this year to advertise its personal computer products, according to various estimates.

Apple is stepping up advertising because it is the most mass market-oriented of the personal computer marketers, industry sources say. This is a result of pricing—its Apple IIe, at $995, actually falls into the home-computer category (under $1,000) as a result of recent price cuts. It also is a result of Apple's historical strength in the small-business market, which is characterized by unsophisticated, image-conscious consumers.

John Sculley, the marketing-oriented former soft-drink company executive who became Apple's president in April, 1983, told a dealers' meeting in January that the company is raising the marketing stakes in the computer industry.

Apple will spend about $70 million in the fiscal year ending Sept. 30, a 40% increase over what it spent in fiscal '82, industry sources say.

Apple's 1983 annual report claimed that personal-computer advertising exceeded $100 million for the

(Continued on Page 64)

L.A. shops brace for Olympic agony

By RUTH STROUD

Los Angeles—John Turner hopes the rings in the Olympic symbol aren't an omen that will bring his ad agency two weeks of running around in circles.

But just in case, the senior vp-operations at DJML here, is preparing for the worst.

"We're going to send letters to all our clients saying that we hope they'll understand our services will be affected—or at least be unpredictable—during that period," Mr. Turner said of the weeks beginning July 28 when Los Angeles will be the host of the 1984 Summer Olympics. "We don't even know if we can get ourselves into the office, never mind getting [ad materials] to and from vendors."

Mr. Turner's apprehension is representative of the fears many Los Angeles agency executives have. This is especially true of those with offices near the Los Angeles Coliseum, where opening and closing Olympic ceremonies and the popular track and field events will take

(Continued on Page 62)

highlights

Monday, July 9, 1984

"The Book," a new, "readable" version of the Bible, is getting $5 million in ad backing from the Christian Broadcasting Network. *See Page 10.*

Captain Kangaroo is a kindly tv figure to children. But when it comes to describing network tv programing for kids, the Captain's creator, Bob Keeshan, is a lot less gentle than his character. *See Page 12.*

Unlike some of its competitors, Royal Crown Cola will admit no wrongdoing in ads for diet drinks, and is going to court to prove its point. *See Page 12.*

Gillette begins the second phase of its 1984 Good News! spots. *See Page 12.*

The marketer of Gremlins candy last year thought the product was ready for retirement. Then along came movie hitmaker Steven Spielberg. *See Page 24.*

Faithful readers of the Sears, Roebuck & Co. catalog are in for more than a few surprises this fall. *See Page 24.*

Major advertisers that already are experimenting with nonstandard-length commercials on cable tv say such spots soon may be coming to broadcast tv. *See Page 61.*

CORPORATE CLOSEUP

The foundation for Dayton Hudson Corp., an amalgam of department, discount and soft-goods stores, was laid at the turn of the century in a small downtown Minneapolis store. *See Page 4.*

INTERNATIONAL

Sexist advertising was the target when the Quebec Council for the Status of Women gave its "demerit award" to a local swimming pool marketer. *See Page 37.*

Apple Computer has singled out France as the primary European market for the launch of its Macintosh personal computer this summer. *See Page 37.*

Procter & Gamble, marketer of Tide, says it will appeal a judge's ruling that lifted an injunction prohibiting Detergent Industries of Singapore from making detergent products called Tibe, Tike, Tile and Tipe. *See Page 40.*

VIDEOTECH

CBS is firmly in the ratings lead in daytime tv, but it still trails ABC in revenues. Why? Because of who watches ABC daytime shows. *See Page 41.*

The cable industry should market itself to children as well as adults in order to get subscriptions, a survey contends. *See Page 44.*

COMING THURSDAY IN

SPECIAL REPORT

The competition spurred by deregulation in the airline industry has stirred up new tactics affecting travel and tourism marketing.

Also in Thursday's edition:

Perspectives on political conventions, advertising, campaigns and more are offered by six veteran observers of the scene.

Nestle's managing director, Helmut Maucher, continues his interview with Advertising Age editor-in-chief Rance Crain.

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Looks like big week for Chiat

By JENNIFER PENDLETON

Pizza Hut will name Chiat/Day, Los Angeles, to handle its $20 million-plus national advertising account early this week, sources report.

The agency's second new-business coup of the week is likely to be the $8 million-to-$9 million Porsche Cars of North America assignment, an addition that may have repercussions on Chiat's corporate ad work for Mitsubishi Motors.

Neither Pizza Hut, Wichita, nor Porsche, Reno, Nev., would confirm their agency selections last week. Both predicted decisions or announcements this week, however.

Sources say Pizza Hut has informed Chiat/Day that it has been chosen. The New York offices of Ammirati & Puris and Ogilvy & Mather, the two other finalists for the business, also have been told of the Los Angeles agency's appointment, sources say.

The naming of Chiat/Day follows a two-month agency review in which Pizza Hut talked to several major national agencies, finally paring the list to three finalists. The agencies made personnel and strategy presentations, but not

(Continued on Page 66)

Kodak ad sports non-Olympian

By ROBERT RAISSMAN

With the pre-Olympic hoopla beginning to bubble and ads oriented toward the games proliferating, some companies are taking liberties with their casts, using athletes who have no chance of making the team.

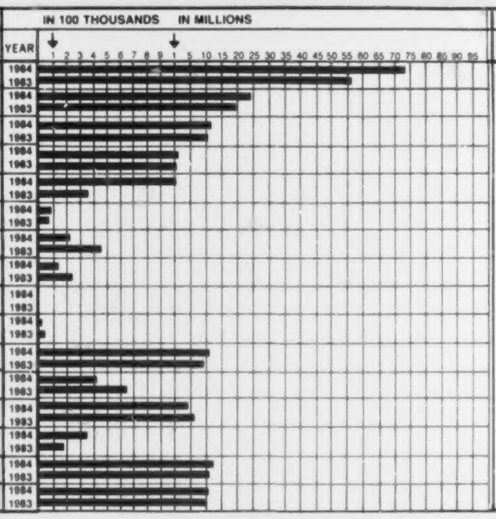
Three athletes in Eastman Kodak Co.'s Olympics spot—Carl Lewis, Mary Decker and Edwin Moses—have made the team. Another, Brian Oldfield, a world-class shot putter, never had a chance to qualify.

That he couldn't qualify had nothing to do with Mr. Oldfield's ability to throw the shot. He was banned from the last two Olympic games and will not be allowed to participate in Los Angeles because he previously participated in the International Track Assn., a professional track tour. He lost a bid to the ninth U.S. court of appeals to issue an order allowing him to compete in the Olympic trials.

A Kodak spokesman said the commercials were not designed to tout the Olympic stars but to show athletes "striving for excellence." The uniforms the athletes are wearing, however, have the letters "USA" across sweatshirts and are similar to the uniforms U.S. athletes wore at the World Track and Field Championships held in Helsinki, Finland, last summer.

John Mahar, senior vp, J. Walter Thompson USA, New York, said only track savants would clearly recognize Mr. Oldfield in the spot. "Our intention was to show the intensity of competition. Brian has a tremendously impressive appearance and adds a lot of presence to the commercial."#

FLASH REPORT: Newspaper advertising investment for April



April 1984	DOLLARS		CHANGE	
CATEGORIES	1984	1983	ACTUAL $ G OR L	% G OR L
Department stores	$73,971,829	$56,766,066	+17,205,763	+30.3
Food stores	24,265,320	19,227,915	+5,037,405	+26.2
Radio, tv, phonographs, records	12,569,248	10,236,563	+2,332,685	+22.8
Alcoholic beverages	2,293,156	1,922,373	+370,783	+19.3
Cameras, photo supplies & services	1,013,772	345,342	+668,430	+193.6
Beverages: coffee and tea	89,552	72,066	+17,486	+24.3
Beverages: soft drinks, diet/non diet	226,462	469,727	−243,265	−51.8
Soaps, cleansers & polishes	137,627	246,839	+109,212	−44.2
Cold, cough & sinus remedies	0	0	0	0
Headache remedies & sedatives	12,476	36,032	−23,556	−65.4
Publishing & media	11,098,451	9,277,892	+1,820,559	+19.6
Sporting & Leisure time equipment	400,818	660,824	−260,006	−39.3
Cigarettes	4,535,457	7,153,734	−2,618,277	−36.6
Cosmetics, makeup & manicure products	361,023	168,581	+192,442	+114.2
Airlines	12,427,609	11,448,614	+978,995	+8.6
Passenger cars-new	11,359,288	10,421,032	+938,256	+9.0

This Flash Report of newspaper advertiser investment, compiled for ADVERTISING AGE by Media Records, is derived from tabulations that cover 35 dailies and 24 Sunday editions in 15 cities: Atlanta, Baltimore, Boston, Charlotte, Chicago, Cleveland, Dallas, Denver, Detroit, Los Angeles, New York, Philadelphia, San Francisco, Washington and Youngstown.#

Source: Media Records Inc.

Newspaper ad spending surges

NEW YORK—Advertising investments in daily newspapers continued rising in April, 1984, with 10 of 16 categories showing increases over a year earlier, according to data supplied to ADVERTISING AGE by Media Records.

The largest percentage gains in national spending went to the cameras, photo supplies and services category—up 193.6% to $1,013,772—and the cosmetics, makeup and manicure products category—up 114.2% to $361,023, says Media Records' Flash Report of Newspaper Advertising Investments.

The biggest dollar totals came in the retail categories. Department store advertising investments spurted 30.3% to $73,971,829; food store spending rose 26.2% to $24,265,320, and radio-tv-phonographs-records spending was up 22.8% to $12,569,248.

Other categories showing increased ad spending were: Beverages-coffee and tea, rising 24.3% to $89,552; publishing and media, 19.6% to $11,098,451; alcoholic beverages, 19.3% to $2,293,156; new passenger cars, 9% to $11,359,288, and airlines, 8.6% to $12,427,609.

Among the declining categories: Headache remedies and sedatives dropped 65.4% to $12,476; beverages-soft drinks, diet and nondiet, 51.8% to $226,462; soaps, cleansers and polishes, 44.2% to $137,627; sporting and leisure-time equipment, 39.3% to $400,818, and cigarets, 36.6% to $4,535,457.

Cold, cough and sinus remedies showed no advertising activity this April or last.

The Flash Report is based on Media Records' measurements of advertising linage in major-market newspapers.#

Scarborough gives software to schools

By BRIAN MORAN

Scarborough Systems, looking to cash in on the growing interplay between home and school use of microcomputers, will donate up to 125,000 software programs to teachers this fall in a matching promotion with retailers.

The program, dubbed "Be a hero—software your school," will be supported by a $1.25 million campaign set to break in September in dealer publications. Consumer advertising will begin in October in computer magazines, to be followed by inserts in December issues of women's books including *Woman's Day*. The agency is Henderson Friedlich Graf & Doyle, New York.

For each software program bought by pupils and parents at retailers between Sept. 15 and Dec. 15, Scarborough will donate a program of the purchaser's choice to a local teacher. Scarborough, a Tarrytown, N.Y.-based independent marketer of educational and home productivity software, now offers seven programs selling for $39.95 to $59.95.

Like other small software developers without in-house sales forces, Scarborough is battling major textbook publishers to establish brand identity in the growing school microcomputer market. By the end of 1985, schools will have an estimated 650,000 computers, up from 400,000 last year. The school software market is expected to grow from $38 million last year to $128 million by 1986, according to Communications Trends, a Larchmont, N.Y.-based market researcher.

Retailers set to participate in the "Software your school" promotion include Sears, K mart and Waldenbooks, according to Sanford K. Bain, Scarborough vp-marketing. The company also plans a mailing on the promotion, supported by inserts in educational books such as *Instructor* and *Electronic Learning*.

Scarborough is best known for its MasterType computer-literacy program, which just passed the 200,000 mark in sales. MasterType sales are expected to reach 400,000 by yearend, bolstered by a book-software promotion beginning this month with Waldenbooks. Buyers of the program at a Waldenbooks outlet will receive $10 from Scarborough toward the purchase of a computer book at Walden.

Scarborough, which shipped its first product last October, projects revenues of close to $10 million this year, Mr. Bain said.#

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Scripps in circulation scrap

By LAURIE FREEMAN

E.W. Scripps Co. management is digging into its pockets for what's anticipated to be a long, drawn-out battle by its business journals to fight slumping circulation and defend against local competitors.

The company is pouring personnel and money into all its papers, with the biggest push in San Francisco and Pittsburgh. The effort stems in part from declining circulations and loss of market shares.

"One day we woke up and realized that we couldn't compete for the local business market with the pitiful numbers we had reading the papers," said Dan Hover, corporate sales director, Scripps-Howard Business Journals.

In addition, news coverage was thought by many in the business community to be soft, with little hard-hitting news.

Scripps-Howard Business Journals owns weeklies in Atlanta, Dallas/Fort Worth, Denver, Houston, Los Angeles, Miami, Phoenix, Pittsburgh, San Diego, San Francisco, Seattle and Washington.

Circulations range from a low of 9,000 in Denver to a high of 22,000 in Houston. Business Publications Audit of Circulation audits are in progress at the papers now. Page rates average $1,065.

In San Francisco, the staff has grown recently from six to 23 full-time employes, with a goal of 31 by September.

The main competition in San Francisco comes from the city's two dailies, the *Chronicle* and *Examiner*.

In Pittsburgh, the battle lines are drawn between the Scripps-Howard *Pittsburgh Business Journal* and the *Pittsburgh Business Times*, published by Business Journals Publications, St. Louis.

Business Journals Publications also publishes in Baltimore, Cincinnati, Indianapolis, Philadelphia and St. Louis.

Mark Vittert, president of the tabloid chain, is tight-lipped about competition between the two publications, preferring "to let the paper's merits speak for itself."

For his part, Mr. Hover said, "We consider Mr. Vittert's Pittsburgh journal to be our stiffest competition."

Circulation margins between the two papers are slim. *Business Times* publisher's statement listed an average circulation of 12,500, effective February, 1983. The latest figures for the *Pittsburgh Business Journal* list circulation at 10,176.

The two business papers have been slugging it out in Pittsburgh for the past three years, and observers say in the past few months the war has been escalating.

Scripps-Howard recently unleashed a $100,000 radio and outdoor board campaign created by the George Hill Co. Previous efforts were done in-house.

Radio ads began running in April on KDKA (am), and an all-city outdoor board campaign kicked off in late May. The 50 boards state: "The *Pittsburgh Business Journal*—ahead of the *Times*."

Money is being pumped not only into San Francisco and Pittsburgh. "All of our papers now have $60,000 to use for promotions at their discretion for the rest of the year. The corporation adds an additional $500,000 to promote the entire chain in major trade publications," said Mr. Hover.

As part of the effort to rebuild circulation, a selective, controlled circulation drive was instituted at many of the papers. Free subscriptions were sent to members of organizations like the Smaller Manufacturers Council.

Scripps now is switching those individuals over to paid subscriptions through telemarketing.

Along with the push for circulation comes an increase in advertising sales. From January to May, 1984, an increase in advertising of 289% was recorded for the *South Florida Business Journal* in Miami. In Atlanta, a 49% gain was reported.#

Hispanics place trust in ads

New York—Hispanics in the U.S. tend to find advertising more believable than do Anglos, concludes research by Ogilvy & Mather.

The agency is using the recent research as a springboard to note the importance of reaching the Hispanic audience directly.

By a 2-to-1 margin, Hispanics are more likely than Anglos to believe in advertising's credibility, according to the study. When asked whether they agreed with the statement, "Advertising presents an honest picture of products," 41% of Hispanics in the telephone survey said they agreed. Only 22% of Anglos surveyed agreed with that statement.

Similarly, 41% of Hispanics agreed that "advertising gives a good idea about a product by showing the kind of people who use it," and 27% agreed that "the way an average family is shown on tv commercials is true to life." This was in marked contrast with the 20% of Anglos who agreed with the first statement and only 12% who agreed with the second.

"With Hispanics responding less critically to advertising that is primarily designed to reach Anglos," concluded the O&M research, "it is little wonder that marketers who understand how to address them directly are finding out just how rewarding this market can be."

The research document, which also looked at the demographics and values of Hispanics, observed that "Hispanics seem to be more committed to brand-name products" than are Anglos. A total of 60% of Hispanics and 52% of Anglos agreed with the statement "I always feel better when I buy well-known name brands."

On the other hand, Hispanics tend to be significantly less interested in coupons. Only 44% said that they used coupons, compared with 76% of Anglos.

Hispanics also tend to be more likely to switch brands based on price increases—58% said that they have changed from their usual brand recently because it costs too much, compared with 43% of Anglos.#

SIN sees strong Latin auto market

By PATRICIA STRNAD

Detroit—SIN Television Network is backing its case that it is a major Hispanic-language medium for advertisers here with a study that shows Spanish-Americans spent $1.8 billion on new 1982 vehicles.

New York-based SIN already is winning some points: First-quarter ad revenue this year is up 50% from the same period a year ago.

"Spanish USA as a Market for New Cars and Trucks," a study conducted by Donnelley Marketing, Oak Brook, Ill., compared R.L. Polk registrations with Spanish-surname registrations for 1982 model vehicles in 18 bilingual cities, where about 73% of U.S. Hispanics reside.

When the households in these 18 markets were totaled, Donnelley estimated that 13.[illegible]% were Hispanic, and about 8% of new-vehicle registrations—133,947 units—were listed under Spanish surnames. At an estimated $9,910 per unit, the Hispanics in these markets represented a $1.3 billion auto market. The study projected these figures to all of the U.S. Spanish population, concluding that U.S. Hispanics bought 183,489 vehicles with a value of $1.8 billion.

SIN, in its 22nd year, is the nation's first Spanish-language tv network, with 277 satellite-interconnected affiliates reaching 86% of the Hispanic population of the U.S.

William Stiles, exec vp of the network, said the 1984 ad revenue gains reflect a continuing upward spending trend by advertisers seeking to reach the $70 billion Hispanic market.

According to John Pero, director of national sales for SIN, ad gains came partly from new advertisers and partly from existing clients that increased their spending. SIN has a half dozen advertisers in 1984 that signed national campaigns representing more than $15 million in billings, said Mr. Pero.

In June, 1981, Yankelovich, Skelly & White, New York, also conducted a survey for SIN, examining the U.S. Hispanic population's true value as a market. According to this survey, Hispanics generally are more interested than most Americans in "quality" products and nationally advertised brands.#

Total smokeless tobacco

With more cigaret smokers switching to smokeless tobacco, the market has stabilized. Pound figures in thousands. *Source: John C. Maxwell, A.G. Becker Paribas.*

Brand	1981 Lbs.	1981 Share	1982 Lbs.	1982 Share	1983 Lbs.	1983 Share
Conwood	32,902	24.9	33,554	25.4	34,608	26.2
U.S. Tobacco	29,432	22.3	31,182	23.6	33,070	25.0
Pinkerton	30,620	23.2	30,070	22.8	29,070	22.0
Lorillard	13,315	10.1	12,648	9.6	11,900	9.0
R.J. Reynolds	12,807	9.7	11,151	8.5	10,050	7.6
Helm Tobacco	10,435	7.9	10,660	8.1	10,850	8.2
Brown & Williamson	2,025	1.5	1,839	1.4	1,858	1.4
R.C. Owen	861	0.7	811	0.6	782	0.6
Total	132,221	100.0	131,845	100.0	132,205	100.0

Smokeless tobacco sales

The moist snuff and fine cut category was the only segment among smokeless tobaccos to show a significant increase in sales last year, up 7% from 1982. Pound figures in thousands, shares may not total 100, due to rounding. *Source: John C. Maxwell, A.G. Becker Paribus.*

Brand	1981 Lbs.	1981 Share	1982 Lbs.	1982 Share	1983 Lbs.	1983 Share
Plug						
R.J. Reynolds	7,702	68	6,955	68	6,261	65
Conwood	2,049	18	1,825	18	1,910	20
Brown & Williamson	1,177	10	1,099	11	1,065	11
Pinkerton	420	4	370	4	320	3
Total	11,348	100	10,249	100	9,556	100
Moist plug						
Pinkerton Redman Moist Plug	2,200	34	1,560	31	1,300	30
R.J. Reynolds R.J. Gold	1,651	25	1,136	22	824	19
Conwood						
Taylors Pride	1,268	19	1,103	22	1,020	23
Levi Garrett Plug	1,400	22	1,274	25	1,210	28
Total	6,519	100	5,073	100	4,354	100
Dry snuff						
Conwood	5,045	43	4,833	43	4,590	43
General Cigar	3,775	32	3,580	32	3,500	33
U.S. Tobacco	2,132	17	1,985	18	1,800	17
Brown & Williamson	848	7	800	7	79	7
Total*	11.8*	100	11.2*	100	10.7	100
Moist snuff and fine cut						
U.S. Tobacco	27,300	90	29,200	89	31,300	89
General Cigar	950	3	1,100	3	1,000	3
Conwood	2,100	7	2,500	8	2,730	8
Total*	30.2*	100	32.7*	100	35.0	100
**Millions of pounds*						
Twist/roll						
Conwood	1,000	54	956	54	918	54
R.C. Owen	861	46	811	46	782	46
Total	1,861	100	1,767	100	1,700	100.0
Loose leaf						
Pinkerton						
Redman	24,300	34	25,029	35	25,100	35
Total	28,000	40	28,140	40	27,450	39
Conwood						
Scotten, Dillon	1,447	2	1,264	2	1,100	2
Levi Garrett	17,150	24	17,620	25	18,840	27
Total	20,040	28	21,058	30	22,230	31
Lorillard						
Beech-Nut	12,299	17	11,359	16	10,900	15
Total	13,315	19	12,648	18	11,900	17
General Cigar	5,710	8	5,980	8	6,350	9
R.J. Reynolds	3,454	5	3,060	4	2,965	4
Total	70,519	100	70,886	100	70,895	100

Smokeless tobacco market evening out

By JOHN C. MAXWELL JR.

During 1983, the smokeless tobacco industry had a basically flat year in terms of sales volume compared to a down year in 1982.

One possible reason for the stabilization of the market in 1983 is that some cigaret smokers are switching to smokeless tobacco.

The only category to post any significant increase was the moist snuff/fine-cut area, which was up some 7%.

Looseleaf was flat, with plug, dry snuff and twist-roll showing declines of 6.8%, 4.5% and 3.8%, respectively. The moist-plug category had the largest decline, dropping 14.2% year to year.

U.S. Tobacco led the way in the moist snuff/fine-cut area with 89.3% market share, followed by Helm Tobacco and Conwood with the balance of this sector. As an aside, Conwood introduced H.B. Scott and Red Fox in 1983 as looseleaf products. They captured a combined share of 3% of that market in 1983.

Among individual companies, Conwood retained its No. 1 position with 26.2% of the total smokeless market.

This is a slight increase over last year's 25.4%. U.S. Tobacco, No. 2 in the industry, also gained share, moving up two percentage points to capture one-quarter of the total market. This is largely due to the success of its Skoal and Copenhagen brands in the moist-snuff area.

Helm Tobacco captured fifth place from RJR in 1983 with an 8.2% market share, while other rankings remained unchanged.

According to a 1983 study conducted by Simmons Market Research Bureau, 3.2% of male households, on a national basis, use smokeless tobacco.#

Mr. Maxwell is with A.G. Becker Paribas, New York.

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$1.25 a copy; $52 a year *The International Newspaper of Marketing* *Monday, July 16, 1984*

Spendthrift son tells his father he wants to run for Congress when he grows up in one new spot (top) created by the Tuesday Team. The spot later cuts to the Capitol, where an actor blames Democrats for blocking a balanced-budget amendment. Another spot (bottom) shows presumably Democratic congressmen reading newspapers while a Republican argues for a balanced budget.

Tuesday Team's rolling new ads

By MARK LIFF

NEW YORK—From an unobtrusive mid-Manhattan office, replete with rental furniture and holes left by bookshelves ripped out of the walls, come the powerhouse tv commercials of the Republican election campaign.

There is no sign on the door to announce that this is the home of the Tuesday Team, a wealth of creative talent on leave from their ad agencies to work for the Reagan-Bush '84 reelection effort (AA, April 2, *et seq.*). In fact, the group isn't listed in the lobby directory of the building at 1270 Avenue of the Americas.

"We're behind the dancers at the Radio City Music Hall," quipped James Travis, who directs the Tuesday Team, as he attempted to give directions to the office.

The dancers could very well trot out the team's latest effort. Last week, two Tuesday Team-created tv spots broke in 85 markets in 30 states for the Republican National Committee

(Continued on Page 71)

Marketers vie for $60 million bonanza

S.F. lures Dem cash

By JENNIFER PENDLETON

SAN FRANCISCO—It hasn't gone as far as having official sponsors of the 1984 Democratic national convention. But for many major corporations and retail establishments here, this week's gathering is a prime marketing opportunity.

Consider the numbers: The Convention '84 Host Committee is expecting 3,933 delegates, 1,313 alternates, 6,000 official guests, 4,000 hangers-on and 15,000 members of the media to attend the convention, which runs from today to July 19.

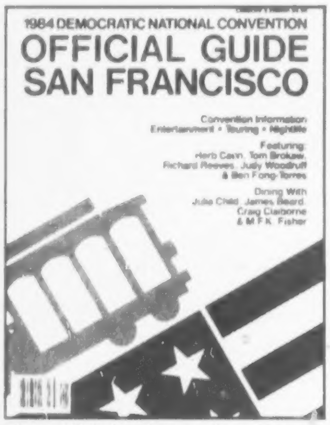
No doubt that among these 30,000 people there are more than a few bulging wallets to be opened. The city and its businesses are in line to gain about $60 million in direct benefits, the host committee says. The projections break it down as follows:

- Individuals will spend $31.1 million to $31.6 million.
- The media will shell out $12 million to $15 million for facility construction.
- The Democratic National Committee will spend $6 million.
- The city will find its bill totaling $7 million.
- The host committee itself will drop $500,000.
- The value of media exposure for the city will amount to $3.1 million.

And it is estimated that after all the money is circulated through the city's economy, the total benefits could reach $91 million to $103 million. That amounts to about $25 million a day added to this colorful city's economy.

Such numbers are lucrative enough to attract the interest of the

(Continued on Page 71)



The official guide to the convention pulled in 84 ad pages.

How to sell Fritz & Gerry?

By MARK LIFF

'84 Marketing the Candidates

SAN FRANCISCO—When Walter Mondale anointed Geraldine Ferraro his vice-presidential running mate last week, he may have made the challenge just that much tougher for his campaign image-makers.

Prominent ad agency executives told ADVERTISING AGE last week that had Mr. Mondale selected Gary Hart instead, the job might have been easier. If Walter Mondale is the "Coca-Cola" of the Democratic party, they said, then Gary Hart could have been his "Diet Coke"—the requisite product-line extension to widen the appeal of the "brand."

The executives said Mondale campaign workers, preparing for the formal nomination of their candidate at the Democratic national convention here this week, must give Ms. Ferraro a highly visible role before the Nov. 6 election. The difficulty, they said, will come in deciding exactly how to fine-tune that role.

Rep. Ferraro was one of the potential candidates who paraded to Mr. Mondale's new home in North Oaks, a suburb of St. Paul, Minn. But her selection by Mr. Mondale surprised even key aides to President Reagan, who were expecting a Mondale-Hart ticket.

The Mondale creative effort need not do anything other than display the vice-presidential candidate, said John O'Toole, chairman of Foote, Cone & Belding Communications, New York, and current chairman of the American Assn. of Advertising Agencies.

"Nothing more is required than her picture on the package, like Betty Crocker," he said. "No one is interested in her views. Just have her smiling in the background and visible in all the communications."

Other executives, however, contended that Rep. Ferraro should be in the forefront. "The worst thing to do would be to stick her in the background," said Richard Penny, president of Weekley & Penny, Houston.

Mr. Penny said that he expected a backlash by some voting blocs against the Mondale-Ferraro ticket. Some spots must intimate subtly that the Ferraro nomination is targeted to the single-largest voting group—women,

(Continued on Page 71)

Upjohn out to get relief two ways

By GAY JERVEY

NEW YORK—Under mounting competitive pressure in a field it once owned, Upjohn Co. has set out to protect Motrin, its original prescription ibuprofen pain reliever, on two fronts: Legal and marketplace.

The Motrin brand now is threatened by the new over-the-counter ibuprofen tablets, Advil from American Home Products' Whitehall Labs and Nuprin from Bristol-Myers under a licensing agreement with Upjohn.

Last week, Kalamazoo, Mich.-based Upjohn said it would slice the price of Motrin by 35%. Motrin, the world's leading prescription arthritis pain reliever and Upjohn's largest-selling ethical drug product, last year accounted for

(Continued on Page 68)

New ice cream

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NEWSPAPER

last minute news

Godfather's seeks to stop Chiat-Pizza Hut deal

LOS ANGELES—Godfather's Pizza, Costa Mesa, is suing Chiat/Day to halt the agency from handling the $20 million-plus Pizza Hut account. Godfather's is suing to prevent Chiat from taking to Pizza Hut proprietary information that the agency received during Godfather's recent review. Godfather's awarded its $5 million creative account to Dailey & Associates last month (AA, June 14). Chiat recently won the Pizza Hut account (AA, July 9), though the company has yet to confirm the selection. Chiat, an early contender for Godfather's, left the review just before the decision to pitch the larger Pizza Hut account. A hearing is set for today in Los Angeles superior court. Godfather's declined comment because the matter is in litigation.

Kahler expected to take helm at Doremus

NEW YORK—Doremus & Co. is expected to announce today that Steve Kahler has been named to succeed chairman-ceo Franklin Schaffer, who has left the company. Doremus is the financial advertising and public relations subsidiary of BBDO International. Mr. Kahler is exec vp-finance and administration at the parent.

Gallo Salame sticks account at Y&R

SAN FRANCISCO—Consolidated Foods Corp.'s Gallo Salame division has named Young & [illegible] Cincinnati-based Northlich, Stol-

[illegible] on Page 8)

FCC may hike 7-7-7 to dozen

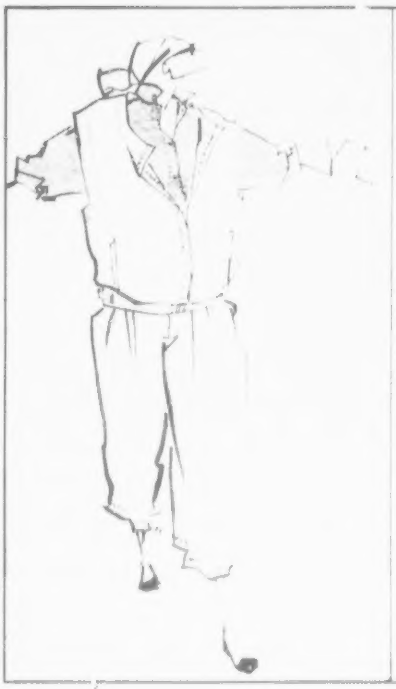
By MAURINE CHRISTOPHER

Odds are good that 12-12-12 will replace 7-7-7 as the Federal Communications Commission's enforced limit for each broadcast station group owner.

At press time, the numerical ceiling of a dozen each for ownership of tv stations and am and fm radio stations was emerging as the most likely formula to get an okay from the five-person commission.

The tv limit probably will apply only to the more valuable and powerful vhf stations. Under the revised policy, there is expected to be no maximum on stations in the uhf band. The latest chapter in the

(Continued on Page 66)



Pure Perry

More than a mere jeans line, as this sketch attests, Perry Ellis America active sportswear by Perry Ellis for Levi Strauss (AA, July 12) should keep both Ellis purists and fans happy while opening up a new direction for Levi and the designer: Casual class that doesn't require a lot of cash.

Telescan plans test of tv spot verification

By STEWART ALTER

With Pepsi-Cola as its first client, Telescan will move into test market this December with a system for electronically verifying whether tv commercials have actually run on stations as planned—at the right time, in full and with the desired video and audio quality.

To be tested in New York, Chicago and Los Angeles for six months at a cost just under $1 million, the Telescan system will be the first such system for independently verifying tv commercial airings to be launched since the advertising industry moved from film primarily to videotape in the 1970s.

The announcement of the new system, which has a patent pending, comes coincidentally three weeks after the Federal Communications Commission's sweeping deregulation of tv stations, which, among other things, freed stations from keeping detailed logs of programing and commercial airings. That move prompted advertising industry groups to urge stations to continue to maintain a record of ads run (AA, July 2).

Telescan does not require any tv station participation in its monitoring of commercials; it is done with electronic decoding equipment and computers from a remote site.

The system is the brainchild of Burton Greenberg, a tv commercials director who first worked on developing a system for monitoring airings of filmed tv spots in the late 1960s following his disappointment at seeing some Wheaties commercials he had shot appear scratched and with distorted sound on a tv station. But that system was not launched successfully.

But then in 1977 the FCC allowed that source identification could be included on videotape line 20 in commercials. A videotape picture is made up of over 1,000 horizontal lines, much in the way that a printed photograph is made up of dots. Line 20 is not visible to audiences. In the Telescan system, that line is electronically encoded with a number that can be picked up through decoding equipment and stored in computers. The numbers Telescan intends to use are the ISCI, or Industry Standard Commercial Identification, numbers the ad industry already uses to identify commercials.

Two years ago Mr. Greenberg formed Telescan in

(Continued on Page 66)

'No fear' at ABC over 'Today' surge

Morning news war heats

By DIANE MERMIGAS

Several ABC network executives contend no changes in "Good Morning America" are warranted by the sudden summer raid on the program's audience by NBC's "Today."

"There really isn't any kind of fear here. We're sort of used to the ratings dropping during the summer," said Phyllis McGrady. Ms. McGrady was named interim senior producer for "Good Morning America" July 10 following Susan Winston's abrupt resignation as executive producer.

Ms. Winston will oversee ABC's daytime coverage of the Summer Olympics.

Many industry observers, including NBC executives, believe "Today's" virtual tie with "Good Morning America" the week of June 25 primarily was a function of NBC's uncommon dominance of prime time ratings that same week.

For the week, "Today" averaged a 4.1 rating, 21% share of the available national tv audience compared to 4.2/22 for "Good Morning America" and 3/16 for the "CBS Morning News."

However, "Today's" aggressive bid for viewers was thwarted the week of July 2, when NBC once again slipped behind ABC in the morning news race even though NBC narrowly led prime time for the second consecutive week.

For the week of July 2, "Good Morning America" averaged 4.2/24, "Today" 3.8/22 and "CBS Morning News" 2.7/15.

It is a widely held theory that a strong prime time showing benefits the morning because sets are already tuned to that station.

Steve Friedman, executive producer of "Today," said he intends to make the most of the program's ratings boost by offering special reports and features, and

(Continued on Page 66)

Jackson snafus? Pepsi still happy

By SARAH STIANSEN

DALLAS—The Pepsi-Cola Bottling Group of Texas, unable to give away nearly one-third of its promotional tickets for the Jacksons' Victory Tour, still believes the Michael Jackson connection is paying off.

Despite a last-minute push to slap its promotional plans together in time for the Jacksons' appearances here last weekend—and the negative publicity that has followed the tour's ticket-selling methods—the bottling group seems convinced that the tour can only enhance the Pepsi brand's image.

Dallas was the second stop on the tour after Kansas City. Other cities on the tour are Jacksonville, Fla.; New York; Knoxville, Tenn.; Indianapolis; Detroit; Los Angeles; Buffalo; Philadelphia; Pittsburgh; Cleveland, and Anaheim, Cal.

"We feel as good now as we did when we signed [Mr. Jackson],"

(Continued on Page 66)

highlights

Monday, July 16, 1984

Market researchers say computer marketers no longer will be able to afford being poor marketers because the industry is moving from short supply of products to overabundance. *See Page 12.*

Minnetonka is planning a $1 million ad push this year via Bozell & Jacobs for L'Homme, its men's cologne. The company expects an impact on the market, in part because there has been little previous promotion for the product. *See Page 32.*

The syndicators of the popular tv series "Dallas" have come up with a novel idea that lets a station promote the program and an advertiser together. *See Page 65.*

The Federal Trade Commission is fighting a proposal from a sister government agency to prescreen advertising for Health Maintenance Organizations. *See Page 65.*

Nostalgia is driving up the prices for do-it-yourself "kit cars." *See Page 69.*

CORPORATE CLOSEUP

Taco Bell executives have made a key strategy decision in their drive to fill those few pockets in the country where their chain has no presence. They want their ads to look more, not less, like other fast-food chains'. *See Page 4.*

INTERNATIONAL

PepsiCo, in an attempt to break Coca-Cola Co.'s grip on cola sales in the region, is bringing the Pepsi challenge taste-test to new Latin American markets. The campaign has begun in Colombia and Brazil. *See Page 40.*

The Australian Broadcasting Corp. is being criticized for the allegedly devious way it moved its ad account from an Australian agency to Ogilvy & Mather in Sydney. *See Page 42.*

KF International, a Swedish company with $5 billion in annual sales, hopes to launch an upscale line of generic food products in the U.S. next year. *See Page 43.*

VIDEOTECH

Some unexpected negotiations may mean Tele-Communications of Denver, the country's largest cable tv company, will be a force in three of Chicago's five cable franchise areas. *See Page 48.*

Not many people think it would be fun to be a member of the Federal Communications Commission, but one longtime commissioner is looking forward to another term. *See Page 52.*

COMING THURSDAY IN

SPECIAL REPORT

College-age consumers are the future, and as such they are bombarded constantly by educational institutions, credit companies, retailers and more.

Also in Thursday's edition:

John Fairchild, the man behind Capital Cities Communications' Fairchild Publications, has developed a distinctive style in the publishing world.

Creative types have as many reasons for why they work as there are types of people.

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AD PAGES IN FARM PUBLICATIONS FOR SIX MONTHS 62
CIGAR MARKET SHARES 30

$1.25 a copy, $52 a year, $95 two years. Add $99 per year for air delivery to Europe & Middle East. Add $31 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; ROGER DI GREGORIO, fulfillment director; HEIDI SCHULTZ, senior circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

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Bergin in new Coke role at M-E

By STEWART ALTER
and JOHN J. O'CONNOR

NEW YORK—John Bergin, president of McCann-Erickson USA and the key man on the Coca-Cola account worldwide, will be devoting more of his time to the creative side of keeping Coke No. 1.

Nudged by Coca-Cola USA, McCann-Erickson Worldwide has tapped William C. Thompson Jr., exec vp-director of worldwide accounts, to add top account-management responsibilities for Coke USA.

He assumes functions that previously were part of Mr. Bergin's continuing worldwide role.

Commenting on the appointment, Robert James, McCann-Erickson Worldwide president-chief operating officer, stressed the move was made in response to future "business needs" Atlanta-based Coca-Cola had outlined.

A Coke spokesman said, "We regularly express our business needs and they respond accordingly."

Mr. James said the move in no way affects Mr. Bergin's position as the top person on the account.

"They needed an outstanding man on the account side," explained Mr. Bergin. "I'll now be

(Continued on Page 8)

Football syndicators stew while nets stall

By ROBERT RAISSMAN

NEW YORK—As the tv networks wait for concrete plans from three organizations that apparently have control of college football rights, some syndicators that had struck contingency deals with college conferences are watching those deals fall apart.

If the networks don't present their packages to advertisers soon, the fallout is likely to extend to syndicators that already have agreed on guaranteed rights fees with conferences. Sources said the networks could wait until the first week in August before finalizing their plans.

The conferences will be faced with the possibility of restructuring those contracts along profit or revenue-sharing lines, which will likely mean less money for conferences and schools. This would further shrink the revenues colleges and conferences can expect from tv. If too much time passes, syndicators could get out of football in 1984, which would mean an abrupt halt to talk of a glut of college football on tv.

Barry Frank, group vp in charge of worldwide sales for Trans World International, a subdivision of the International Management Group, which has linked the Ivy League with Public Broadcasting Service for a football series this fall, said the clock is running quickly for syndicators and advertisers. "It's getting late now. It's the middle of July, and people still can't commit to sign for a series that starts in a month and a half," Mr. Frank said.

Raycom, a Charlotte, N.C.-based syndicator, which struck a contingency deal with the Atlantic Coast Conference in November, has put advertisers and stations on notice that it has halted ACC sales until the networks submit their college football schedules. Ken Haines, vp-network operations, Raycom, said the company took its action because their contingency deal was dependent on the Supreme Court handing down a ruling in early spring and having a regional window spelled out. However, sources said the University of North Carolina wanted to establish its own tv package, thus eliminating the conference's most powerful team.

The ACC is not the only major conference without a syndicator. The Southeastern Conference, Southwestern Conference and the Big Eight Conference all are without representation. Then there are some major independents, including coveted Notre Dame, looking for deals. Two other major conferences, the Big 10 and Pacific 10, are being sold by TCS/Metrosports.

Even schools and conferences that have deals are facing a radically different revenue setup if syndicators are forced to continue to wait before they can offer a tangible package to advertisers.

Last week, members of the National Collegiate Athletic Assn. voted down a voluntary tv plan submitted by the organization. That action was the climax of developments that started three weeks ago when the Supreme Court ruled that the NCAA's 33-year-old exclusive control over college-football telecasts violated antitrust law. The Big 10 and Pac 10 then decided to strike their own deals with the networks. Besides these two conferences, the networks will be dealing with the College Football Assn. and the Football Television Planning Committee.

CBS and ABC are likely now to sift through what they are offered and pick the best games. Whether they will be locked into a set schedule before the season or will have the flexibility of picking contests on a week-to-week basis is still open to speculation.

Whether the networks think that prolonging their decision will help their own financial plight—by further pushing back college football's scatter market closer to the start of the season—is open to debate.

Terry Hanson, director of sports, Turner Broadcasting System, said another problem—the apparent control of the CFA—also could short-circuit syndication deals. "If the CFA is indeed in charge of college football, they have some questions to answer," he said. "If I buy 'X' conference's game of the week at 1 p.m. and there is a network game at 4 [p.m.] and a cable game at 8 [p.m.], all involving CFA teams, then my 'X' conference game might be the third-best attraction of the day."

The CFA, which includes 19 major independent schools as well as members of the ACC, Big Eight, Southeastern, Southwest and Western Athletic Conferences, agreed on a tv plan that gives over-the-air and cable networks a chance to bid on games for Saturday afternoons and evenings. The plan also provides a third Saturday afternoon window for member schools that don't want to compete directly with the network telecasts.#

corrections & clarifications

- The line above the chart on Page 40 in the international section of this issue incorrectly identifies the second set of figures as representing advertising expenditures in the first six months of 1984. The figures represent projected expenditures for all of 1984.
- The Travel & Tourism Research Assn.'s name was misidentified in a story devoted to its annual convention (AA, July 9, P. 33).
- Stockton West Burkhart, Cincinnati, is the ad agency for the Greater Cincinnati Convention & Expo Center (AA, June 28, P. 86).
- The following additions and corrections refer to the 1984 foreign agency income report (AA, April 23, P. 57):

Saffer Cravit & Freedman, Toronto, 1983 gross income of $7.3 million and billings of $51.2 million, compared with '82 figures of $6.5 million and $45.5 million, respectively.

Bold Advertising, Athens, '83 gross income of $1.2 million and billings of $8.6 million, compared with '82 figures of $1 million and $6.8 million.

GFM/Propeg, Salvador, Brazil, '83 gross income of $3.7 million and billings of $16.2 million, compared with '82 figures of $5.2 million and $18.7 million. Also, GFM/Propeg merged with Castelo Branco e Associados in March of this year and was not purchased by CBBA, as stated in the Page 58 footnote.

George Patterson Pty., part of Ted Bates Worldwide, should have been listed in the "World's top 50 ad agencies in 1983" chart as No. 50, with '83 gross income of $28 million and billings of $182 million.#

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*Source: 1983 Scarborough National Newspaper Audience Study

Smoke seems to clear for cigar industry

By JOHN C. MAXWELL JR.

Last year appears to have been a turning point of sorts for the cigar industry. Although total sales were off slightly, both large and little cigars registered year-to-year increases, 1.6% and 5.4%, respectively.

The decline is much less than in previous years and is fully attributable to the dropoff in small cigars.

If this year's first quarter is any indication of how the remainder of the year will progress, we believe that the industry can show its first year-to-year volume increase in over a decade. Removals for the first three months of 1984 have been up an average of 5% over the same period in 1983. The March increases make five months of consecutive improvements.

The greatest percentage of cigars continue to be in the 8¢-to-15¢ range. This price category grew to 54.8% of the total market this year versus 50.7% in 1983.

Although large cigars achieved an increase of 1.6% in units for the year, when these units are taken in combination with the "small" category (smaller versions of large cigars) the total large category declined 2.4%. John Swisher is now tied with Consolidated Cigar for the No. 1 spot in this area. Each has about 25% of the total market.

Little cigars (cigarillo types) are having the best growth of any regular category. We believe the key reason is price. The average price of a cigaret is now about 5¢. An average small cigar sells for about 5½¢, most large cigars are about 20¢ each, while the average price of a little cigar is about 2½¢. Obviously, with consumers becoming more price conscious, the little cigar is a better buy.

Within the category, the bulk of the growth appears to be coming from Consolidated Cigar's Dutch Treats, which now has almost 40% of this market.#

Mr. Maxwell is with A.G. Becker Paribas, New York.

Cigar market shares

Little cigars registered a slight increase in unit sales last year, while the decrease of small cigars' unit sales more than offset the gains made by the sales of large cigars. ***Source: John C. Maxwell***

	1981		1982		1983	
Brand	Units	%	Units	%	Units	%
Large and small cigars						
Consolidated Cigar						
Muriel	359	9.3	316	8.7	300	8.5
Dutch Masters	316	8.2	290	8.0	280	7.9
El Producto	193	5.0	181	5.0	175	4.9
Backwoods	42	1.1	80	2.2	50	1.4
Others	92	2.4	94	2.6	95	2.7
Total	1.002	26.0	961	26.5	900	25.4
John H. Swisher & Sons						
King Edward	760	19.7	750	20.7	750	21.2
Others	130	3.4	122	3.4	150	4.2
Total	890	23.1	872	24.0	900	25.4
General Cigar						
White Owl	270	7.0	195	5.4	195	5.5
Robert Burns	165	4.3	143	3.9	135	3.8
Tijuana Smalls	75	1.9	70	1.9	65	1.9
William Penn	140	3.6	138	3.8	125	3.5
Garcia y Vega*	—	—	102	2.8	100	2.8
Others	40	1.0	40	1.1	50	1.4
Total	690	17.9	688	19.0	670	18.9
American Cigar						
Roi-Tan	85	2.2	75	2.1	64	1.8
Antonio y Cleopatra	181	4.7	167	4.6	164	4.6
La Corona	19	0.5	18	0.5	25	0.7
Others	3	0.1	2	0.1	2	0.1
Total	288	7.5	262	7.2	255	7.2
Boyuk Cigars						
Phillies**	194	5.0	—	—	—	—
Garcia y Vega*	104	2.7	—	—	—	—
Total	298	7.7	—	—	—	—
Havatampa						
Havatampa	160	4.2	165	4.5	176	5.0
Phillies**	—	—	182	5.0	174	4.9
Total	160	4.2	347	9.6	350	9.9
Lorillard						
Erik Filter Natural	72	1.9	69	1.9	67	1.9
Erik Filter Menthol	35	0.9	33	0.9	32	0.9
Erik Filter Cherry	21	0.5	19	0.5	19	0.5
Total	128	3.3	121	3.3	118	3.3
U.S. Tobacco						
House of Windsor	70	1.8	72	2.0	73	2.1
M&N Cigar Mfrs.						
Cuesta-Ray	70	1.8	71	2.0	72	2.0
Rigoletto	32	0.8	33	0.9	34	1.0
Total	102	2.6	104	2.9	106	3.0
Universal Cigar						
Optimo	65	1.7	64	1.8	62	1.8
Corral Wodiska y Ca	31	0.8	32	0.9	33	0.9
Others	131	3.4	106	2.9	76	2.1
Grand total	3,855	100.0	3,629	100.0	3.543	100.0

*Garcia y Vega was sold to General Cigar on March 15, 1982.

**Phillies was sold to Havatampa June 1, 1982. Units are for full year.

	1981		1982		1983	
Brand	Units	%	Units	%	Units	%
Little cigars						
Reynolds						
Winchester	772	56.1	686	53.9	654	48.8
Consolidated Cigar						
Dutch Treats	370	26.9	380	29.9	515	38.4
Lorillard						
Omega Natural 85s	16	1.2	14	1.1	13	1.0
Omega Natural 100s	38	2.7	36	2.9	35	2.6
Cherry 100s	5	0.4	5	0.4	4	0.3
Menthol 100s	4	0.3	4	0.3	3	0.3
Total Omega	64	4.6	59	4.7	56	4.2
Between the Acts (90mm)	44	3.2	40	3.2	40	3.0
Madison (80mm)	30	2.2	27	2.1	26	1.9
Total	138	10.0	127	10.0	122	9.1
American Cigar						
Roi-Tan (85mm, 100mm-F)	20	1.5	12	0.9	10	0.8
Antonio y Cleopatra (100mm-F)	25	1.8	16	1.3	18	1.3
eringer	4	0.3	—	—	—	—
Total	49	3.6	28	2.2	28	2.1
Change in inventory	48	3.5	51	4.0	22	1.6
Grand total	1,376	100	1,272	100	1,341	100

Independent agencies join to form pr network

MINNEAPOLIS—Ten independent public relations agencies around the country have formed a national network to assist clients with multimarket and national accounts.

The new network, Public Relations Exchange, is intended to offer clients of the 10 agencies "increased nationwide service with specialized assistance in major metropolitan markets throughout the country," according to Lou Brum Burdick, chairman-chief executive officer of Brum & Anderson Public Relations here. Mr. Burdick is the exchange's first president.

In addition to Brum & Anderson's Minneapolis and Denver offices, other agencies in the exchange are Bohle Co., Los Angeles and San Francisco; Cone & Co., Boston; Janet Diederichs & Associates, Chicago; Earle Palmer Brown Cos., Washington and Baltimore; Makovsky & Co., New York; Pharr Cox Communications, Dallas; Spiro & Associates, Philadelphia, and Woody Kepner & Associates, Miami.

The companies had combined billings of more than $12 million in 1983.

Mr. Burdick said there are future plans to expand the network to additional U.S. and international markets this year. Negotiations are under way with agencies in Europe, the Far East and Canada, he said.

Kenneth Makovsky, president of Makovsky & Co., is vp of the exchange, and Sue Bohle, president of Bohle Co., is secretary treasurer.#

Officers elected for GMA

WASHINGTON—Consolidated Foods Corp. chairman John H. Bryan Jr. has been elected chairman of Grocery Manufacturers of America.

Kellogg Co. chairman William LaMothe has been named vice-chairman. Campbell Soup Co. president R. Gordon McGovern has been elected treasurer.

Six new association members were elected to the board: Charles Harper, ConAgra chairman; Reuben Mark, Colgate-Palmolive Co. president; Hamish Maxwell, Philip Morris president; Boyd Schenk, Pet Inc. president; J. Tylee Wilson, R.J. Reynolds Industries president, and Richard Zimmerman, Hershey Foods Corp. president.#

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Ad pages in farm publications for 6 months, 1984-83

Second-quarter figures for U.S. and Canadian publications reporting to Advertising Age

Canadian

	Pages			
	April June 1984	April June 1983	Jan June 1984	Jan June 1983
Country Guide				
Eastern Edition B	138.2	133.8	285.7	275.7
National Edition B	267.2	302.1	558.0	570.7
Western Edition B	201.3	188.0	387.0	362.4
Le Bulletin des Agriculteurs	199.8	186.2	437.9	394.4
Total Group	**806.5**	**810.1**	**1,668.6**	**1,603.2**
% change	**0.4%**		**- 4.0%**	

Dairy & livestock

	Pages			
	April June 1984	April June 1983	Jan June 1984	Jan June 1983
Beef Magazine A	161.0	188.6	383.1	418.9
Beefweek B	133.5	68.9	306.2	189.2
The Cattleman	311.3	301.2	664.3	669.1
Dairy	72.9	87.9	173.0	181.7
Dairy Herd Management	119.[illegible]	115.5	267.2	291.2
Drovers Journal (52X) A	181.[illegible]	197.0	597.6	462.0
Farm Progress Hog Producer	20.0	18.0	46.8	55.4
Feedlot Management	70.1	82.8	142.9	164.2
Florida Cattleman	220.2	216.9	457.4	438.9
Hoards Dairyman (23X) A	181.0	232.2	436.9	491.9
Hog Farm Management	48.6	76.6	168.7	231.0
National Hog Farmer	162.0	189.9	399.0	463.2
Pig American	52.5	60.9	120.9	137.3
Pork '84	66.0	40.3	165.0	112.9
Southern Beef Producer (8X)	37.2	21.4	79.5	48.4
Southern Hog Producer (6X) A	19.6	26.8	30.4	38.8
Sunbelt Dairyman (6X)	20.9	20.0	31.4	29.7
Western Livestock Journal Weekly				
Central Edition	90.0	95.2	205.0	214.9
Western Edition	100.3	98.6	206.6	213.9
Western Livestock Reporter/Montwyo News (52X)	118.4	112.1	288.6	294.7
Total Group	**2,186.1**	**2,250.8**	**5,170.5**	**5,147.3**
% change	**- 2.9%**		**+0.4%**	

Fruit & vegetable

	Pages			
	April June 1984	April June 1983	Jan June 1984	Jan June 1983
American Fruit Grower	128.0	119.1	293.7	273.8
American Vegetable Grower	117.1	132.4	243.1	262.0
Citrus & Vegetable	128.5	118.0	282.2	242.8
The Grower	85.2	70.9	200.1	141.3
Total Group	**458.8**	**440.4**	**1,019.1**	**919.9**
% change	**+4.1%**		**+10.7%**	

General farm publications

	Pages			
	April June 1984	April June 1983	Jan June 1984	Jan June 1983
American Agriculturist	70.7	98.5	206.4	212.5
Arizona Farmer-Ranchman	84.5	97.3	148.8	175.1
California Farmer (21X) A	156.0	211.0	387.0	470.0
Farm Futures A	71.1	74.5	202.6	201.3
Farm Industry News (10X)	92.3	71.1	308.9	217.7
Farm Journal (14X)	178.9	161.3	512.8	462.1
Florida Grower & Rancher	32.8	47.8	82.5	108.0
Farmer-Stockman Unit				
Oklahoma Farmer-Stockman	44.6	47.1	87.8	87.1
Texas Farmer-Stockman	37.0	40.9	80.5	78.7
Harvest Publishing Unit				
Kansas Farmer (21X)	137.5	146.0	410.1	401.5
Michigan Farmer (21X)	120.0	137.4	337.3	385.3
Missouri Ruralist (21X)	151.0	156.9	426.4	459.1
Ohio Farmer (21X)	158.6	189.9	454.0	451.0
Pennsylvania Farmer (21X)	65.2	93.3	282.7	337.1
High Plains Journal				
Eastern Kansas (52X)	633.1	624.6	1,235.5	1,221.7
Colorado	626.2	596.8	1,199.6	1,159.4
Nebraska	613.9	601.0	1,191.1	1,149.3
Oklahoma-Texas	637.8	624.6	1,225.6	1,211.7
Western Kansas	694.0	670.0	1,327.4	1,298.7
Irrigation Age (10X) A	39.5	47.2	139.6	109.5
Kentucky Farmer	69.2	74.8	180.0	185.6
Lancaster Farming (52X)	1,330.6	1,329.6	2,771.4	2,708.6
Midwest Farm Paper Unit (24X)				
The Farmer	241.5	276.6	687.0	755.2
Nebraska Farmer	256.1	279.5	792.1	809.7
Prairie Farmer A	247.5	221.3	684.0	690.0
Indiana Edition	241.5	245.5	666.1	688.7
Wallaces Farmer (24X) A	200.1	203.7	648.4	678.3
Wisconsin Agriculturist (24X)	158.3	178.2	510.2	527.3
Pecan South (6X)	—	—	—	—
Progressive Farmer A	197.6	184.7	448.5	419.4
Specialized Agricultural Publications				
Flue Cured Tobacco Farmer	36.9	63.2	101.8	144.5
Peanut Farmer (8X)	38.0	48.0	80.3	93.0
Successful Farming A	157.9	159.7	460.3	454.5
Tennessee Farmer	33.0	48.3	92.5	110.5
Wyoming Farmer-Stockman	44.6	68.0	127.6	156.3
Western Unit Farm Magazines				
Colorado Rancher & Farmer	91.8	91.9	273.7	240.7
Northwest Unit Farm Magazines (24X)				
Idaho Farmer-Stockman	143.1	142.0	382.0	400.1
Montana Farmer-Stockman	204.1	215.4	544.8	536.0
Oregon Farmer Stockman	99.8	114.9	279.6	307.0
Utah Farmer-Stockman	88.8	106.4	242.9	281.0
Washington Farmer Stockman	110.2	119.7	299.3	319.9
Total Group	**8,635.3**	**8,908.6**	**20,519.1**	**20,703.1**
% change	**- 3.0%**		**-0.8%**	

Poultry

	Pages			
	April June 1984	April June 1983	Jan June 1984	Jan June 1983
Broiler Industry	143.2	133.9	288.0	287.2
Poultry Digest	49.6	57.0	93.1	113.0
Poultry Tribune	62.3	83.3	141.5	167.2
Poultry Times C	101.6	79.1	202.3	119.5
Poultry & Egg Mktg	24.3	32.8	82.2	92.4
Total Group	**381.0**	**386.1**	**807.1**	**779.3**
% change	**- 1.3%**		**+ 3.5%**	

(X) Represents the number of times published each year; publications are monthly unless otherwise specified. A. Sectional linage included but prorated to circulation of regional editions. B. 1983 figures are comprised of a combination of 30-in. and 80-in. pages; 1984 figures are comprised of only 30-in. pages. C. 1983 figure reflects four regional editions; 1984 reflects national edition and two regional inserts.

Shop hours

(Continued from Page 3)

and Marstelier have instituted half days on summer Fridays, almost every New York agency has some version of special summer hours.

Most agencies give Friday afternoons off. A handful do it with no quid pro quo, though many insist employes make up the time by staying a half hour later during the rest of the week or arriving a half hour earlier.

But that can vary: a half hour earlier at D'Arcy MacManus Masius means 8:30 a.m., while at Doyle Dane Bernbach it's 9 a.m. It's also 9 a.m. at Kenyon & Eckhardt, which has the longest of the summer seasons; half-day Fridays begin in early June, compared to July for most other agencies.

Some of the major New York shops don't close early on Friday, such as McCann-Erickson and SSC&B. Instead, they give employes off two July/August Fridays of their choice. JWT's New York office joined this school this summer but makes it three Fridays.

Another approach to shorter summer hours is the alternating week. Needham, Harper & Steers/USA gives every other full Friday off. Bozell & Jacobs makes it a half day on every other Friday, but throws in another full day during the summer to build a long weekend.

William Esty Co., which has had summer hours in the past, still was surveying its clients last week to try to decide what to do this year. Ted Bates Advertising/New York treats summer the same as winter and gives no special hours or days off.

Chicago

Unlike their New York counterparts, most Chicago agencies, including BBDO, N W Ayer and Young & Rubicam, retain their 9 a.m.-to-5 p.m. schedule throughout the summer.

One exception is Tatham-Laird & Kudner, which switches to an 8:30 a.m.-to-5:30 p.m. Monday-through-Thursday and 9 a.m.-to-noon Friday schedule for July and August.

A TLK spokeswoman speculated the summer hours are intended to be "a kind of summer benefit for employes," based partly on the fact that "a number of clients do it."

She noted that summer hours are "a dubious benefit for a lot of employes," because the press of business often doesn't allow them to leave at noon Friday anyway.

NH&S' Chicago office is on summer hours this year for the first time. After testing a schedule of 8:30 a.m.-to-5 p.m. Monday through Thursday and 8:30 a.m. to 1 p.m. Friday during June, NH&S polled its employes, who overwhelmingly favored the idea. The agency will continue the same Monday-through-Thursday schedule and an 8:30 a.m.-to-1:30 p.m. schedule Fridays through August.

"The feeling was that a lot of people are putting in long hours and weekends," an NH&S spokeswoman said. "We wanted to give them something back.

"Some people get to take advantage of it, some don't," she said. "The place doesn't become a ghost town after 1:30 on Friday."

Detroit

Summer hours for Detroit area ad agencies are "long and hard," one veteran adman says. Summer is when agencies and their automotive clients are toiling to produce fall-introduction advertising. D'Arcy MacManus Masius' Bloomfield Hills parking lot is still pretty full after 4 p.m. Fridays. Staffers have the option of leaving an hour early, but not many do. D'Arcy has two auto accounts, Pontiac and Cadillac.

But most agencies are like Kenyon & Eckhardt, Birmingham. Although the New York offices keep summer hours, the Detroit office doesn't. K&E vacations run more to nonsummer periods, because of the needs of client Chrysler-Plymouth division.

J. Walter Thompson USA, Detroit, says its hours are "come early and leave late"—at least for those on the Ford division account.

"We work all the time," added a Campell-Ewald executive, now busy on 1985 advertising for Chevrolet.

Los Angeles

In Los Angeles, "summer hours" are as common as winter storms. For most agencies here, the only change in work hours will come during the two-week Olympic period when many will work from 10 a.m. to 4 p.m. Some are making plans to close on Aug. 3 and 10—"black Fridays" when crowds and traffic are expected to be at their worst.

A few agencies that do follow the tradition of their New York peers say summer hours are really a disadvantage since their clients don't normally have such hours. "In a service-oriented business, you've just got to be around when the clients need you," says John Carter, general manager-senior vp, Benton & Bowles.

B&B staffers are working half days every Friday during the months of July and August, which is great, Mr. Carter says, for the "least busy people."

Chiat/Day's offices in Los Angeles, San Francisco and New York also follow the Fridays-off summer schedule. But again, only those employes who are "all caught up" have the opportunity to take advantage of the three-day weekends, said one agency executive.

Some think the idea sounds great, but "We're much too busy," in the words of Keye/Donna/-Pearlstein managing director Leonard Pearlstein.#

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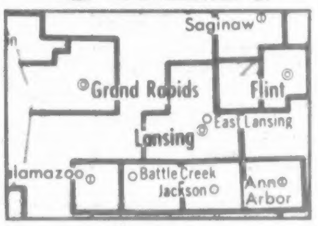

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$1.25 a copy; $52 a year *The International Newspaper of Marketing* *Monday, July 23, 1984*

High Life execs quit at Miller

MILWAUKEE—Two Miller Brewing Co. executives with responsibility for troubled High Life beer resigned last week as the review of the brand's advertising continued.

The first to leave was vp-brand management William Catlin, who resigned on July 19. No reason for the resignation or Mr. Catlin's future plans were given.

The following day, Miller announced the resignation of High Life brand manager Douglas Rogers. Again, no reason was given for his departure.

Succeeding Mr. Catlin as vp-brand management is Robert Toledo, formerly group product director. He reports to Miller president-ceo William Howell. No successor to Mr. Rogers was named.

Alan Easton, Miller's vp-corporate affairs, said the resignations had "no direct bearing on our continuing efforts to develop alternative advertising for Miller High Life that may result in a change of agencies."

Speculation increased last week

(Continued on Page 86)

For those big odors

Airwick Industries, Totowa, N.J., is using 15-second tv spots in a campaign for Stick Ups air fresheners breaking this week. They will be paired with commercials for other brands marketed by parent Ciba-Geigy Corp. The spots feature giant props to dramatize some of the biggest household odor problems. In each case, the item representing a big odor is brought down to regular size when the people "Stick it to 'em with Stick Ups." Bloom Agency, New York, created the spots.

Also: Atari, Weight Watchers items

Polaroid loss staggers DDB

By GAY JERVEY and BRIAN MORAN

In perhaps the darkest week of what has been a trying year for Doyle Dane Bernbach, the agency watched, almost helplessly, last week while two high-tech clients, Polaroid and Atari videogames, pushed bad-news buttons: Each client, representing a combined $40 million in billings, is pulling out of DDB.

Polaroid is taking away from DDB all but its international and professional/industrial advertising. The domestic consumer amateur photo products business, worth an estimated $30 million, is going to Ally & Gargano, New York.

On July 20, Polaroid chairman William McCune and chief operating officer I.M. Booth visited DDB International chairman Joseph Daly, one of the early account men on Polaroid, to tell him of the loss, nearly 30 years to the day the two companies first shook hands.

Ally & Gargano is already agency for Polaroid's PerfectData floppy discs account. Ogilvy & Mather handles Polaroid's video products line.

Atari, which was sold July 2 by Warner Communications to former Commodore Computer chairman Jack Tramiel, has reportedly told DDB it will concentrate its ads on Atari computers and will phase out its $10 million videogame budget. Wells, Rich, Greene, New York, which handles the $8 million Atari computer account, is expected to keep that business, although reports persist that Mr. Tramiel may throw that or other assignments to Ally & Gargano. Atari insiders report a firm decision will be announced July 24.

In a separate development, H.J. Heinz last week pulled its Weight Watchers ice cream, bread, fruit

(Continued on Page 86)

Block, W-L cold-fighters bow

By NANCY GIGES

Block Drug and Warner-Lambert are joining Pennwalt in introducing new cough/cold remedies for next season (AA, July 19), guaranteeing another year of heavy advertising expenditures.

In a category already crowded with entries from major marketers such as Johnson & Johnson, Bristol-Myers, A.H. Robins Inc., American Home Products and SmithKline Beckman, Block Drug is introducing an extra-thick liquid, called Efficol Cough Whip, while Warner-Lambert is rolling out Mediquell chewy cough squares.

The category is a new one for Block, best known for its entries in denture care and medicated shampoos. Although W-L already has cough/cold products under the Halls, Benylin and Sinutab names, with Mediquell it is aiming to create a new segment, positioning its cough tablet as more competitive to syrups than cough drops.

For Pennwalt, the introduction of Cold Factor 12 extends its growing list of products using a patented time-release delivery system.

Aimed especially at children, Block's Efficol is whipped into a pudding-like consistency to prevent spills and comes in banana bubble gum flavor. The product is available in three types: Cough suppressant/expectorant, cough suppressant/decongestant and cough suppressant/decongestant/antihistamine.

Ad spending, at a $12.7 million annual rate, breaks Oct. 15. During the season, Block's actual spending on

(Continued on Page 88)

Coke may tap Bates for agency-juggling act

By NANCY GIGES

Coca-Cola USA, in a move suggesting broad implications for the future of its agency lineup, is strongly considering switching Fresca diet soft drink from McDonald & Little, Atlanta, to parent Ted Bates Advertising/New York.

A Coca-Cola spokesman at first confirmed the reassignment but later said discussions are still going on. He pointed out that both agencies have been working on creative for the relaunch of ailing

(Continued on Page 86)

last minute news

Marsteller special-markets unit reorganized

CHICAGO—Marsteller Inc. has reorganized its Marsteller Special Markets Group, giving the unit more autonomy. It now has its own creative and media departments reporting to James Head, who remains the unit's director-special markets, and becomes a senior vp from group vp. The Marsteller unit specializes in business-to-business and retail accounts. It has about 25 employes serving 23 clients.

Kriemelman to head RKO Radio sales

NEW YORK—Arthur Kriemelman will resign on Aug. 1 as president of the Radio Network Assn. to become head of sales for RKO Radio Networks. That GenCorp unit currently is steeped in a $4 million overbilling scandal (AA, July 9). Mr. Kriemelman fills the spot vacated by Kevin Lyons, now head of sales for Lifetime cable network.

(Continued on Page 8)

NEWSPAPER

How bad is ad

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ABC draws fire; CBS leads ratings

Nets make news in S.F.

By DIANE MERMIGAS

The three tv networks knew they weren't likely to find big stories at last week's Democratic national convention: Walter Mondale was the virtually assured nominee and Geraldine Ferraro already was a household name before the show began. Still, the networks made some news themselves:

- ABC's decision to abort its live coverage of the convention July 17 in favor of entertainment programing prompted more viewer reaction than any other aspect of e network's performance.

CBS appeared to be the na nal ratings winner in common ne convention coverage, al ugh ratings were down over-all. ose ratings slumped despite the fact that the networks continued their trend away from gavel-to-gavel coverage. At press time, it appeared CBS and ABC were battling for the over-all convention coverage ratings lead.

Despite lower ratings, and despite the cost of covering conventions, the networks' had some good financial news. Ad revenues were expected to be up a third over four years ago.

- Overlong speeches from the podium forced the networks not to run some commercials, opening up the likelihood of make-goods during next month's Republican convention in Dallas.

ABC executives called their decision to preempt July 17 coverage with 20 minutes of a "Hart to Hart" rerun "the shape of things to come."

"If there's no news being generated, we're not obliged to cover it," declared David Burke, ABC News vp. "It was purely a news judgment. We were informed Jesse Jackson's speech had been pushed back an hour.

"We don't feel the need to have our anchors, reporters and producers running around the floor like crazy people trying to justify their expense accounts if there's nothing going on," Mr. Burke said. "The other networks will be doing the same thing we did four years from now."

The fact that only 20 minutes or so of "Hart to Hart" aired before ABC jumped back into live coverage prompted outraged viewers to light up the network's switchboards. ABC News officials

(Continued on Page 84)

BEST COPY AVAILABLE

Dairy board makes picks

At D'Arcy, it's milk & money

By JANET NEIMAN

CHICAGO—D'Arcy MacManus Masius was the big winner in the National Dairy Promotion & Research Board contest, which ended last week when the board named the Dairy Promotion Federation Assn., an industry organization, to handle an eight-month, $50.6 million advertising program.

D'Arcy and three other federation agencies—Foote, Cone & Belding; McCann-Erickson, and Vickers & Benson/TBWA—will share the wealth of the campaign by conducting the federation's network tv and magazine campaigns between Sept. 1 and April 30, 1985.

The campaigns will begin with existing creative work from the four federation member organizations: United Dairy Industry Assn., California Milk Advisory Board and the Oregon and Washington state dairy commissions.

The program allocates about $24 million for advertising cheese, $17 million for advertising fluid milk and $7 million for advertising butter. Another $3 million will go to a new campaign promoting the health benefits of calcium.

About 85% of the total will go to UDIA, and about 15% will go to the West Coast organizations (known as COW).

D'Arcy and V&B/TBWA, both Chicago, handle UDIA accounts; Foote, Cone, Los Angeles, and McCann, San Francisco, handle CMAB accounts.

D'Arcy will handle the federa-

(Continued on Page 86)

Chains pull ads after tragedy

OAK BROOK, ILL.—Count McDonald's Corp. among the victims of last week's shooting spree at its San Ysidro, Cal., restaurant.

After the shootings that left 37 persons dead or wounded, McDonald's found its name linked with murder in headlines across the country.

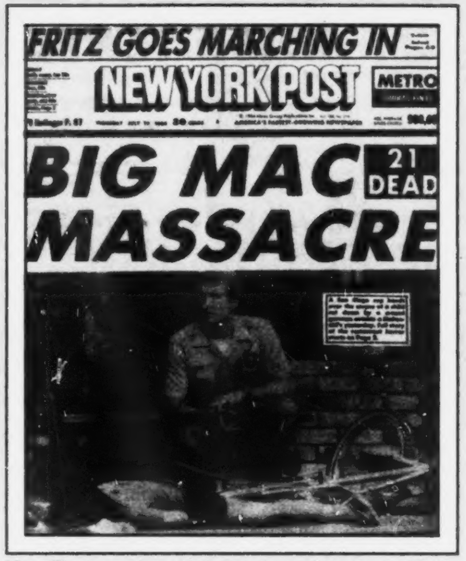
Although expressing confidence that the tragedy would have no lasting effect on its business, McDonald's halted its network advertising and suggested to its operator groups that they delay local advertising. The moratorium would be in effect "for a few days," after which McDonald's would "take the temperature" and determine when it would be appropriate to resume advertising, a company spokesman said.

McDonald's said the chain will donate $1 million to the San Ysidro Family Survivors Fund.

The ad suspension interrupted advertising support for McDonald's Olympics-themed scratch-card game promotion (AA, July 16) but is expected to be lifted before the Summer Olympics themselves begin on July 28. McDonald's reportedly will spend $35 million on tv advertising during the 16-day event.

Jeff Campbell, chairman of Burger King Corp., Miami, phoned McDonald's headquarters to offer any help his company could provide. When later informed of McDonald's decision to halt advertising, Burger King decided that it should follow suit

(Continued on Page 86)



FRITZ GOES MARCHING IN

NEW YORK POST

METRO

BIG MAC MASSACRE

21 DEAD

Headlines such as this one brought grim publicity to McDonald's, the leading fast-food chain.

Newspaper ad dollars up; so is competition

By WILLIAM GLOEDE

MAUI, HAWAII—Daily newspaper advertising and marketing directors, enjoying a banner year as ad revenues continue to surge, are turning their attention to something besides keeping their heads above water.

Newspapers are expecting to take in $23 billion in ad revenues in 1984, representing a 10% gain in national ad revenues, 12% in retail and 15% in classified. Over-all, the medium should post a 12.6% gain over '83, according to estimates from the Newspaper Advertising Bureau.

With the revenue picture looking bright, newspaper marketing executives meeting here last week for the summer conference of the International Newspapers Advertising & Marketing Executives (AA, July 19) were able to concern themselves with serving advertisers better and combating the onslaught of direct mail.

"Newspapers have made enormous efforts in the past decade, adapting to forces of change to remain the dominant advertising medium," said Craig Standen, NAB president. "But changes in our competitive environment are coming fast."

It used to be that newspapers considered tv their most formidable competitor. But the growth of direct mail—more specifically, "shared" mail—has forced newspapers to reevaluate their competitive strategy. Said Mr. Standen, "The threat of shared mail. . .concerns virtually every newspaper in the United States."

That reevaluation is causing dailies to examine how they set their advertising rates and is leading many to consider seriously what the chairman of one major newspaper advertising rep company calls "a leveling of our rates."

Joseph Lafferty, chairman of Branham Newspaper Sales, New York, said, "You can just feel the slight rumblings about [rate leveling] in the corridors.

Once that happens, then the conversations begin about how we're going to do it," he said.

The reason shared mail has been weaning preprinted inserts from daily newspapers is simple—it's less expensive, and offers advertisers blanket coverage of market areas as large as a city or as small as a neighborhood.

"We must maintain a concerted, industrywide effort to secure equitable postal rates for all," said Mr. Standen of the pricing issue. And on the issue of market coverage, "Individual newspapers can and must find ways to establish viable competitive alternatives to shared or direct mail in their markets."

The threat posed by shared mail was hammered home by A.E. Stine, Central region advertising director, K mart Corp., Troy, Mich. Mr. Stine is responsible for all advertising for K mart's 351 stores in Ohio, Indiana, Kentucky, the lower peninsula of Michigan and adjacent states.

Less than two years ago, newspapers carried most of K mart's preprints. And they welcomed the business, even though the circulars carried advertising that had previously run run-of-press and contributed to the size of newspapers' news holes.

Mr. Stine shifted almost all of K mart's Central region preprint distribution from newspapers to shared mail. The result: Newspapers in the Central region lost

(Continued on Page 88)

highlights

Monday, July 23, 1984

A familiar opponent of the alcoholic-beverage industry has gone to court asking that beverage marketers be required to list all ingredients on labels. *See Page 10.*

A combination of three major media companies appears to have muscled its way into the ranks of "major" movie studios, an exclusive club for four decades. *See Page 12.*

At age 70, George Allen has no intention of letting up. Although he has retired as senior vp at CBS Magazines, he is embarking on a consultant's career. *See Page 30.*

G. Heileman Brewing is continuing the use of comparative advertising in introducing its low-alcohol line extensions. *See Page 42.*

Metromedia Inc. knows it is behind in the new cellular radio market, so company officials, local partners and agencies are tight-lipped about plans to launch their mobile car telephone service in major cities. *See Page 64.*

Actor Paul Newman is adding popcorn to the list of food products carrying his name on the label. *See Page 78.*

CORPORATE CLOSEUP

In its native land of Bavaria, Loewenbrau is a regional beer. However, beer drinkers around the world likely would recognize the brand, thanks to the vagaries of international marketing. *See Page 4.*

INTERNATIONAL

Hong Kong advertising agencies are threatened by a massive "brain drain" of local Chinese talent when British rule over Hong Kong expires in 1997. *See Page 50.*

USA Today's move this month into the U.K., western Europe, Scandinavia, the Middle East and South Africa will have its greatest impact on the *International Herald-Tribune*, sources believe. *See Page 50.*

A.C. Nielsen Chile's plan to introduce cents-off coupons to Chilean consumers is running into trouble, due to opposition by the nation's supermarket union. *See Page 52.*

Spanish yachtsmen are turning to multinational advertisers to cover the rising costs of their adventures at sea, although international yacht racing traditionally has managed to survive without commercial support. *See Page 57.*

VIDEOTECH

Lifetime, the advertiser-supported cable network, is looking to overhaul its marketing and programing in light of poor ratings. *See Page 62.*

COMING THURSDAY

SPECIAL REPORT

Liquor marketers turn to brand identity and image to sell their products—a confusing process because the images some use in their advertising are the same.

Also in Thursday's edition:

Reportage: The bus-slotters one-day trek from New York to Atlantic City is not a cheerful sight.

Keith Reinhard tells of his experience as a judge at the International Advertising Film Festival in Cannes.

Robert Petersen has cultivated his personal interests into a giant publishing company.

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AD PAGES IN JULY CONSUMER PUBLICATIONS 73

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Post office may zap Zip code

By PAUL L. EDWARDS

NEW YORK—In a move that could end Zip codes' role in demographic selection for direct marketing, the U.S. Postal Service has been asked to implement new technology that would eliminate the need for mailers to include Zip codes in addresses.

The congressional Office of Technology Assessment has proposed that USPS install optical-scanning equipment that would read the address on the envelope, consult a computer directory for the proper Zip code and then print the code on the envelope in bar-code form.

Since the codes then would be used strictly for internal distribution, it would not be necessary to make the codes available for other uses.

"We made the proposal because we do not see the use of Zip+4 approaching the rate that the Postal Service initially projected," said Fred Wood, OTA project director. Two years ago when it introduced Zip+4, USPS predicted that within five years, 90% of all business users would adopt the nine-digit Zip code to expedite the flow of mail and to take advantage of an addi-

(Continued on Page 88)

ad linage

Advertising pages for U.S., Canadian, and foreign consumer publications—*July*

Art & Antiques

	Current month		Year-to-date	
	1984	1983	1984	1983
American Artist	78.0	95.9	496.2	461.6
Antiques	94.0	93.8	912.4	899.7
Antique Monthly	25.7	21.6	218.6	198.5
Art in America (11X)	—	—	786.5	664.6
Plate World (6X)	82.0	101.0	282.0	338.0
Southwest Art	60.3	54.5	506.3	576.3
Total Group	**340.0**	**366.8**	**3,202.0**	**3,138.7**
% change		**-7.3%**		**+2.0%**

Auto/cycle/rec. vehicles

	Current month		Year-to-date	
	1984	1983	1984	1983
AutoWeek	156.7	123.9	950.4	961.2
Car & Driver	94.2	84.6	653.6	640.8
Car Collector & Car Classics	15.6	20.5	136.7	146.5
Car Craft	84.8	61.8	517.7	539.5
Cycle	31.5	49.5	351.4	502.1
Cycle World	39.9	48.0	419.7	441.4
Dune Buggies & Hot VWs	92.7	73.4	567.2	457.1
Family Motor Coaching	177.7	147.3	1,042.1	825.4
4 Wheel & Offroad	77.4	61.5	517.4	450.9
Four Wheeler	84.1	47.5	515.3	268.0
Hot Rod	75.9	72.2	436.8	423.3
Motorcyclist	33.1	33.0	280.9	316.9
Motor Trend	73.5	70.1	453.9	454.9
Motorhome	95.4	89.3	636.4	520.9
Pickup, Van & 4 WD	34.3	42.0	210.0	236.5
Road & Track	119.1	92.6	713.5	683.9
3 Wheeling	30.8	28.7	210.2	181.5
Trailer Life	128.4	118.6	908.0	762.6
Total Group	**1,445.1**	**1,264.5**	**9,521.2**	**8,813.4**
% change		**+14.3%**		**+8.0%**

Boating & yachting

	Current month		Year-to-date	
	1984	1983	1984	1983
Boating	116.3	90.8	1,045.8	840.5
Chesapeake Bay	23.8	24.5	195.5	193.0
Cruising World	143.3	135.2	984.1	944.3
Lakeland Boating	53.0	42.7	411.1	348.4
Motor Boating & Sailing	120.9	108.5	1,180.2	1,008.6
Sail	101.0	90.0	971.9	817.2
Sea & Pacific Skipper	50.8	58.5	423.3	500.6
Small Boat Journal (6X)	—	—	139.8	126.1
Trailer Boats	22.8	18.5	271.3	184.6
Western Boatman (6X)	19.2	18.9	102.2	75.0
Yachting	143.7	129.7	1,222.1	1,068.8
Total Group	**794.8**	**674.6**	**6,947.3**	**6,107.1**
% change		**+17.8%**		**+13.8%**

Canadian

	Current month		Year-to-date	
	1984	1983	1984	1983
L'Actualite	43.0	33.7	437.1	333.1
Chatelaine				
English Edition A	57.5	64.2	667.8	584.5
French Edition	42.7	53.9	554.5	525.4
City Woman (5X)	—	—	116.7	76.1
Equinox (6X)	28.5	28.8	156.3	149.3
Financial Post Magazine A	36.3	9.3	304.4	216.0
Flare A	37.9	—	344.8	—
Homemaker's Magazine	67.9	73.8	432.4	505.4
Madam Au Foyer	65.3	59.0	402.4	395.8
Macleans (52X) A	58.5	50.9	807.3	630.4
Montreal Calendar	24.3	23.8	302.3	152.1
Montreal Ce Mois C	26.5	29.0	315.5	192.7
Quest Magazine (8X) A	—	—	123.2	210.2
Reader's Digest				
Canadian-English A	95.2	77.0	513.9	468.3
Canadian-French A	74.9	63.4	448.5	421.8
Toronto Life	61.9	55.6	589.0	549.7
Vancouver	62.1	55.6	443.1	477.7
Total Group	**782.5**	**678.00**	**6,959.2**	**5,908.5**
% change		**+15.4%**		**+17.8%**

Civic/fraternal

	Current month		Year-to-date	
	1984	1983	1984	1983
American Legion	18.0	18.5	174.3	198.4
Elks Magazine (10X)	—	—	140.2	157.5
Kiwanis Magazine	—	—	73.0	88.2
Lion (10X)	—	—	39.2	29.4
Moose Magazine	16.0	19.0	144.0	155.0
Rotarian	5.3	6.8	82.1	79.4
V.F.W. (10X)	—	—	191.5	196.5
Total Group	**39.3**	**44.3**	**844.3**	**904.4**
% change		**-11.3%**		**-6.6%**

Comics

	Current month		Year-to-date	
	1984	1983	1984	1983
Archie Comic Group (6X)	—	—	30.0	30.0
DC Comics	5.5	9.0	54.5	56.5
Marvel Comics Group	8.5	10.0	66.0	70.0
Total Group	**14.0**	**19.0**	**150.5**	**156.5**
% change		**-2.6%**		**-3.8%**

General

	Current month		Year-to-date	
	1984	1983	1984	1983
American Health (6X)	37.5	40.5	237.3	157.9
American West (6X)	17.8	25.5	90.7	108.2
The Atlantic A	38.6	33.4	317.2	260.3
Audubon Magazine (6X)	18.9	30.0	104.4	143.4
Bon Appetit A	68.7	52.2	553.1	507.1
Changing Times	34.3	37.8	304.6	282.3
Cuisine Magazine	34.3	32.2	340.1	237.9
Ebony	82.3	74.8	607.6	599.6
Fifty Plus	25.2	19.8	247.2	178.3
Food & Wine	29.6	23.8	244.2	232.7
Games	19.8	23.3	148.9	191.4
Geo	26.4	22.5	236.9	183.3
Gourmet	51.9	47.1	522.5	466.1
Home Entertainment (6X)	—	—	116.1	78.0
Harper's Magazine A	19.0	16.6	165.9	113.4
Life	64.1	70.0	425.8	400.2
Modern Maturity (6X)	46.1	36.7	125.4	117.7
Money	111.1	81.5	859.3	755.0
Moneysworth (4X)	—	—	40.0	51.8
Mother Earth News (6X)	47.9	52.3	208.7	248.9
Mother Jones (10X)	12.1	13.7	97.2	89.3
National Geographic	24.2	15.8	174.5	168.0
Natural History	25.0	29.2	296.7	250.1
Prevention	64.9	70.9	488.1	531.3
Psychology Today	21.3	26.9	168.5	185.7
Reader's Digest A	65.4	70.2	585.1	561.5
Saturday Evening Post (9X)	33.0	42.2	182.8	202.7
Signature	39.0	43.8	388.1	376.8
Smithsonian	51.1	52.4	575.3	476.2
Success	31.5	33.1	236.5	236.3
Town & Country	83.9	74.3	907.6	839.6
Travel/Holiday	26.8	25.1	332.4	296.1
Travel & Leisure	74.4	68.9	772.5	620.1
Vanity Fair	14.1	25.3	148.6	321.3
Video	56.0	60.5	445.1	427.7
Video Review	50.2	61.7	337.0	440.1
Writers Digest	21.9	31.9	171.8	175.9
Yankee	54.5	63.8	535.9	559.1
Total Group	**1,522.8**	**1,529.7**	**12,779.6**	**12,071.3**
%change		**-0.4%**		**+5.9%**

Home

	Current month		Year-to-date	
	1984	1983	1984	1983
Americana (6X)	25.1	30.3	144.6	132.1
Architectural Digest A	80.3	87.4	887.7	836.8
Better Homes & Gardens	98.6	87.2	797.4	724.0
Colonial Homes (6X)	51.1	45.5	257.6	233.8
Country Journal	22.9	23.9	231.4	258.7
Country Living	55.8	43.5	441.6	327.1
Dallas/Ft. Worth				
Home & Garden	71.1	65.4	496.4	457.9
Early American Life (6X)	—	—	90.6	74.2
Family Food Garden (6X)	—	—	153.0	227.2
Family Handyman (10X) A	76.7	71.8	479.8	422.5
Flower & Garden (6X)	—	—	129.9	131.8
Home	40.8	28.8	380.3	242.6
The Homeowner (6X)	—	—	125.6	77.3
House Beautiful	62.5	74.3	626.0	560.4
House & Garden	52.9	39.7	575.5	421.7
Houston Home/Garden	108.2	96.7	706.2	674.7
Metropolitan Home	40.9	40.7	468.5	384.4
New Shelter (9X)	48.1	46.3	283.8	275.4
1001 Home ideas	32.9	21.2	259.7	206.0
Organic Gardening	45.3	51.3	482.0	526.8
Phoenix Home/Garden	48.5	36.0	382.8	307.3
San Diego Home/Garden	75.7	65.2	478.3	464.2
Southern Accents (6X)	69.8	—	284.1	151.1
Southern Living	116.9	112.5	952.5	889.6
Sunset Magazine A	124.4	118.2	993.8	965.1
Texas Homes	115.6	85.8	574.2	496.6
Workbench (6X)	43.2	51.9	235.3	245.3
Total Group	**1,507.3**	**1,323.6**	**11,918.6**	**10,714.6**
% change		**+13.9%**		**+11.2%**

In-flight & other passenger

	Current month		Year-to-date	
	1984	1983	1984	1983
Aboard Group (7) (4X)	17.7	22.4	64.4	53.6
Alaskafest	58.5	60.5	337.4	307.8
American Way	99.1	85.8	710.5	620.4
East/West Network				
Amtrak Express	30.0	34.8	246.7	284.0
Continental	51.2	53.5	450.3	436.5
Eastern Review	101.8	74.8	817.9	689.4
Ozark	37.5	39.8	334.2	312.1
PSA Magazine	110.3	83.2	693.0	583.6
Pan Am Clipper	57.5	38.2	427.6	284.8
Republic Scene	50.7	49.7	429.9	370.5
United	112.0	74.0	781.5	631.3
USAir	47.5	57.2	436.7	411.8
Western's World	64.5	51.0	455.7	405.8
Halsey Publications				
Air Cal	47.2	45.5	331.7	259.8
Braniff	24.8	—	113.8	—
Delta Sky	59.5	60.5	533.6	438.2
Frontier	31.3	28.3	224.8	245.9
Northwest Orient	33.6	28.8	216.0	237.9
Skylite	20.2	19.3	137.7	118.6
TWA Ambassador	65.8	44.4	425.6	344.4
Hawaii	22.0	21.9	151.9	120.2
Pace (6X)	59.8	35.7	466.2	167.8
Southwest Airlines	86.1	88.5	637.6	686.9
Spirit of Aloha	22.8	17.8	154.8	107.7
Total Group	**1,311.4**	**1,115.6**	**9,579.5**	**8,119.0**
% change		**+17.5%**		**+18.0%**

Men's

	Current month		Year-to-date	
	1984	1983	1984	1983
Esquire	77.1	50.0	644.9	622.0
Firehouse Magazine D	30.0	36.1	380.1	365.7
Gentlemen's Quarterly A	64.6	52.3	881.8	634.1
Penthouse A	50.6	62.8	340.4	406.8
Playboy A	59.5	88.1	498.2	586.1
Total Group	**281.8**	**289.3**	**2,745.4**	**2,614.7**
% change		**-2.6%**		**+5.0%**

Metropolitan

	Current month		Year-to-date	
	1984	1983	1984	1983
Aloha (6X)	37.2	24.0	116.2	100.0
Atlanta	51.2	39.4	383.9	438.0
Baltimore	45.2	53.7	403.6	393.2
Boston	131.1	129.8	923.4	864.7
California	52.6	53.2	414.7	410.5
California Living	45.4	52.5	324.4	313.8
Charlotte (10X)	20.3	18.3	97.6	130.1
Chicago	113.8	84.6	886.8	903.0
Chicago's North Shore	69.3	83.8	568.0	546.4
Cincinnati	42.9	43.3	341.2	358.4
Cleveland	75.7	72.6	506.9	479.7
Coast (38X)	410.7	441.5	1,875.2	1,794.6
Columbus Monthly	73.0	87.7	446.0	444.5
Commonwealth	23.6	51.0	266.6	239.3
Connecticut	60.6	57.9	546.5	494.9
Country Magazine	32.3	33.5	271.0	194.2
D/Magazine, Dallas/Ft. Worth	113.1	111.4	828.2	746.0
Denver	28.5	29.7	196.4	220.5
Exclusively Yours,				
Wisconsin (15X)	45.9	54.0	447.0	446.4
Grand Rapids	55.7	58.2	369.3	325.6
Gulfshore Life (10X)	—	—	476.3	373.0
Honolulu	51.1	54.6	403.6	486.7
Houston City	79.0	83.3	563.3	462.2
Indianapolis	30.0	27[illegible]	306.1	292.5
Kansas City	28.9	28.5	221.6	202.7
Los Angeles	186.5	161.0	1,318.0	1,207.5
Louisiana Life (6X)	77.0	70.2	296.8	266.[illegible]
Madison	44.0	30.0	320.0	2[illegible]0.0
Metropolitan Detroit	61.4	—	331.9	—
Miami/South Florida	63.2	71.4	633.1	598.8
Milwaukee	47.8	20.9	270.1	93.1
Minneapolis/St. Paul	87.0	65.4	627.8	503.8
Monthly Detroit	36.5	35.9	425.8	392.5
Nashville	48.0	45.0	302.0	338.0
New Jersey Monthly	45.1	37.3	365.3	344.8
New Mexico	44.3	30.5	234.5	145.4
Ohio	46.3	43.6	396.7	309.1
Orlando	94.0	83.8	594.5	516.6
Palm Beach Life	25.5	28.3	538.6	503.4
Palm Springs Life	37.7	40.5	791.4	757.1
Philadelphia	109.5	114.0	847.6	826.4
Phoenix	80.3	77.7	572.8	486.2
Pittsburgh	42.5	53.4	420.2	393.6
St. Louis	62.0	57.0	407.0	372.0
San Diego	139.5	115.6	1,005.2	913.6
San Francisco	82.7	46.2	474.2	399.8
San Francisco Focus	59.2	33.5	388.5	298.0
Shenandoah/Va				
Town&Country (6X)	46.0	38.6	188.5	139.5
Tampa Bay	63.9	38.5	336.6	93.9
Texas Monthly	95.6	89.3	858.9	765.9
Twin Cities	53.8	44.5	449.6	342.2
Ultra Magazine	97.2	43.8	544.1	400.3
Washington Dossier	31.3	26.5	326.5	296.8
The Washingtonian	129.0	111.0	973.5	920.2
Total Group	**3,753.9**	**3,399.6**	**27,423.5**	**24,548.2**
% change		**+10.4%**		**+11.7%**

Movie/romance/radio/tv

	Current month		Year-to-date	
	1984	1983	1984	1983
Macfadden's Women's Group				
Modern Romances	21.5	24.1	149.4	159.3
Secrets	21.5	24.1	149.4	159.3
True Confessions	21.5	24.1	149.4	159.3
True Experience	21.5	24.1	149.4	159.3
True Love	21.5	24.1	149.4	159.3
True Romance	21.5	24.1	149.4	159.3
Sterling Women's Group				
Daytime TV	29.5	29.2	194.5	212.3
Modern Screen	—	23.2	61.5	151.7
Movie Mirror (6X)	—	—	61.5	90.7
Soap Opera Stars	—	23.3	73.0	171.0
TV Movie Screen	—	29.2	10.0	126.6
TV Picture Life	—	—	82.0	29.3
Teen Bag (6X)	6.0	—	37.0	19.[illegible]
Total Group	**164.5**	**249.5**	**1,415.9**	**1,756.8**
% change		**-34.1%**		**-19.4%**

Music/entertainment

	Current month		Year-to-date	
	1984	1983	1984	1983
American Film (10X)	26.3	26.9	167.1	176.9
Audio	55.9	55.9	422.2	342.1
Circus Magazine	28.9	31.1	242.1	195.7
Dance Magazine	43.8	46.7	454.7	451.5
Musician	68.3	66.2	433.1	448.2
Playbill	42.7	40.1	403.8	350.4
Record	19.8	13.7	156.9	61.3
Stereo Review	36.7	44.3	387.3	335.6
Total Group	**322.4**	**326.9**	**2,587.2**	**2,361.7**
%change		**-1.4%**		**+9.5%**

Newspaper, Sun. magazines

	Current month		Year-to-date	
	1984	1983	1984	1983
Family Weekly A	64.3	59.8	415.9	514.8
Parade	45.3	66.0	368.5	466.7
Total Group	**109.6**	**125.8**	**784.2**	**981.5**
% change		**-12.9%**		**-20.1%**

Outdoor & sport

	Current month		Year-to-date	
	1984	1983	1984	1983
Alaska	41.1	36.2	292.9	281.5
The American				
Handgunner (6X)	35.0	39.5	154.6	154.7
American Hunter	19.5	14.6	114.5	111.5
American Rifleman	21.2	24.8	176.8	176.8
Backpacker (6X)	49.2	45.9	172.8	204.7
Bass Master (8X) A	35.6	36.9	34[illegible]	338.5
Bicycling (9X)	112.8	106.5	6[illegible].3	640.0
Field & Stream	84.9	51.4	625.6	668.0
Fins & Feathers A	25.9	33.8	343.7	309.4
Fishing World (6X)	23.8	22.2	190.9	190.8
Florida Sportsman	61.5	48.2	649.2	514.4
Flying	45.3	40.1	299.9	284.9
Fur-Fish-Game	19.8	17.0	152.0	143.4
Golf Digest	72.6	80.6	698.4	661.6
Golf Magazine	36.6	39.7	603.4	535.6

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. July figures include annual buyers guide. E. July, '84 figures include two issues, July '83 figures include one issue. F. July, '84 figures include two issues, July, '83 figures include three issues. " .ll affiliated with Sunday Mag/Net, except Los Angeles Times Home Magazine and New York Times Magazine.

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ad linage

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	Current month		Year-to-date	
	1984	1983	1984	1983
Guns	28.4	26.5	192.0	184.5
Guns & Ammo	93.4	49.2	337.5	332.5
Muscle & Fitness	112.0	101.0	753.0	718.0
Outdoor Life	52.5	46.6	569.8	539.9
Outside Magazine	41.2	53.0	264.4	271.5
Petersen's Hunting	88.4	29.6	276.0	226.2
The Runner	41.2	40.7	303.9	269.0
Runner's World (13X)	63.9	44.5	341.8	328.0
Salt Water Sportsman	48.0	46.4	545.3	430.1
Shooting Times	37.4	32.9	246.6	231.7
Ski (7X) A	—	—	249.2	209.7
Skiing (7X)	—	—	215.3	209.5
Skin Diver	78.9	80.7	567.8	536.8
Southern Outdoors (8X)	33.2	35.7	233.1	246.4
Sport	39.3	38.1	314.8	271.4
Sports Afield	58.2	54.6	615.2	597.3
Tennis	108.0	96.1	597.7	554.5
Western Outdoors (10X)	—	—	270.2	191.7
World Tennis	66.6	56.7	320.5	342.8
Total Group	**1,675.4**	**1,469.7**	**12,441.5**	**11,907.3**
% change		**+14.0%**		**+4.5%**

Photography

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Photographer	40.5	42.4	290.4	344.4
Petersen's Photographic	29.2	35.4	228.3	230.8
Popular Photography	97.8	107.3	671.0	799.1
Total Group	**167.5**	**185.1**	**1,189.7**	**1,374.3**
% change		**-9.5%**		**-13.4%**

Religious

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
BBI Jewish Monthly (10X)	—	—	149.7	134.2
Christian Herald	27.0	31.1	194.4	196.8
Christian Life	30.5	27.1	189.7	184.6
Christianity Today	32.8	27.7	403.8	391.0
Inside (4X)	—	—	152.5	134.7
Moody Monthly	37.2	37.7	349.0	346.3
Today's Christian Woman (6X)	24.0	73.7	144.0	73.7
Total Group	**151.5**	**197.3**	**1,583.1**	**1,461.3**
% change		**-23.2%**		**+8.3%**

Science/electronic/mechanic

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Compute	52.7	133.1	577.9	937.8
Computers & Electronics	36.3	58.4	318.6	430.0
Creative Computing	102.3	170.4	877.0	1,267.8
Discover	27.0	28.7	257.6	298.3
Family Computing	38.2	—	393.1	—
Mechanix Illustrated	53.7	45.2	495.2	471.1
Omni	62.1	52.8	424.3	410.9
Natural History	25.0	29.2	296.7	250.1
Personal Computing	124.5	210.7	1,076.5	1,357.9
Popular Mechanics	67.1	74.9	670.3	682.3
Popular Science	45.1	63.7	587.9	583.7
Science Digest	25.8	37.1	203.6	228.3
Science 84 (10X)	33.4	43.8	204.1	230.7
Scientific American	43.0	34.8	438.3	338.8
Spectrum	81.5	69.1	686.8	545.0
Total Group	**817.7**	**1,051.9**	**7,507.9**	**8,032.7**
% change		**-22.3%**		**-6.5%**

Women/fashion/service

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Bride's Magazine (6X) A	440.0	378.0	1,447.5	1,369.2
Cosmopolitan A	164.5	166.2	1,427.3	1,322.3
Essence	77.2	82.7	570.0	556.4
Family Circle A , E	171.6	121.9	999.9	979.4
Glamour	111.6	99.5	1,144.7	1,028.8
Good Housekeeping A	120.9	141.0	1,074.4	1,099.5
Handmade (6X)	23.0	—	90.3	56.7
Harper's Bazaar	75.0	55.5	884.3	748.7
Health	33.0	24.4	252.5	227.9
Ladies' Home Journal	91.5	101.4	701.8	633.5
Ladycom	42.3	30.4	262.9	227.9
Lady's Circle	5.5	6.5	49.9	58.7
Mademoiselle	91.5	81.9	897.4	809.9
McCall's	84.5	81.6	614.8	570.1
Modern Bride (6X)	395.5	378.4	1,238.7	1,160.2
Ms	49.9	40.6	351.3	290.8
New Woman	42.8	42.6	340.4	322.1
Parents Magazine A	58.8	71.7	496.1	507.9
Playgirl	39.0	36.7	275.6	311.1
Redbook	87.1	84.1	625.0	564.1
Self	73.4	56.4	649.2	492.1
Seventeen	68.8	65.6	777.0	643.3
Shape	58.0	54.0	394.0	347.0
Soap Opera Digest	39.6	26.8	203.8	172.4
'Teen Magazine	42.2	38.4	342.7	321.8
True Story A	51.7	55.0	393.7	395.8
Vogue	142.9	123.2	1,570.0	1,351.1
W Magazine F	53.9	53.2	661.1	555.3
Weight Watchers	25.0	23.2	204.3	184.8
Woman's Day A	83.5	88.2	793.4	811.4
The Workbasket (10X)	—	—	222.2	226.4
Working Mother	68.1	60.6	480.6	438.1
Working Woman	69.7	58.7	661.0	581.3
Total Group	**2,982.0**	**2,728.4**	**21,097.5**	**19,366.0**
% change		**+9.3%**		**+8.9%**

Youth

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Boys' Life	16.5	18.2	121.2	149.1
Campus Life	28.6	26.0	252.7	242.3
Total Group	**43.1**	**44.2**	**373.9**	**391.4**
% change		**-2.0%**		**-4.4%**

June

Business

	Current month		Year-to-date	
	1984	1983	1984	1983
Atlanta Bus. Chronicle (52X)	38.3	30.4	285.1	195.5
Barron's (52X)	160.6	179.8	1,179.6	1,202.2
Black Enterprise	182.4	173.0	416.5	396.1
Boston Business Journal	104.8	62.6	548.6	377.5
Business Week (52X) A	383.7	381.0	2,327.8	2,152.7
California Business	76.7	75.3	535.1	408.9
Capital District Bus. Review	35.5	35.8	274.1	213.6
Corporate Report/Kansas City	67.3	47.1	384.2	274.6
Corporate Report/Minnesota	76.2	90.3	513.3	490.2
Crain's Chicago Bus. (52X)	113.1	113.2	795.3	710.7
Crain's Cleveland Bus.	56.1	48.7	375.1	296.3
Dallas/Ft. Worth Bus. (52X)	47.5	32.5	245.1	198.7
Dun's Business Month	76.1	72.3	406.9	374.9
Financial World (24X)	37.6	25.2	196.0	236.2
Florida Trend	68.1	80.7	531.6	438.4
Forbes (28X)	249.7	208.4	1,720.6	1,441.9
Fortune (26X)	207.4	239.4	1,622.3	1,416.8
Frequent Flyer	48.1	45.5	341.3	292.3
Futures Magazine	46.0	44.0	340.0	338.0
Hawaii Business	46.9	55.1	283.7	282.2
High Technology D	23.4	21.0	222.6	192.3
Houston Bus. Journal (52X)	147.4	149.1	866.0	896.3
Income Opportunities (10X)	46.0	44.6	276.2	251.1
Indianapolis Business Journal	118.0	74.1	642.2	510.7
Industry Week (26X) A	107.8	129.8	667.0	574.6
Minnesota Business Journal	50.5	36.9	311.5	238.4
Nation's Business A	21.3	21.4	141.6	166.9
New England Bus. (20X) B	94.3	95.3	443.3	395.3
New Orleans Citibusiness	97.4	90.2	698.7	690.8
Pacific Business News (52X)	105.7	90.7	623.1	575.2
Philadelphia Bus. Journal	96.6	57.1	631.3	335.4
Pittsburgh Bus. Times (52X)	47.6	39.3	299.5	286.1
Savvy	34.7	33.5	257.7	244.8
St. Louis Business Journal	168.4	105.1	810.8	629.0
Texas Business	71.2	68.4	380.8	315.6
Venture	98.6	57.1	482.0	328.8
Total Group	**3,781.8**	**3,375.9**	**20,745.7**	**18,066.4**
% change		**+12.0%**		**+14.8%**

Newspaper Sunday magazines*

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Arizona Republic	50.0	56.5	394.6	410.9
Boston Globe	187.7	151.4	1,194.6	1,032.7
Chicago Tribune	64.5	69.1	419.7	499.8
Cincinnati Enquirer	74.1	61.4	446.8	428.3
Cleveland Plain Dealer	52.6	90.0	361.2	495.8
Columbus Dispatch	41.9	42.8	278.0	264.4
Denver Post	77.2	96.5	449.4	600.4
Detroit News	89.6	89.6	544.0	559.0
L.A. Times Home Magazine	106.8	95.0	628.4	491.2
Louisville Courier-Journal	57.3	64.1	423.0	510.9
Miami Herald	48.7	51.4	308.6	329.5
New York News	15.0	69.5	216.0	364.1
New York Times Magazine	268.5	219.0	2,178.0	1,882.0
Philadelphia Inquirer	48.8	48.2	348.9	370.1
Toledo Blade Magazine	47.0	41.2	286.0	283.7
Washington Post	88.5	97.7	665.8	638.1
Total Group	**1,318.2**	**1,343.4**	**9,143.0**	**9,161.0**
% change		**-1.9%**		**-0.2%**

Weeklies/bi-weeklies

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
The Advocate (25X)	95.3	108.6	584.1	531.2
Army Times Military Group				
Air Force Times (52X)	141.6	142.7	878.5	860.4
Army Times (52X)	128.5	143.5	834.4	837.0
Navy Times (52X)	148.0	160.5	945.6	965.9
The Times Magazine	16.7	21.8	103.4	97.0
The Blood-Horse (52X)	340.3	359.2	2,826.7	2,681.8
Capper's Weekly (26X)	17.4	18.1	162.2	163.8
Commonweal (22X)	2.6	5.1	43.1	44.7
Golf World (43X)	104.5	87.0	515.6	513.6
Grit (52X) A	15.3	17.0	143.3	160.1
National Journal	20.0	29.0	166.6	154.0
National Review	32.6	31.2	165.6	187.2
New Republic (48X)	34.2	32.1	183.4	191.3
New Yorker (52X)	225.6	229.9	1,700.1	1,673.0
Newsweek (52X) A	213.1	218.0	1,367.7	1,327.3
People (52X)	330.7	252.4	1,813.6	1,598.1
Rolling Stone (25X)	86.3	90.6	493.2	505.0
Sporting News (52X)	33.5	52.9	282.1	336.1
Sports Illustrated (52X) A	195.5	239.7	1,284.2	1,356.8
Time (52X) A	201.7	188.0	1,307.3	1,304.6
Travelhost (52X) C	—	—	—	—
TV Guide (52X) A	233.9	203.9	1,818.6	1,799.6
Us Magazine (26X)	30.2	38.4	436.0	511.2
U.S. News & World Report (52X) A	144.3	137.9	808.7	887.4
Total Group	**2,791.8**	**2,807.5**	**18,864.0**	**18,687.1**
% change		**-0.6%**		**+0.9%**

Foreign

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Good Housekeeping Foreign Editions:				
Australia	31.4	31.0	180.1	205.3
Japan	77.0	63.0	400.1	318.6
Great Britain	149.9	146.1	697.8	642.8
Buenhogar:				
Central America	3.0	2.0	7.5	11.0
Chile	2.0	2.0	4.0	7.0
Colombia	38.7	42.7	147.3	216.5
Dominican Republic	3.5	12.3	32.5	73.7
Ecuador	12.0	14.0	68.5	49.3
Mexico	37.0	24.7	194.3	254.3
Peru	21.0	34.7	89.5	109.7
Puerto Rico	14.0	23.5	88.5	82.8
U.S.	8.7	17.5	60.2	51.5
Venezuela	33.7	26.0	119.3	128.5
Geomundo:				
Central America	8.5	4.0	30.3	26.0
Chile	7.5	4.0	28.3	29.0
Colombia	13.5	14.0	46.5	59.0
Ecuador	5.0	4.0	19.0	24.0
Mexico	10.0	6.0	38.8	38.5
Peru	6.5	7.0	28.3	33.0
Puerto Rico	2.5	2.0	16.3	21.0
Venezuela	12.5	9.0	57.8	64.7
Hombre De Mundo:				
Central America	5.0	8.0	28.0	34.3
Chile	4.0	8.0	31.0	33.0
Colombia	11.0	16.5	46.0	56.5
Ecuador	1.0	8.0	23.0	33.0
Mexico	17.5	17.3	65.0	65.8
Peru	3.0	10.0	25.0	27.0
Puerto Rico	7.0	9.5	38.0	31.8
Venezuela	20.5	14.5	81.0	91.3
Ideas Para Su Hogar:				
Central America	—	—	1.5	2.0
Colombia	25.5	32.8	85.5	138.3
Ecuador	10.0	4.0	31.5	14.0
Mexico	11.3	6.3	45.3	90.8
Peru	8.0	10.5	32.0	25.5
Puerto Rico	0.5	1.0	3.5	6.0
Venezuela	26.5	15.0	82.7	76.0
Mecanica Popular:				
Argentina	6.8	6.8	35.7	42.5
Central America	15.0	13.5	79.2	75.5
Chile	7.8	6.7	36.0	37.7
Colombia	20.0	19.7	80.0	105.3
Mexico	14.8	8.3	64.5	56.5
Peru	22.7	24.5	100.0	108.0
Puerto Rico	15.7	17.0	87.3	88.8
Venezuela	19.7	17.5	91.0	128.7
The Ring en Espanol:				
U.S.	3.0	5.3	18.3	17.7
Venezuela	1.0	1.0	7.0	4.0
Vanidades Continental:				
Central America	10.5	8.2	39.3	41.3
Chile	5.0	3.0	11.0	24.5
Colombia	65.7	74.0	301.0	341.5
Dominican Republic	6.7	13.0	48.2	112.0
Ecuador	21.2	13.2	101.5	63.3
Mexico	86.0	65.8	435.2	536.7
Peru	26.0	25.7	118.2	135.2
Puerto Rico	35.3	30.0	225.3	227.7
U.S.	37.0	42.8	243.0	272.7
Venezuela	44.3	36.2	221.8	290.7
Business Week Int'l	124.8	163.7	731.6	834.1
Cosmopolitan Foreign Editions:				
Australia	52.9	48.4	319.5	344.8
Brazil	37.4	53.5	196.4	250.0
France	158.5	103.0	892.7	561.0
Germany	95.5	68.0	548.5	343.0
Great Britain	140.0	141.3	645.3	608.8
Greece	70.0	80.0	341.0	319.0
Holland	70.0	50.0	307.0	270.0
Italy	52.0	78.2	311.7	352.8
Japan	37.3	44.3	180.0	232.2
Cosmopolitan en Espanol:				
Central America	3.0	1.3	7.0	13.5
Colombia	18.2	15.5	55.2	75.8
Ecuador	1.0	1.3	3.0	6.7
Mexico	46.3	40.3	236.5	300.7
Peru	5.0	6.7	12.0	42.0
Puerto Rico	29.8	23.2	174.7	128.3
U.S. (Spanish language)	18.2	19.7	105.7	91.0
Venezuela	23.5	11.5	90.5	81.8
International Communications:				
African Business	23.8	27.2	167.5	170.3
New African	22.0	22.3	103.6	139.2
The Middle East	17.3	31.6	121.1	167.6
International Management:				
Africa	9.5	14.7	70.5	86.8
Europe	44.0	46.8	225.3	246.3
Latin America	9.5	10.7	45.8	79.7
Middle East	12.0	31.0	69.8	117.0
Pacific	11.5	18.3	73.3	95.5
Johnston International:				
Alam Attijarat	78.8	78.1	329.8	346.7
Ejecutivo	12.3	16.6	22.8	37.0
Modern Africa	27.8	29.3	60.5	67.1
Modern Asia	27.3	39.8	146.8	186.3
Newsweek International A:				
Atlantic	80.4	102.2	505.5	529.2
Latin America	12.9	19.0	135.4	160.0
Pacific	66.3	71.2	383.6	391.9
Progreso (9X)	6.8	12.5	24.9	45.5
Reader's Digest:				
Arabic	11.0	13.0	57.0	55.0
Asian	264.5	284.0	1,016.0	1,150.5
Australian	68.8	72.3	430.0	356.2
Belgian-Flemish	109.0	141.5	388.5	545.0
Belgian-French	64.0	105.5	283.5	422.0
British	59.2	74.7	310.9	373.9
Chinese B	107.0	107.0	559.0	436.8
Danish	34.3	48.8	225.7	249.4
Dutch	41.5	58.3	238.5	207.4
Finnish	23.5	100.5	208.5	353.0
French	79.3	78.8	252.1	363.4
German	90.6	89.8	456.5	449.7
Greek	17.0	—	56.5	—
Iberian	19.5	20.0	96.0	93.5
Indian-English	84.0	70.0	465.5	382.0
Indian-Hindi	6.5	4.0	23.5	16.5
Italian	40.0	71.0	250.5	309.0
Japanese	43.8	55.4	234.6	292.1
Korean	25.0	20.5	133.0	99.4
Latin American:				
Argentina	15.5	19.5	90.5	62.0
Brazil	4.0	9.0	11.0	53.0
Central American	7.5	16.0	38.5	62.5
Chile	9.5	14.0	64.0	60.5
Colombia	28.5	60.5	117.5	180.0
Ecuador	5.0	13.0	42.5	50.0
Mexico	48.4	41.3	216.4	256.7
Peru	6.0	12.0	45.0	48.5
Puerto Rico	5.0	8.50	34.0	31.5
U.P.B.	5.5	12.0	38.0	54.0
U.S. Spanish	12.5	18.5	48.0	75.5
Venezuela	12.5	18.0	56.0	75.0
New Zealand	93.5	95.5	354.0	462.5
Norwegian	43.0	53.3	223.6	237.1
Portugal	44.0	44.5	200.3	231.0
South African	125.5	106.5	499.8	475.0
Swedish	10.0	17.0	84.0	130.5
Swiss-French	31.0	35.0	172.9	193.7
Swiss-German	49.0	44.0	225.4	244.2
Time International:				
Time-Asia	82.4	92.4	504.3	534.6
Time-Atlantic	104.3	109.2	597.8	558.8
Time-Canada	161.8	118.4	1,056.0	857.1
Time-Latin America	48.9	42.7	245.2	253.6
Time-South Pacific	126.4	133.4	602.4	684.5
Visao	157.8	146.0	838.6	841.9
Vision/Latin America (26X)	33.4	37.8	152.1	160.6
Total Group	**5,044.9**	**5,365.9**	**25,323.5**	**26,695.8**
% change		**-6.0%**		**-5.1%**

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Advertising Age

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$1.25 a copy; $52 a year *The International Newspaper of Marketing* *Thursday, July 26, 1984*

Best laid plans

The first of three Pacific Bell tv spots breaking this week shows an architect electronically relaying plans to another location. Foote, Cone & Belding, San Francisco, handles. *(See story on Page 3.)*

Olympic advertisers: Let the games begin

An Advertising Age roundup

The torch that lights up the 1984 Summer Olympics flame this week is igniting the tv advertising plans of more than 60 companies muscling in for viewer attention.

More than 130 official sponsors, suppliers and licensees have contributed to the $500 million-plus budgeted to operate the games, which run from July 28 to Aug. 12.

Just as significant are the advertisers that have bought time on ABC-TV's coverage of the games, more than covering the $225 million ABC paid for broacast rights.

Though the games reign as the tv darling of the summer, they are not likely to be used as a stage for new campaigns.

The reason is twofold. First, holding back on a campaign until the games begin forces the advertiser to miss out on much of the pre-games hype and promotions. Waiting to run a new spot also leaves the "official" sponsor vulnerable to competitors already running Olympics-themed spots.

Second, the games run for two weeks, during which audiences rise and fall with the time of day and popularity of the event. To receive the full impact of a new campaign launch, the advertiser would have to maintain costly weight throughout the games.

Still, the games are prime advertising property, even with the brouhaha that surrounded the Soviet-bloc boycott.

The following are highlights of what some advertisers are planning to showcase:

Transamerica Corp., the games' official insurance company, breaks a new campaign Aug. 1 with a spot, using a scale-model of San Francisco, the company's headquarters, which shows King Kong scaling the famous Transamerica pyramid building after wreaking havoc on the city's streets.

The spot uses the company's ongoing theme line, "Transamerica: Insurance, finance, manufacturing, transportation, innovation. The power of the pyramid is working for you."

Transamerica is running 53 spots

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McDonald's net tv buys up to $80 million for fall

By SCOTT HUME

McDonald's shift in advertising emphasis from local to network tv is taking shape.

Its operators last fall voted to increase from 1.25% of sales to 2% their contribution to the Operators National Advertising Fund, boosting the money available for network advertising to approximately $125 million.

That increase not only made possible McDonald's $35 million Olympics buy, but will allow it to boost its network presence next season.

Sources say McDonald's upfront network buy for the fall totals $80 million, a 60% increase over last year's $50 million upfront package.

McDonald's in the past has been an active sponsor of family-oriented network specials, especially those with high appeal for children. But network sources say McDonald's, now with an extra $30 million in its coffers, is considering buying time during specials more intently than ever before.

According to one source, the chain hopes to be a primary advertiser during at least one major network special per quarter.

While it will not compromise the family image it has worked so long and hard to establish, McDonald's is considering involvement with programing that is more controversial than it has in the past. Made-for-tv movies that positively deal with delicate issues, such as last season's "The Trouble with Amelia" (which examined incest), may get McDonald's sponsorship.

McDonald's officials could not be reached for comment.#

JWT to lose financial chief

By STEWART ALTER

New York—Herbert Eames Jr., who joined JWT Group as exec vp-chief financial officer when the agency holding company was first formed in 1980, is leaving.

Mr. Eames, 48, has been the agency's chief financial officer during the period when it had to restate its 1981 earnings downward because of irregularities associated with its syndication unit. However, the agency said his leaving has nothing to do with that episode. JWT's second-quarter figures indicate the agency has recovered and is recording new highs in commissions, fees and pretax earnings.

"Mr. Eames has expressed an interest [in] more operating responsibility in a larger company," said an agency spokeswoman. "He intends to leave and pursue that." Mr. Eames was on vacation and could not be reached for comment.

Mr. Eames, who joined JWT after three years

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Palmer Brown merging with Kalish & Rice

By DAVID SNYDER

Washington—Earle Palmer Brown Cos., the area's largest independent ad agency, is merging with Kalish & Rice, Philadelphia, establishing Brown as a leading player in the mid-Atlantic agency market.

The deal, which results in combined annual billings of $87 million, culminates more than three months of negotiations and marks the boldest expansion effort yet by Bethesda, Md.-based Brown. The agency long has stated a desire to increase its presence beyond Washington and go head-to-head with New York agencies for a greater share of mid-Atlantic accounts.

Brown's arrival in Philadelphia follows the opening this year of service offices in Baltimore and Richmond, Va., and a failed attempt last fall to merge with Eisner & Associates, Baltimore.

The merger with Kalish should set the stage for

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New cigaret design debuts in Canada

Rothmans cuts smoke

By MICHAEL DEIBERT

Toronto—A "low-smoke" cigaret being touted as the biggest breakthrough in cigaret products since the introduction of "light" brands is being test-marketed in Ontario by Rothmans of Pall Mall Canada.

Rothmans spent two years and $1.1 million developing the new brand, known as Passport.

The cigaret is described by company officials as a mid-tar cigaret that emits only half the "sidestream" smoke—that which is given off when the smoker is not puffing on the cigaret—of regular brands.

The "low-smoke" effect is achieved with a specially designed filter and new type of paper, according to Rothmans.

The cigaret has a filter that includes a small plastic insert that prevents smoke from entering the air when the cigaret is not being puffed on.

The brand now is being tested in London, Ont., and St. Thomas, said Peter Bone, executive director of pr for Rothmans.

If the test is a success, the brand will be rolled out nationally, according to Carl Katz, director of corporate planning for Rothmans in Toronto. Mr. Katz declined to comment on how long the test would last.

Rothmans is an autonomous division of the Rothmans World

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NEWSPAPER

Wall Street split on DDB's outlook

By STEWART ALTER

Is the worst over for Doyle Dane Bernbach?

Wall Street, reacting to DDB International's loss of the domestic Polaroid business and the imminent departure of the Atari videogames account (AA, July 23), has mixed emotions. Some analysts say the worst is now over for the agency; others warn that DDB must show it can replace those two prestige clients.

"Over the last two years, there have been consistent questions about the agency's vulnerability, with the possible losses of the Polaroid and Atari accounts mentioned most frequently," said Jerry Levine, a vp at Merrill Lynch, Pierce, Fenner & Smith. "Once that news is out, you can't really raise those questions anymore about the agency's vulnerability. Substantially, the worst is over."

Although the clouds of Polaroid and Atari may have cleared, another analyst felt that the hard questions about DDB still must be

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BEST COPY AVAILABLE

Ford in Vanessa's future?

By PAT SLOAN

Vanessa Williams, deposed for what she exposed, may not be without work for long.

The first black Miss America turned in her crown after it was revealed she was revealed in nude photos in *Penthouse* (AA, July 23).

Seeking a career in entertainment, Ms. Williams has received an endorsement from the doyenne of the modeling industry, Eileen Ford, who presides over Ford Models in New York. Ms. Ford, reached in Rome, noted that although she knew nothing about the controversy Ms. Williams' photos caused, "it would be very hard to discourage me" about Ms. Williams' modeling future.

But Ms. Ford's competitors at EliteModel Management aren't likely to raise her bid, if she makes one. "We won't be offering Ms. Williams anything," said a spokeswoman for the New Faces division, because "she's too short."

During her reign as Miss America, Ms. Williams, in addition to personal appearances, was expected to fulfill her duties by working for pageant sponsors including Gillette, American Greetings and Nestle. She also made a cameo appearance in Diet Coke ads.

While representatives from Coca-Cola Co. and Nestle have said no further plans were made before the *Penthouse* disclosure, so no future advertising is affected, Gillette has nixed promotional tie-ins to the pageant using Ms. Williams. And American Greetings has canceled print ads featuring her that were to have run in five national women's magazines, but still plans to be a corporate sponsor of the next Miss America Pageant on Sept. 15 and participate in promotions.

Some 5 million copies of the September *Penthouse* featuring the 10-page portfolio of Ms. Williams' nude photos were rushed to newsstands earlier this week. Cover price is $4, $1 more than usual for the special issue, marking the monthly's 15th anniversary of U.S. publication.

The publicity over Ms. Williams' photos is a particular boon to *Penthouse* because more than 94% of the magazine's circulation comes from single-copy sales. For the six months ending Dec. 31, *Penthouse's* average single-copy sales were 3.3 million.#

Fonda garb not working out

By PAT SLOAN

New York—Jane Fonda Workout's sportswear and fitness garb, introduced by Capri Beachwear only this year, already may be running out of steam.

All advertising for the line is "on hold," said Jack Fiman, exec vp at Zimmerman, Gallanty & Fiman, Santa Monica, Cal. The line had been expected to get more than $2 million in ad spending this year via the agency (AA, March 26, *et seq.*).

About $800,000 has been spent, primarily for the initial April tv flight in 14 markets, Mr. Fiman said.

A substantial amount of clothing was delivered to retailers earlier this year, and "some of the stuff didn't sell," he said, adding that there are plans now to drop many of the sportswear designs and concentrate on exercise clothing such as leotards.

Asked whether the account was in jeopardy, Mr. Fiman said, "Only to the extent that they [may not] spend any money." He said his agency has submitted a trade campaign to the company and is waiting for Capri to okay it.

Century Factors reported last week that it expects to lose as much as $750,000 for the first six months of this year due to what it claims to be more than $4 million in losses on loans it made to Capri for the Fonda line.

Three other factoring companies—Ambassador Factors, Meinhard-Commercial Corp. and NatWest Commercial Services—have filed a Chapter VII bankruptcy petition here. The petition asks for the liquidation of Capri, which the factoring companies say has failed to pay money owed them. The three companies are seeking an amount totaling a little more than $171,000. The companies did not specify whether any of that money had been used on Fonda Workout clothes.

Capri president Ron Mester could not be reached for comment, but he is reportedly negotiating with new investors for a cash infusion to aid the Fonda line.

Mr. Mester has said the holiday line has been canceled as a result of late deliveries on the spring line.#

Bristol-Myers to syndicate tv show

By SUSAN SPILLMAN

New York—Bristol-Myers' "Alive & Well" fitness program, seen on cable's USA Network, will be syndicated to at least four major-market broadcast stations beginning in October.

The 3-year-old program, Bristol-Myers' first foray into cable program sponsorship, also will continue on the USA Network. Stations that already have agreed to carry "Alive & Well" five days a week—the same frequency it has on USA—are Metromedia's tv outlets in Chicago, Dallas, Houston and Los Angeles.

The series will be cut from two hours to an hour.

Pete Spengler, vp-advertising services, Bristol-Myers, said, "There will be little duplication between cable and broadcast coverage." The company is only looking to air the show in about a dozen major markets, he said.

The show is being syndicated on a barter basis by Orbis Communications. Six minutes per show will be devoted to Bristol-Myers products, while another six will be sold by affiliates.#

highlights

Thursday, July 26, 1984

Corporate America and more than 60 tv advertisers await the starter's gun for the 1984 Summer Olympics as anxiously as any athlete. *See Page 1.*

A shift in advertising emphasis is taking shape at McDonald's, from local to network tv. *See Page 1.*

Ride into an American heart of darkness with writer Kevin McManus, who accompanied the "bus-slotters" on a recent trip from New York to Atlantic City. *See Page 3.*

Philip Morris Inc.'s Marlboro Leisure Wear has asked three major agencies to pitch for its new multi-million-dollar campaign. *See Page 3.*

Chrysler is looking to Europe again after posting record profits. *See Page 3.*

N W Ayer, picked by the Commerce Department to revive a dormant overseas tourism ad program, sees a $719,000 development contract growing into a full-scale, multi-million-dollar campaign in fiscal 1985. *See Page 3.*

Who was the winner of the second annual Advertising Age "Advertising Music Award"? Here's a hint—all the "big boys" liked it. *See Page 5.*

Travel aboard the Queen Elizabeth 2 has changed only slightly in the past decades and is still the way to go, writes James Brady. *See Page 7.*

Keith Reinhard, Needham, Harper & Steers/USA chairman-chief executive officer, tells of his experience as a judge at the International Advertising Film Festival in Cannes. *See Page 9.*

Robert Petersen has managed to cultivate his personal interests into a giant publishing company, Petersen Publishing Co. *See Page 13.*

Some U.S. states are fighting the summer exodus of tourists to other countries by increasing their own marketing efforts to lure foreign travelers to their shores. *See Page 54.*

SPECIAL REPORT

Liquor marketers turn to brand identity and image to sell their products—a confusing process because some use similar images.

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at presstime

SmithKline unwraps new decongestant

Philadelphia—SmithKline Beckman Corp.'s Menley & James Laboratories is introducing Congestac decongestant/expectorant tablets in September. The rollout will be supported by $10 million in advertising and promotion. MCA Advertising, New York, handles.

Atari torpedoes media-buying department

Sunnyvale, Cal.—Atari Inc. has dissolved its New York-based media-buying department in the latest round of marketing cuts at the company (AA, July 16, *et seq.*). Departing are Rick Glosman, vp-media, and Robert Hanley, media director. Messrs. Glosman and Hanley have formed Creative Media, New York, a full-service media planning/buying and programing agency.

MECA puts brakes on ads for running software

Westport, Conn.—Micro Education Corp. of America has postponed indefinitely the introduction of a software program featuring running enthusiast James Fixx, who died July 21 of a heart attack while jogging. The Running Program, "personalized running guide" software, had been scheduled to ship in two weeks. MECA's print advertising featuring Mr. Fixx has been suspended after appearing in computer magazines and in the special Olympics issue of *Sports Illustrated*.

Tofu Time serves account to Levine, Huntley

New York—Tofu Time has chosen Levine, Huntley, Schmidt & Beaver as its first agency. The shop will handle the company's Tofutti soy-based frozen dessert. A revised figure (AA, June 25) puts ad spending for the item at $2.5 million.

● Englewood Cliffs, N.J.—**Konica Corp.** is reportedly considering moving its film division advertising to Calet, Hirsch & Spector from Levine, Huntley, Schmidt & Beaver. Konica films last year billed under $1 million.

● Oak Brook, Ill.—**McDonald's Corp.** has decided not to reopen its store in San Ysidro, Cal., site of shootings last week that left 21 slain. It has not been decided yet what will be done with the site, but the chain plans to open a new store elsewhere in the town.

● New York—**USA Network** is in discussion with its parent companies—Time Inc., MCA/Universal and Paramount Pictures—about providing exclusive movies and other programing for the basic cable network. The programing deals, expected to be completed within two weeks, would essentially create a new window for movies between pay tv and broadcast tv. In another move, USA Network's new "Cover Story" series, sponsored completely by Procter & Gamble, will be syndicated to broadcast stations. The half-hour show, which profiles show business personalities, also will continue running on USA.

● Memphis—**Federal Express** has broken a tv campaign in 12 markets for its new Zap Mail electronic mail service being introduced this month. The company will expand its campaign into more markets in August before going national in the fall. Ally & Gargano, New York, handles.

● Miami—**AmeriFirst Savings & Loan Assn.** has awarded its $1.5 million account to Ryder & Schild, ending its 6½-year tie to Caravetta Allen Kimbrough/BBDO. Both agency and client had admitted dissatisfaction with the relationship; AmeriFirst was Caravetta's largest account.

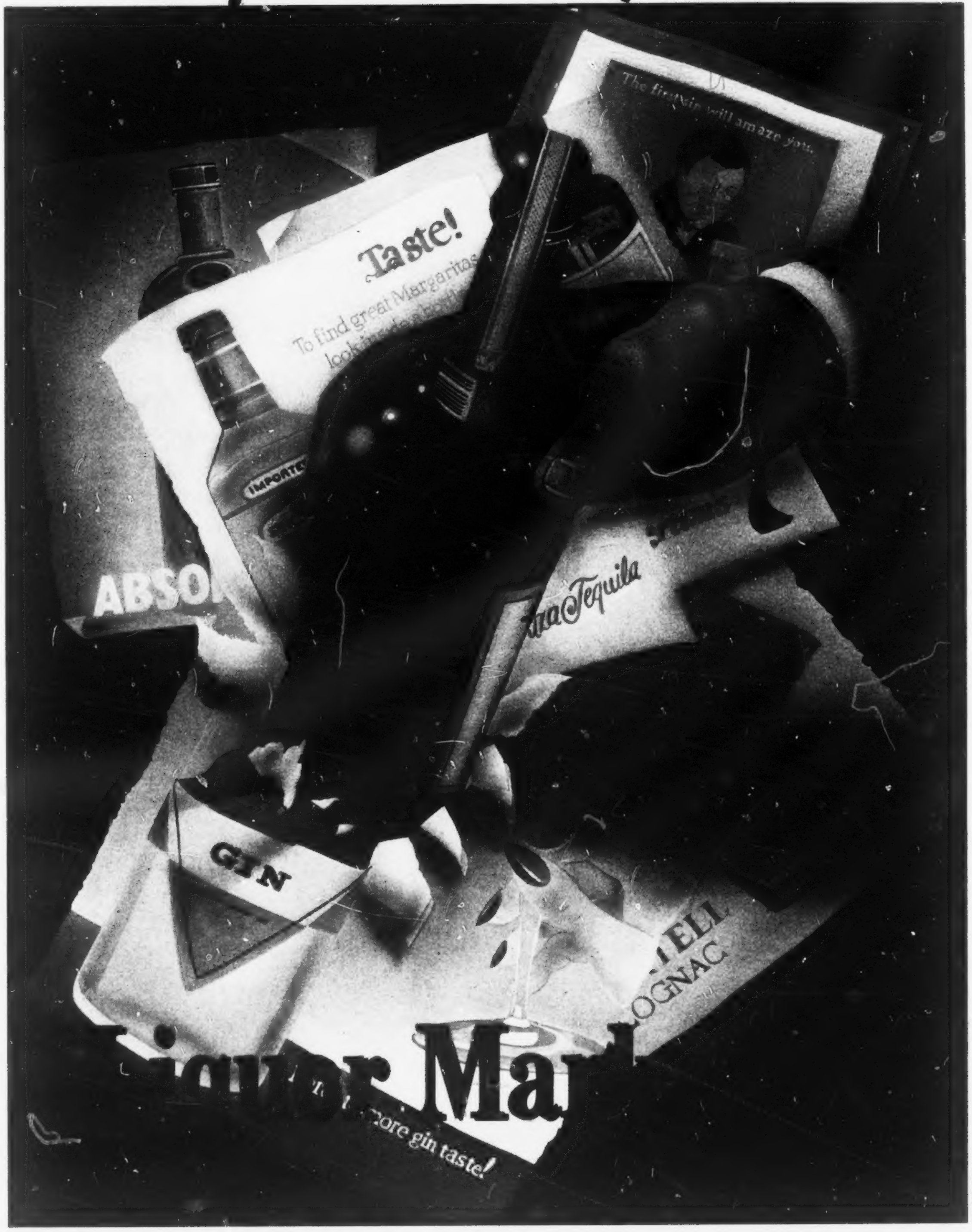
● Chicago—**Beatrice Cos.** will divest its Buckingham Corp. liquor division (AA, July 23) and four other businesses to help reduce the debt from its acquisition of Esmark Inc. The other businesses are Beatrice Chemical, Beatrice cookie and bakery operations, Beatrice food-equipment operations and Estech, which markets fertilizers. Indications are that R.J. Reynolds Industries, Winston-Salem, N.C., is interested in Buckingham.

● Framingham, Mass.—**CW Communications** in November will spin off from *Computerworld* a new monthly tabloid. *On Communications* will cover data and voice communications. Controlled circulation will be 60,000; a b&w page costs $5,750, and a color page is $6,625.

● New York—**Faberge** will air its first split 30-second commercials during the Summer Olympics via Nadler & Larimer. Half of Faberge's 16 minutes of Olympics ad time will go to regular commercials. The rest will be taken by split 30s featuring the company's Organics haircare line along with either Babe antiperspirant or Brut antiperspirant.

● Houston—**Coca-Cola Co.'s** foods division, which is supplying Minute Maid apple and orange juices at the Summer Olympics, has placed a pull-out insert in the July 28 *TV Guide*. The insert highlights the events of the summer games in Los Angeles and includes cents-off coupons for Coca-Cola foods products. Marschalk Co. handles.

● **NEWSLINE: Southwestern Bell Telephone Co.**, St. Louis, has begun a $5 million ad campaign for its new Tele-Help program, targeting the 83% of its customers it says are still confused about the breakup of AT&T. Newspaper, radio, supplement and tv ads via D'Arcy MacManus Masius promote an 800-number. . .**Bridgestone Tire Co. of America**, Torrance, Cal., "is getting close" to selecting a new agency for its $5 million-to-$7 million account after reviewing presentations of four or five agencies (AA, July 9), a spokesman said. Old agency Dancer Fitzgerald Sample resigned effective Oct. 8. . .**Inacomp Computer Centers**, Troy, Mich., says that it will enter the Chicago market in September with a suburban store followed by the October opening of an outlet on fashionable Michigan Avenue. Inacomp has 33 units in California, Canada, Georgia, Florida and Michigan. . .**Titsch & Associates**, Denver, is being reorganized into two separate divisions: Special interests, for publications with specific target audiences, headed by president Robert Weiber, and consumer, headed by president Douglas Hanes. . .**Panther Car Co.**, a Korean-owned company based in England, will start producing small sports cars in Long Beach, Cal., and in England in late 1986, *Automotive News* reports. . .**Times Mirror Videotex Services**, Santa Ana, Cal., says it has more than $1 million in ad commitments for the first year of Gateway, its consumer videotex service scheduled to start in September. . .**Boyle-Midway** division of American Home Products is testing Radiant liquid bathroom cleaner in Kansas City, Mo. Print and tv support the test. Kornhauser & Calene handles.



Ted Gadecki

Bursting through the clutter

It's a bottle-and-glass jungle out there. Everywhere you turn, some liquor bottle is blasting off an outdoor board or pouncing from a magazine page.

Like some whiskies, the messages begin to blend; it becomes quite difficult to distinguish one distilled spirit from another. What often comes through is a cry of "Drink me, drink me!"

And what's lost is brand identity.

According to Graham Walsh, vp-marketing director at New York-based Schenley Imports Co., the premium liquor segment is "selling fashion, not beverage." And like fashion marketers, distillers and distributors mostly rely on image and identity to sell their products.

The difficulty is that many marketers seem to have latched onto the same image. How can a Canadian whisky corner the clear sky and water identity when its competitors illustrate their image in the same manner? "Pull the headline off of a dozen liquor ads and put them on any other and you won't be able to tell the difference," says one agency executive who handles liquor accounts.

Compounding this problem is media clutter. Governmental and self-imposed restrictions limit liquor ads' placement to a few select media—magazines, outdoor, newspapers, point of purchase. Also the seasonality of many brands shifts ad placement to the same time of year. Look through a December issue of many magazines and you will be bombarded by liquor brands' messages.

Those messages also are being scrutinized more critically by more people. The recent furor about drunken driving is spawning an ever-growing number of lobbying groups attempting to pull liquor ads out of the few media outlets they can use. Consider the health-consciousness of America and the size and receptiveness of a liquor advertiser's audience diminishes further.

So, it's a tough life for the distilling crowd, and spirit sales show it. According to *Impact*, a wine and spirits newsletter, shipments of distilled spirits have regressed to pre-1975 levels. And as sales have faltered, ad expenditures have declined. *Impact* reports that the 20 leading liquor brands' ad budgets were cut 11% in 1983, and the top 10 distilled spirits advertisers reduced their ad spending by an almost identical 11.1% from 1982 to '83.

Some marketers say they have not reduced ad spending, but shifted it from media to point-of-purchase and promotions. Couponing also has become quite popular to stimulate trials.

"Without point-of-purchase support, you really can't establish a presence on the retail floor," says Victor Zast, director-marketing for James B. Beam Co., Chicago. "But it's not a vehicle for building brand loyalty. People basically know what they're going to buy before they enter the store. They may buy peanuts on impulse, but they're not going to buy a spirit because it has an attractive display."

Research from the Point-Of-Purchase Advertising Institute, Fort Lee, N.J., backs up Mr. Zast's contention. The "1983 POPAI/DuPont Drugstore Consumer Buying Habits" study indicates that the in-store decision rate for liquor purchases is 42.31%, which is lower than the study average.

"Advertising works," Mr. Zast says. "Liquor brands are consumer driven. When someone buys a spirit, they're buying more than taste. They're buying fashion, value and status, and the best way to appeal to those considerations is through print."

And so the elusive search for the message in the bottle continues. ■

Using soft drinks' hard sell

Windsor Canadian is showing that comparison advertising can sell beverages more potent than soft drinks. In a series of taste-test ads, Windsor Distillery Co., New York, is taking on brand leaders Seagram's V.O. and Canadian Mist with its "Windsor Challenge" ad campaign.

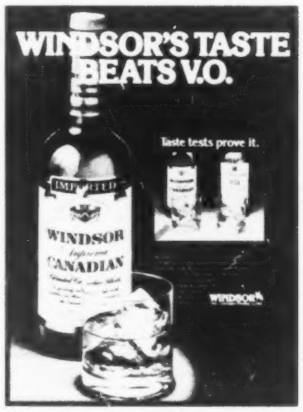
Understandably, the competition is upset. "I'm sorry to see comparative advertising. I'd rather say something good about my brand than knock somebody else's," says C.R. (Bud) Ballard, Canadian Mist's senior brand manager.

Another brand manager criticizes the ads for not revealing the testing agency or survey methodology.

"We did some soul searching before we began the campaign," says Emil A. Pavone, vp-public relations, National Distillers Products Co., New York, the parent company of Windsor. The taste test was the idea of a former brand manager who conducted tests on blindfolded customers.

"At first we weren't all that enthusiastic about the idea. We knew it was successful with soft drinks, but we weren't sure it would be successful with whisky," Mr. Pavone says. "We decided it was something that customers could establish for themselves."

The approach was selected both because it is novel for Canadian whiskies and because it highlights the quality and price of Windsor against top-selling brands.



Windsor Canadian is borrowing a technique from soft-drink advertising by comparing itself to rivals.

"We had tried most of the ad strategies that were successful in the Canadian whisky field," Mr. Pavone says.

Despite the lack of information about the taste tests in the ads, the campaign helped boost Windsor's sales 1% in 1983, while sales of most other Canadian whiskies stagnated or declined.

A major limitation of taste-test advertising is that it has to react quickly to changes in formulation of the products against which it is tested. This can become quite difficult when media centers on print and outdoor advertising and in-store promotions.

For instance, Windsor found itself in the lurch last year when Seagram's reformulated V.O. to 80 proof from 86 proof. Windsor "had to run the tests all over again," Mr. Pavone says.

Advertising had to be redone and media placement was halted for several weeks. "In a situation like that, you want to react quickly and can't," he says. "Certain media just don't lend themselves to instant changes."

Brand managers at Windsor declined to say whether the brand comparisons would continue or whether Windsor would compare itself with any other brands. Mr. Pavone says anything could happen. —*R.E.*

Major effort to woo minorities

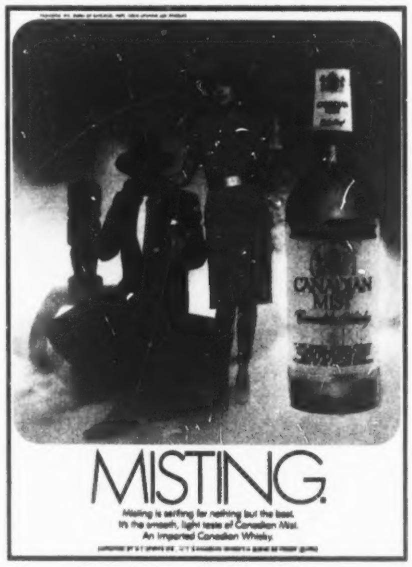
Reaching minority markets is critical for Canadian whiskies, which are looking to expand their customer base in the rapidly declining whisky category. Targeting Canadian whisky advertising to minorities can be as simple as finding an ethnic model or as complex as delving into the buying motivations of many separate pockets of consumers.

"I don't believe there is such a thing as *a* black market," says Walter Haimann, president, Seagram's Distillers Co., New York. The market may be fragmented into age categories, income levels, geographic location and a host of other factors.

"We're going to appeal to each of these groups with different messages," he says. "You wouldn't run the same thing in *Black Enterprise* as you would in *Ebony* or *Jet*." Mr. Haimann says the same theory applies to Hispanic and other minority groups.

Reasons for such targeting can be found in the size of the minority market. For instance, Mr. Haimann says minorities account for about 10% of Seagram's V.O.'s sales, which totaled 3.5 million cases in 1983, according to *Impact*. Seagram's gin also happens to be the No. 1 spirit in the black market, Mr. Haimann says, explaining Seagram's attention to the minority market.

Seagram is not alone, however; other marketers also pay close attention to these market segments. Louisville, Ky.-based Brown-Forman Corp.'s approach in selling Canadian Mist to blacks is typical of many companies' efforts. Because the image-oriented "Canada at its best" campaign, which features photos of the untamed wilderness, does not carry the same meaning for most urban blacks as it does for other consumer markets, Brown-Forman uses a life-style approach, says C.R. (Bud) Ballard, senior brand manager.


CANADIAN MIST
MISTING.
Misting is settling for nothing but the best.
It's the smooth, light taste of Canadian Mist.
An Imported Canadian Whisky.

Canadian Mist uses sophisticated models when targeting blacks.

"Most blacks who like Canada enjoy the night life. The mountains and woods are not as appealing, especially to younger black consumers," Mr. Ballard says. Brown-Forman's "Misting" campaign, which began in 1974, features models in fashionable, expensive clothes, surrounded by a cool mist.

Similarly, Heublein Spirits' Black Velvet reaches out to Hispanic markets with a simple translation of its "Feel the Velvet Canadian" campaign, says Martin Tazzani, marketing manager.

Each year, the Hartford, Conn.-based importer hosts "Miss Black Velvet Latina" contests in Los Angeles and San Francisco. The winners become the brand's spokeswoman—making personal appearances and modeling in print and outdoor ads—in California's Hispanic communities.

Canadian Club targets both Hispanic and black markets, portraying the brand as "part of the leading edge" in fashion and sophistication, says Stephen Nadelberg, senior vp-marketing at Hiram Walker, Detroit.

"Culturally, the markets are different. You have to hit the right emotional chords," he says. The extent to which a brand can segment its minority markets is limited, Mr. Nadelberg says.

"We're not planning to target senior citizens," he says. "We do not have a prune liqueur." —*R.E.*

Liqu[illegible] ad dollars s[illegible]p pouring in

Top 1[illegible] brands expenditures (1983)

		$ millions	% change from '82	S[illegible]es
1.	Dewar's	$12.5	37%	14
2.	Canadian Club	10.8	−14	9
3.	Smirnoff	10.2	3	2
4.	Bacardi	7.9	−9	1
5.	Seagram's V.O.	7.8	−35	7
6.	Canadian Mist	7.3	−20	5
7.	Johnnie Walker Red	7.3	−4	24
8.	Seagram's 7 Crown	7.2	−33	3
9.	Beefeater	7.1	16	31
10.	Windsor Supreme	6.8	−7	10

Top 10 distilled spirits advertisers (1983)

		$ millions	% change from '82
1.	Seagram & Sons	$67.9	−22%
2.	Hiram Walker	29.8	−12
3.	Heublein Spirits	24.5	−10
4.	IDV (Grand Met)	24.4	1
5.	Schenley	22.6	10
6.	Brown-Forman	22.1	−24
7.	National Distillers	19.4	−5
8.	Somerset	18.7	−5
9.	Bacardi	9.7	−3
10.	Kobrand Corp.	8.1	21

Case in point
Share of market

		1983	1975
1.	Vodka	22.6%	20%
2.	Bourbon	12.8	17
3.	Canadian	11.9	11
4.	Scotch	10.4	13
5.	Gin	9.2	10
6.	Cordials & liqueurs	8.7	—
7.	Rum	7.7	4
[illegible]	Whisky blends	7.6	13
9.	Brandy	4.9	3
10.	Tequila	2.2	1
11.	Cocktails	[illegible]	—
12.	[illegible]	.2	—

[illegible] Impact

Jeffrey Toth

Distillers try to stir up interest in premix market

By Eileen Norris

In the land of liquor, premixed cocktails make up only a munchkin's worth of the population—no disrespect intended toward the little guys. Still, that 2% of the market is trying not to get clobbered by the liquor giants in the industry.

It's no easy existence. In this get-it-done-now age, premixed cocktails would seem to have a lot going for them; no muss, no fuss, just shake and pour. Add in the popularity of mixed drinks, sweet drinks in particular, and the recent fury over drinking in moderation, and one must wonder why more people aren't buying the generally sweet, lower-proof premixed cocktails.

> **"Some of our competitors do not advertise much and frankly, it would really help the over-all business if they did."**
>
> *Edwin Gualtieri*
> *Heublein*

Some critics contend the cocktails are underpromoted, saying advertising appears only when a new flavor is launched, disappearing soon after, minimizing brand awareness. Others say the products' market is so minuscule that no one should expect much of it.

Expectations may be justifiably low. Mixed cocktail sales have been going down for quite a few years. Purchases in 1983 declined about 5%, but on paper the industry saw an 8.3% increase over 1982, thanks to shipments of new items, says Ben W. Corrado, a liquor consultant in Pompano Beach, Fla., and author of the "Wine and Spirits Marketing Bulletin" for the advertising department at *U.S. News & World Report.* But even 1983 sales look good when compared with the 13.6% decline in cocktail sales the year earlier.

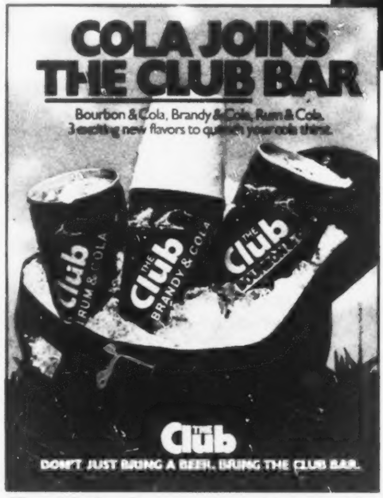
Mr. Corrado says he thinks sales will move up in 1984. By keeping tabs on what consumers are ordering in bars and restaurants, the cocktail industry constantly is developing and introducing new drinks that are hot in the onpremise market.

Three of the category's major players—Heublein Spirits, Hartford, Conn., which markets premixed Heublein Cocktails in bottles and the Club Cocktails in smaller cans and bottles; Schenley Distillers Co., New York, which distributes Cocktails For Two, and Glenmore Distilleries Co., Louisville, Ky., which offers its Mr. Boston Prepared Cocktails—are in a battle to outmix and outintroduce one another.

All are rolling out drinks such as Long Island tea, a 25 to 42 proof concoction that is very popular in the summer, and the tequila-based sombrero. And they're coming up with new versions of some old standbys, such as the strawberry daiquiri, pina colada, margarita and the Bloody Mary.

The distillers won't say if or how they plan to back up new introductions with advertising, but if 1983 activity is an example, agencies' hopes of promoting these products may prove dim.

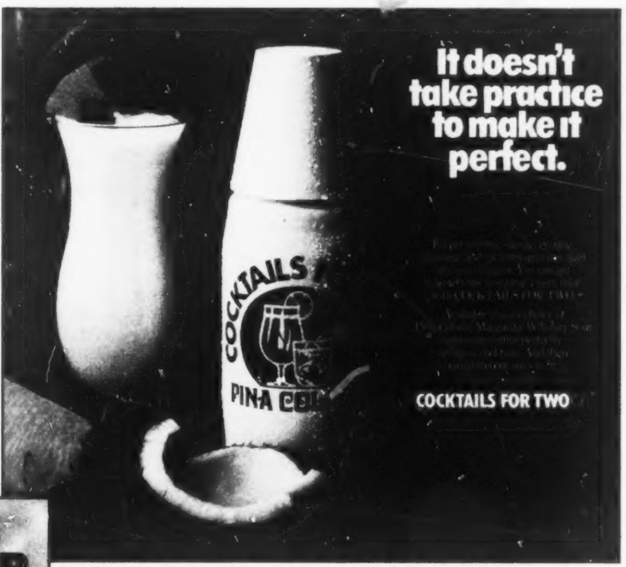
The top premixed cocktail companies spent only $1 million in magazine advertising during the first nine months of 1983; that's a 25.3% budget cut from the amount spent during the same period a year earlier.


COLA JOINS THE CLUB BAR
Bourbon & Cola, Brandy & Cola, Rum & Cola.
3 exciting new flavors to quench your cola thirst.
Club RUM & COLA
THE Club BRANDY & COLA
THE Club
THE Club
DON'T JUST BRING A BEER. BRING THE CLUB BAR.

Heublein hopes to attract the young and active drinker with its convenient Club cocktail.

Heublein, the market's leader with a 55% share, altered its marketing mix, pumping more dollars into outdoor boards, says Edwin Gualtieri, group marketing director. "Some of our competitors do not advertise much and frankly, it would really help the over-all business if they did."

Schenley's Cocktails for Two, the category's No. 2 seller with about 20% of the market, uses slick, colorful ads in *People* and other consumer books, says Sheila Spicehandler, group product manager. "More money is being spent on advertising every year," she says, "but I can't say how much."


It doesn't take practice to make it perfect.
COCKTAILS FOR TWO
PINA CO

Cocktails for Two, the No. 2 seller in the premix cocktail category, is increasing its ad spending.

Glenmore advertises very little for Mr. Boston Prepared Cocktails, says James McKee, brand manager. "Quite honestly, we're not the No. 1 guy on the block, and we can't afford to go after the competition and spend money like they can," he says. Liquor consultant Mr. Corrado says Glenmore has only between 8% and 10% of the premixed market.

Mr. McKee says in-store promotions to boost awareness are the best place for his ad dollars. That philosophy is shared by Schenley, and to a lesser extent, Heublein.

"The cocktail category recognizes we don't have the consumer awareness of a bourbon or a tequila," Heublein's Mr. Gualtieri says. "It's one of the things we shoot for when we're developing a new ad campaign. The other thing is, we're just not that large a part of the distilled liquor business."

The main consideration for distillers these days is whether to put ad dollars in the media, instore promotion or both. Because prepared cocktails are thought to be an impulse buy—and because sales often don't justify massive media expenditures—much is spent at the retail level.

Heublein, for example, provides retailers with $200 display racks to position the cocktails prominently.

"It's expensive, but we want good retail presence and we want the product visible," Mr. Gualtieri says.

Cocktails for Two's Ms. Spicehandler says a total marketing effort, not just an ad campaign, is necessary to capitalize on the impulse-buy appeal of its brand. "We support the brands at the point of sale with instore promotions for shelves and the cold box," she says. "We have a Cocktails For Two Party Center concept where we cross-merchandise cocktails with high profit snack items, all of which helps stimulate increased sales." A Party Survival Kit helps customers with party planning and serving suggestions.

Schenley also has decided to pay more attention to women consumers. Thus, "The Women's Market" newsletter was born, advising retailers on how to merchandise to women on the go, how to design workable promotions and how to win the female's loyalty to particular brands.

While Glenmore promotes its Mr. Boston line with free-standing displays, it is most proud of the "Mr. Boston Official Bartender's Guide," 9 million of which are distributed to most liquor stores, bars and restaurants. "It helps with our brand support," Mr. McKee says, "but as an industry, we can do a much better job with consumer awareness."

To define those consumers' purchase criteria, Schenley surveyed 1,000 consumers in six cities and found that taste and convenience were most important to its target group, which Ms. Spicehandler describes as all 80 million cocktail users in the U.S. Glenmore's Mr. McKee says his market audience consists of the baby boomers, who seem to respond well to impulse products that make life easier.

Heublein draws two different kinds of people to its products, Mr. Gualtieri says. One is young and active; probably the typical beer or wine drinker attracted to the convenience of the Club cocktail in ready-to-pour cans and bottles. To entice that segment, Heublein advertises "Don't just bring a beer. Bring the Club Bar."

The other individual Heublein approaches is older; he is the consumer who enjoys drinking at home, but may not be fond of mixing ingredients in a shaker, Mr. Gualtieri says. Heublein more often than not sells its regular 24-oz. bottle to this consumer.

(Continued on Page 42)

The incidence of prepared cocktail use is highest among . . .

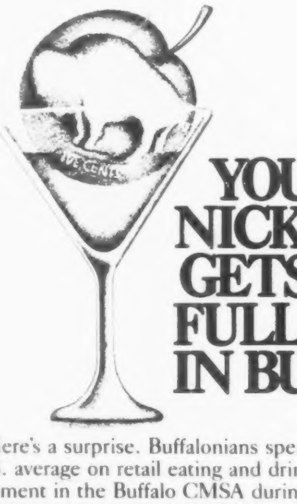
- Females
- Consumers age 18 to 24
- Those who have attended college
- People working in clerical/sales positions
- Households with annual incomes of $15,000 to $19,999
- People residing in the West

Prepared cocktail users say they are economy minded, brand switchers, impulsive buyers and style conscious. They are skeptical of advertising claims and are not particularly brand loyal.

Source: "Simmons Market Research Bureau: 1983 Study of Media and Markets"

Eileen Norris, a frequent contributor to Special Report, wrote about promotional campaigns in last year's Special Report on Liquor Marketing.

Quicker Liquor
Send a gift of wine or liquor anywhere
Order Toll Free
1-800-CHEER-UP
Major credit cards accepted
Nationwide Gift Liquor



YOUR NICKEL GETS A FULL SHOT IN BUFFALO

Here's a surprise. Buffalonians spent 16% more than the U.S. average on retail eating and drinking sales development in the Buffalo CMSA during 1982.
And, with one issue, the daily Buffalo News reaches 73% of adult men in the CMSA . . . 78% on Sunday.

Buffalonians enjoy a good time.
And no one covers Buffalo like The News.

Surprising
THE BUFFALO NEWS
Call Bill DeTine (716) 849-3425

Source: Scarborough Research, 1983.
Sales & Marketing Management Survey of Buying Power, 1983
Represented nationally by Sawyer-Ferguson-Walker Company, Inc.

Premix

(Continued from Page 41)

Heublein's second target consumer group is the one that Sam Haas, owner of Worldwide Promotion Co., sees at his liquor retail and distribution store in Chicago.

"Our buyer is generally the older person; probably upper blue-collar class and retired. We sell a lot of the half-gallon premix," he says.

Not surprisingly, prepared cocktails are a small portion of his liquor business, but, Mr. Haas says, "so are a lot of other items." He says he could sell even more bottles of premix if the distillers provided more advertising and more instore promotion.

"Anything will sell based on promotion and advertising, but some of those distillers don't think they have to do anything to sell their product," Mr. Haas says.

"There's room for premixed cocktails, mainly because a lot of people out there don't know how to mix a drink or don't want to be bothered with the process."

Still, Mr. Haas questions why some distillers, such as Heublein, stress only convenience and not taste in promoting and advertising its brands of premixed cocktails.

To that Heublein's Mr. Gualtieri answers: "We don't stress taste because we do stress that the drink is refreshing and easy to use. Taste is important, but stressing convenience is most appropriate. The best ads are the most highly focused."

Cocktails For Two, however, tackles both taste and convenience in its ads.

The newest advertising campaign uses a gatefold layout with the lead-in: "Making a perfect pina colada is as easy as turning the page." Under the gatefold, another headline reads: "It doesn't take practice to make it perfect."

"Making it perfect," so to speak, may be part of the category's problem, according to consultant Mr. Corrado.

Consumers really can't add or delete anything to or from a premixed drink, especially if they buy for out-of-home consumption.

"We're a country of fussbudgets," he says. "People like to prepare their drinks as they like them and that is a tough obstacle to overcome." Heublein says it tries hard to match a flavor combination with what most people like.

Even in warm weather—when the drink-on-the-run-in-the-sun factor would seem to favor premixed products—no real surge in cocktail sales occurs. Distillers say their business operates year-round, and that they can't rely on summer sales. Heublein, however, says Sunbelt states account for 70% of Club Cocktails sales, but, like its competitors, Heublein says premixed cocktails are just as popular at tailgate parties in the colder weatheras they are for picnics in July.

Distillers also generally discount the impact of the trend toward lighter, more moderate drinking. However, premixed cocktails, most of which are 20 to 42 proof, should benefit from America's new-found moderation.

Mr. McKee says consumers want a lower proof cocktail. "People like to consume, but in moderation. I think it's the future of premixed cocktails," he says. "It's the healthier, more modern approach."

A mixed up market

Top 10 premixed cocktails

	Cases sold (000) Jan.-Nov., 1983	% change from Jan.-Nov., 1982
1. Pina colada	64.1	-11.6%
2. Manhattan	31.5	-3.8
3. Whisky sour	24.0	-5.4
4. Margarita	21.5	8.4
5. Brass monkey	19.0	-5.0
6. Screwdriver	17.6	-4.5
7. Martini	13.3	-4.7
8. Strawberry daiquiri	10.3	23.3
9. Strawberry colada	9.7	-1.5
10. Black Russian	8.5	-5.4

Source: U.S. News & World Report, "Wine and Spirits Marketing Bulletin"

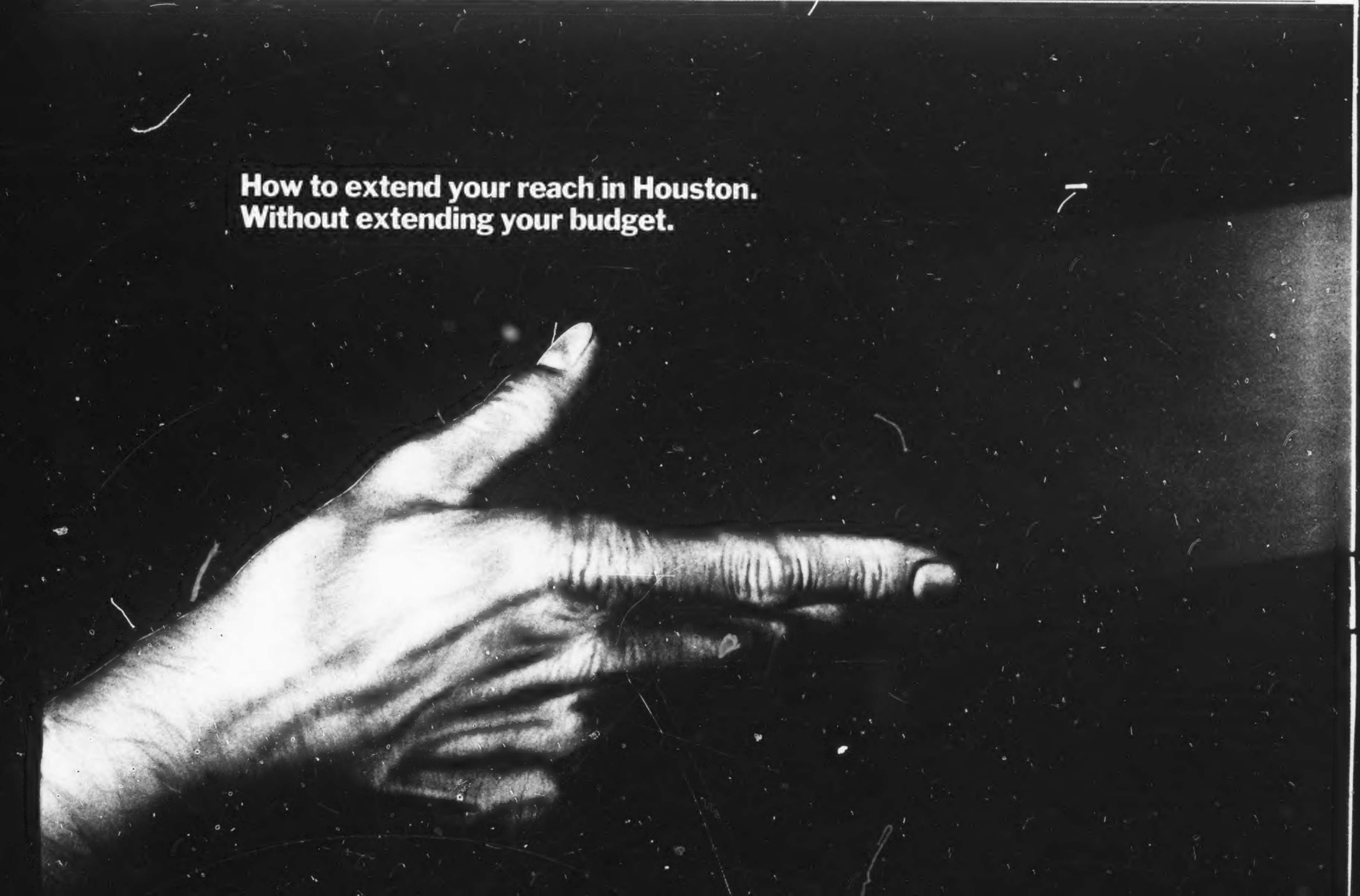
Mix and match

Okay all you closet bar stool sophisticates, here's your chance to show you know a Green Lady from a Green Dragon from a Green Mist. If you can, identify the primary type of firewater residing in each of these well-known drinks.

To make it easy, here's a hint: Of the 10 drinks listed, rum is the base of two, and rye, bourbon, whisky, gin, scotch, cognac, Gailliano and vodka are the active ingredient in each of the other drinks.

1. Manhattan
2. Mint Julep
3. Old Fashioned
4. Tom Collins
5. Rusty Nail
6. Sidecar
7. Zombie
8. Harvey Wallbanger
9. Daiquiri
10. Golden Cadillac

Scoring System: All 10 correct, exbartender; 8 to 9, check your liver; 5 to 7, bar stool in your tavern has your name on it; 3 to 4, social drinker; 0 to 2, change your name to Shirley Temple.
(Answers listed on Page 51)


How to extend your reach in Houston.
Without extending your budget.

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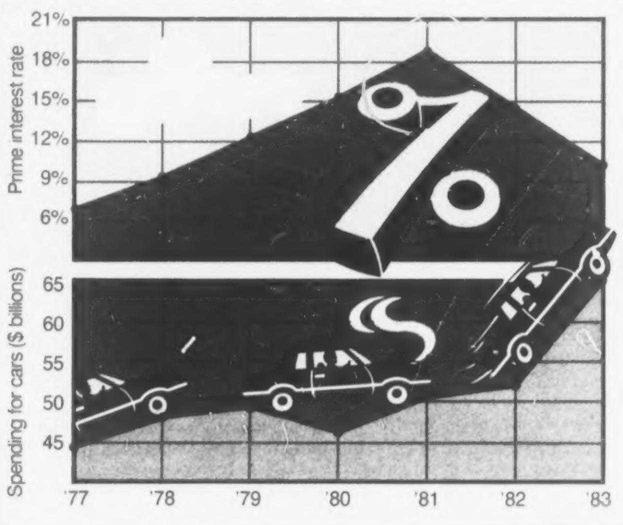
High-interest marketing

Auto sales are just one example of a rough axiom: When interest rates go up high enough, sales tend to take a dip. Chart by Steve Musgrave. *Source: U.S. Department of Commerce.*



How high is up?

An Advertising Age roundup

With each tick of the economic clock, interest rates register another gain. Now the question—for clock-watchers in the marketing industry—is whether the ticking represents a time bomb or just some annoying static.

For now, many executives are banking on the latter, an Advertising Age survey of a swath of industries indicates. But the memory of the early 1980s, when rates reached 20%, is burnished deeply into each executive's psyche. The prime rate now stands at 13%, up from less than 12% just three months ago. Mortgage rates have leaped past the 15% mark. And auto loans hover in the 14% range.

What follows are overviews of how high rates and the anticipation of even higher ones are affecting different business segments.

Bill payment tops agency list of worries

Just the memory of high interest rates early in this decade is enough to give ad agency executives headaches.

It's not that the agency business is in anguish now; to the contrary, figures indicate that the industry is going through a period in which it can enjoy counting profits.

But lay out the prospects of high interest rates and their potential impact—late payments, cutbacks in client budgets, slowdowns in new-product introductions and an over-all drag on financing various agency operations—and agencies grow a bit restive.

Of all the problems, agency executives say, the biggest is the delay of client payments.

An agency is "between a rock and a hard place," said Robert Wise, exec vp-chief financial officer and treasurer of Kornhauser & Calene, New York. "Because of the client relationship, you can't charge interest on late payments back to the client. Agency-client relationships are so tenuous at best, and there's always another agency willing to take the business on."

So what's an agency to do?

"The key is to manage cash flow more effectively and keep your cash position up," said Eugene Beard, exec vp-chief financial officer, Interpublic Group of Cos.

Mr. Beard raised the holding company's cash position from about $35 million, where it was

(Continued on Page 56)

Mondale ticket plots issue vs. issue attack

By MARK LIFF

Scrapping the primary election strategy of attacking the man and not the issues, Walter Mondale's campaign is forging a battle plan that will emphasize the topics it considers vital to all Americans: The future of the family, the impact of the deficit, education budget cuts and arms control.

The media fight behind the race for the White House thus will be issue versus issue. The Reagan-Bush '84 campaign's creative group, the Tuesday Team, has said it is preparing an "issue-oriented strategy" to compare the incumbents with the Democratic party's Mondale-Ferraro ticket.

The revamped Mondale strategy will be revealed this week in Washington, where the Democrats' media team plans to open an office a half block from the Mondale campaign headquarters. Richard Leone, former New Jersey state treasurer and Mr. Mondale's campaign director in that state, will play a major role in determining the focus of the new strategy, according to campaign sources.

An expanded creative team, similar to the Tuesday Team, will be formed to map the drive. No target date for the first round of Mondale media spots has been set, although sources indicated they might begin shortly after the Republican national convention in Dallas, which begins Aug. 20.

All creative and media buying operations will be directed from the new office. Roy Spence, the 35-year-old chief media strategist for the Mondale camp, will move his political operations to Washington from Austin, Tex., after having successfully handled Mr. Mondale's primaries media drive. Mr. Spence, a Texas adman, is exec vp of GSD&M in Austin.

In an interview last week, Mr. Spence provided a glimpse of the campaign's general outlines. He said, for instance, that Geraldine Ferraro, Mr. Mondale's running mate, will play a prominent role in promoting the ticket. He rejected contentions that either her New York accent or image might limit her marketability in certain sectors of the country.

"She adds a dimension to the campaign that opens up a whole new avenue of opportunity," Mr. Spence said. "We have a presiden-

(Continued on Page 71)

84 Marketing the CANDIDATES

Ally spot heavy on sentiment

Polaroid goes for heart

By GAY JERVEY

Ally & Gargano's first campaign for Polaroid could take a tug at the heartstrings as it strives to sell the intrinsic benefits of instant photography.

A new spot features a moment many mothers will recall nostalgically: Her child's first day at school. In the commercial, a little boy bids good-by to his mother, gets on the school bus, opens up his lunchbox and finds a picture of mom, with the words "I love you."

New York-based Ally also is said to have prepared an ad for Polaroid film, currently being tested for initial recall, that involves a family witnessing the arrival of extraterrestrials and, much to their dismay, not having film to record the event. Details of other Ally executions are not known.

Polaroid, Cambridge, Mass., is scheduled to announce its plans this week, and the ads are slated to air a few weeks later. But the campaign that reportedly helped turn the tide to Ally in the recent creative runoff with rivals Ogilvy & Mather and the 30-year incumbent, Doyle Dane Bernbach (AA, July 23), had strong sentimental appeal—if relatively low scores on recall testing, sources say.

According to the original parameters of Polaroid's agency competition, the scores the trial ads garnered on recall tests—an area of increasing importance to Polaroid's marketing team—were critical in determining the winner. The Ally ad is said to have been the hands-down Polaroid favorite, even though DDB's ads scored a bit higher, sources say.

Although Ally's work will be revised slightly before airtime in the ongoing effort to improve recall test

(Continued on Page 70)

last minute news

Hamlin jumps to Dr Pepper marketing slot

Dallas—Dr Pepper Co. has named Robert Hamlin its vp-marketing. Mr. Hamlin, formerly vp at Young & Rubicam, New York, succeeds William Schermerhorn (AA, April 30), who left the company. Mr. Hamlin has been the Dr Pepper account supervisor at Y&R since 1978. During that time, the "Be a Pepper" and current "Hold out for the out of the ordinary" campaigns were created.

RKO suspends controller Musumeci

New York—RKO Radio Networks controller Frank Musumeci has been suspended with full salary as the company continues probing a $4 million error in overcharging advertisers (AA, July 9). Earlier, Ken Harris, director-affiliate services, was suspended to facilitate his cooperation with the investigation. Lawsuits related to the incident are expected soon.

Wragg becomes ad sales director for 'Life'

New York—*Life* has named Alan Wragg advertising sales director. Formerly eastern sales manager at the magazine, Mr. Wragg succeeds Charles (Carky) Rubens II, who becomes advertising sales director, *Money*, succeeding James Hayes, who has become publisher at *Discover* (AA, July 23, *et seq.*). Mr. Hayes' move to *Discover* is only one of a spate of personnel changes swirling through that Time Inc. magazine (*see related story on Page 8*).

(Continued on Page 8)

Bates may snare more Coke lines

By NANCY GIGES

New York—Coca-Cola USA is planning to assign Mello Yello, Mr. PiBB and Ramblin' root beer to Ted Bates Advertising/New York, along with Fresca (AA, July 23), according to sources close to the company.

A spokesman at Atlanta-based Coca-Cola would not comment on the report. Sergio Zyman, senior vp-marketing, did not return phone calls.

However, Mr. Zyman spent several days last week in New York. Earlier, a company spokesman acknowledged there have been talks about assigning Fresca to

(Continued on Page 70)

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Outguns fast-food rivals

Upfront buys Big Mac coup

By BRIAN MORAN
and CRAIG REISS

New York—If it were a game of chess, McDonald's Corp.'s network tv upfront strategy would be called "end game."

By moving into the prime time upfront market with more than $80 million—latest reports from network sources put the McDonald's upfront buy at as much as $95 million—the company has climbed to an overwhelmingly dominant position among fast-food chains on network tv (AA, July 26).

None of its competitors can consider even trying to match the weight of McDonald's in network tv, and Burger King Corp., its prime rival, has all but conceded the contest.

"There's not much I can do about it," said Don Dempsey, senior vp-marketing director of Miami-based Burger King. "We're always competing at a tremendous disadvantage with [McDonald's] because they have so many stores."

Consider Burger King's plight: It plowed $23 million into network prime time upfront spending for the 1983-84 broadcast year but was outspent by more than 2 to 1 by McDonald's, which came in with $50 million.

For the coming network season, Burger King increased its upfront budget an impressive 22% to about $28 million. But even with that hefty increase, Burger King will now be outspent on network by McDonald's at a more than 3-to-1 ratio.

The more it spends, the farther Burger King falls behind.

"If they're going to outspend us

(Continued on Page 66)

Fall fashion fantasy

Norma Kamali's "Fall Fantasy" videotape is being pushed to air on MTV not as an ad but as art. *(See story on Page 70.)*

Final rule on substantiation voted by FTC

By STEVEN W. COLFORD

Washington—After a turbulent past, the Federal Trade Commission's review of ad substantiation policies came to a quiet, almost harmonious, end last week with adoption of a policy refining its position that advertisers must have a "reasonable basis" for objective ad claims.

As an added bonus for advertisers, FTC at the same time overruled its junior staff and halted a long-pending rule making that would have forced antacid advertising to include side effects warnings that now appear only on the product label. The antacid rule originally was seen by FTC staffers as the first step toward applying the rule to all over-the-counter drugs.

Ad industry leaders immediately praised the new substantiation policy statement as a useful clarification of how FTC will enforce the substantiation rule. The industry, alarmed by the threat of major changes in the policy, had lobbied hard to convince FTC chairman James Miller not to tamper with the fundamental requirement that advertisers have support for the claims in hand at the time the claim is made.

The ad substantiation policy the FTC commissioners

(Continued on Page 71)

Magazines rap Ford for 'rate busting'

By RALPH GRAY

Detroit—Ford division's latest plan for concessions from magazines will bust their rate cards, several publications charge.

The warnings sprout from two requests, said magazine marketers, that requested anonymity. The division of Ford Motor Co., Dearborn, has asked for increased emphasis on multiyear rate protection and less emphasis on merchandising awards. The former would protect Ford from annual rate increases or delay those hikes; the latter would reduce funds used for merchandising awards, in which the advertiser and magazine stage joint promotions, in favor of more ad space in the magazines.

Ford division declined comment last week on its plans for 1985.

"Whatever Ford negotiates will be put under a microscope, and magazines will make it available to everybody," said Gene McCarthy, senior vp-executive director of media services at BBDO, Southfield, which handles Chrysler Corp.'s Dodge models.

"We will not do multiyear; we aren't planning on freezing rates," one magazine executive said. Another called turning merchandising credits into ad credits "rate cutting. We can't do that."

"If they don't spend their merchandising allowance on merchandising and instead it is subtracted from space rates, you are obviously reducing your rates, and that is a rate-card bust," one magazine veteran said. "There is something to be said for both the publication and advertiser benefiting from rate protection. The publisher benefits from a commitment, but the bottom line is he receives less revenue because he's working off the last rate card."

Rate protection would be a little difficult anyway because Ford wants it to be based on the auto maker's model year—October to October—though the magazines usually run on calendar years. Ford, in effect, wants to lag any rate increases, always running one rate card behind, a magazine executive said. And that's a "rubber rate card," he said.

One magazine marketer said that he interprets the requests via J. Walter Thompson USA, Detroit, as simply "asking us to make sure they get the best discount and give the best position. My rate card is my rate card. This isn't rate busting."

But his publication does not have multiyear rates, though some publications do, and his book does not offer merchandising awards.

Ford's '85 "magazine planning requests" include a "positioning package consisting of second cover spreads, third and fourth cover pages and franchised positions opposite most-read editorial," said a Ford letter to publications. It also calls for "innovative discounts, network pricing, multiyear commitments, etc."

Under the heading of merchandising, the Ford letter says that "rather than merchandising awards, we would prefer receiving additional space."

Ford division also has cut 31 magazines

(Continued on Page 71)

highlights

Monday, July 30, 1984

Oscar Mayer is making its first concerted move into the retail frozen-food market with packaged, stuffed ground-beef patties. *See Page 10.*

Strong mail-order companies led a comeback last year for catalog sales for general merchandise. *See Page 14.*

Dayton Hudson has begun to roll out a new chain of discount bookstores, and that has independent bookstores ready to act. *See Page 28.*

Industry observers say K mart's acquisition of Waldenbooks Co. is a good match. *See Page 28.*

In a new column, Personal Privilege, media buyer Walter Staab writes about what happens when marketers move their media buying in-house. *See Page 53.*

Omnicare, a Manhattan-based private dental practice, has managed to double its business with its use of direct mail and direct-response print advertising. *See Page 53.*

CORPORATE CLOSEUP

Kaypro Corp., which took the computer market by storm in 1982 with its low price, utilitarian models, now faces a challenge—what to do as the computer market becomes more sophisticated. *See Page 4.*

INTERNATIONAL

British men soon may be bombarded by an avalanche of new magazines similar to *Esquire* and *GQ*. Several publishers consider the U.K. ready for the launch of general-interest men's magazines, in the wake of an advertising revenue gap left by declining sales of "skin" magazines. *See Page 38.*

A.C. Nielsen Co. in Mexico, after nearly two years of planning, will test a tv audience-measurement service here this year despite a lack of commitment from Mexico's most powerful private tv monopoly, Televisa. *See Page 38.*

The European Broadcasting Union hopes to get a 5% to 10% reduction in the $19.8 million fee it paid for the rights to the 1984 Summer Olympics due to the Soviet Union's boycott of the Los Angeles games. *See Page 39.*

Britain's Music Channel has launched a pan-European satellite tv program of rock videos, called "Music Box" (based on MTV: Music Television in the U.S.), which will compete with Rupert Murdoch's Sky Channel. *See Page 40.*

VIDEOTECH

Cable News Network and C-SPAN were among the stars at the Democratic national convention in San Francisco. *See Page 48.*

ABC's "Closeup" unit won a commitment from the network to produce and air three three-hour news documentaries in the coming months. *See Page 48.*

Executives from CBS and China Central TV have reached a barter agreement on the CBS programing that will be shown to Chinese audiences starting in December. *See Page 49.*

COMING THURSDAY

SPECIAL REPORT

Professional sports has become big business for both athletes and team owners. They're all polishing their marketing styles.

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College tv grid prices cut in half

By ROBERT RAISSMAN

New York—ABC and CBS have dropped the price of advertising on college football by 50% compared with last season, and advertisers are saying the uncertainty of ratings and inventory could force the price down even more.

Sources said ABC is asking $30,000 for a 30-second spot during its coverage of College Football Assn. games. CBS has priced its spots a bit higher for its upcoming coverage of Big Ten and Pac 10 games. CBS also will air two games it purchased last year outside the National Collegiate Athletic Assn. pact, which was declared in violation of antitrust law by the U.S. Supreme Court.

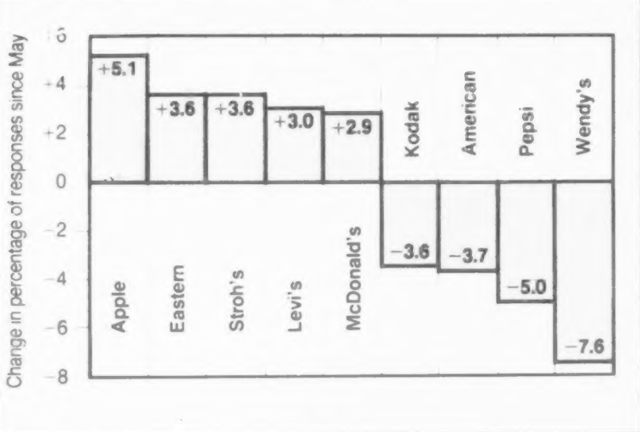
Last season, under the NCAA pact, advertisers were paying from $60,000 to $65,000 for a 30-second spot. The two networks last year, however, staggered the airing of their games. This season, ABC and CBS will broadcast college football simultaneously, and advertisers expect the head-to-head competition will drive down both networks' ratings.

Furthermore, the Court decision allowed the networks to get out of their contracts with the NCAA,

(Continued on Page 71)

June winners and losers

Question: Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which ad first comes to mind? Note: A change of plus or minus 2.8 points is considered statistically significant. ***Source: SRI Research Center Inc., Lincoln, Neb.***



Pepsi ads top list in ad awareness

By SCOTT HUME

It finally happened. Michael Jackson, together with the soda-pop-drinking inhabitants of a spaceship and an estimated $40 million budget for the campaign, have made Pepsi-Cola No. 1 in unaided advertising awareness.

Of course, it probably helped that lovable ol' Clara Peller has been getting a rest.

But the fact remains that of the 1,250 adults surveyed last month for ADVERTISING AGE's monthly adWatch survey, 103 (8.2%) said that advertising for Pepsi was the first that came to mind from all the advertising they'd seen, heard or read in the past 30 days.

Since its February launch, Pepsi's "Choice of a new generation" campaign consistently has registered impressive advertising awareness scores. But just as consistently it has been overshadowed by Wendy's near legendary "Where's the beef?" commercials with Clara Peller.

adWatch

While Wendy's has put Ms. Peller on hiatus, Pepsi has continued its campaign, mixing Michael Jackson spots with others, such as one in which a spaceship beams up a Pepsi vending machine after taste-testing both it and Coke.

Wendy's, however, received enough first-place mentions (45) to keep it in the No. 2 spot for June. Chalk it up to memories of Clara or the impact of the sexy salad bar spots Wendy's introduced last month.

In addition to falling back in over-all awareness, Wendy's last month took some lumps in the fast-food category, where there appears to be no catching McDonald's. At the height of the "Where's the beef?" frenzy in April, Wendy's was less than four percentage points behind the leader (28.7% of first mentions vs. 32.5% for McDonald's).

Last month, the percentage of respondents saying Wendy's adver-

(Continued on Page 58)

Cuts in Olympics fees will be passed on: ABC

By DIANE MERMIGAS

Roone Arledge, president of ABC Sports, says the network is prepared to pass on to advertisers "every dime of any reduction made" in its $225 million tv rights fees for the Summer Olympics because of the Soviet-led boycott.

"It's been difficult to place a value on unknown damages that you never may incur in the form of ratings falloff. But we're still negotiating with the Los Angeles Olympic Organizing Committee on what is perceived by both parties as a fair reduction in our rights fees," he said.

"We've told the committee that whatever we get, it will immediately be passed on to advertisers. ABC doesn't want any part of it," Mr. Arledge said last week.

Mr. Arledge said the committee had been anxious to settle on a specific monetary reduction by the time the summer games began July 28. He said he did not expect the rebate to be more than $30 million. He called published reports of a $60 million-to-$90 million rebate "out of line."

Such a rebate would assure that ABC would not have to provide actual airtime make-goods to advertisers if the network fails to reach its target audience during the Olympics. To compensate for lower than anticipated ratings averages during the summer games, ABC simply would reduce the amount advertisers owe the network for commercial airtime purchased during the events.

Under such a plan, the $30 million from the LAOOC would offset any reduction in advertiser payments offered by ABC.

However, John Severino, president of ABC Television, said that if the network fell very short of the 20 rating it hopes to average in prime time coverage, it still would provide some on-air make-goods to advertisers in the interest of good business relations.

"What we wanted to do was to put the last few payments of our fees in escrow to cover any damages we'd have to sustain afterwards as a result of poor ratings and to negotiate the matter after the Olympics," Mr. Arledge said.

"But the organizing committee wants to button this up by coming up with some agreeable figure ahead of time because it goes out of business after the games."

A clause in ABC's contract for the games gives the network the right to negotiate lower rights fees in the event key countries don't participate. ABC also has a $200 million insurance package covering actual losses connected with the Olympic broadcasts.

ABC worked out a formula that assured nearly all of the 45 Winter Olympics advertisers some kind of compensation for ratings that de-

(Continued on Page 58)

Heavy ads on line for multifunction-software products

By BRIAN MORAN

Software marketers, propelled by the runaway popularity of Lotus Development Corp.'s 1-2-3 program, are flooding the market with similar integrated packages that can perform an array of different functions.

Lavish advertising and promotion budgets adorn the new products, with most marketers planning extensive print campaigns.

Lotus and Ashton-Tate, the two leading vendors of business software, this month began touting their programs on network tv. But most companies are going after the relatively limited market of sophisticated business users. They are trolling for these potential customers through ads in newspapers and in business and computer magazines.

Multifunction packages roll into one program several common functions, such as database management, financial analysis and word processing. Marketers claim that the souped-up programs do not sacrifice the speed or ease of use characteristic of single-function programs.

Most of these offerings, however, require relatively powerful and expensive personal computers (at least 256K of memory) to run and are priced in the $500-to-

(Continued on Page 70)

Steinberg spots a new vocation

By PAT SLOAN

NEW YORK—Think of David Steinberg and your first thoughts are stand-up comic, "Tonight Show" guest host and Atlantic City nightclub headliner. Those who caught the Burt Reynolds film "The End" might even think of him as an actor. And movie buffs who happened upon "Paternity" or "Going Beserk" might remember his credits as film director.

But David Steinberg as a director of tv commercials?

Yes. When Backer & Spielvogel rolls out new NCR Corp. computer commercials next month, they will star Dom DeLuise (AA, June 28) and his director will be Mr. Steinberg.

Working in tandem with Larkin Productions, Mr. Steinberg was in town last week to negotiate more stints as a commercials director. His talent agency, William Morris, was initially wary of this new medium for Mr. Steinberg, until he reminded agency executives that they "work for me. I think commercials are great art forms. I said, 'Fine. If you don't like it, don't take a percentage.' "

The kind of commercial work Mr. Steinberg

(Continued on Page 55)

BBDO's Brower dead at 82

By STEWART ALTER

Charles Brower, 82, a leading industry figure and major creative and business influence on Batten, Barton, Durstine & Osborne in his 42 years at the agency, died July 23 at his home in Brielle, N.J. The cause of death was not revealed.

Inducted into the Advertising Hall of Fame two years ago, Mr. Brower became president of BBDO in 1957 and chairman in 1964, a position he held until he retired in 1970. He rose through the creative ranks, first joining the agency in 1928 as a copywriter and becoming exec vp in charge of creative services in 1946. He is listed in Julian Watkins' book, "The Top 100 Copywriters."

CHARLES BROWER

When Mr. Brower joined the agency, it was called the George Batten Co. He was hired by William Benton, at that time the head of the trade and industrial section of the Batten copy department. Mr. Benton, however, was fired the Saturday before Mr. Brower was to start at Batten, leaving no written evidence that Mr. Brower had been hired.

Mr. Brower persuaded the agency to let him stay on anyway. He told Batten he had been promised $75 a week, $10 more than was actually the case. "And that was when I got my first raise," Mr. Brower would later tell Barton Cummings in the latter's series of interviews with leading ad agency executives called "The Benevolent Dictators" (AA, July 25, '83).

Interestingly, Mr. Benton, who did not think much of the Batten agency, was fired for "disloyalty" because he urged that the shop merge with the Barton, Durstine & Osborne agency, which had offices in the same building. Four months after firing Mr. Benton, Batten did indeed make the merger, creating BBDO. Mr. Benton, for his part, cofounded his own agency—Benton & Bowles.

Mr. Brower then spent eight years writing copy for Wonder bread while Ted Bates worked the account side. Mr. Bates would also later form his own agency.

Under Mr. Prower's stewardship, BBDO was transformed from predominantly an institutional agency handling banks, insurance companies and public utilities into

(Continued on Page 55)

world news roundup

LONDON—The U.K.'s Department of Energy has picked Doyle Dane Bernbach to handle its $4 million account, previously handled by Young & Rubicam.

MADRID—The Spanish Tourist Secretariat is looking for an agency to handle a new $2.6 million international campaign. Tandem/-DDB, Young & Rubicam and three local shops are pitching.

LONDON—BAT Industries has named Foote, Cone & Belding to handle its $2.6 million worldwide account for State Express cigarets, formerly handled by Ted Bates Holdings here.

MELBOURNE—Grey Advertising last week acquired a 30% share in Hayes, Cowcher-Dailey, a local shop with $10 million in billings. With offices in Melbourne and Canberra, the agency is now known as Dalziel, Harper & Grey.

PARIS—Gruner & Jahr, Hamburg, plans to start publishing a French weekly women's magazine, called *Femme Actuelle*, Oct. 1 with a pressrun of 1 million. Cover price will be 60¢.

MADRID—Coca-Cola Co. is rolling out a noncarbonated version of Fanta in orange, apple and lime flavors with a $1 million campaign via Clarin.

RIO DE JANEIRO—R.J. Reynolds do Brasil launched Doral filter cigarets last week in southern Brazil through J. Walter

(Continued on Page 38)

AdWatch

(Continued from Page 3)

tising first came to mind from all the fast-food advertising they had seen fell 7.6 points, after dipping 5.9 points in May. The June rankings put McDonald's No. 1 with 32.1% of first mentions (a 2.9 point increase since May). Burger King back in its accustomed No. 2 spot with 20% and Wendy's was No. 3 with 15.2%.

Time to break the third "Where's the beef?" spot?

Despite Pepsi's over-all win, it lost some of its fizz in the soft-drink category. Its advertising's share of first mentions dipped five percentage points to 34.2%. Coke held the No. 2 spot with 21.1%, while 7UP was third with 7.3%.

AdWatch is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a nationally projectable sample of consumers to name the advertising that first comes to mind in a variety of product and service categories from all they have seen, heard or read in the previous 30 days.

Last month, 1,250 adults were questioned by phone. Under adWatch methodology an increase or decrease between monthly samplings of 2.8 percentage points is considered statistically significant and attributable to more than sample variation.

Wendy's "Where's the beef?" and Pepsi's "Choice of a new generation" are two of the most talked-about campaigns that have broken during the year's first half. But, of course, there have been many others that have "moved the needle" on advertising awareness during the past six months. Among these are Apple's teaser introduction campaign for its Macintosh computer, Stroh Brewery's "Alex the dog" spots and Burger King's latest round of "broiling vs. frying" commercials.

The abundance of especially memorable creative efforts launched in the year's first six months makes this a good time to take a cumulative look at adWatch advertising awareness results.

What follows are the top advertisers in over-all (unaided) awareness and six-month average shares of first mentions for the top three advertisers in each of the 22 product and service categories adWatch covered.

• **Top 10 over-all.** Wendy's; Pepsi; Coca-Cola; Lite beer from Miller; McDonald's; Burger King; Ford; Budweiser; Chevrolet; Stroh's.

In the past six months, Wendy's advertising came to mind first for more respondents than for the next three advertisers combined.

• **Airlines.** Eastern (13.8%); United (12.7%); American (10.3%).

With fare wars and flight expansions boosting advertising expenditures, this has been one of the first half's most changeable categories. Each of these three airlines has been No. 1 at least once during the period. In June, Eastern's share of first mentions rose 3.6 percentage points, moving it into the lead. American lost 3.7 points and dropped from No. 1 to No. 3.

• **Apparel.** Levi's (10.4%); Jordache (5.4%); Sears (4.6%).

Watch Sears. In the June survey it passed Jordache for the first time. Levi's top-of-mind awareness was up three points last month.

• **Beer.** Budweiser (14.2%); Miller (9.7%); Miller Lite (8.4%).

Coors, with a six-month average of 8.3%, is breathing down Lite's neck.

Stroh's, with expanded distribution and advertising presence, gained 3.6 points in the June survey, moving it up to No. 3.

Also worth noting in the June survey is the first appearance of Anheuser-Busch's LA, which in a short time received more mentions than such established brands as Molson, Heineken or Old Milwaukee.

• **Breakfast foods.** Cheerios (6.9%); Wheaties (6.3%); Kellogg (5.7%).

• **Cameras & photographic equipment.** Kodak (27.5%); Canon (16.3%); Polaroid (8.6%).

Kodak's share of first mentions dropped 3.6 percentage points in June.

• **Cars & trucks.** Ford (22.2%); Chevrolet (12.6%); Toyota (8.0%).

• **Coffee.** Maxwell House (23.7%); Folger's (21.2%); Sanka (6.8%).

• **Computers.** Apple (22.8%); IBM (13.0%); Commodore (6.2%).

Apple continued to strengthen its lead in June, jumping 5.1 percentage points.

Worth noting: Last month, only 35% of the adults surveyed were unable to recall any advertising for a computer company. That compares with 44% who could not name a specific laundry-product ad they'd seen.

• **Cosmetics.** Avon (5.2%); Maybelline (4.8%); Revlon (3.8%).

• **Financial institutions.** Merrill Lynch (6.4%); E.F. Hutton (4.5%); Dean Witter (1.7%).

Last month, 62% of respondents drew a blank when asked what advertising in this category first came to mind.

• **Fast-food.** McDonald's (34.3%); Wendy's (20.4%); Burger King (16.4%).

• **Frozen foods.** Birds Eye (14.5%); Swanson (7.2%); Stouffer (5.5%).

• **Home electronics.** General Electric (5.4%); RCA (3.1%); Sony (2.8%).

• **Laundry products.** Tide (24.6%); Cheer (4.4%); All (4.3%).

• **Liquor.** Jack Daniels (4.4%); Seagrams (2.1%); Black Velvet (1.7%).

Despite the relatively low shares for the top three, 91% of respondents last month were able to recall specific brand advertising (but most of the dozens of brands named received less than 1% of total mentions).

• **Medicine & drugs.** Tylenol (26.4%); Anacin (7.4%); Bayer (4.9%).

• **Pet food.** Purina (13.0%); Alpo (8.4%); Meow Mix (3.5%).

• **Soap & shampoo.** Ivory (8.2%); Head and Shoulders (6.2%); Prell (5.7%).

• **Soft drinks.** Pepsi-Cola (33.6%); Coca-Cola (21.6%); 7UP (7.2%).

• **Tea.** Lipton (46.9%); Nestea (4.2%); Tetley (3.4%).

• **Tobacco.** Marlboro (7.8%); Skoal (5.2%); Winston (4.0%).

• **Wine.** Gallo (11.3%); Riunite (9.1%); Paul Masson (3.6%).#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

ABC to pass on cuts in Olympics fees

(Continued from Page 3)

clined across the board from the 1984 Winter Olympics (AA, March 12).

The 18.2 total households ratings average for this year's Winter Olympics coverage in prime time was off 24% from the 24 ratings average ABC projected.

Although ABC sells the Olympics on household ratings without guarantees, the network believes it is prudent business to compensate advertisers for ratings shortfalls. Sources say ABC estimates its Summer Olympics coverage will average a 20 rating.

ABC has nearly sold out $435 million of available network tv time for the summer games, which will be telecast in 180 hours of mostly live tv coverage through Aug. 13. Among the leading sponsors are Coca-Cola, AT&T, Anheuser-Busch, Atlantic Richfield, McDonald's, Levi Strauss, General Motors' Buick, Motorola, IBM and Xerox.

Aside from jeopardizing the impact of more than $1 billion being spent to promote advertisers' Olympic tie-ins, lower than anticipated ratings for the summer games undoubtably would affect the value and desirability of the 1988 Summer Olympics in Seoul, South Korea.

Mr. Arledge also could find himself a victim of a boycott-precipitated ratings dive in the summer games. Like Fred Silverman, who was president of NBC when that network owned the broadcast rights for the 1980 Moscow games, which the U.S. boycotted, Mr. Arledge could find himself a victim of unfortunate circumstances that could adversely affect his career.

However, such a prospect appeared to be the furthest thing from his mind last week as Mr. Arledge prepared to oversee most, if not all, of ABC's exclusive Summer Olympics coverage from a control center in Los Angeles.

In addition, Mr. Arledge underwent surgery several weeks ago to have a benign tumor removed from his thyroid gland, which was discovered during a routine physical. Most of his thyroid also was removed.

However, Mr. Arledge denied rumors surfacing last week that, for health reasons, he would be unable to maintain his unprecedented dual function at ABC as president of both the sports and news divisions, as he has since 1977.

"My health is fine. It's just that I went right from the operation to overseeing our coverage of the Democratic convention in San Francisco to overseeing our Olympics coverage here [in Los Angeles], and then we're on to Dallas for the Republican convention," he said.

ROONE ARLEDGE

Mr. Arledge, 53, who has the reputation of being an innovative broadcasting maverick, also denied renewed rumors about his stepping down from one or both ABC posts by year's end because of their extraordinary demands. Mr. Arledge said his current ABC contract runs through next year.

"I really don't know what I will do next, but a lot of that will depend on what shape things are in," he said.

Mr. Arledge admitted there was a point late last year when his superiors at ABC Inc. offered him the opportunity to move up the corporate ladder.

He did not elaborate on what broadcasting-related post he was offered.

"I immediately declined because I felt I owed it to people to see through this year's huge undertakings in news and sports, meaning the Olympics and the elections, through to the Super Bowl and the inauguration next January," Mr. Arledge said.

"I've put on hold any consideration of what I'll do in the future until next year," he said. "But I'm sure the day will come when I want to change."#

Bill may unpot honey ads

By STEVEN W. COLFORD

WASHINGTON—Stung by sagging honey sales, U.S. bee keepers are buzzing over the idea of a multi-million-dollar national advertising campaign to expand the market for their golden nectar.

The campaign would be commissioned by a national honey board—as yet unformed—and financed by an assessment of honey producers and importers, according to their volumes. Initial estimates have put the fund at about $3.2 million.

Although the board would decide the exact nature of the promotional campaign, a Department of Agriculture official said he believed the board "would have to rely on an agency" with the experience and expertise to conduct a national campaign.

The potential for these new tactics comes from a bill introduced last spring by Rep. E. (Kika) de la Garza (D., Tex.) and passed unanimously on July 24 by the full House.

Texas is one of the nation's leading honey-producing states, as is North Dakota, home of Republican Sen. Mark Andrews, who today will introduce his own version of the bill.

Sen. Andrews might try to push the bill directly to a Senate floor vote—perhaps as early as this week—or might first schedule committee hearings, an aide said. Either way, he added, the bill is expected to encounter no opposition.

Congress was lured into the sticky matter when the domestic honey-producing industry, led by the American Beekeeping Federation, lobbied for federal help against cheaper imported honey.

Annual U.S. honey consumption has been about 1 lb. per person for several years, says the Department of Agriculture, and imports have eaten away at the domestic share of the static sales, principally because of the federal price supports that keep domestic honey prices high.

The legislation would authorize USDA to conduct a national referendum of honey producers and importers on whether they would contribute to a national promotion fund.

If a prescribed number approved, the Secretary of Agriculture would appoint a national honey board to assess industry members and spend the money.

The legislation stipulates that only producers and importers of more than 6,000 lbs. of honey a year would be assessed, at an initial rate of 1¢ per 100 lbs.

Frank Grassberger, acting chief of USDA's specialty crops branch, said 205 million lbs. of honey were produced in the U.S. last year and another 110 million lbs. were imported.#

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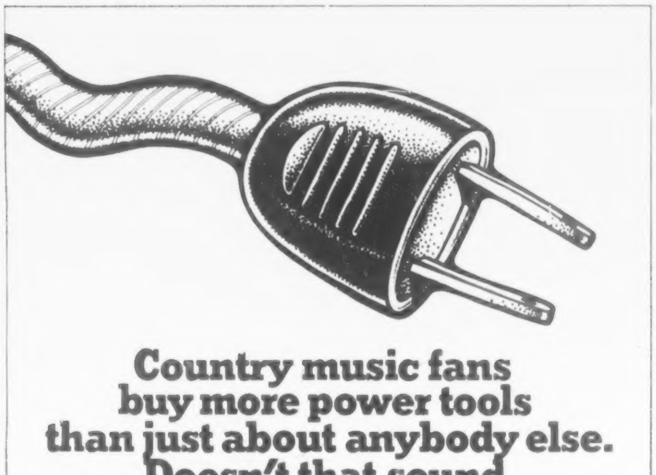

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Advertising Age®

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$1.25 a copy; $52 a year · *The International Newspaper of Marketing* · *Thursday, August 9, 1984*

GET READY FOR
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More Lights 100's

Reynolds does more for More

R.J. Reynolds Tobacco will support its revamped More Lights 100s brand, which gets a darker cigaret paper and new packaging next month (AA, Aug. 6), with this spread ad, via Leber Katz Partners, New York, scheduled to run in national magazines in October.

Seiko times big ad effort for holidays

By ROBERT RAISSMAN

New York—The battle for control of the watch market's middle range will intensify this fall when Seiko Time Corp. breaks the largest spot tv and consumer print campaign in its history.

A Seiko spokesman would say only that the campaign will entail multi-million-dollar spending. Leading National Advertisers puts Seiko's 1983 spending at $7.3 million. AC&R Advertising will handle the drive, which breaks in October.

The fall campaign is designed to give authorized Seiko dealers maximum support going into the holiday gift-giving season, said Seiko vp-advertising David Strousse.

From October until Christmas, Seiko commercials will air more than 1,000 times in major markets on cable, news and sports, prime time and spot tv.

Three different tv commercials will be used.

One will be devoted to high-fashion Seiko ladies' watches, another to men's timepieces and a third will emphasize the art of the Lasale Seiko model.

Seiko also has created its largest-ever newspaper campaign. Five dealer-listed page ads are scheduled to run in every major market.

Color page magazine ads in multiple insertions are scheduled for *Esquire*, *Forbes*, *Fortune*, *The New Yorker*, *Newsweek*, *People* and

(Continued on Page 2)

Major net tv drive added for Adam

By BRIAN MORAN

West Hartford, Conn.—Coleco Industries' relaunch of its troubled Adam home computer shifts into high gear Aug. 15 when a new network tv campaign breaks via Ketchum Advertising, New York. The new $20 million-to-$25 million ad effort positions the overhauled Adam as more reliable.

The network tv commercials follow a spot radio and local newspaper campaign that began last June and will have hit 25 markets by summer's end. Coleco earlier introduced the new version of Adam at the Consumer Electronics Show (AA, June 7).

The Adam computer has been plagued with operating failures and returns since it hit the market last October, creating a massive image problem among retailers and consumers. Other problems included higher than expected manufacturing, overhead and research costs.#

at presstime

Universal Wines & spirits picks Eisner

Baltimore—Universal Wines & Spirits, a Rockville, Md.-based liquor and food importer, has selected Eisner & Associates here to handle next year's national rollout of three lines. Universal will introduce Bavarian vodka, Cluster de France table wines and Pasta de Italia, a line of imported foods. National introductions for all three lines will be supported by separate broadcast and print campaigns. Ad spending for Pasta de Italia may hit $1.5 million. Budgets for the other items remain undisclosed. Eisner is the first agency of record for the new offerings.

Tiki Tan names Wolff Whitehill as agency

New York—Tiki Tan Sun Products, Ormand Beach, Fla., has named Wolff Whitehill, New York, as the first agency of record for its $500,000-plus account. The company is expanding from the Southeast into the Northeast (AA, July 12). No previous agency of record.

(Continued on Page 27)

Miles adds Alka Mints

By LAURIE FREEMAN

Positioning its new Alka Mints as the stomach antacid remedy that "neutralizes more stomach acid than the leading chewable tablet," Miles Laboratories is entering the $640 million antacid category with its Alka-Seltzer effervescent medicine reformulated into a chewable tablet.

The low-sodium, spearmint-flavor tablet is being pitted directly against Tarrytown, N.Y.-based Norcliff-Thayer's Tums tablet,

(Continued on Page 2)

Olympic success breeds 'barn burner' idea

Wolper mulls road show

By DIANE MERMIGAS

David Wolper says the favorable response to the July 28 Olympics opening ceremonies he produced has engendered plans to take a similar flag-waving show on the road.

The hitch will be finding a sponsor—perhaps a national advertiser—to finance a cross-country tour of what Mr. Wolper envisions as "a patriotic barn burner that will touch the American soul.

"The idea has crossed my mind during the past week that I've been preparing for the closing ceremonies," he said in an Aug. 4 telephone interview from his Los Angeles production office.

The closing ceremonies at 7 p.m. (ET) Aug. 12, will be a somber, traditional affair at the outset, with appearances by past marathon greats plus the completion of this year's men's marathon and the awarding of its medals, Mr. Wolper said. Also featured will be a procession of all 7,500 Olympics athletes and the dousing of the Olympic torch.

However, he promises the final half hour will be "one big party" complete with a display of "space technology, laser lights and fireworks" and Lionel Ritchie singing his hit "All Night Long." About 4,000 performers will participate.

"What I'm shooting for in the closing ceremonies is a feeling of international friendship," said Mr. Wolper, who confessed his concern about producing a fitting Olympics encore.

Mr. Wolper said he has received

(Continued on Page 2)

Brazilian election Amazonian ad task

By LAUREL WENTZ

Sao Paulo—If the U.S. presidential candidates think creating a winning image is tough, they should try running for the job in Brazil.

Many of the largest Brazilian-owned ad agencies are throwing themselves into the campaign. But it's no easy job for them either. Shops working for two of the presidential candidates don't want the public to know of their involvement. Many agencies would rather work for a third candidate, but he doesn't have the money to pay for their services.

On the eve of this country's political conventions this weekend, the field has narrowed to three *presidenciaveis*, or potential presidents.

This month, both candidates for the Government party started crash image-building campaigns, extolling their virtues in 30-second tv commercials. Only one of the party's candidates—Paulo Salim Maluf or Mario Andreazza—will survive this weekend's conven-

(Continued on Page 25)

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NEWSPAPER

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Showtime to make pitch on network tv

By SUSAN SPILLMAN

New York—Showtime, the nation's second-largest pay tv service, will break its first network tv commercials next month, part of an estimated $8 million ad campaign to run through November.

Showtime will run 30-second spots on ABC, CBS and NBC Sept. 10 through Oct. 7. Another flight begins Oct. 22 and runs through Nov. 18.

In total, Showtime will have bought about 637,700 gross ratings points.

The buy also reinforces ABC's recently revamped policy of accepting cable tv commercials.

After three years of discussions, Showtime rival Home Box Office convinced ABC to take its ads in June. Until then, the network had a strict policy banning all cable ads.

The Showtime commercial uses a jingle, "We Make Excitement," a takeoff on the Pointer Sisters' hit song "I'm So Excited."

The jingle is set to a fast-action montage of behind-the-scenes glimpses of Hollywood in action: Lights, cameras and sets being moved.

A rough version of the spot was shown to cable operators at the National Cable Television Assn. meeting in June.

The campaign is J. Walter Thompson USA's first effort since gaining the account from Benton & Bowles this year.

The fall campaign also includes ads in *TV Guide* and other cable guides, as well as network radio, outdoor spots on nine cable networks and on-air promotions.

According to Joanne Black, senior vp-marketing for Showtime/Movie Channel, "We're big enough now that it's time we step out and become a national brand."#

Cable security execs try for antipiracy net

By SUSAN SPILLMAN

New York—Three former Federal Bureau of Investigation agents now working in the cable tv industry are setting up a national organization to thwart cable piracy. Cable piracy costs the industry an estimated $500 million in revenues.

"We want to combat these pirates the same way they do business, through a well orchestrated network," says Robert Astarita, one of the organizers who recently was hired to direct corporate security for Cablevision Systems, Long Island.

Mr. Astarita and former FBI colleagues Ronald Putman, director of security for General Instrument Corp., and John Janson, corporate director of security for Oak Media, are attempting to set up their group through the National Cable Television Assn. "But if that fails we will do it independently," Mr. Astarita said.

The new group will set up "sting" operations and act as a clearinghouse for information about pirate operations.

"Most of the piracy in this country is controlled by 15 to 20 well organized pirate networks," says Mr. Astarita.#

news summary

Thursday, August 9, 1984

Parfums de Coeur has offered six new entries in the $100 million body-spray category. The Irresistible Imposters are being promoted this summer in teen-oriented magazines. *See Page 3.*

Businessoft, a new entrant in the business software market, claims to have the answer for executives who don't have the time or vocabulary to construct simple business letters. *See Page 3.*

Sterling Drug's Glenbrook Laboratories has added Nursery Fresh aerosol room deodorizer to the Diaparene line. The item will get tv and print support this fall. *See Page 3.*

Sunday Novel Corp. will begin distribution next month of advertising-supported, full-length novels in five major-market newspapers. *Sunday Novel* is set to run in Chicago, Dallas, Los Angeles, New York and San Francisco. *See Page 3.*

La Prairie, a division of American Cyanamid, hopes a new approach to in-store selling will launch it into a prime position in the $2.6 billion skincare market. *See Page 5.*

Two companies in the personal-computer software field are the latest victims of a market shakeout. *See Page 26.*

DIRECT MARKETING

Advo System, the Hartford, Conn.-based leader in direct-mail advertising distribution, is keeping a watchful eye on Washington. As the U.S. Postal Service considers new rate proposals that will affect Advo system, the company is fighting what it sees as a concerted newspaper-industry effort to put the company out of business by lobbying for substantially higher third-class mail rates. *See Page 8.*

Bose Corp., marketer of audio equipment, last week rolled out the third test mailing in its effort to launch an audiocassette club targeted at automobile owners. *See Page 8.*

SPECIAL REPORT

While business is flourishing, retailers are developing ways to keep the good times going, such as researching who their customers are and devising competitive positioning strategies. *See Page 11.*

Mass marketers are spending millions of dollars to overhaul their stores, products lines and personalities, and those efforts are having a big effect on the retail marketplace. *See Page 12.*

The retail outlet and the direct-mail catalog enjoy a symbiotic relationship, with each entity bolstering the other by improving sales and market share. *See Page 20.*

REGIONAL REPORT

State fair promoters project the image of livestock shows, apple pie contests, ice shows and music with an array of marketing tactics, including discount admission tickets, promotional tie-ins and multimedia advertising campaigns. *See Page 26.*

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ABC defends coverage

By DIANE MERMIGAS

Roone Arledge, president of ABC News and Sports, pondered the heavy American slant to the network's coverage of the Olympic Games early last week before it became a sore point with the International Olympic Committee.

"If our coverage has appeared one-sided it's because Americans are winning a lot of the medals," Mr. Arledge said during an interview last week. "We have to be cognizant of balancing out the picture, but we also are obliged to report what happens."

Mr. Arledge offered his remarks before the International Olympic Committee, which last weekend criticized ABC's Olympics coverage. The committee complained that the network's coverage was too heavily weighted toward American athletes.

Although ABC offered no official response, spokesmen for the network pointed out that the international committee's criticisms were based on ABC's domestic coverage, which the Los Angeles Olympic Organizing Committee chose to show on closed circuit in the Olympic Village. The 7,500 participating athletes inhabit the village.

Consequently, foreign athletes and staffers have been getting an Americanized view of the games that seemingly excludes a focus on foreign competitors. ABC also produces an international satellite feed that, in the past, was beamed into the Olympic Village.

The international satellite feed is a comprehensive, unedited version of all Olympics competition. It includes no subjective coverage—for example, sportscasters' commentary or profiles of individual athletes. Subscribing foreign broadcasters are free to select portions of the international feed for their own coverage.#

Wolper mulls road show

(Continued from Page 1)

more than 6,000 letters and telegrams from entertainment, advertising, political and sports luminaries congratulating him on the opening show.

He also said he has been inundated with requests to produce such tv events as the Academy Awards ceremony.

Mr. Wolper said the opening ceremonies—which, with a 29.5 rating and 55% share of the national tv audience so far outrank all Olympics competition coverage—was "the emotional, inspirational spectacle" he hoped for.

He was pleasantly surprised by such spontaneity as performers and spectators in the Los Angeles Coliseum joining hands during the music number "Reach Out and Touch Somebody's Hand" and by athletes who danced on the field at the end.

"I think the opening ceremonies provided the enormous surge of interest and patriotism which have contributed to the very high ratings the events have been getting," Mr. Wolper said.

National and overnight Olympics ratings remain strong. The first nine nights of ABC's Olympics coverage have averaged 23.8/45 nationally. However, the latest national statistics released Aug. 7 by A.C. Nielsen Co. showed prime time viewing of the Olympics peaked Aug. 5 with a 25.2/47. Daytime viewing also peaked Aug. 5 with 16.1/44 in Nielsen's eight overnight metered markets.

Mr. Wolper believes the opening ceremonies will have an impact on creative trends in future advertising and entertainment as well. "I think we'll see other producers and advertisers integrating more Americana and emotion into their work simply because they were reminded just how effective those elements can be," he said.

Mr. Wolper, a 35-year veteran of such tv productions as "Roots" and "The Thorn Birds," said he considers the opening and closing Olympics ceremonies "the most overpowering way I've ever been able to touch so many people at one time."

His future tv projects for ABC will include the 18-hour miniseries "The North and the South," and eight-hour versions of Homer's "Odyssey" and "Napoleon and Josephine."

Like others participating in the opening and closing ceremonies, which will cost $7 million, Mr. Wolper has volunteered his services and time.#

MenJ sets home diagnostic

By NANCY GIGES

Philadelphia—SmithKline Beckman Corp. hopes to establish a home diagnostics business through its Menley & James consumer products division.

The division is introducing its first home diagnostic, Hemoccult, which detects hidden blood in the stool that is often an early sign of serious colorectal diseases.

The product, which joins C.B. Fleet's Detecatest (AA, Sept. 12) on the over-the-counter shelves, will get consumer and medical advertising this fall.

According to SmithKline, the kit, which will retail for between $6.50 and $7.50, is a self-test version of Hemoccult II, another SmithKline product marketed only to medical professionals.

Consumer media will include magazines, Sunday supplements and cable tv, via BBDO. The company is handling trade and medical advertising internally.

A company spokeswoman said SmithKline hopes to expand in the home diagnostic area, but she was unaware of other new products.#

Seiko effort

(Continued from Page 1)

Sports Illustrated.

Both Citizen Watch Co. of America, Lyndhurst, N.J., and Pulsar Time, Mahwah, N.J., also plan to increase advertising to gain a share of the midprice market.

Citizen tried network tv earlier this year for the first time via Levine, Huntley, Schmidt & Beaver. Looking for a new creative approach, Pulsar moved its $9 million account from Sawdon & Bess to Ammirati & Puris (AA, July 23).#

Alka Mints

(Continued from Page 1)

the category's No. 1 brand.

A $4 million advertising campaign from Miles, Elkhart, Ind., is set to break in late autumn, with network tv spots and print ads in leading consumer magazines. The magazine ads will include offers for free sample packages of 12 Alka Mint tablets. A direct-mail campaign will send out 14 million samples of the chewable tablets, and samples will be included with regular Alka-Seltzer products.

A freestanding newspaper insert is scheduled for Nov. 18.

McCann-Erickson, New York, is agency for Alka Mints.#

Special Report

Retail
Marketing

Jeffrey Toth

Expanding customer base on shopping list

By Cecelia Reed

Recent headlines in newspapers and trade publications about the retail industry could have been printed in rosy ink, but black wasn't too far off the mark. Sales for most retail businesses this year have been strong as consumers continue to rediscover the art of shopping and spending.

The unvoiced question, of course, is how much longer will the good times last?

It wasn't that long ago when retailers were shaken to their bottom lines by the surge of off-price retailers. The uncertain economy was the impetus for bargain hunting, but the pursuit of good prices—coupled with good quality merchandise—is a consumer imperative that's here to stay, according to most industry observers.

The off-price threat caused many retailers to lose a lot of sleep last year, and much spleen was vented toward suppliers who sold to off-price establishments. But angry denunciations didn't change marketplace realities. Along with the deep discounters has come the growth of specialty stores, Toys 'R' Us and The Limited for example, which successfully have siphoned off traditional department store customers. Other retail forms membership warehouse stores and catalog showrooms, such as are also providing alternatives to consumers.

Survival of the smartest—the smartest marketers and merchandisers, that is—is the name of the retail game for now and the future. Those who understand how to best serve their customers and how to market themselves to appeal to even a broader buying segment, will maintain a toehold in the shifting retail firmament.

Retailers must become more aware of who their competition really is, and why their customers shop where they do.

"Up until the last five years, all retailers had to do was build another store," says Lynn Pregont, retail marketing manager with WLS-TV, the ABC-owned station in Chicago. Putting up another outlet, then, was considered growth. "But with the shift in the economy, the focus itself shifted from new site development to increased productivity in *existing* stores. It became necessary to maintain share of market.

"In 1984, productivity is the key," Ms. Pregont says. "Retailers are going to have to become more introspective, to examine their internal share of market as well. Is the customer who is buying your dresses also buying your shoes? And how are you getting them to spend more in your store?"

Retailers are using research techniques to get a better reading of who their customers are—and what kind of shopping environment they seek.

More and more stores are overhauling their merchandise mix and even their physical makeup to better target their desired market.

The mass merchandisers, in particular, aggressively are pursuing a more affluent shopper with upgraded private-label and name-brand products while weeding out the lines that recall their former, lower-end days.

Developing a competitive positioning strategy is vital to retailers. Raenette Stimmel, senior consulting associate, Management Horizons, Columbus, O., says, "Most retailers tend to react to all competitive pressures. They try to be all things to all people. They must develop a specific marketing strategy and merchandising strategy."

She stresses that identifying customers is half the puzzle for retailers; it's necessary to find out why they shop the competition as well.

The need to be different in an over-stored environment, to rekindle consumers' eroding store loyalty and, above all, to lay the groundwork for future growth, should be major preoccupations in retailers' minds today. Tomorrow comes all too quickly.

Cecelia Reed, a senior e[illegible] of ADVERTISING AGE, coordinated this Special Report.

Mass merchandisers moving up

By Belinda Hulin-Salkin

Retailing to the mass market isn't what it once was. For one thing, this market is trading up: It is better educated, more affluent and more discriminating than ever.

In an effort to capture its individual hearts, minds and wallets, mass merchandisers today are spending millions of dollars to overhaul their stores, product lines and personalities. According to industry observers, the sound and fury of these giants' efforts to keep up with the times is having a tremendous impact on the retail marketplace.

"The influence of the major chains is felt throughout the industry," says veteran retail analyst Walter Loeb. "And all of the major merchandisers have made great strides in revamping their merchandise and updating the look of their stores."

According to Mr. Loeb, the U.S. has a store excess of about 47% and mass merchandisers such as Sears, Roebuck & Co., J.C. Penney Co. and Montgomery Ward & Co. are responding by cutting poorly performing lines, upgrading store presentation and raising merchandise standards.

For Sears, the emphasis is on the future. In 1983, the company launched its "store of the future" concept and embarked on a five-year, $1.7 billion capital investment program to build 62 new stores and retrofit 600 existing stores on the new model. According to G. Joseph Reddington, vp-marketing, Sears Merchandising Group, the store of the future program is based on a fairly simple premise.

"When the merchandise is right and it is displayed properly, it sells better," he says. "To that end, the layout of the store has been changed so the merchandise is where the customer expects to find it."

Aside from arranging merchandise into logical groups, Sears also added national name-brand merchandise to its own portfolio of longstanding private labels. "We added those brands that we felt would help us attract customers who might not have stayed with us for those particular items," Mr. Reddington says.

In addition to physical plant improvements and merchandise line additions, Mr. Reddington says upgraded Sears stores will give more floor space to apparel and home fashion departments, customer transaction time will be cut in half through computer-register price programing, and store areas will be predesignated for different levels of customer service depending on merchandise categories. The goal of these and other improvements is not so much to get people into the stores as it is to get them to buy more once they've arrived.

Although the Sears store of the future gives more space emphasis to soft line product groups, the company still is maintaining a heavy presence in its traditionally strong hard lines. In contrast, J.C. Penney has given up its major appliance, hardware, lawn and garden, and automotive centers as part of its $1 billion modernization and repositioning program begun in January, 1983.

"We dropped those departments because they weren't doing that well," Duncan Muir, Penney's public relations manager, says. "We are mostly located in regional shopping malls, and when our customers go into a shopping mall, fixing the car is not on their mind."

What is on their mind, Mr. Muir says, is fashion—both for the home and the individual. In keeping with that premise, Penney's has restructured its soft-to-hard lines ratio from 60-40 to the current 75-25, adding a new mix of fashion-oriented merchandise including the much-touted Halston III line. To showcase its new fashion statement, about 550 of the company's medium and large store interiors are being revamped.

"Recent research has shown that the J.C. Penney customer and the department store customer are the same, but she is going into the department store 17 times a year and going into J.C. Penney nine times a year. We're out to get more of that department store traffic," Mr. Muir says.

This fall the company will show its international chic with a four-week "Salute to Italy" beginning Sept. 16. The storewide event will feature such promotional events as a personal appearance by Sophia Loren in several markets, a retrospective of her works, appearances by Italian chefs, goldsmiths and artisans, all eager to show and sell.

> **"We've become trendier and much more conscious of fashion to attract a more contemporary customer."**
>
> *—Charles Miller*
> *Montgomery Ward & Co.*

According to Mr. Muir, Penney's is spending $10 million on advertising and promotion for the event, more than half of which will be allocated to a national ad campaign. In 1983, the company's total advertising expenditure reached $381 million, up from $314 million in 1982, an increase largely attributable to repositioning support.

Although Sears and Penney's both have generated a lot of attention with their renovation efforts, some industry observers say they believe Montgomery Ward may be the real sleeper of the mass-merchandising marketplace.

Like its larger retail counterparts, Ward's has added national brand items when appropriate and has upgraded its presentation to attract an upscale, quality-conscious mall shopper. And, like Sears, it continues to retain a strong franchise in hard line merchandise. But Ward's has taken the idea of related merchandise groupings a step further then the competition with its seven "store" strategy.

According to Charles Miller, executive vp-marketing, the company identified seven merchandise groupings: Home, apparel, appliance, automotive, electronics, home care, and recreation and leisure. The units could be self-contained and when grouped together would equal a complete department store.

"We opened a prototype of our Home Store in the Colorado Springs Montgomery Ward at the end of May," Mr. Miller says. "We're testing these units individually to see if they are as exciting to shoppers as they are to us."

The prototype Ward Home Store is a 27,000-sq.-ft. section inside the 100,000-sq.-ft. Colorado Springs store. In Las Vegas, the company is testing its electronics store and its automotive store.

"This approach allows us to be much more focused in our offerings," Mr. Miller says. "We've become trendier and much more conscious of fashion to attract a more contemporary customer."

Depending on these test performances, Ward's may be fielding a full specialty-selling prototype store in 1985. In the meantime, the company is continuing to upgrade its existing 323 retail stores at a rate of 60 a year, with 100 renovations already completed. The company is undergoing what is by all reports considered a turnaround, with announced earnings of $40 million in 1983, a $133 million improvement over its 1982 loss of $93 million and its first profitable year since 1979.

With few exceptions, Sears, Penney and Montgomery Ward have dropped their regional advertising efforts for a more centralized, national approach. Executives with the major retail chains give various reasons for the switch, including the need for a unified advertising program and increased efficiency, but the end result has been what one advertising executive calls "a wholesale rush out of r.o.p. [run of paper] and into preprint."

B. Christopher Jackson, vp-chain store sales for the Newspaper Advertising Bureau in New York, attributes this preprint phenomenon to what he calls the five C's: Cost, coverage, conformity, control and color. But he doesn't expect mass retailers to stay out of r.o.p. forever.

"My own feeling is that the major multimarket retailers don't have any more dough to take out of r.o.p. and put into preprint," he says. "Some of the major stores are already starting to rediscover r.o.p. It's a trickle, but I think in a year or so, it will be a noticeable trend."

While the four-color preprint may be the most prominent advertising format development for mass merchandisers, it is the ad presentation that interests some observers, who say the stores have been very careful to follow their repositioning efforts through to the last item of promotional literature.

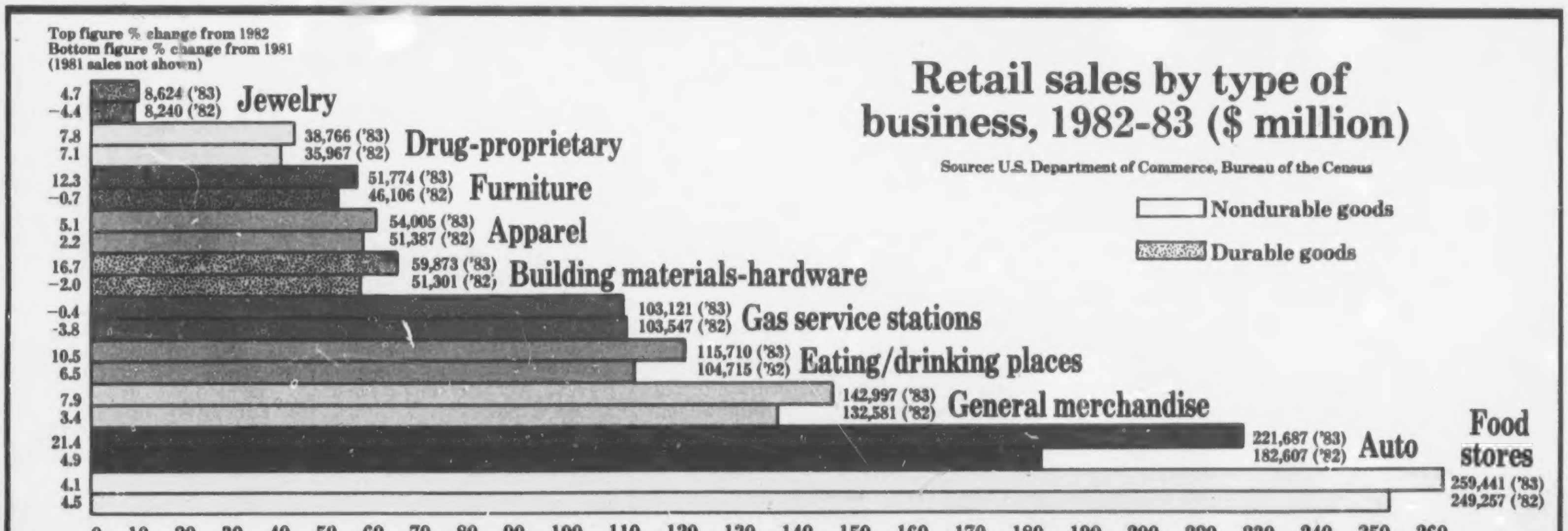
According to Alfred Eisenpreis, vp-retail marketing, Newspaper Advertising Bureau, the most impressive aspect of the entire repositioning trend in mass merchandising is that the individual retailers have approached the situation by playing to their own strengths and acknowledging their weaknesses.

"In the '60s and '70s there was a lot of marketing done that was based on the way retailers wanted people to see them, and not based on reality," he says. "Now it's clear that these companies have thought a lot about who they are and why customers shop their stores.

"They took a good look at their customers and where the market was heading, and they made changes that are very true to their basic identities.

"It seems to me, we're at the beginning of a major thrust in mass retailing."

Belinda Hulin-Salkin wrote an industry perspective for last year's retail marketing Special Report.



Retail sales by type of business, 1982-83 ($ million)

Source: U.S. Department of Commerce, Bureau of the Census

at presstime

Wine line positioned especially for women

San Francisco—ISC Wines of California is introducing a new line of table wines under the Lejon label. The wines will be packaged, positioned and advertised specifically toward women. Color page ads breaking this fall in women's and food magazines, as well as *People*, are headlined "Lejon: The art of sharing." Foote, Cone & Belding handles.

Other late news

● Uniondale, N.Y.—**Avis** is entitled to injunctive relief and can seek corrective advertising for an ad claim made by Hertz Corp., a federal district court judge has ruled here. The decision came in a lawsuit filed by Avis, a Garden City, N.Y.-based car-rental company. The suit accuses New York-based Hertz of violating federal and state laws prohibiting false advertising. The suit challenged a national campaign—via Scali, McCabe, Sloves—in which Hertz claimed "Hertz has more new cars than Avis has cars." In his decision, Judge L.D. Wexler said that Hertz ads "had a tendency to and indeed did deceive the public."

● New York—**James Foster**, exec vp-general manager, Brouillard Communications, will succeed Joseph Brouillard as president-chief executive officer of the agency. The move takes effect on Jan. 1, 1985, when Mr. Brouillard retires.

● New Iberia, La.—**Bruce Foods Corp.** is mulling test-market results in preparation for rolling out Casa Fiesta Mexican food products. The new brand and packaging design replaces the Ashley's of Texas name, which is being discontinued. Unspecified test markets are supported by newspaper and tv, via DiIorio, Wergeles, New York.

● Chicago—**Beatrice Cos.** has announced the completion of its merger with Esmark. It completed the process by merging Esmark into a Beatrice subsidiary (AA, May 24), L.A. Acquisitions Corp. Beatrice now becomes the nation's largest food marketer, with annual sales of more than $13 billion.

● White Plains, N.Y.—**NYNEX Business Information Systems**, a subsidiary of NYNEX Corp., has awarded its sales-force ad campaign to Young & Rubicam. The campaign, a new advertising venture for NYNEX, will position its sales force for potential customers, medium and large-size business users of telecommunications products and services. The budget for the the rest of 1984 will be at least $1 million for the campaign. The print and tv campaign will break in September. Cabot Advertising, Boston, continues to handle advertising for the business systems unit of NYNEX Business Information Systems.

● Taylor, Mich.—**Masco Corp.** is halting production of its line of cordless telephones and selling its Electra Scanner radio line to Uniden Corp. Masco is shifting its efforts from personal-communication products to "other specialty consumer items," the company says. Despite a 58% sales decline in personal-communications products, Masco reported a record $33.9 million net profit in the second quarter, up 30% from the second quarter of 1983, on sales of $314 million.

● Houston—**Oshman's Sporting Goods** is bringing Abercrombie & Fitch back to New York this fall with a new store. The original Abercrombie & Fitch closed in late 1977, after which Oshman's bought the trademarks. There are now 16 Abercrombie stores in the U.S.

● New York—**Tri-State Cadillac Dealers Assn.**, New York, will break a new image campaign Aug. 22 on local tv stations in metro area markets. Spots by Avrett, Free & Ginsberg will stress the performance characteristics of 1985 Cadillacs.

● La Crosse, Wis.—**G. Heileman Brewing** is test-marketing its Rainier beer in Kansas City, Mo., with an eye to expanding the brand beyond its primary market in the northwestern states. Rainier L.A. has not been included in the test.

● Burbank, Cal.—**Irwin Jacobs**, who owns 6.3% of Walt Disney Productions, is trying to force the studio to call a special stockholders meeting to vote on the proposed acquisition of Gibson Greeting Cards. Mr. Jacobs opposes acquisition of Gibson by Disney. Observers see Mr. Jacobs' move as the first step in an effort to gain control of Disney.

● New York—**MTV: Music Television** has entered into an agreement with Asahi Broadcasting Corp. to broadcast several hours of MTV programing weekly on Japanese network and local tv. MTV will debut in Japan in October with the programing to be presented in the same format as in the U.S.; certain elements will use Japanese subtitles.

● San Antonio—**A personal-injury suit** against General Motors Corp., Detroit, was expected to begin late this week in Bexar County court here. The suit, which seeks $50 million in damages, alleges that advertising for Pontiac's Trans Am caused a driver to believe the car could perform stunts such as those in the film "Smokey and the Bandit." GM's attorneys have denied reports that they would subpoena actor Burt Reynolds, who appeared in the film and in videotape clips of the film used as advertising by some Pontiac dealers. Attorneys also denied that John DeLorean, who spearheaded research on the Trans Am while he was at GM, would be subpoenaed. The plaintiff is a Trans Am passenger who was paralyzed and suffered brain damage in the auto accident four years ago.

● **NEWSLINE: United Technologies Automotive Group**, Dearborn, Mich., and Grundig AG, Fuerth, West Germany, have formed a joint-venture company to develop and market automotive components in Europe, starting in 1985. . .**Chesebrough-Pond's**, Greenwich, Conn. is using radio for the first time in several years to advertise Ragu Homestyle spaghetti sauce. The company also is using the medium for the first time to promote Ragu Pizza Quick brands. Waring & LaRosa, New York, handles. . .**Nabisco Biscuits**, East Hanover, N.J., is introducing nationally Crunchy Trio snack thins and is testing Sunflower snack thins in Milwaukee and other undisclosed markets. Both are getting print and couponing support via Ohlmeyer Communications, New York. . .**Compath National**, San Francisco, a marketer of business telephones, has moved its account to **Scroggin & Fischer** from Mendelsohn & Adler. . .**Wallace Westphal** to the new post of director of retail marketing at Television Bureau of Advertising, New York, from president of Westphal's.

Projected performance for Fall programs

Share is the percentage of tv homes with sets in use during a given time period. These estimates were arrived at by Advertising Age, which averaged figures computed by various ad agencies. The agencies used their own estimates on how programs will fare in the Nielsen ratings in negotiating multi-million-dollar upfront buys for their accounts. All times are Eastern time. Shaded area indicates new program.

		7:00	7:30	8:00	8:30	9:00	9:30	10:00	10:30
Monday	ABC			Streethawk 21		NFL Monday Night Football 31			
	CBS			Scarecrow & Mrs. King 28		Kate & Allie 27	Newhart 27	Cagney & Lacey 28	
	NBC			Tv's Bloopers & Practical Jokes 29		NBC Monday Night at the Movies 27			
Tuesday	ABC			Foul-ups & Blunders 22	Three's a Crowd 24	Paper Dolls 25		Jessie 24	
	CBS			AfterMASH 23	E.R. 21	CBS Tuesday Night Movie 27			
	NBC			The A Team 36		Riptide 27		Remington Steele 28	
Wednesday	ABC			The Fall Guy 32		Dynasty 37		Hotel 37	
	CBS			Charles in Charge 20	Dreams 19	CBS Wednesday Night Movie 21			
	NBC			Highway to Heaven 23		Facts of Life 27	It's Your Move 22	St. Elsewhere 21	
Thursday	ABC			People Do Craziest Things 19	Who's the Boss 19	Glitter 18		20/20 22	
	CBS			Magnum, P.I. 35		Simon and Simon 36		Knots Landing 34	
	NBC			Bill Cosby Show 23	Family Ties 24	Cheers 24	Night Court 23	Hill Street Blues 29	
Friday	ABC			Benson 27	Webster 27	Hawaiian Heat 18		Matt Houston 24	
	CBS			Dukes of Hazzard 24		Dallas 41		Falcon Crest 36	
	NBC			"V" 24		Hunter 22		Miami Vice 19	
Saturday	ABC			T.J. Hooker 27		Love Boat 33		Finder of Lost Loves 29	
	CBS			Airwolf 17		Mickey Spillane's Mike Hammer 26		Cover-Up 23	
	NBC			Diff'rent Strokes 25	Gimme a Break 23	Partners in Crime 22		Hot Pursuit 21	
Sunday	ABC	Ripley's Believe It or Not! 21		Hardcastle & McCormick 25		ABC Sunday Night Movie 31			
	CBS	60 Minutes 39		Murder She Wrote 25		Jeffersons 27	Alice 25	Trapper John, M.D. 27	
	NBC	Silver Spoons 17	Punky Brewster 12	Knight Rider 27		NBC Sunday Night at the Movies 26			

Newcomers to watch: 'V,' 'Lost Loves' and 'Murder'

New York—Winners and losers in this fall's prime time tv war have already been projected by the various ad agencies, but it remains to be seen if the viewers will agree with those educated guesses.

The agencies came up with their fourth-quarter audience share estimates weeks ago to support their bargaining positions while negotiating their best upfront prices with the three tv networks.

They anticipate a few promising new programs, but no real blockbusters. The accompanying chart represents an average for each program, for the fourth quarter only.

■ CBS once again is favored to overpower its rivals in the fourth quarter, when ABC again should finish as the runner-up. As more than one agency media expert said, the homes ratings gap between the No. 1 and No. 3 network is expected to be just under two ratings points, as opposed to 3.5 points three years ago.

Of the new series slated to appear in fall prime time, five proved to be the most promising in this agency share survey.

On CBS: "Murder She Wrote," whose 25 share average owed a good deal to its "60 Minutes" lead-in. On ABC: "Finder of Lost Loves," with its format and share outlook not too different from predecessor "Fantasy Island," and "Paper Dolls," a prime time soap opera with a projected 25 share average. On NBC: "V," its 24 share coming from a hardcore audience presold by two miniseries, and "Highway to Heaven," a 23 average for Michael Landon's latest venture.

When it came to individual shows' performances, not all the agencies agreed on the possible autumn outcome.

For instance, ABC's "Paper Dolls" went as high as a 27 share in some agencies' share reports; CBS' "Charles in Charge" ranged from a low of 21 to a 24 share peak by various agencies' reckoning, and NBC's "Bill Cosby Show" was seen as a 20 share show by at least one shop but a 24 by another.

■ Some of the most widely divergent estimates involved NBC's Friday and Sunday programing, reflecting how much or little the various agencies agreed with NBC's rationale for its programing moves on those nights ("V," "Hunter" and "Miami Vice" on Fridays and "Silver Spoons" and "Punky Brewster" leading off its Sunday lineup). "Silver Spoons" ranged from a 15 share low to a 21 high in various agencies' reports on the Sunday 7 p.m.-to-7:30 p.m. span, with "Punky Brewster" showing up at anywhere from a 20 share to an 18.#

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Airwick's ad is no laughing matter to C&D

By NANCY GIGES

Church & Dwight is putting up a stink about a new campaign by Airwick that suggests C&D's rival Arm & Hammer product doesn't smell good.

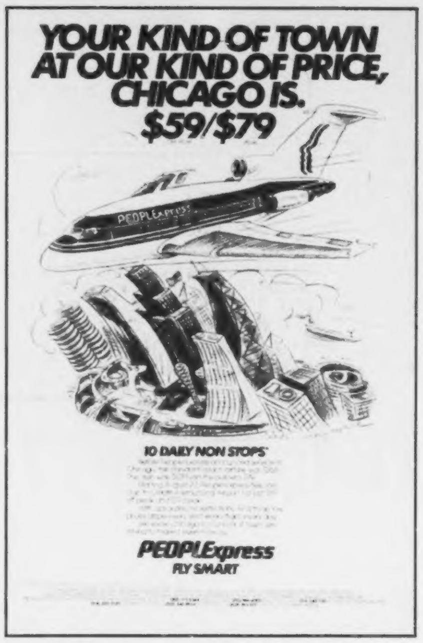
The Piscataway, N.J., marketer of deodorizing products under the Arm & Hammer name has appealed to the Big 3 networks after failing to persuade Airwick to stop the ads for Carpet Fresh. A C&D official said the advertising is false, misleading and deceptive.

He noted that the company also objects to the photograph in a print ad—"the picture is uncalled for," he said—not to mention the claims suggesting that Airwick's Carpet Fresh is the preferred product.

The ad, with the headline "Nose bulletin. 93% of expert noses preferred Carpet Fresh," shows a man smiling as he smells Carpet Fresh, while another man is holding his nose while sniffing a box of Arm & Hammer. An accompanying chart lists several foul odors tested and lists Carpet Fresh as overwhelmingly preferred to Arm & Hammer as based on test results of a panel of trained professionals.

The C&D official said, "They do not have, nor could they

(Continued on Page 68)



People Express, the Newark-based discount airline, touts its new Chicago-New York route with newspaper ads breaking today.

American joins United to blunt People fare cut

By SCOTT HUME and ROBERT RAISSMAN

United Airlines and American Airlines, engaged in a stare-down contest with People Express Airlines, are slicing fares and cooking up supporting advertising to beat back the upstart's upcoming foray into the Chicago market.

The actions come as People breaks ads today for discount fares for its Newark-to-Chicago route. The moves and countermoves are shaping up as the biggest domestic air-fare war so far this year.

The response by United, the principal carrier at Chicago's O'Hare International Airport, was quick but "measured," as one analyst put it. John Zeeman, senior vp-marketing of Chicago-based United, said that although his carrier was cutting fares, it would not match People's prices because United offers more comforts than the no-frills People.

American Airlines late Friday said it would match United fares for its five Newark-Chicago flights, and on selected flights from LaGuardia. Ad plans, via Bozell & Jacobs, were being formed.

The concerns of these airlines and others come after Newark-based People announced last week that it will launch five round-trip,

(Continued on Page 66)

last minute news

New complex makes first McStop in Minneapolis

Oak Brook, Ill.—McDonald's Corp. is planning a multibusiness project dubbed McStop in Lakeville, Minn., near Minneapolis, with construction possible in November. The complex would include a large McDonald's restaurant, a convenience store, a gas station with car wash and a motel, most likely a franchised Super 8, sources said. McDonald's will own the real estate and restaurant, and lease the remaining facilities to others. Also, McDonald's has been awarded an exclusive 10-year contract for restaurants at U.S. Navy installations. Forty units will be involved initially, but the Navy has the option to increase that number to 300.

Atari purchase may indicate new direction

Sunnyvale, Cal.—Atari has ordered $130 million in disc drives from Tandon Corp., Chatsworth, Cal. This is the first indication that new Atari

(Continued on Page 8)

No Olympic make-goods, a relieved ABC declares

By DIANE MERMIGAS

ABC was able to deliver the jubilant declaration it had hoped to make as its exclusive coverage of the Summer Olympics roared to a close Aug. 12.

"There will be no make-goods. There will be no adjustment in the prices that were set. There is just no need because we have delivered the target audience as projected," said John Lazarus, vp-ABC sports sales.

The high ratings, which remained consistent or improved as American athletes racked up more gold, have provided ABC with less of a reason to pursue a reduction of its tv rights fees. Before the games, ABC and the Los Angeles Olympic Organizing Committee were discussing an equitable rebate to compensate the network for any ratings or financial fallout resulting from the Soviet-led boycott.

Roone Arledge, president of ABC News and Sports, told Advertising Age that the network would

(Continued on Page 66)

AD AGE AWARDS OLYMPIC AD GOLD

Advertising Age picks the gold medalists in "team advertising," that unofficial Olympics event that's been running between ABC's coverage of the Los Angeles games. *(See Page 64.)*

Business is brisk for the games' official still photographer, who says corporations and ad agencies are lining up to buy. *(See Page 66.)*

McDonald's Big Mac giveaway, swollen by the runaway success of the U.S. Olympic team, has caused scattered shortages of the sandwich. *(See Page 66.)*

Star Presenter Cleese taps U.S. funny bone

By SEAN MILMO

London—John Cleese's commercials are among the funniest around, but he takes them very seriously.

So does Advertising Age, which has selected the British comedian, known for his contributions to the irreverent "Monty Python's Flying Circus" British tv series, as its Star Presenter for 1984.

Mr. Cleese was chosen from among more than 60 celebrities who endorse nationally advertised products and was cited for his work on ad campaigns for American Express Co., Callard & Bowser, Compaq Computer Corp., Kronenbourg USA and Sony Corp. of America.

He is the second Englishman to receive the award. Actor Robert Morley was chosen in 1980 for his British Airways work.

Mr. Cleese went into commercials 12 years ago, intending to make them a way of life. Now 45 years old, his expertise is in such demand that he is regularly making commercials not only in the U.K. and the U.S., but also in Australia, Hong Kong, the Netherlands and Scandinavia (AA, Nov. 7).

As the thinking man's comic, he takes the intelligent approach to the job of a presenter.

To him, humor needs to be exactly on target to work. Even in the early days of his advertising career, Mr. Cleese rejected scripts he thought were slightly off—if only for the sake of his own reputation.

If he finds he likes an idea, he will write most of the commercial himself to get it into the shape he wants.

Mr. Cleese wrote large chunks of the crackpot "Monty Python" tv series and all of his tv sitcom, "Fawlty Towers," about a frenetically bumbling British hotel keeper.

So writing commercials has presented no problems.

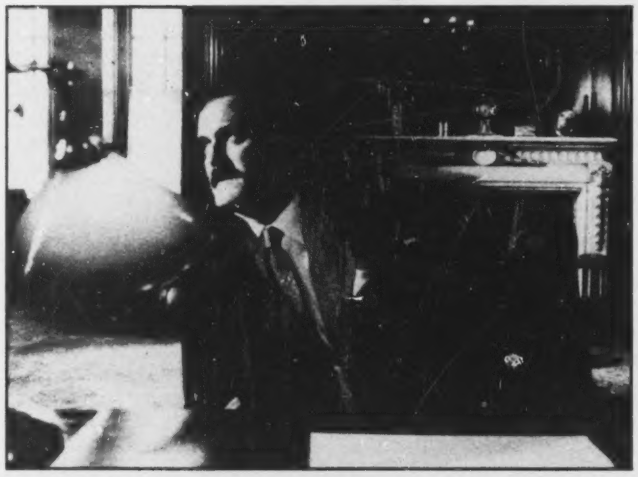
Voice (off camera): I see you're taking your computer home.

John Cleese: Yes, Mr. Prince

(Continued on Page 60)

"If you keep to one copy point, you can be entertaining. With two, you can be fairly entertaining. With three, you mig

se



In a tv spot for Compaq Computer Corp., via Ogilvy & Mather, John Cleese portrays a businessman who made a "sound but wrong" decision to buy a well known computer without considering Compaq.

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Beck's and Molson join light beer arena

By GAY JERVEY

Latching onto the "less is more" trend mobilized by Van Munching & Co.'s Amstel Light beer—not to mention Miller Brewing's Lite—several importers soon will introduce new brews that are low in calories but high in panache.

In coming months, importers of Beck's from Germany and Molson from Canada will launch their first low-calorie brands in the U.S.

And that's not all: Carlton Imports is gearing for an early 1985 national launch of its Nordik Wolf Light, currently available in selected U.S. markets.

The Beck's entry, from Greenwich, Conn.-based Dribeck Importers, is quietly being paraded by distributors in various parts of the country. It will be called Roland, named for the medieval warrior who defended the Christians against the Saracens, according to the legends of Charlemagne. Like Miller Lite, Roland reportedly will weigh in at 96 calories, a tad above Amstel's 95.

Martlet Importing, Great Neck, N.Y., will opt for a simpler, less historic designation for its new entry,

(Continued on Page 68)

NORDIK WOLF LIGHT
THE BOLDEST

Carlton Importers is among the import beer marketers pursuing Amstel Light with a new light beer. Nordik Wolf Light is described in ads as "the boldest of light beers. . .A smooth, less filling beer with a rich, full-bodied flavor that's unmistakably imported." The beer, now available in limited U.S. markets, will be launched nationally next year. Agency for the brand is Henderson Advertising, Greenville, S.C.

Miller testing Sharp's L.A.

Milwaukee—Miller Brewing today is introducing its entry in the low-alcohol beer market.

Called Sharp's L.A., it will be test-marketed initially in Atlanta; Houston; San Diego; Columbus, O., and Springfield/Champaign, Ill.

Advertising, themed "It's smart to say Sharp's, the great-tasting beer that just happens to have half the alcohol," breaks Aug. 20 in those markets. A company spokesman said tv and radio spots will feature humorous tongue-twisters. Print ads will use humorous cartoons.

Leo Burnett USA, Chicago, handles.

Miller's suit against Anheuser-Busch, seeking a judgment that the L.A. initials are usable on any low-alcohol beer, is still in the early stages.#

FCC delay doesn't slow 12-12-12 foes

By MAURINE CHRISTOPHER and STEVEN W. COLFORD

Opponents of the Federal Communications Commission's new 12-12-12 rule are not satisfied with the commission's sudden decision last week to postpone the revamp of its key tv station ownership rule, and they vow a continued fight for sharp revisions.

The FCC rule change, adopted only weeks earlier (AA, July 30), would permit common ownership of 12 tv stations, 12 am and 12 fm radio stations and called for phasing out all FCC limits on the size of broadcast station groups by 1990. The existing rule limits broadcast group size with a 7-7-7 formula.

The sudden retreat reflected the growing political unhappiness with FCC chairman Mark Fowler's approach to tv ownership policy, and the commission's decision to delay changes for six months, until April 1, 1985, came almost immediately after the Senate voted for a similar postponement.

FCC opponents, including the Motion Picture Assn. of America and some key congressmen, are attempting to force a different ownership formula on FCC, one that might restrict the Big 3 tv networks.

Many opponents say they are not against expansion, but they want controls based on a percentage of tv household reach.

In a few weeks, MPAA will petition for formal reconsideration of the FCC action, though this was promised by the FCC.

Senate sources think FCC chairman Fowler, the architect of 12-12-12, now would be willing to replace his numerical limit with a market-reach formula in the case of tv.

Meanwhile, the anger in the House and Senate has not abated. The Senate last week passed an amendment to ban the use of FCC funds to implement the 12-12-12 rule for tv until June 30, 1985. Later in a House-Senate conference that was changed to April 1.

The FCC's stay order said it was putting on the brakes only for tv station ownership since "it is that portion of the decision that has raised the greatest concern and it is our belief that a temporary stay of the tv portion of the rule change will ultimately benefit the public interest."

Jack Valenti, president of the MPAA and a leader in the fight against allowing ABC, CBS and NBC in particular to each own 12 stations, welcomed the FCC moratorium. "The delay affords an opportunity to go back and explore the central issue that has been obscured in the original [12-12-12] order—that is concern over the concentration of national tv power in the hands of the three networks," Mr. Valenti told Advertising Age.

The antitrust aspects of the FCC's proposed expansion of tv ownership will be explored by the Senate judiciary committee at a Sept. 11 hearing. Other committee hearings also are to be held, most likely when the new Congress convenes next year.

Turner Broadcasting System and other outspoken opponents of the 1990 "sunset" provision lifting all restrictions were happy the FCC will let the public be heard on an issue of such vital concern to viewers. On the other hand, there was widespread disappointment among large group owners such as Metromedia, CapCities and Cox.

Gloom was thick at the tv networks, which have temporarily at least—as happened with domestic syndication—lost a crucial battle in Congress after having won at FCC.

Meanwhile, there was almost total official silence from this sector. ABC and NBC had no comment. A CBS spokesman hoped this reevaluation period would produce support for 12-12-12 as originally hammered out.#

highlights

Monday, August 13, 1984

Elizabeth Arden is taking cosmetics into the computer age with "Elizabeth." *See Page 10.*

If broadcasters want to sell more retail advertising, they should be willing to give their customers more exposure, even if it means doing news stories on big advertisers, says a top advertising executive. *See Page 14.*

Isuzu Truck of America has given its account for two new U.S. truck introductions to a California advertising agency. *See Page 28.*

The booming economy is pushing print media to a record year, according to figures from Publishers Information Bureau. *See Page 46.*

CompuShop, which kicked off its first major advertising blitz only five weeks ago, is finding out fast growth carries a high cost. *See Page 53.*

Analysts at Geers Gross think an inordinate number of new fall tv shows will make it in the 1984-85 season. *See Page 57.*

CORPORATE CLOSEUP

Before Liggett & Myers Tobacco Co. introduced generic cigarets in 1980, the company didn't get much respect among cigaret marketers. Now that L&M has pioneered that unexplored territory successfully, though, others are ready to follow. *See Page 4.*

INTERNATIONAL

Nestle S.A. is losing global market share in its infant-formula business largely because it is following United Nations' guidelines strictly and many of its competitors are not, according to Nestle sources. *See Page 38.*

The Singapore newspaper industry had been expecting war to break out when the afternoon *Monitor* announced plans to introduce a morning edition next year that would compete head-on with the *Straits Times.* But then the parent companies of the two papers made the surprise announcement that they were merging. *See Page 38.*

The entire 12-member executive committee of the Advertising Agencies Assn. of India has resigned as a result of a scandal involving the association's recent elections. *See Page 40.*

VIDEOTECH

Recent actions by the Supreme Court and the Federal Communications Commission appear to leave cable customers unprotected. *See Page 50.*

Hot director Steven Spielberg has made an "amazing" deal with NBC for a 1985 anthology show. *See Page 50.*

Off-network syndication market prices are rising, thanks in part to a shortage of network shows that run long enough to be sold for "stripping." *See Page 52.*

COMING THURSDAY

SPECIAL REPORT

Big-city newspapers have been fighting off challenges for years, and the battles continue. Now the dailies are facing the encroachment of suburban and neighborhood papers, pennysavers and other free papers.

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Rusty Jones says hello to Beatrice

By JOANNE CLEAVER
Crain News Service

Chicago—Beatrice Cos. has acquired automobile rustproofer Rusty Jones.

The buyout occurred in June, but no announcement was made purportedly because of other pressing business—namely Beatrice's $2.8 billion takeover of Esmark.

The 16-year-old rustproofing company has enjoyed rapid expansion in recent years, racking up revenue growth of 20% in all but one of the last five years. Last year, sales hit $21 million.

Rusty Jones markets its rustproofing, paint protector and upholstery dirt and spot-guard services through automobile dealers in Florida, the Midwest and Northeast.

Company founder and president Michael Mater hopes Beatrice's marketing muscle will open the path to national distribution of Rusty Jones services.

"Beatrice has made public their intention to become a marketing-driven company," he noted. Given the tremendous success of his company's 8-year-old marketing program based on the animated Rusty Jones character, it's only logical that the company would catch

(Continued on Page 69)

Spirits industry beams over BATF review

By STEVEN W. COLFORD

WASHINGTON—It should be advertising as usual for the beer, liquor and wine industries now that the federal government has etched only minor changes into alcohol-promotion regulations.

It also has put off awhile longer any decision on more controversial issues.

The consensus was positive from the alcohol and advertising industries last week to the slow curtain being drawn by the Bureau of Alcohol, Tobacco & Firearms on the alcohol advertising review launched in 1978.

Comparative taste-test advertising was perhaps the only "hot" question that BATF tackled, and there the bureau retreated from its original proposal for specific testing criteria in favor of a broader regulation allowing "any scientifically accepted procedure."

The issue has roots in comparative ads that Taylor California Cellars, Gonzales, Cal., used in the late 1970s to put its brands up against competitors.

BATF's taste-test decision was "very useful" because it will allow advertisers to rely on the usual "false-or-deceptive" standard, said Dan Jaffe, senior vp-government affairs, American Advertising Federation.

Other controversial BATF proposals regarding athlete endorsements, voluntary industry codes and use of the terms "light" and "natural" will undergo yet another round of industry comments before 1985, said Roger Bowling, BATF coordinator for the regulatory review.

About the only sour notes came from advertising groups slightly annoyed at BATF's insistence on writing into its regulations a ban on subliminal advertising.

"There's nothing in there that is worrisome or that changes anything," said Chuck Adams, exec vp-Washington for the American Assn. of Advertising Agencies. "I don't think ads will change, but I was a little put off by their statement on subliminal advertising, almost implying that it was necessary to prohibit it even though it's not done."

If the bureau was going to revise its regulations to include a ban on subliminal advertising, then it might also have stated categorially that it found no evidence that such ads existed, AAF's Mr. Jaffe added.

The alcohol industry was even more sanguine about the BATF action that drops minimum type-size requirements for copy; relies on dictionary definitions for such terms as "false" and "disparaging," and allows use of the terms "pure," "double-distilled" and "triple-distilled" in "truthful distilled spirits ads."

The Distilled Spirits Council of the U.S. praised the final BATF regulations as being "part of the continuing evolution in the regulation of our industry toward what is appropriate."#

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'Modern Healthcare' to expand

DENVER—Crain Communications Inc.'s *Modern Healthcare* will increase its frequency to 26 issues a year beginning Jan. 4, publisher Charles S. Lauer said last week at the American Hospital Assn. convention here.

"By publishing every other week," said Mr. Lauer, "we will be able to provide our readers with even more timely news and additional editorial coverage. In today's rapidly changing healthcare industry, the executives who run America's healthcare institutions need information earlier than ever before." In 1984, *Modern Healthcare* went to 16 issues a year from 12.

The new publishing schedule calls for the magazine to arrive on readers' desks every other Friday. Said editor Donald E.L. Johnson, "*Modern Healthcare* is expanding its editorial staff and will put increased emphasis on breaking news stories."

Crain Communications acquired *Modern Healthcare* in 1976 from McGraw-Hill. Crain also publishes ADVERTISING AGE and 18 other business news magazines.#

corrections & clarifications

- Lempert Design & Marketing, Belleville, N.J., remains the agency of record for Universal Wines & Spirits' Pasta D' Italia (AA, Aug. 9, P. 1).
- In the Hearst Corp. profile in the 100 Media Companies issue (AA, June 28, P. 55), it should have stated *Redbook* single-copy sales were at 653,735 on Dec. 31, 1983, when total *paid* was at 4,019,611.
- Due to an editing error, a story reported that Roone Arledge, president of ABC News and Sports, offered remarks before the International Olympic Committee (AA, Aug. 9, P. 2). In fact, Mr. Arledge has not recently appeared before the committee.#

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Nestle's sales hurting from WHO's infant formula code

By VALERIE MACKIE

Nestle S.A. is losing global market share in its infant formula business largely because it is strictly following United Nations' guidelines and many of its competitors are not, Nestle sources say.

"Our sales have been fairly flat worldwide since we started applying the WHO [World Health Organization] code," said Francois Perroud, a Nestle spokesman in Vevey, Switzerland.

"We have strictly applied the WHO code and others [companies] haven't," Mr. Perroud said.

The WHO code, adopted by the United Nations unit in 1981, recommends that direct advertising of infant formulas be prohibited and that consumers be informed that breast-feeding is usually the best source of food for infants. Critics had charged that Nestle and other formula manufacturers were leading Third World mothers away from breast-feeding to a potentially unsafe consumer product.

There are about 30 major companies selling infant formula around the world, but by far Nestle is the market leader, with an estimated 50% worldwide share.

Three U.S.-based companies also rank in the top tier: American Home Products, Abbott Laboratories and Bristol-Myers. The extent of Nestle's losses are unknown because share figures in developing countries are uncertain.

But because of worldwide publicity aimed at Nestle's marketing tactics, the company not only adopted the WHO code, but a tougher UNICEF code as well.

U.S. companies have adopted the WHO code in developing countries, but none have adopted the UNICEF code, sources say.

The penalty within Nestle for not strictly following the code is "you can get fired," said one Nestle executive in the field.

In Singapore, the local code allows hospitals to receive and dispense infant formula samples supplied by manufacturers, but the WHO code prohibits it.

"It's killing us," said one of Nestle's marketing executives in Singapore. "Most of our competitors still give samples."

Bristol-Myers concedes it does not follow the WHO code in Singapore because "Singapore is a developed country in Asia," said Jerry Parrott, director of corporate public relations for Bristol-Myers.

"If Nestle is losing market share it is through normal marketing dynamics," claims David Jones, vp-pr at Abbott Labs.

The three U.S. infant formula marketers have hired pollster Lou Harris to audit how well they are complying with the WHO code. "We fully expect he'll find areas where we don't comply. We'll try to correct them," Mr. Jones said.#

Top brewer helps rival stay afloat

By MARY FARQUHARSON

CARACAS—The leading Venezuelan brewer, Polar, is directing and helping finance a rival beer's advertising, promotions and distribution to help the struggling brew remain competitive.

The reason that Polar is helping nearly bankrupt Nacional is to keep the government at bay. With a 1983 market share of more than 90%, Polar is anxious to avoid becoming a monopoly producer, a situation that could pave the way for a government takeover.

Another reason for keeping Nacional afloat is that its higher production costs strengthen Polar's periodic pleas to the government for price increases.

Last year, with only 4% of the market and the U.S.' Citibank moving in to protect a loan made to the company, Nacional's days appeared numbered.

But Polar came to the rescue with expertise and 70% of the funds needed to establish a new company, called Digecerca, to promote and distribute Nacional's beer. Most of Digecerca's staff is on loan from Polar.

Digecerca hired Venezuela's largest ad agency, ARS Publicidad, to handle Nacional's advertising. Polar does not advertise its own beer, though it does advertise a nonalcoholic malt drink called Maltin Polar. Beer advertising is banned on Venezuelan tv.

Nacional's campaign is directed at middle-aged men, an important segment of the beer market, said ARS account supervisor Guillermo Cardenas. The theme of print ads and posters is "De hombre a hombre" ("From man to man"), and $1.7 million has been spent on the campaign in the last seven months.

In addition, Digecerca is organizing beer-tasting sessions in small bars and using point-of-purchase merchandising in supermarkets.

With Polar's help, Nacional has captured 10% of the market and plans to intensify its promotional campaign, sources said.#

Chinese pay tv channel coming to U.S.

By SUE GIRDWOOD

A Hong Kong broadcasting company and a U.S. cable tv operator will introduce a Chinese-language pay tv channel by the end of the year in Southern California.

The new service, called the Jade Channel, will be ad supported and will seek subscribers from about 12,000 Chinese-speaking households in three Los Angeles County communities.

Falcon Cable Television, Pasadena, has signed an agreement with Hong Kong Television Broadcasts Ltd. to introduce the new channel, said John Kobara, Falcon's director of public affairs.

The Jade Channel will serve communities where about 40% of the population speaks Chinese as a first language, Mr. Kobara said. Subscription costs will range from $15 to $20 a month.

The three communities are about 10 miles from Los Angeles. Falcon reaches more than 150,000 households in 65 communities throughout California with a variety of cable and pay tv services.

Unlike most pay tv services, the Jade Channel will be open to advertisers and will offer four minutes of advertising per hour.

The channel will seek local advertisers whose only current outlet to the Chinese community is through the area's large number of Chinese-language newspapers.

The new channel will offer tv programs produced in Hong Kong and Taiwan—shows already familiar to Chinese immigrants—and will feature five hours a day of news and current affairs. The programs will be shipped to Southern California for transmission.

The Jade Channel will offer programing in Cantonese and Mandarin, the two dominant dialects among Chinese in the targeted area. Plans call for one dialect to be transmitted via the tv set while the other will be simulcast on fm radio, Mr. Kobara said. If that plan does not work, both dialects will be transmitted via radio.

Falcon plans to promote the new channel through a series of public relations events in Southern California. Direct mail and newspaper ads also will be used, and initial plans call for advertising to be handled in-house.#

world news roundup

(Continued from Page 3)

its first $1.3 million ad budget to agency Armando Testa, Turin, to promote the product in Italy and in North America.

PARIS—Dow Chemical Co. picked Partenaire to handle its first corporate campaign in Europe starting this year. Ad budget unknown.

HAMBURG—N.V. Philips has moved its $1 million LaserVision videodisc account to Team/BBDO from William Wilkens Agency.

MADRID—Unilever subsidiary Elida Gibbs Ltd. has launched its Timotei shampoo in Spain with a $1 million-plus ad campaign via J. Walter Thompson S.A., Madrid.

ON THE MOVE: Blair Plowman to exec vp and senior foreign representative at Grey-Daiko, Tokyo, from exec vp-account management, Grey, New York, replacing **Mike Agate**, who was named director-client services, Pacific region, at Grey's new Hong Kong office. . . **Peter Haller** to managing director, Foote, Cone & Belding, Berlin, from the same post at McCann-Erickson S.A., Brussels, replacing **Uwe Jens Zimmermann**, who will move to FCB's pr arm, Carl Byoir & Associates.

The Straits Times
President proposes peace' and remov
Reagan 'no forc
THE SINGAPORE MONITOR
Boy comes back from the 'dead'
Why women lose hair
OF GERMAN

Newspapers in Singapore

Here is a list of Singapore's seven newspapers. The first four are published by the Straits Times Group and the remaining three are published by Singapore News and Publishing Ltd. NA indicates figures were not available. *Source: Advertising Age.*

Newspaper	Language	Circulation	Full page (b&w)
Straits Times	English	246,000	$5,330
Business Times	English	10,000	$1,600
Berita Harian	Malay	36,600	$1,730
Shin Min Daily	Chinese	87,000	$1,135
Singapore Monitor	English	50,000	$1,475
Lianhe Zoabao	Chinese	100,000	NA
Lianhe Wanbao	Chinese	100,000	NA

Merger sidetracks major newspaper war in Singapore

By JACK BURTON

SINGAPORE—The old adage, "If you can't beat 'em, join 'em," holds especially true in Singapore's newspaper industry.

For the past several months, Singapore had been expecting one of the fiercest newspaper wars in Asia to break out when the afternoon *Monitor* announced plans to introduce a morning edition next year that would compete head-on with the *Straits Times*.

A new, broadsheet version of the tabloid *Monitor* was supposed to be unveiled Aug. 5 to provide a first glimpse of the morning edition that would take on the the 139-year-old *Straits Times*, the country's most influential publication and the leading English-language newspaper in the Far East.

But before that could happen, the parent companies of the two rival papers made the surprise announcement that they were merging, thus cutting short the extensive preparations being made for the anticipated clash.

In an official announcement, the Associated Straits Times Cos.—Straits Times Press Ltd. and Times Publishing—and Singapore News and Publishing Ltd., owners of the *Monitor*, said the merger was designed to avoid excessive competition that could financially cripple one or both companies, which are comfortably in the black.

They estimated that if the newspaper war proceeded it would cost them $23 million in duplicated plants and equipment and another $9 million to $14 million to wage the circulation battle itself.

"The feeling was that in a competitive situation we would be fighting each other to death and one of us would lose," said John Orr, chief executive of the *Monitor*. "To avoid that, they decided the merger was the best solution. Although I agree the merger makes sense from a financial point of view, I am disappointed that it will eliminate much of the competition."

Mr. Orr and his *Monitor* colleagues were not the only ones who were disappointed. A day after the announcement, about 80 journalists from the *Straits Times* held a demonstration to protest the decision, and *Straits Times* editor-in-chief Peter Lim was quoted as saying, "Now the question arises again whether there will be further constraints on the press."

Mr. Lim's remarks reflect the prevalent opinion within Singapore that it was not financial considerations alone that forced the merger, but government intervention as well.

"The government thought that expanding the number of newspapers in the morning probably was too much to control, hampering its management of the news," said one industry source.

Although the Singapore press is basically free, it practices some self-censorship to avoid offending the government of Prime Minister Lee Kuan Yew, who runs what sometimes has been described as a "benevolent dictatorship."

One member of parliament told the press, "The way things are going, our newspapers will end up like "Pravda" [of the Soviet Union] and *Renmin Ribao* [the Communist Chinese party daily]."

The merger also comes as bad news to Singapore's advertisers. Ad

(Continued on Page 42)

research beat / BY JACK HONOMICHL

Employe confidentiality on line in lawsuit

CHICAGO—A suit due to be heard here Aug. 27 could be of special interest to research company employes who sign confidentiality agreements with their employers or to any employer that has insisted on such agreements.

The legal considerations being aired in this case, which already is being touted by lawyers as creating "a new rule of law" pertaining to such agreements, are bound to become more commonplace as advanced technology and systems are employed in data collection and processing and research companies feel the need to protect trade secrets from potential competitors.

The wrangle is between Information Resources Inc., the Chicago-based test-marketing company best known for its eight minimarket BehaviorScan system, and a former employe of the company, David Disher.

The main issue is whether, under Illinois law, an employe confidentiality agreement can be invalidated for being too broad. Since almost all of IRI's salaried employes have signed the same agreement as Mr. Disher, the stakes are high. Mr. Disher's attorneys are arguing that the IRI confidentiality agreement was so broadly worded that it was tantamount to a "noncompete" employe contract, which had the effect of tying employes to IRI, even after discharge, in an unreasonable manner.

Noncompete contracts usually have a time or geographical limit and specify subject matter. The intent [illegible] balance the employer's right to protect what are truly "trade secrets" with the right of the ex-employe to earn a living commensurate with his general professional skills.

The IRI confidentiality agreement, said Mr. Disher's counsel, was not limited by time or geography and implied that almost anything an employe learned while at IRI was considered a "trade secret."

For instance, in court testimony, John Malec, chairman of IRI, contended IRI's client list was a "trade secret."

In August, 1981, IRI offered Mr. Disher a job, and he liquidated his market-research business in Cincinnati (a store-audit company called Market Inputs), sold his home, moved his wife and three children and bought a home in suburban Naperville, Ill. At the outset, Mr. Disher was made vp-operations in charge of all market operations of the BehaviorScan system, including market fieldwork, data input and in-market quality control. Salary: $50,000 plus bonus.

In January, 1982, Mr. Disher—along with 300 other IRI employes—was asked to sign IRI's Employe Confidentiality Agreement, which he was told was a non-negotiable condition of employment. Mr. Disher claims he objected, but was afraid not to sign, lest he lose his job. The agreement included this statement: "This Agreement of Confidentiality will survive my employment at IRI."

On April 6, 1983, IRI fired Mr. Disher, who had been promoted to senior vp-market operations and had received a 12.5% salary increase just three months before.

IRI told Mr. Disher he could use the company's offices for 90 days while seeking new employment, but they preferred that he not seek employment at Burke Marketing Services. (Before starting Market Inputs, Mr. Disher was employed by Burke's Market Audits, which among other things handled the fieldwork for AdTel system, a competitor of BehaviorScan.) Later, this restriction was expanded to A.C. Nielsen Co., which has been talking for some time about launching a new test-marketing system that would compete directly with BehaviorScan.

These stipulations were made to Mr. Disher in a letter dated June 22, 1983. Mr. Disher refused to agree, then was told he could no longer use the IRI offices.

Subsequently, Mr. Disher had interviews with Nielsen, which offered him a job as a field operations manager at $75,000 per year. IRI wrote to Nielsen's lawyer about the confidentiality agreements they believed were binding on Mr. Disher, and Nielsen officials considered this a threat to sue if they hired Mr. Disher. Nielsen withdrew the job offer—unless Mr. Disher could get relief in the courts.

Mr. Disher sued in county court, claiming "interference with prospective economic advantage" and asked for damages. However, the damage claim subsequently was withdrawn and has been included in a federal court suit due to start in early 1985. In that suit—under antitrust law—Mr. Disher raises other questions related to IRI stock he acquired while an employe but which he is not free to dispose of. Should Mr. Disher prevail, lawyers close to the case say the settlement—triple damages plus punitive awards and legal fees—could amount to between $4 million and $5 million.

IRI filed a counterclaim to Mr. Disher's county suit. In the original hearing on that claim, IRI won. Mr. Disher appealed, and a merit opinion on May 1 reversed the decision. It called the IRI agreement "palpably unfair" and noted "the probability that plaintiff [Mr. Disher] is entitled to have the agreement declared null and void."

IRI promptly launched an appeal to the Illinois supreme court that is pending.

In the interim, Mr. Disher's suit against IRI starts Aug. 27. Its outcome probably will influence the success of the antitrust suit he has filed in federal court.

IRI president Gian Fulgoni said the probable consequence of the suits, countersuits and appeals is that "if Disher wins, probably 90% of the confidentiality agreements in Illinois will be void." And, he could have added, so will all those signed by IRI employes.

Mr. Disher, 40, has moved back to Cincinnati, and he is now employed by Marketing Research Services. Despite all his troubles, he recently told me, "You know, it may sound funny, but I kinda wish I was still back at IRI."#

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Singapore newspapers

(Continued from Page 38)

agencies were particularly interested in the expected competition between the two papers since newspapers received 68% of the $135 million spent on advertising in major media in 1983.

Advertisers were hoping that the newspaper war would force reductions in the rates charged by the *Straits Times*, which grabs a large share of print advertising due to its dominance in a market where those reading the English-language press constitute the most well-educated and affluent segment of Singapore's predominantly Chinese population.

With a circulation of 246,000 on weekdays and 265,000 on Sundays, an estimated 37% of Singapore adults read the *Straits Times*, a figure matching the combined readership of the city's Chinese-language press.

Backed by these impressive numbers, the *Straits Times* charges $5,330 for a b&w page ad, and it frequently jacks up the base rate by charging premiums for particularly desirable ad space and the use of color.

In comparison, the *Monitor*, with a circulation of 50,000 on weekdays and 90,000 on Sundays, charges about one-quarter as much for a tabloid-size ad and one-third for a broadsheet Sunday ad.

One ad executive said that he was looking forward to the competition as one way "to humble the *Straits Times*, which had become arrogant due to its tradition, reach and reader loyalty."

Dennis Khoo, president of the Singapore Advertisers Assn., said that "because of competition between the two newspaper groups, the *Straits Times* has not arbitrarily increased its ad rates. Now the situation may be different."

It was to capture those ad dollars as well as to escape from the stagnating afternoon market that the *Monitor* wanted to publish a morning edition.

Although it still is unclear what the outcome of the merger will be, Mr. Orr predicted that the *Monitor* "will remain in the afternoon and on Sundays, but we won't go into the morning unless it's some type of specialized publication." Plans also call for each newspaper to retain separate editorial and ad sales staffs.

In addition to the *Monitor* and the *Straits Times*, Singapore has one other English-language newspaper, which covers financial issues, one Malay-language newspaper and one Chinese-language publication. All are published by the Straits Times Group.

SNPL also publishes two other newspapers in Chinese.#

Campus Coupons moves

OLD GREENWICH, CONN.—Campus Coupons, the freestanding insert program targeting college students, has moved here from Chicago. Address is P.O. Box 409, 06870.

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Ad-to-sales ratios listed by industry

EVANSTON, ILL.—The eighth annual study of advertising and promotion expenditures of U.S. corporations and industry sectors has been issued by Schonfeld & Associates.

The study covers advertising and promotion expenditures of more than 5,000 individual companies in 258 Standard Industrial Classification industry sectors. It includes ratios of ad spending to net sales and ad spending to gross margin (sales minus cost of goods sold).

The accompanying table from the study contains average 1983 industry ratios. These are commonly used for ad budgeting, but Schonfeld & Associates cautions that within many of the industry sectors individual companies may spend significantly more or significantly less than the average shown here.

The raw data for the study were compiled from 10K reports filed by publicly owned companies with the Securities & Exchange Commission. Therefore, advertising and promotion expenditures often include media and nonmedia spending such as collateral literature, production, etc.

For this reason, consulting companies' figures are often substantially larger than figures from media auditing services such as Leading National Advertisers.

"In some categories, such as alcoholic beverages, there is substantial point-of-purchase advertising. By subtracting media-spending estimates, it is interesting to see how much nonmedia spending there is," said company chairman Eugene Schonfeld.

The study is particularly useful to industrial and business-to-business advertisers, because these companies are not well covered by other reference works. For example, the Schonfeld study contains data on more than 50 electronic computing companies in SIC 3681 alone, plus many related industries such as computer software.

Although data for the study were compiled from published financial statements rather than from surveys, cautious interpretation is required for several reasons.

First, companies may vary in what they include under advertising and promotion expenditures. Second, many large companies are in several fields, yet are listed only in their primary industry sector. Distortion may result because a large subsidiary may not be included in the industry in which it competes. Third, a few large companies are privately held and their figures are not included.

Besides ratios, the complete study forecasts 1984 and 1985 expenditures for each company, including its advertising growth rate, a measure of ad spending stability and Schonfeld's rating of ad effectiveness.

Many of the new high-technology companies that went public during the past two years are covered.

A copy of the 173-page study is available for $275 (or $250 prepaid) from Schonfeld & Associates, 2550 Crawford Ave., 60201.#

Advertising-to-sales ratios, 1983

By industry

Industry	SIC no.	Ad dollars as per cent of sales	Ad dollars as per cent of margin	Annual growth rate (%)
Agriculture Production-Crops	100	2.1	8.7	-2.3
Agriculture Produc-Livestock	200	1.2	4.6	12.3
Metal Mining	1000	.3	1.2	-21.4
Copper Ores	1021	.1	2.1	-39.4
Gold & Silver Ores	1040	.3	.6	34.8
Bituminous Coal & Lignite Mn	1211	.1	.2	1.2
Crude Petroleum & Natural Gs	1311	.1	.3	-5.6
Drilling Oil & Gas Wells	1381	.0	.0	16.7
Oil-Gas Field Exploration	1382	.8	5.0	43.7
Oil & Gas Field Services NEC	1389	1.0	3.1	-17.8
Misc Nonmetallic Minerals	1499	.1	.2	11.8
General Building Contractors	1520	1.3	3.7	16.7
Operative Builders	1531	1.9	12.0	15.3
Gen Bldg Contractors-Nonres	1540	.4	2.8	1.8
Construction-Not Bldg Constr	1600	.9	6.9	-6.0
Construction-Spl Contractors	1700	.4	2.3	10.4
Food & Kindred Products	2000	4.9	16.9	4.9
Meat Products	2010	2.2	15.3	12.5
Dairy Products	2020	3.5	13.3	9.6
Canned-Preserved Fruits-Vegs	2030	5.3	15.0	8.6
Flour & Other Grain Mill Pds	2041	2.3	12.0	8.7
Wet Corn Milling	2046	.2	2.1	-10.4
Prepared Feeds for Animals	2048	8.6	29.4	8.6
Bakery Products	2050	1.8	3.8	-2.1
Cane Sugar Refining	2062	.3	2.5	-.6
Beet Sugar	2063	.2	1.8	-5.3
Candy & Other Confectionery	2065	6.9	17.5	7.6
Malt Beverages	2082	7.3	22.7	18.2
Distilled Rectif Blend Bevrg	2085	6.6	17.1	3.8
Bottled-Canned Soft Drinks	2086	5.9	11.9	6.9
Food Preparation NEC	2099	2.0	5.6	8.3
Cigarettes	2111	4.5	14.6	8.2
Cigars	2121	4.3	7.1	14.9
Textile Mill Products	2200	1.4	7.6	2.4
Knitting Mills	2250	2.6	10.4	-1.8
Floor Covering Mills	2270	1.2	5.0	12.4
Apparel & Other Finished Pds	2300	3.5	10.8	2.8
Lumber & Wood Products	2400	.3	1.5	-.1
Wood Buildings-Mobile Homes	2450	.9	4.6	4.8
Household Furniture	2510	1.9	6.5	9.6
Office Furniture	2520	1.3	4.0	2.1
Paper & Allied Products	2600	.9	3.7	2.1
Convert Paper-Paperbd Pd NEC	2649	2.9	5.9	9.2
Printing Publishing & Allied	2700	1.6	4.9	1.5
Newspapers: Publishing-Print	2711	2.3	5.6	8.9
Periodicals: Publishing-Print	2721	3.5	7.2	—5.5
Books: Publishing & Printing	2731	4.5	7.9	7.1
Commercial Printing	2750	.7	2.2	10.4
Manifold Business Forms	2761	.4	1.2	3.1
Greeting Card Publishing	2771	4.4	7.3	17.6
Chemicals & Allied Prods	2800	1.3	4.7	4.9
Indl Inorganic Chemicals	2810	9.2	24.3	8.0
Plastic Matr Synthetic Resin	2820	1.1	4.2	.1
Drugs	2830	8.4	14.0	8.1
Soap & Other Detergents	2841	7.4	17.9	8.1
Perfumes Cosmetics Toil Prep	2844	9.0	15.2	7.6
Paints-Varnishes-Lacquers	2850	2.6	7.7	7.7
Industrial Organic Chemicals	2860	1.4	6.5	9.1
Agriculture Chemicals	2870	2.7	8.4	66.2
Misc Chemical Products	2890	3.2	9.1	4.6
Petroleum Refining	2911	.2	1.1	1.5
Paving & Roofing Materials	2950	1.5	6.6	2.2
Rubber & Misc Plastics Prods	3000	1.5	6.5	3.9
Fabricated Rubber Prods NEC	3069	.8	2.8	6.2
Misc Plastic Products	3079	1.2	4.3	5.7
Footwear Except Rubber	3140	3.0	8.5	6.5
Leather Goods NEC	3199	3.0	9.1	4.8
Flat Glass	3210	.4	1.1	10.1
Glass Containers	3221	1.3	5.5	-9.7
Cement Hydraulic	3241	.0	.2	-2.8
Structural Clay Products	3250	1.2	3.8	5.7
Pottery Products NEC	3269	1.5	7.5	9.3
Concrete Gypsum & Plaster	3270	.6	2.6	-10.2
Abrasive Asbestos & Misc Min	3290	1.3	4.7	-1.0
Blast Furnaces & Steel Works	3310	1.8	11.5	-23.5
Iron & Steel Foundries	3320	N/A	N/A	N/A
Prim Smelt-Refin Nonfer Mtl	3330	.1	1.9	-7.7
Rolling & Draw Nonfer Metal	3350	1.0	3.4	-.3
Misc Primary Metal Products	3390	.3	1.6	-17.5
Metal Cans & Shipping Cont	3410	3.6	16.9	-16.3
Hardware NEC	3429	6.8	14.1	-2.7
Heating Equip & Plumbing Fix	3430	2.1	5.4	7.5
Solar Energy Equip & Comp	3437	2.4	6.4	9.3
Mtl Doors-Frames-Mold & Trim	3442	1.0	3.4	9.6
Fabricated Plate Work	3443	.9	5.3	-3.4
Sheet Metal Work	3444	.8	3.2	-2.4
Prefab Metal Bldgs & Comp	3448	1.1	5.4	-7.3
Misc Metal Work	3449	1.5	3.5	-9.5
Bolts-Nuts-Screws-Riv-Washrs	3452	.2	.7	11.6
Metal Forgings & Stampings	3460	2.4	7.7	44.4
Ordnance & Accessories	3480	2.8	8.0	25.6
Valves & Pipe Fittings Ex Bras	3494	1.1	3.6	-2.9
Fabricated Metal Prds NEC	3499	.6	2.0	6.6
Engines & Turbines	3510	1.2	4.3	2.8
Farm & Garden Machinery & Eq	3520	1.2	5.1	-12.0
Constr Min Mat Handl Eqp	3530	1.3	4.8	-10.9
Construction Machinery & Eqp	3531	2.9	12.4	-25.3
Oil Field Machinery & Equip	3533	.6	1.7	-20.6
Hoist-Indus Cranes-Monorail	3536	1.5	5.3	-11.0
Indl Trucks-Tractors-Trailers	3537	2.0	10.8	-15.6
Metalworking Machinery & Eqp	3540	2.9	8.8	-5.0
Special Industry Machinery	3550	1.7	4.6	3.3
Pollution Control Machinery	3558	.7	2.5	8.2
General Industrial Mach & Eq	3560	1.3	4.3	-12.9
Office Computing & Acctg Mch	3570	1.4	2.4	-4.2
Refrig & Service Ind Machine	3580	.8	3.2	-3.4
Elec & Electr Mach Eq & Supp	3600	2.1	6.8	2.7
Elec Transmission & Distr Eq	3610	.9	2.8	.9
Electrical Industrial Appar	3620	1.0	3.9	-.4
Industrial Controls	3622	.7	2.3	4.7
Household Appliances	3630	2.5	9.6	1.1
Electrical Lighting-Wiring Eq	3640	1.5	4.3	.4
Radio-TV Receiving Sets	3651	3.5	10.7	7.6
Phonograph Records	3652	21.1	46.5	-4.4
Tele & Telegraph Apparatus	3661	1.4	4.3	.6
Radio-TV Transmitting Equip-AP	3662	1.1	3.5	5.5
Electronic Components & Acce	3670	1.0	2.8	8.0
Semiconductors & Rel Devices	3674	2.2	6.9	14.2
Electronic Components NEC	3679	1.5	3.9	5.1
Electronic Computing Equip	3680	1.9	3.5	11.3
Computers-Mini & Micro	3681	5.0	10.0	17.7
Computers-Mainframe	3682	1.3	2.4	12.5
Computer Terminals	3683	2.0	4.2	31.9
Computer Disk & Tape Drives	3684	.9	2.9	18.6
Optical Char-Laser Scanners	3685	.5	1.2	11.4
Computer Graphics Systems	3686	1.1	2.1	20.6
Office Automation Systems	3687	2.0	3.5	23.3
Computer Peripherals	3688	.7	2.3	3.6
Computer Equpment NEC	3689	1.8	3.9	26.8
X-ray, Electromedical Apparat	3693	1.2	1.9	14.2
Robotics	3695	3.4	10.6	14.7
Electrical Machy & Equip NEC	3699	4.9	14.0	1.5
Motor Vehicles & Car Bodies	3711	1.6	8.8	9.8
Truck & Bus Bodies	3713	.5	1.7	4.9
Motor Vehicle Parts-Accessor	3714	1.0	4.6	7.5
Motor Homes	3716	1.1	6.1	16.5
Aircraft & Parts	3720	2.1	5.3	.7
Aircraft	3721	1.5	6.3	-10.3
Aircraft Parts & Aux Equip	3728	.4	1.3	8.2
Ship-Boat Building & Repairing	3730	.6	2.9	15.1
Railroad Equipment	3740	.6	1.6	-35.6
Motorcycles Bicycles & Parts	3750	1.9	10.6	3.8
Guided Missiles & Space Vehc	3760	.1	.5	7.9
Travel Trailers & Campers	3792	[illegible]	14.3	12.5
Engr Lab & Research Equip	3811	1.6	3.6	10.4
Measuring & Controlling Inst	3820	.9	2.6	-1.4
Industrial Measurement Instr	3823	1.8	4.1	1.5
Elec Meas & Test Instr	3825	1.3	3.1	7.0
Optical Instruments & Lenses	3830	3.9	8.1	6.1
Surg & Med Instruments & App	3841	1.3	3.1	15.2
Ortho-Prosth-Surg Appl & Supp	3842	1.0	3.0	8.7
Dental Equip & Supplies	3843	2.2	5.2	5.4
Photographic Equip & Suppl	3861	3.7	7.9	8.7
Watches Clocks & Parts	3870	2.3	8.4	-19.9
Jewelry-Precious Metals	3911	3.5	9.3	9.6
Silverware-Plateware	3914	3.0	8.9	19.6
Musical Instruments	3931	2.5	11.0	-14.0
Toys & Amusement Sport Goods	3940	6.7	16.7	-14.6
Pens-Pencil & Oth Office Mat	3950	5.5	12.3	1.9
Misc Manufacturing Industrie	3990	3.3	9.7	10.3
Railroads-Line Haul Operating	4011	.1	.9	25.6
Intercity & Rural Hywy Trans	4131	4.0	10.0	19.0
Trucking-Local & Long Distance	4210	1.5	8.2	14.2
Water Transportation	4400	1.2	3.7	-5.4
Air Transportation-Certified	4511	2.0	12.1	11.9
Transportation Services	4700	3.2	15.2	13.6
Telephone Communication	4811	2.1	5.2	19.8
Telegraph Communication	4821	1.4	3.5	26.4
Radio-TV Broadcasters	4830	3.7	9.7	7.1
Communication Services NEC	4890	2.1	7.1	21.1
Cable Television Operators	4891	2.0	3.4	15.5
Natural Gas Transmission	4922	.0	.0	-.2
Natural Gas Transmis-Distr	4923	.2	.7	8.3
Whsl-Autos & Parts	5012	4.0	15.5	10.5
Whsl-Lumber & Constr Matl	5030	.3	1.9	1.7
Whsl-Sporting & Recrea Goods	5040	1.1	4.3	8.7
Whsl-Metals & Minerals	5050	2.4	12.4	34.6
Whsl-Elec Apparatus & Equip	5063	.2	1.0	7.1
Whsl-Elec Appliance TV & Radio	5064	7.4	19.5	15.2
Whsl-Electronic Parts & Equip	5065	2.3	8.7	.5
Whsl-Hardwr Plum Heat Equip	5070	5.1	35.9	-.3
Whsl-Machinery & Equipment	5080	1.5	5.1	3.9
Whsl-Scrap & Waste Materials	5093	N/A	N/A	N/A
Whsl-Durable Goods NEC	5099	2.1	7.8	8.6
Whsl-Drugs & Proprietary	5120	.8	5.4	9.9
Whsl-Groceries & Related Pds	5140	.2	1.9	10.3
Whsl-Petroleum & Petro Pds	5170	.1	1.1	-26.2
Whsl-Nondurable Goods NEC	5199	.8	6.8	3.1
Retail-Lumber & Bldg Mat	5211	2.3	8.7	9.2
Retail-Mobile Home Dealers	5270	2.0	11.6	-15.9
Retail-Department Stores	5311	3.1	13.1	8.8
Retail-Variety Stores	5331	2.1	7.2	4.9
Retail-Grocery Stores	5411	1.3	5.8	7.0
Retail-Auto Dealers & Gas Stat	5500	1.4	5.8	13.8
Retail-Apparel & Acces Store	5600	2.4	6.1	12.0
Retail-Womens Ready To Wear	5621	2.1	6.3	12.3
Retail-Shoe Stores	5661	1.6	4.0	10.2
Retail-Furniture Stores	5712	6.8	17.0	5.9
Retail-Hshld Appliance Store	5722	5.4	19.3	13.8
Retail-Eating Places	5812	3.2	15.4	11.4
Retail-Drug & Propriet Stores	5912	1.8	6.9	10.6
Retail-Jewelry Stores	5944	5.8	15.1	5.0
Retail-Sewing & Needlework	5949	4.4	8.6	13.6
Retail-Mail Order Houses	5961	17.1	39.7	9.9
Retail-Auto Mdsng Mach Oper	5962	6.9	17.8	22.6
Retail-Fuel & Ice Dealers	5980	.8	3.8	-16.7
Retail-Computer Stores	5995	2.8	10.6	61.1
Retail-Stores NEC	5999	2.8	8.3	9.4
Savings & Loan Associations	6120	.5	1.6	12.2
Personal Credit Institutions	6140	1.6	3.5	8.0
Business Credit Institutions	6150	.7	1.1	12.7
Finance-Services	6199	3.1	15.9	7.4
Security & Commodity Brokers	6200	.7	7.6	8.4
Insurance Agents Brokers	6400	.8	4.0	10.4
Real Estate	6500	2.5	6.8	10.7
Operators-Nonres Bldgs	6512	2.0	5.1	8.0
Operators-Apartment Bldgs	6513	.3	.7	9.7
Lessors of Real Property-NEC	6519	.9	-1.3	11.3
Subdivid Develop Ex Cemetery	6552	2.5	9.8	12.2
Oil Royalty Traders	6792	.1	.1	8.5
Patent Owners & Lessors	6794	8.7	27.4	24.3
Real Estate Investment Trust	6798	1.6	3.0	7.3
Hotel-Motels	7011	2.6	10.0	3.6
Serv-Personal	7200	5.7	17.7	9.7
Serv-Linen Supply	7213	.1	.3	2.3
Serv-Advertising Agencies	7311	.2	1.6	1.7
Serv-Clean & Maint to Bldg NEC	7349	.3	1.9	6.4
Serv-Computer & Data Process	7370	2.0	4.4	17.5
Serv-CMP Program & Software	7372	2.3	8.5	46.9
Serv-Data Processing Svcs	7374	1.5	3.5	20.5
Serv-Computer Rel Svcs NEC	7379	2.1	11.6	18.8
Serv-Research & Developmnt Lab	7391	1.0	7.1	15.2
Serv-Mgmt Consulting & PR	7392	.2	.5	9.1
Serv-Detective & Protective	7393	1.0	2.8	5.8
Serv-Equip Rental & Leasing	7394	3.5	5.0	1.1
Serv-Business Services NEC	7399	3.1	12.7	4.2
Serv-Automotive Repair & Ser	7500	3.0	7.4	9.7
Serv-Motion Picture Productn	7810	9.5	48.7	14.3
Serv-Motion Picture Theatres	7830	4.7	30.3	10.8
Serv-Racing Incl Track Oper	7948	3.9	22.4	11.0
Serv-Misc Amusement & Recrea	7990	4.4	14.5	15.7
Serv-Nursing-Person Care Fac	8050	1.0	5.0	14.5
Serv-Hospitals	8060	.6	2.5	6.7
Serv-Educational	8200	4.7	10.7	16.7
Serv-Engineering & Architect	8911	.7	2.1	-12.7

Legend: SIC - Standard industrial classification. N/A - No data available for this value. NEC - Not elsewhere classified. Ad dollars as per cent of sales - Ad expenditures/net sales. Ad dollars as per cent of margin - Ad expenditures/(net sales—cost of goods sold). Annual growth rate of advertising dollars.

Source: Schonfeld & Associates Inc., 2550 Crawford Ave., Evanston, IL 60201 (312) 869-5556

C-E revs up team for racing clients

WARREN, MICH.—Motor racing interest is back and Campbell-Ewald is revving up its engines.

CECO Communications, a C-E subsidiary, has formed a motor-sports performance marketing group to serve clients with racing interests, including Chevrolet, AC Delco, PPG Industries and Kelly Services.

CECO also will use the group to seek new business from companies with active or potential motor-sports marketing programs, said Larry Giancio, CECO vp-sales and head of the new group.

Mr. Giancio predicted that the CECO group will attract enough business to overtake a similar motor-sports marketing group at J. Walter Thompson Co., Detroit (AA, Dec. 26), which curently bills an estimated $1.5 million a year.

Mr. Giancio's group will draw on Campbell-Ewald for advertising creative services and CECO for pr services.#

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$1.25 a copy; $52 a year — The International Newspaper of Marketing — Thursday, August 16, 1984

Fashion lines rock to Prince, Jackson beat

By PAT SLOAN

NEW YORK—New fashion lines keying on hot rock stars Michael Jackson and Prince are creating billion-dollar visions for those modern impressarios—fashion licensors—hoping to make clothing the new gold mine for pop music artists and retailers.

But for that gold rush talk to come true, these licensors need to overcome a less-than-total embrace by retailers. The volatility of linking products with personalities, the retailers say, could quickly cool off what's hot today.

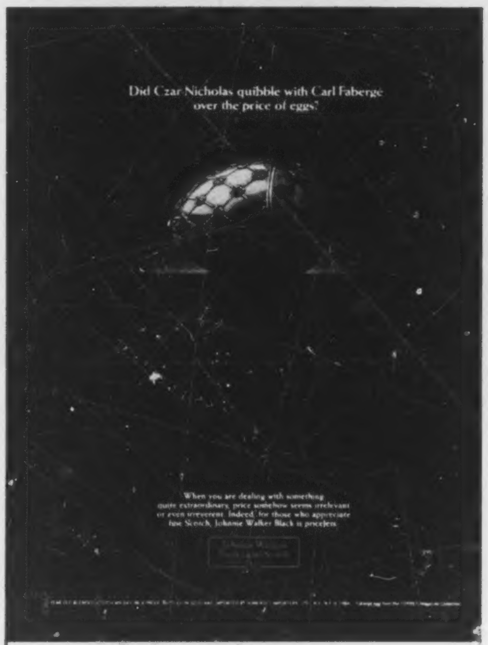
That doesn't quell the unabashed enthusiasm that comes from Bob Michaelson, director of licensing for Stadium Management, the primary Jackson fashion licensor. If Mr. Michaelson has his way, Jackson fans will have to throw out half their wardrobes next year.

At the same time, Licensing Corp. of America is negotiating with potential clothing licensees for the Prince/"Purple Rain" label, pouncing on the unexpected popularity this summer of the autobiographical movie "Purple Rain."

Mr. Michaelson, whose company holds rights to all Jackson clothing except belts, buttons, sweatshirts and t-shirts, soon will announce at least 12 new licensees (AA, Aug. 13).

Their designs, to come out in 1985, will set a whole

(Continued on Page 65)


Did Czar Nicholas quibble with Carl Faberge over the price of eggs?
When you are dealing with something quite extraordinary, price somehow seems irrelevant or even irreverent. Indeed, for those who appreciate fine Scotch, Johnnie Walker Black is priceless.

Paying the price

The latest addition to Somerset Importers' campaign for Johnny Walker Black depicts the brand as expensive but worth the price. The new series breaks in September in consumer magazines. Smith/Greenland, New York, is the agency.

Marketers and athletes make golden match

By ROBERT RAISSMAN

Riding the wave of public interest in the Olympic gold medal winners who graced its channels for the last two weeks, ABC-TV is on the verge of signing a multi-fight contract with champs on the U.S. boxing team, including widely acclaimed welterweight Mark Breland.

Separately, ABC said it will tape an International Medalists Gymnastics Tour that McDonald's Corp. will take to four U.S. cities next month. A one-hour special based on the tour would air later. McDonald's has lined up not only U.S. medalists and team members, but medal winners from Romania and Japan and has invitations pending with Chinese medalists.

U.S. medalists already are touring the U.S. this week on a trip sponsored by Southland Corp., Dallas (AA, Aug. 6).

The ABC deal with young Mr. Breland, expected to be the first Olympic boxer to turn a gold medal into cash, reportedly would be worth as much as $1 million.

As talks took place, two other popular gold medalists, gymnast Mary Lou Retton and marathoner Joan Benoit, also made news.

Ms. Retton, the teen-age pixie from Fairmont, W. Va., signed up to be represented by a gymnastics and sports marketing company. It said she has yet to cut a deal with an advertiser but has had "an unbelievable number of offers."

Ms. Benoit, the women's marathon gold medalist, will be featured in a coupon promotion for Dole pineapple juice and fresh bananas in October, supported by ads

(Continued on Page 65)

Record crowd due at AA Workshop

NEW YORK—A record 1,000-plus attendees are expected when ADVERTISING AGE kicks off its 27th annual Creative Workshop here on Aug. 19.

Participants represent 46 states and 37 countries—including a delegation of 50 representatives from Finland.

The Aug. 19 to 22 workshop here will open with Robert Pittman, exec vp-chief operating officer for Warner Amex Satellite Entertainment Co., discussing the impact of video music on today's youth market. Buttons, posters, balloons and a live performance by jazz-pop band Chicago will be included.

The three days following the opening session will be filled with more than 40 sessions on a variety of subjects addressing all phases of advertising and marketing.#

U.S. probes soda pricing

By NANCY GIGES

At least six soft-drink executives and an unidentified "mystery" witness have testified in Baltimore before a federal grand jury investigating possible soft-drink industry antitrust violations.

Convened last March, the grand jury has heard testimony from at least three current and former Dr Pepper executives. Questions pertained to the Dr Pepper and Coca-Cola pricing policies.

Witnesses also were asked about the Coca-Cola link of William Schermerhorn, the former Dr Pepper vp-marketing who joined Coca-Cola USA in April as an assistant to Sergio Zyman, senior vp-marketing.

Even if the investigation goes nowhere, its timing could add to the difficulties already faced by Mr. Zyman, whose domestic soft-drink division has been involved in a struggle with the corporate marketing department headed by Ira Herbert (AA, Aug. 6).

Anthony Nanni, chief of the trial section, Justice Department antitrust division, Washington, confirmed investigations of this type normally come about in two ways, via "studies of our own and from complaints." He would not specify how this one began.

Coca-Cola, Pepsi-Cola and Dr Pepper all said they were aware the investigation was taking place. A spokesman at Atlanta-based Coca-Cola said, "We clearly do not think that Coca-Cola or any employes have done anything illegal." Pepsi-Cola said it was asked for information relating to the investigation earlier in the year, cooperated and was assured it was not a grand jury target. Pepsi has not heard any more from the authorities, a spokeswoman added.

At Dr Pepper, an official was asked about speculation executives of the two companies may have shared confidential information. He said, "Who needs to have a secret rendezvous? We all know what each other is

(Continued on Page 2)

Today to test on-air taboo

By RUTH STROUD

It's a sensitive subject for advertising, but that isn't stopping VLI Corp. from joining the pioneering effort to air birth-control ads on radio and tv.

Irvine, Cal.-based VLI said it is preparing broadcast ads for its year-old Today contraceptive sponge, beginning with radio commercials scheduled to break at the end of the month.

The company and its ad agency, Keye/Donna/Pearlstein, also are working on tv spots—to be produced this month—that will run on cable outlets and independent stations, with a goal of eventual network airing.

VLI's bold strike joins the effort of Thompson Medical Co. in the movement to give contraceptives broader advertising exposure. Thompson began airing spots for its Encare vaginal contraceptive last spring on cable and college radio stations (AA, March 19). It later added six independent tv stations and expects to begin pursuing network acceptance "shortly," a spokesman said.

Marty Johnson, account supervisor for Keye/Donna/Pearlstein, compared the struggle to persuade radio stations to run Today spots to the past experiences of marketers of hemorrhoidal suppositories, feminine protection products and vaginal hygiene sprays. "Some radio stations are open and accepting," she said. "Others say, 'You've got to be kidding!' "

VLI's strategy for Today is to position the product as a breakthrough comparable to the birth-control pill. "In 1960, the pill gave women a new freedom," a woman

(Continued on Page 65)

NEWSPAPER
3
AA
DC2001♦CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

at presstime

Suntory seeks share of California winery

NEW YORK—Suntory International, the U.S. arm of Suntory Ltd., Japan's giant spirits marketer, plans to acquire a major interest in Chateau St. Jean, a premium northern California winery, sources say. The move is seen as a major effort to exploit the growing Japanese wine market. Suntory, which also owns a share of Firestone Vineyard, a central California winery, refused comment.

Thomson closes book on 'Broadcast Week'

NEW YORK—International Thomson Business Press is folding *Broadcast Week* after 21 months of publication and estimated multi-million-dollar losses. The current issue of the tabloid trade weekly, dated Aug. 13, is its last, publisher Anita Gold said. The tabloid was published by Thomson subsidiary Titsch Communications.

Mondale campaign taps McCaffrey & McCall

NEW YORK—McCaffrey & McCall has been retained by the Mondale-Ferraro campaign to handle an undisclosed media project, a campaign spokesman said. Sources indicated that M&M would be involved in crea-

(Continued on Page 67)

‘Where’s the beef III’ starts from scratch

By SCOTT HUME

Wendy's International is betting that, as McDonald's discovered during the Olympics, there's beef to be found in scratch-card games tied to televised sports.

Beginning the week of Aug. 27, Wendy's will kick off a promotion tied to ABC's "Monday Night Football" telecasts. Game cards distributed in Wendy's will reveal the names of National Football League teams. Customers who have cards bearing the name of the winning team from that Monday's game mail their cards to Wendy's.

Contest winners will be chosen (from among cards sent in) during advertising time on the following Monday night's telecast, drawn by Clara "Where's the beef?" Peller and former Chicago Bears linebacker (and current Miller Lite pitchman) Dick Butkus. Top prize during each of the six weeks the game is scheduled to run will be $20,000 in cash.

On the "Monday Night Football" game of Sept. 17, Wendy's also will break its new two-spot set of "Where's the beef?" commercials.

Wendy's says it will spend about $30 million on the new campaign (AA, Aug. 13), giving "WTB III" the largest ad budget in the chain's history. Wendy's spent only $31 million on tv advertising in all of 1982 (and $50 million last year). The chain's tv spending this year could come close to $100 million.

Wendy's also is betting the payback on the new campaign will approach results of the first and second rounds of "beef" commercials. Wendy's systemwide sales during the first six months of 1984 were $1.16 billion, 32% better than the $875.3 million taken in during 1983's first half.

The $30 million budget for the fall campaign

(Continued on Page 67)

news summary

Thursday, August 16, 1984

The blood, sweat and tears that resulted in gold medals for U.S. Olympic athletes is paying off again. Boxer Mark Breland and his champion companions are on the verge of signing top-dollar fight contracts with ABC, and gymnast Mary Lou Retton has hired an agent. *See Page 1.*

It's a sensitive subject in advertising, but VLI Corp. is joining the pioneering effort to air ads for birth-control products on radio and tv. The company is preparing broadcast ads for its year-old Today contraceptive sponge. *See Page 1.*

FINALLY.
A METHOD
WITHOUT
THE MADNESS.
Today

Wendy's will precede its third "Where's the beef?" campaign with a scratch-card game promotion tied to ABC's "Monday Night Football." *See Page 2.*

The Four A's is fighting efforts on two fronts to regulate bank advertising. Both the Federal Reserve Board and the U.S. House are looking to standardize interest-rate information in ads. *See Page 3.*

Miller Brewing is introducing two new brands in an effort to reduce its dependence on the slumping High Life premium brand. The brewer has brought out a low-alcohol brand, Sharp's LA, in five markets, and is breaking a light extension of Meister Brau. *See Page 3.*

A.C. Nielsen Co. will introduce a new market research service next year in Japan. *See Page 3.*

Ford Motor Co. thinks selling cars by computer may be a better idea than simply using salespeople. The company is testing a computerized "selection center" in four of its dealerships. *See Page 5.*

DIRECT MARKETING

A Plainview, N.Y., computer supply company is testing a way to generate customer interest in its catalogs by including miniature catalogs in co-op card packs. *See Page 8.*

SPECIAL REPORT

Metropolitan dailies are facing new challenges from suburban and neighborhood newspapers, alternative publications and free papers encroaching on their territory. *See Page 11.*

A slowdown in the growth of suburbia, tougher competition and changes in society all are affecting suburban papers. *See Page 14.*

"Alternative" newspapers have grown fat delivering the narrow audience that many advertisers seek at a lower cost than they would pay for the dailies. *See Page 54.*

REGIONAL REPORT

Chief Justice Warren Burger likens them to commercials for dog food or cosmetics, but many lawyers are finding that ads for their services are profitable. *See Page 66.*

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U.S. probe

(Continued from Page 1)

doing because of the bottler setup in the normal course of business," a reference to the fact that franchised bottlers frequently handle brands of different companies. About 200 Dr Pepper bottlers handle Coke and another 200 sell Pepsi.

The Dr Pepper spokesman said Mr. Schermerhorn's departure was in no way related to the investigation and that his move was a loss to the company.

Steve Lindbloom, who worked at Dr Pepper until January, 1983, testified for about 20 minutes before the grand jury in April. Mr. Lindbloom now is a brand manager at General Foods' Oscar Mayer subsidiary in Madison, Wis.

Mr. Lindbloom identified one former and one present Pepper exec who he said also appeared before the grand jury, but their appearances could not be independently verified.

Mr. Lindbloom, who believes there is nothing to the investigation, said that while he was waiting to testify, an individual whose identity was unknown to him spent at least six hours on the witness stand. This person left the stand from time to time to seek an attorney's advice and departed after a friendly goodby and handshake with the federal attorneys. Mr. Lindbloom said this suggested to him that the government felt it had grounds to continue the probe.

He said that when asked how pricing changes were made at Dr Pepper and by whom, he testified that such major decisions in relatively small companies like Dr Pepper usually were made at the presidential level. But recommendations came from below.

He said the Coca-Cola name came up in questions about other companies that distributed soft-drink concentrate, but he couldn't recall the other companies identified.

When asked to name all with whom he worked, he said he did so, but he found it interesting that many of those in whom the grand jury seemed interested were not involved in pricing even though that subject dominated the questioning.

Mr. Lindbloom said while at Dr Pepper, he never encountered anyone who was deviously engaged in gathering information in order to preempt a competitor. Dr Pepper could do little with normal gossip in the industry because its moves were so guided by its franchised bottlers. As for price-related industry activity, he said such news normally was circulated among all companies within 24 hours.#

Agency financial results

With all agencies except Ally & Gargano reporting, shops reported lucrative second-quarter and first-half periods of 1984. Only FCB reported a decline in income. Source: *Advertising Age.*

Agency	Income ($000) 1983	Income ($000) 1984	(%)	Revenues ($000) 1983	Revenues ($000) 1984	(%)
Second quarter						
BBDO	4,482	6,073	+35	64,554	78,899	+22
DDB	3,689	4,072	+10	51,677	58,633	+13
FCB	4,603	4,482	− 3	59,751	70,224	+17
Grey	3,154	4,159	+32	41,600	55,518	+33
Interpublic	11,584	14,723	+27	156,745	169,512	+ 8
Mickelberry	394	460	+17	21,334	30,929	+45
O&M	3,790	6,376	+68	87,362	110,269	+26
JWT	6,044	6,178	+ 2	117,597	128,053	+ 9
Six months						
BBDO	8,218	11,245	+38	122,310	150,760	+23
DDB	4,829	5,382	+11	95,802	105,305	+10
FCB	4,945	6,452	+30	105,588	128,324	+21
Grey	3,788	5,173	+3[illegible]	73,362	95,889	+31
Interpublic	13,187	19,567	+48	287,924	315,922	+10
Mickelberry	906	1,261	+39	42,677	57,998	+36
O&M	5,992	9,503	+59	168,459	205,449	+22
JWT	7,103	9,932	+40	220,506	248,848	+13

Shops’ 2nd quarter strong, but ‘goofy’

By STEWART ALTER

While 1984 is continuing, as expected, to be a very strong year financially for public ad agencies, second-quarter results weren't without some surprises in the loss column.

"It basically continues to be a terrific year," commented Alan Gottesman, a vp who tracks the ad industry at L.F. Rothschild, Unterberg, Towbin, New York, "but there are enough goofy goings-on to keep it from being boring."

The "goofy" things to which Mr. Gottesman referred are decreased second-quarter earnings figures for JWT Group and Foote, Cone & Belding Communications, agencies that otherwise had a strong first half. Meanwhile, as the accompanying chart indicates, most other public shops had strong, consistent second quarters.

JWT's second-quarter revenues rose only 9% to $128.1 million while earnings were up only 2% to $6.2 million; however, earnings per share declined in the second quarter to $1.01, compared to $1.08 per share in the similar period of 1983, when there were fewer shares outstanding. FCB's second-quarter revenues were up a healthy 17.5% to $70.2 million, but earnings dropped 3% to $4.5 million. Earnings per share dropped from $1.40 per share to $1.29 per share.

In JWT's case, the explanation seems to be client shifting of spending from the second quarter to the first and third, noted Mary Vandeventer, a vp who follows ad agencies at Widmann, Blee & Co., Narbeth, Pa. For this reason, which relates to FCB as well, she noted, "I think the six-month figures are more indicative than the quarter, and the theme here is that the year looks very strong."

FCB's situation is a bit more complex and involves its merger with NCK Organization last year, which added a substantial $150 million in international billings, and a decline in the value of its stock port-

(Continued on Page 65)

Sugar industry stirs not-so-sweet fight

By GAY JERVEY
and STEVEN W. COLFORD

The sugar industry, in the midst of preparing a pro-sugar ad campaign, unleashed an attack this week on its nemesis, G.D. Searle & Co.'s aspartame sweetener.

The Washington-based Sugar Assn. asked the Federal Trade Commission to curb Skokie, Ill.-based Searle advertising for NutraSweet and Equal, claiming it is "deceptive."

Meanwhile, the association this month will begin a campaign to promote the positive aspects of sugar.

The campaign will break on radio and in magazines dated October.

North Castle Partners, Greenwich, Conn., is the agency.

The organization's dual actions come as aspartame especially has breathed new life into the low-calorie beverage business.

According to U.S. Department of Agriculture statistics, U.S. consumption of aspartame doubled to 2 lbs. per capita last year alone.

In addition, Searle and producers of NutraSweet products spent about $120 million on ad and related promotional campaigns during the last three quarters of 1983, with 1984 spending likely to double, the association said in its petition to the FTC.

The petition, filed Aug. 14, contends Searle's ads "are misleading in several aspects," Sugar Assn. president J.R. O'Connell said. The petition referred to calorie claims, weight-control claims, dental health and other issues.

G.D. Searle officials were not available for comment.

■ The association is particularly concerned that G.D. Searle's ads falsely imply that NutraSweet and Equal are "low calorie" products, said Norris Bolinback, the association's vp-scientic affairs.

He said the products are not low-calorie items, but rather "high-intensity sweeteners."#

world news wire

JOHANNESBURG—McCann-Erickson Worldwide has bought 100% interest in G. de Villiers & Co., South Africa's ninth-largest agency, with 1983 billings of $29 million.

PARIS—The United Nations Educational, Scientific & Cultural Organization has picked Wagner & Baroody, a public relations company in Washington, to improve the organization's image in the U.S. No budget figures available.

MELBOURNE—Mars Confectionery plans to roll out M&M's candies in Australia later this year following lengthy tests in Brisbane. George Patterson Pty. is handling the test, using the traditional theme "Melts in your mouth, not in your hand."

SYDNEY—Leigh-Mardon moved its $2 million consumer products account to Campaign Palace from Forbes, Macfie, Hansen.

LONDON—Robert Maxwell, new owner of Mirror Group Newspapers, has postponed the launch of a new London evening newspaper until next spring. A fall launch had been planned.

HELSINKI—The Finnish government failed to include a proposed ad tax in next year's budget, but many advertisers and agencies will continue lobbying against the proposal, fearing the issue will resurface.

PARMA, ITALY—Europe's largest dairy company, Parmalat, plans to launch Bouquet wines in Tetrapak cartons instead of bottles this September in Italy and then the U.S. Advertising is handled in-house in Italy and by Wellington & Messina in the U.S.

TORONTO—Cantel Ltd. has picked Young & Rubicam to handle the $1 million launch of Canada's first cellular radio-telephone service.

SAO PAULO—Gustavo Cubas, president of Publicidade Siboney agency, plans to start a weekly Portuguese-language news magazine called *Afinal* (Finally) in September. The publication will be Brazil's fifth news magazine and as such is considered a high risk.

SYDNEY—Keywest Investments has picked Foote, Cone & Belding to handle its $1 million Yomix yogurt account, previously handled by J. Walter Thompson Co.

MADRID—Tabacalera, the Spanish government cigaret monopoly, will launch two new low-tar cigarets in late September. Lucky Strike Lights and Royal Crown Lights will be introduced with $530,000 and $470,000 ad campaigns via Carvis Needham.

in the news

Account changes

Arby's, Atlanta, to **Cole Henderson Drake** to develop advertising aimed at luring new franchisees for the fast-food chain. Grey, New York, remains Arby's national agency.

Advertiser people

Richard Mitchell to vice-chairman and chief administrative officer from exec vp-chief administrative officer, Zale Corp., Dallas. In his new post, he joins **Martin Zale**, vice-chairman for international operations. **H.R. (Randy) Lively** replaces Mr. Mitchell, moving to exec vp-administrative services from president, Jewelers Financial Services, Zale's credit subsidiary. Also moving at Zale, **David Gan** to the new post of chairman-merchandise services group, from senior vp-corporate development and **Gene Morphis** to senior vp-corporate development and planning from vp-corporate planning and analysis, replacing Mr. Gan.

Media people

Saul Goldweitz to chief executive officer, assuming new responsibilities, Cahners Publishing Co., Boston, in addition to his duties as president. Also, **Ronald Segel** to exec vp-chief operating officer, a new post, from financial vp in addition to his duties as chief financial officer.

Media moves

Paramount Television Domestic Distribution, Hollywood, is developing a magazine based on "Entertainment Tonight," its syndicated tv series. The publication would focus on entertainment.

Olympics win record tv viewing audience

By DIANE MERMIGAS

To the surprise of some ABC executives, the Summer Olympics emerged as the most-watched tv event ever presented by a single network.

An estimated 180 million people in the U.S. watched all or part of ABC's 180 hours of exclusive Olympics coverage from Los Angeles July 28 through Aug. 12 in all dayparts.

National ratings available from A.C. Nielsen Co. this week showed ABC's nighttime coverage of the games (beginning at 7 p.m. and extending into late night) averaged a 23.5 rating/45 share over the 16 days. Prime time coverage of the games for the two weeks averaged 25/45—meeting ABC's earlier projections that the Olympic Games would sustain a 25 rating in prime time.

The network also is likely to meet its national projection of a 10 rating in daytime for the games, although final daytime statistics won't be available until later this week.

Viewing levels for the summer games beat previous records set by major tv events such as ABC's "The Winds of War" miniseries (viewed by 140 million persons) and the original "Roots" (135 million persons).

They also exceed the 140 million persons who watched all or part of ABC's 76½ hours of exclusive coverage of the 1976 Summer Olympics in Montreal, which nationally averaged a 24.8/28 in prime time and a 16.2/49 in daytime. However, one ratings point is worth more today (838,000 tv households) than in 1976 (696,000 tv households).

Abnormally high summertime tune-in prompted by the summer games pumped up homes-using-tv levels 9% over the same two weeks in 1983.

Among the three networks, ABC's Olympics viewership gave it a 15 ratings point lead over NBC, its nearest prime time competitor, for the weeks ending Aug. 12 and Aug. 5.

For the week ending Aug. 12, ABC averaged 24.9/44.9 in prime time, compared with 9.6/16.9 for NBC and 8.9/15.8 for CBS.

ABC officials reiterated this week that high ratings for the games eliminate the need for ABC to provide advertisers with make-goods, as it did when it did not deliver the promised number of viewers during the Winter Olympics (AA, Aug. 13). ABC will reap $435 million from the sale of national ad time during the summer games.

The Aug. 12 closing ceremonies, which included coverage of the men's marathon, ranked as the highest single-night coverage with a 28.9/53. An estimated 97 million people watched all or some of the telecast.

Aug. 12 also yielded 17.7/46, the highest overnight daytime average for the games generated by the eight metered markets.

A beneficiary of the Olympics was ABC's "World News Tonight," which for the second consecutive week finished first in the evening news race. "World News Tonight," which usually ran outside its normal time period and was not carried by 33 ABC affiliates during the Olympics, averaged 10.4/24 for the week ending Aug. 12. "The CBS Evening News" averaged 9.5/20 and "The NBC Nightly News" 7.6/16.#

Marketers, athletes in golden match

(Continued from Page 1)

in women's service magazines.

The ads continue the Freeport, Me., runner's year-old relationship with the food unit of Castle & Cooke, San Francisco. She has been a Dole presenter in pre-Olympic tv spots via J. Walter Thompson, USA, San Francisco. Dole is putting together a new comprehensive, corporate-type campaign featuring Ms. Benoit as a health and fitness spokeswoman.

In Mr. Breland's case, his adviser, Shelly Finkel, said only that the boxer is involved in serious discussions with the network. The pact also involves other, unidentified gold medalists, he said.

Advertisers generally reacted positively to a possible Breland-ABC deal because of Mr. Breland's Olympic success and audience exposure. While Anheuser-Busch has beer exclusivity on ABC's "Wide World of Sports," events airing outside the anthology format could attract other beer marketers.

"We're interested in competitive fights," said David Martin, exec vp, Stroh Brewery, Detroit. "But we would want to take a look at who [Mr.] Breland and any other Olympians would be up against."

Steve Leff, exec vp, Backer & Spielvogel, which handles Miller Brewing Co., Milwaukee, said that even without knowing the details, "It still sounds like something worth talking about."

Mr. Finkel indicated that only one fight in any package deal would be held in 1984, tentatively in November.

"We have had discussions and we are interested," said Bob Iger, ABC Sports' director of program planning. But he said no agreement has been reached.

Another network sports executive, though, said he believed the deal had been consummated. "If Shelly didn't have ABC signed up lock, stock and barrel, he would have been banging down my door," he said.

One scenario under discussion is reported to be a four-fight deal featuring Mr. Breland in two six-round and two eight-round bouts. ABC would pay him $250,000 per fight. Dates, sites and opponents have not been determined.

"ABC's ride is predicated on the fact that [Mr.] Breland now has the audience following, can move into 10-rounders and by the end of 1985 be in title contention," said a network executive who declined to be identified. ABC followed a similar strategy with 1976 Olympic gold medalist Sugar Ray Leonard.

Ms. Retton's new agent is National Media Group, New York, and a tv packaging company, High Bar Productions. The company is the tv representative of the U.S. Gymnastics Federation, Indianapolis.#

Prince, Jackson fashions due

(Continued from Page 1)

new look for the Peter Pan of rock, he said.

But the lag up to the time products hit stores—coupled with the absence of official licensed designs right now—is prompting some skepticism among retailers.

"Anything coming out after the next few months might be late," said Rick Conti, associate buyer for J.C. Penney Co. "It all depends on how long he [Mr. Jackson] is in the limelight."

So far, the singer has made all the right moves in keeping his awareness level at top of mind. There was the "Thriller" video in late 1983 and the Victory Tour this year. Next on tap is the movie that fans have awaited for two years.

"I can only tell you that Michael is planning one of the biggest movies ever to come out of Hollywood with George Lucas and Steven Spielberg," Mr. Michaelson said. "The projections are staggering."

But fashion is fickle and doesn't always see eye to eye with artistic longevity. "We already see it on the wane in some of our stores," said a men's and boys' wear executive with Belk Stores, Charlotte, N.C., of the unofficial Michael Jackson clothes now in stores.

Skepticism over the line's potential riches also stem from the financial arrangements with Mr. Jackson.

Mr. Michaelson called "plausible" reports that Stadium is paying the performer about $22 million to use his name. There's an unusually high 15% royalty on the apparel—usually they're no more than 7%.

The main body of the Jackson clothes, some of which will be designed by Alvin Bell, will be preceded this fall by caps and sleepwear. Although the first licensing agreements will go to boys' and men's apparel marketers, Mr. Michaelson wants to offer a women's line with unisex appeal. "I was surprised, but his look does appeal to girls," he said.

Competition could come from the Prince/"Purple Rain" label, though plans for those are more tentative. "Purple Rain" already has licensees for buttons, t-shirts and the usual promotional hoopla. LCA marketing director Len Reiter said, "We're looking at full fashion clothing and sportswear."#

Shops' 2nd quarter strong

(Continued from Page 2)

folio, NCK left FCB much more heavily exposed to the vagaries of international currencies. The dollar proved to be stronger than FCB anticipated.

Moreover, FCB's stock portfolio declined, yielding a $1.3 million pretax market valuation loss by the end of the quarter, $540,000 of which was recouped by Aug. 8 as the stock market rallied.

"These factors, together with higher costs than we expected in office consolidation related to our international acquisitions, caused our net income for the first half of the year to be lower than we anticipated," said FCB president Norman Brown.

Not included in the chart is Ally & Gargano, which finished its fiscal year June 30 and has not yet reported yearend figures. Also not included is Saatchi & Saatchi Compton Worldwide, which does not report quarterly figures, but which had a very strong last half for its April-to-March fiscal year. Reflecting other agencies' upward trend, Saatchi's last-half net income for the six months ended March 31, 1984, more than doubled to $8 million from 1983.#

Today on-air spots readied

(Continued from Page 1)

announcer says in the radio spot. "In 1984, the sponge gives you a new choice. . .Now you can have spontaneity and protection. Without the worry of hormonal side effects."

In playing up health concerns about contraceptive devices, the company is attempting to appeal to women dissatisfied with their current method of birth control.

Radio spots have been accepted by stations in Boston, Chicago, Cleveland, Dallas, Los Angeles, New York, Sacramento, San Diego, San Francisco and Seattle. In addition, ads are to be run on Turner Broadcasting System's WTBS superstation, USA Cable Network, Lifetime, other cable operations and independent tv stations.

The company also is expanding its use of print ads, running coupons in newspapers and scheduling ads in women's and health magazines to begin in October. One magazine that has refused ads is Time Inc.'s *People*.#

C2710-1

Monday, August 20, 1984

Advertising Age

The International Newspaper of Marketing

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Sassoon first to cut deal?

Keeping up with Mary Lou

By ROBERT RAISSMAN

The day before the Summer Olympics ended, women's over-all gymnastics champion Mary Lou Retton was in Houston trying to come to grips with what Reggie Jackson had once called "the magnitude of me."

"John," said the diminutive Ms. Retton to her agent, John Traetta, "wherever I go, people recognize me, and I have to be concerned. I've got to learn how to deal with this."

The tiny 16-year-old's statement was music to Mr. Traetta's ears. He had quietly pursued Ms. Retton through her coach, Bela Karolyi, for about two years, but did not become her agent until that Saturday in Houston.

While winning the gold had forever changed Ms.

(Continued on Page 74)

Photo by World Wide

Olympian Mary Lou Retton runs her fingers through her brunette hair—tresses that may be considered golden locks by Vidal Sassoon.

Ad cameras ready to roll at GOP party

By SARAH STIANSEN

DALLAS—The Tuesday Team marches into town this week, armed with cameras and film to help create the 100 commercials planned by the Reagan-Bush '84 campaign.

With the Republican national convention expected to generate little excitement, this team of high-powered admen could turn the gathering into one big commercial shooting, with an army of ready extras on hand in the form of 2,235 delegates.

How the commercials will be used is a matter of speculation, but details of the $40.6 million campaign are beginning to gel as the convention opens here today.

Doug Watts, campaign media director, while holding elements of the media strategy close to the vest, provided some specifics on how the campaign is shaping up.

Sources said the Tuesday Team will have the best vantage point on the convention floor to film new regional tv spots that will include testimonials and crowd footage. These spots, along with national advertising, will break sometime after Labor Day, Mr. Watts said.

"All the significant principals" of the Tuesday Team will be in attendance, said Mr. Watts. The group consists of four teams of creative "all-stars," including one headed by Hal Riney, exec vp-managing director of Ogilvy & Mather, San Francisco. Additionally, Philip Dusenberry, vice-chairman-executive creative director of BBDO, New York, who produced a documentary film for the convention, also will produce spots.

Tv spots will use the president "intensively and extensively" and focus on "Ronald Reagan's leadership," said Mr. Watts. Sixty-second and 30-second ads for the Reagan-Bush team, which ran in May, included no footage of the president other than a photograph at the end. Mr. Watts said those spots "may reappear."

As for specific media plans, Mr. Watts indicated that after tv, radio would be the campaign's "second most important medium." The team also will use outdoor in selected markets, though Mr. Watts would not elaborate on possible strategies.

But the media strategist reportedly told members of a local ad group here last week that the outdoor effort would cost $80,000 and

(Continued on Page 72)

'84 Marketing the CANDIDATES

GOP fashions, Democratic spots and more on politics. See Page 72.

Chevy punts on college game

By ROBERT RAISSMAN

Chevrolet is making several strategic moves affecting its tv ad spending that will shift more funds into prime time and at the same time load up buys in ABC's "Monday Night Football." The loser in the new plan is college football, where Chevy is giving up much of its long-standing dominant position.

The General Motors Corp. division is cutting in half its sponsorship in ABC's telecasts of the College Football Assn., said Louis Schultz, exec vp-media director at Warren, Mich.-based Campbell-Ewald, Chevy's ad agency.

Chevy's buy on CBS' college football coverage will remain at four 30-second units and a half-game billboard sponsorship. However, the dollar amount at CBS actually will decrease because the price of college football ad time has dropped by more than 50% from last season.

In cable coverage of college football, Chevy's exposure will be half what it was over the last three years, when it held the domestic automotive exclusivity on WTBS' games.

This fall, the Entertainment & Sports Programming Network will carry CFA cable games.

(The CFA games replace, in part, games formerly sold by the National Collegiate Athletic Assn The U.S. Supreme Court found NCAA guilty of anticompetitive practices in the sale of those rights.)

Chevy's diminished interest in college football on cable this fall is a marked departure from its commitment three years ago. At that time, it assured WTBS that it would commit to a $17 million ad schedule on the station (although not all of that time would run in football), if the superstation could secure the NCAA rights. WTBS won the rights with a $17 million bid.

The cutback in college football spending, Mr. Schultz explained, is just one "strategic move" in a num-

(Continued on Page 74)

Last Minute News

Kentucky Fried gets lode of its own nuggets

LOUISVILLE—Kentucky Fried Chicken has introduced Kentucky Nuggets chicken chunks. The item is testing in 300 stores here and in Oklahoma City and undisclosed markets. The company says Kentucky Nuggets are "competitively priced against McDonald's Chicken McNuggets." Tv and print advertising, via Young & Rubicam, New York, carries the theme "Know your Nuggets. We do chicken right." KFC's move comes as sources report that McDonald's Corp., Oak Brook, Ill., is readying renewed ad support for McNuggets.

Geer, DuBois reaps agricultural account

PARSIPPANY, N.J.—BASF Wyandotte Corp. has moved its agricultural chemicals advertising account to Geer, DuBois from HBM/Creamer, both New York. The assignment includes Basagran and Poast herbicides, and reportedly is worth more than $5 million. It is Geer, DuBois' first agricultural account.

(Continued on Page 8)

NEWSPAPER

Big Mac attacking

AA
DC20014CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
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WASHINGTON DC 20014

CREATIVE WORKSHOP

GF exec: Leader is creative key

NEW YORK—The difference between organizations that know how to develop creativity and those that don't boils down to leadership, Philip Smith, president, General Foods, told more than 1,000 attendees at the ADVERTISING AGE 27th annual Creative Workshop today.

"Leadership is the catalyst needed to transform talent into results," said Mr. Smith, delivering the keynote address that leads off three days of sessions on all phases of advertising and marketing.

The record attendance at the New York Hilton for the Creative Workshop includes participants from 46 states and 37 countries.

To illustrate "the fundamental importance of leadership," he cited Chrysler Corp. "Lee Iacocca has turned this company around. Few environmental factors have changed significantly since Chrysler was on the brink of bankruptcy. . .But what they have now is the vision and the commitment of one man—the leader at the top."

Mr. Smith said he disagrees with those who believe leadership is an innate quality. As in athletics, some have more innate abilities, he said, but, like athletic prowess, leadership can be taught. He recalled when he went through leadership training in the Marines, "The

(Continued on Page 74)

Gillette's razor, pen target Bic

By GAY JERVEY

Gillette Co. is flexing its new-products muscle again. The Boston-based company's safety razor division is putting the finishing touches on a new, state-of-the-art shaving system due next year, while its Paper Mate division is gearing up to confront Bic Corp. with a new disposable Accu-Point roller pen.

Given inroads by Bic, Milford, Conn., analysts maintain that Gillette is long overdue with a new generation of shaving products needed to ensure dominance in the $700 million retail shaving market.

Although Gillette will not com-

(Continued on Page 74)

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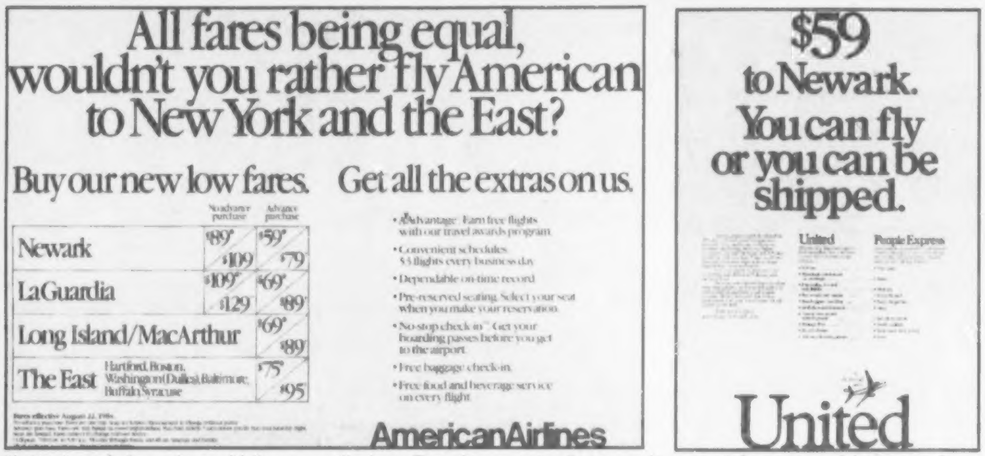

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United

United and American Airlines replied to People Express' fare cuts with print and radio ads on reserved seats; free meals, entertainment and baggage handling, and frequency incentives.

Eager People Express now taking on Eastern

By SCOTT HUME

Having flapped its wings at United and American Airlines, feisty People Express last week turned its sights on another giant carrier—Eastern Air Lines.

The cut-rate carrier announced that, beginning Sept. 5, it will fly four nonstop round trips daily between its Newark base and Miami. It set fares at $79 off-peak and $99 for peak midday flights.

In addition, the airline announced on the same day that it was launching seven daily nonstops from Newark to Detroit, priced at $45 off-peak, $65 peak.

The Miami link moves People into Eastern's headquarters city, from which Eastern flies four daily nonstops to Newark and six to New York's LaGuardia Airport. An Eastern spokesman said the company had no immediate comment on People's plans and nothing to announce, but observers speculated that Eastern would match—with restrictions—People's fares on some of its Newark-bound flights.

A spokesman for Trans World Airlines said it has no immediate plans to lower fares on its one daily trip between Miami and New York's Kennedy Airport.

United, meanwhile, announced additional cuts in response to People's Chicago-to-Newark route, set to begin this week (AA, Aug. 13). The Chicago-based carrier said that beginning Aug. 22 it will implement lower fares between Chicago and Baltimore; Boston; Buffalo; Burlington, Vt.; Hartford; Norfolk, Va.; Portland, Me.; Syracuse, N.Y., and Washington.

Both United and American Airlines broke print and radio campaigns in Chicago and the New York area last week aimed at countering People's inaugural flights between Chicago and Newark. The ads stressed the carriers' level of service.

Advertising announcing People's addition of the Miami and Detroit routes breaks today in Chicago and the airline's "out markets" (cities such as Boston, Baltimore and Washington now linked to Detroit and Miami with Newark stopovers). Introductory advertising broke Aug. 17 in Detroit and Miami. Plapler & Associates, New York, is People's agency.#

Highlights

Chevrolet's role in the reorganized General Motors Corp. is to focus marketing efforts on a few core vehicles. *See Page 10.*

Elizabeth Harrington's appointment as president-chief operating officer and a principal at Don Tennant Co. comes while the agency is seriously talking merger. *See Page 14.*

James Henderson, chairman-chief executive officer of Henderson Advertising, Greenville, S.C., is profiled by Bart Cummings in another of the Benevolent Dictator series. *See Page 34.*

Quality Inns International is breaking ads in two test markets this week, while franchise owners are growing restive about the company's lack of national visibility. *See Page 39.*

September's *Vanity Fair* will carry more ad pages than the monthly has attracted in nearly a year, but that number still is fewer than the publisher's ambitious goal. *See Page 40.*

Bicycle enthusiasts are pouring into shops by the dozens, clamoring for the same Huffy-Raleigh bike that Olympic gold-medal cyclist Steve Hegg used. However, consumers may have a long wait for the bike. *See Page 77.*

CORPORATE CLOSEUP

The Marriott family is bringing its devotion to quality to bear on two new enterprises. *See Page 4.*

INTERNATIONAL

Burger King Corp. is in an aggressive campaign designed to meet McDonald's Corp. head-on in Europe and the Pacific. *See Page 44.*

The Thai government is taking Colgate-Palmolive Co. to court in what may be the first move to crack down on advertising spending in Thailand. *See Page 44.*

Italian wine marketers are experimenting with new marketing methods to recover from a surge in popularity of beer, soft drinks and mineral water that has flattened wine sales in Italy. *See Page 46.*

COMING THURSDAY

SPECIAL REPORT

Affluent consumers are a growing but elusive target for marketers. They are too busy to sit still and be sold, so marketers must find ways to reach them.

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$1.25 a copy, $52 a year, $95 two years. Add $99 per year for air delivery to Europe & Middle East. Add $31 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; ROGER DI GREGORIO, fulfillment director; HEIDI SCHULTZ, senior circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

ABP MPA RED TAG ABC ANPA

P&G tie-in seen

New IBM entry wrings market

By BRIAN MORAN

IBM's bold new moves in the personal-computer market have put a squeeze on the company's two bread-and-butter offerings, the PC and the PC XT, casting those popular machines into limbo.

The company's introduction last week of the multi-user PC AT and the unveiling of a greatly upgraded PCjr (AA, Aug. 2) threaten to cannibalize sales of both the industry-leading PC and the high-powered PC XT, analysts say.

These market adjustments came as reports surfaced that IBM is preparing to run a sweepstakes promotion with the IBM of the consumer products industry—Procter & Gamble. The promotion reportedly will center on a giveaway of 750 PCjr and 250 PC machines.

Whatever effect this sweepstakes has on sales, there can be no denying that IBM's latest moves will have a strong impact on the market, as well as its own products.

For instance, the newest entry could boost sales of the PCjr, but hardware enhancements on that model have made it more attractive to the business market, until now the domain of the higher-price PC. Some analysts suggest IBM may have gone too far in its effort to beef up the troubled PCjr.

And the added memory storage capacity and multi-user features of the top-of-the-line AT threaten the XT with extinction. While analysts and dealers generally have applauded the improvements, they are wondering what, if anything, IBM will do with its present mainstays.

PC and XT "will probably fade from sight within a year or two,"

(Continued on Page 76)

Talk of shakeout clutters insert field

By WILLIAM GLOEDE

Producers of coupon-bearing, freestanding inserts are agonizing that the five-year boom they've been riding is beginning to strangle on its own success.

The inserts that tumble from Sunday newspapers every week—testimony to the medium's popularity with advertisers—have created their own nightmare: Clutter.

"It's getting staggering," said Jim Widmann, president of George F. Valassis & Co., Farmington Hills, Mich., producer of Impact Inserts, the largest of the three Sunday fsi companies. "There are, in fact, too many suppliers offering too many dates."

Over-all coupon redemption rates are showing the first signs of a falling off, say experts at such major coupon users as General Foods Corp. and Ralston-Purina Co.

Advertisers still seem to be hesitant to hang that problem on the freestanding-insert segment of the coupon-delivery network. But the fsi executives have the jitters.

That breeds "shakeout" talk—if not in the number of fsi producers, then in the number of couponing dates being offered.

"Fsis, in general, could get to the point where they overpopulate

(Continued on Page 76)

CTAM told: Expand cable-vcr marketing

By SUSAN SPILLMAN

NEW YORK—Attention owners of videocassette recorders: Don't you know there's more for you to record on cable tv?

That message should become the cornerstone of cable operators' marketing and services strategy, according to a group of entertainment and cable industry executives speaking at the Cable Television Administration & Marketing Society's annual conference here last week.

The 1,200 cable officials attending CTAM were urged to promote the far greater amount of programing available for home taping, as well as to provide home delivery of prerecorded videocassette rentals and to offer vcr-related subscription promotions.

"You're not in the cable business, you're in the home entertainment business. And unless you find every way to satisfy all your subscribers' needs, they'll leave you for greener pastures," said Robert Klingensmith, senior vp-video distribution for Paramount Pictures, Los Angeles.

Mr. Klingensmith encouraged cable operators to use their installation trucks to deliver videocassettes at night when the trucks aren't otherwise in use. He also suggested that systems tie-in with local video retailers and promote each other's products.

Charlie Townsend, vp-marketing at United Cable, Denver, added that cable systems should advertise that they offer vcr owners a wealth of programing to tape.

"There are 80 movies and specials on Showtime and Home Box Office in a given month," said Mr. Townsend. "A person with a vcr has access to all of it because he can tape it and play it later. Anybody

(Continued on Page 76)

AGENCY PEOPLE

O'Connor new Marschalk chairman

WARREN, MICH.—Richard O'Connor will succeed Thomas Adams as chairman of Marschalk Campbell-Ewald Worldwide.

Mr. O'Connor currently is vice-chairman and chief executive officer at the agency, a subsidiary of Interpublic Group of Cos., New York. Mr. Adams, who will be 65 next month, retires on Sept. 28, and Mr. O'Connor takes the helm on Oct. 1. He will retain his chief executive officer title.

Paul John, vice-chairman-chief executive officer at the agency's Campbell-Ewald subsidiary, will assume Mr. Adams' other title as chairman of that shop. Mr. John's new assignment also takes effect Oct. 1. He will report to Mr. O'Connor.

The agency will retain Mr. Adams as a consultant for its General Motors accounts. His retirement ends a 39-year career at the agency, including more than 25 years as president or chairman of Campbell-Ewald.

Although closely associated with GM's Chevrolet division, the world's largest single account, Mr. Adams was instrumental in diversifying C-E.

He is a past chairman of the American Assn. of Advertising Agencies and the Advertising Council and past president of Detroit's Adcraft Club, the world's largest advertising club.

Interpublic chairman Philip H. Geier Jr., in praising Mr. Adams, noted, "Not so incidentally, the Campbell-Ewald agency was billing $81 million when Mr. Adams became president in 1958. In 1983, the billings for C-E alone were over $420 million and Marschalk Campbell-Ewald Worldwide's were almost $900 million."

Besides C-E, Marschalk Campbell-Ewald Worldwide also consists of the Marschalk Co. division, New York, and the Clinton E. Frank Advertising subsidiary, Chicago.

Other people moving:

Thomas Heiby to president, Byer & Bowman Advertising, Columbus, O., from exec vp-secretary/treasurer. He succeeds **John Bowman**, who retired but will remain a board member and consultant to the agency.

Robert Aurin to senior vp-creative director for the Amoco Oil account, a new post at D'Arcy MacManus Masius, Chicago, from president, Robert Aurin Associates.

Mitchell Sherman to vp-management director, Foote, Cone & Belding, New York, from vp-account supervisor, Cunningham & Walsh. Also, **James Bernegger** to vp-management director, from management director, FCB/-Los Angeles.

Edward Agne to vp-corporate relations, a new post at Manning, Selvage & Lee, New York, from a similar post at Booke Communications.

Norman Kosarin to design director, Kosarin Design Group, a newly formed subsidiary of Grey Advertising, New York, from president, Norman Kosarin Associates.

Susan Radden to vp-program exchange, a new post at Dancer Fitzgerald Sample, New York, from program exchange director.

Al Gerstein to senior vp-copy/creative planning, Lavey/Wolff/Swift, New York, from senior vp, Kallir, Philips, Ross. He replaces **Robert Levine**, who left.

Beth Baynum to account exec-hotel, travel and resort division, Spiro & Associates, Philadelphia, from account exec, Lewis, Gilman & Kynett.

Phil LaBorie to senior vp-creative director, Davidoff & Partners, Fairfield, Conn., from vp-group creative director, J. Walter Thompson Co., Toronto. Also at D&P: **John Maxim** to senior vp-marketing and business development from vp-marketing services.

Richard Goldman to vp-media/marketing services, Ryder & Schild Advertising, Miami, from media director. Also at the agency: **Pam Pujals** to assistant vp-media director fr associate media director, a **Gloria Schmall** to assistant vp-p duction director from product manager.

Skip Hurley to senior vp-graphic services, MED Communications, Woodbridge, N.J., from vp-graphic services. Also at MED: **Martha Cox** and **Susan Cathcart** to associate creative directors from copy supervisors-creative services; **Michael Seife** to associate creative director from creative director, Thomas G. Ferguson Inc., Parsippany, N.J.; **George Schmidt** to associate creative director from executive art director; **Warren McLeod** to associate creative director from president-owner, Mountain Grafix, Summit, N.J., and **Patricia Plonski** to account supervisor from senior product manager, Chicopee division, Johnson & Johnson Products, New Brunswick, N.J.#

Newspaper ads jump since 1983

NEW YORK—Advertiser investments in daily newspapers increased in 10 of 16 measured categories in May, compared with May, 1983, according to the ADVERTISING AGE Flash Report of newspaper spending.

The soaps, cleansers & polishes category led in percentage increase, with a jump of 173.6% to $182,728. The department store category led in dollar volume increase, with a 5.5% jump to $74.5 million.

Other categories with substantial increases include food stores, up 7.1% to $24.6 million; alcoholic beverages, up 24.2% to $3.3 million; radio-tv-phonographs and records, up 18.8% to nearly $13.5 million, and publishing and media, up 27.9% to $14.5 million.

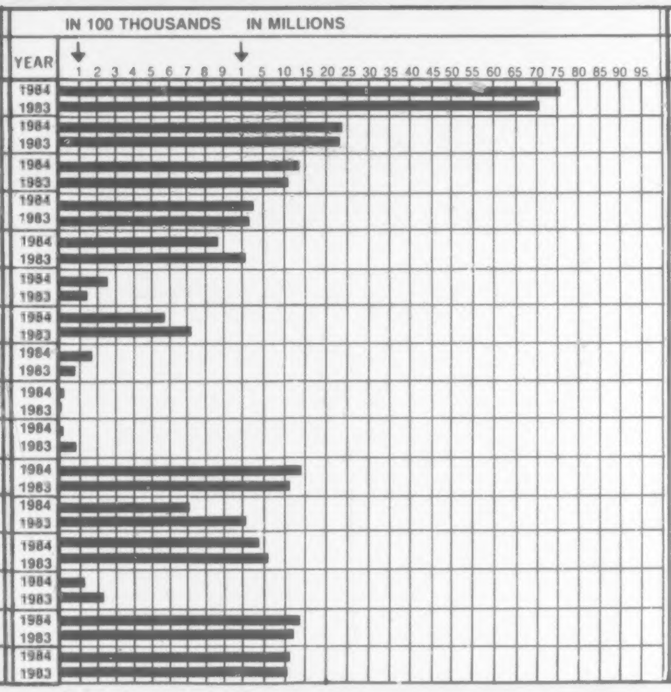
Ad spending by airlines increased 5.8% to $13.1 million, and new car ad spending increased 8.6% to nearly $11.3 million.

Losing categories included cigarets, down 30.8% to $4.5 million; sporting and leisure time equipment, down 54.6% to $706,239; headache remedies and sedatives, down 94.3% to $4,471; cameras, photo supplies and services, down 18.3% to $868,435, and cosmetics, makeup and manicure products, down 46.8% to $111,593.

There were mixed results in the beverage category, with coffee and tea up 84.7% to $264,185, and soft drinks, diet and nondiet, down 17.7% to $597,821.

The ADVERTISING AGE Flash Report is based on reports from Media Records, based on linage measurements in major market newspapers.#

FLASH REPORT: Newspaper advertising investment for May



May 1984	DOLLARS		CHANGE	
CATEGORIES	1984	1983	ACTUAL $ G OR L	% G OR L
Department stores	$74,498,646	$70,648,120	+3,850,526	+5.5
Food stores	24,662,797	23,024,893	+1,637,904	+7.1
Radio, tv, phonographs, records	13,475,510	11,346,438	+2,129,072	+18.8
Alcoholic beverages	3,305,182	2,661,195	+643,987	+24.2
Cameras, photo supplies & services	868,435	1,063,540	−195,105	−18.3
Beverages: coffee and tea	264,185	143,020	+121,165	+84.7
Beverages: soft drinks, diet/non diet	597,821	726,009	−128,188	−17.7
Soaps, cleansers & polishes	182,728	66,788	+115,940	+173.6
Cold, cough & sinus remedies	7,980	7,091	+889	+12.5
Headache remedies & sedatives	4,471	77,923	−73,452	−94.3
Publishing & media	14,508,853	11,339,661	+3,169,192	+27.9
Sporting & Leisure time equipment	706,239	1,555,262	−849,023	−54.6
Cigarettes	4,497,181	6,501,583	−2,004,402	−30.8
Cosmetics, makeup & manicure products	111,593	209,836	−98,243	−46.8
Airlines	13,143,722	12,418,707	+725,015	+5.8
Passenger cars-new	11,281,392	10,373,201	+908,191	+8.6

This Flash Report of newspaper advertiser investment, compiled for ADVERTISING AGE by Media Records, is derived from tabulations that cover 35 dailies and 24 Sunday editions in 15 cities: Atlanta, Baltimore, Boston, Charlotte, Chicago, Cleveland, Dallas, Denver, Detroit, Los Angeles, New York, Philadelphia, San Francisco, Washington and Youngstown.#

Source: Media Records Inc.

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WORKING WOMAN seeks a highly motivated individual to oversee all aspects of the magazine's promotion. Responsibilities include developing ad sales presentations, brochures, merchandising letters, etc. Person should be a creative, well-organized individual who thrives in a fast-paced environment. Strong writing skills are a must. Send resume and salary requirements to Dept. MK, WORKING WOMAN, 342 Madison Avenue, New York, NY 10173.

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Consumer Magazine Ad Linage

Advertising pages for U.S., Canadian and foreign consumer publications

Art & Antiques

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Artist	52.2	51.1	548.4	512.7
Antiques	110.2	76.3	1,116.6	975.9
Art in America	76.5	72.9	863.0	737.5
Plate World (6X)	—	—	282.0	338.0
Southwest Art	58.7	60.0	635.0	625.7
Total Group	**297.6**	**260.3**	**3,445.0**	**3,189.8**
% change		**+14.3%**		**+8.0**

Auto/cycle/rec. vehicles

AutoWeek	126.5	129.7	1,045.8	1,009.3
Car & Driver	74.1	70.6	727.7	711.4
Car Collector & Car Classics	17.9	22.6	154.6	169.1
Car Craft	70.2	55.9	587.9	595.5
Cycle	34.9	44.3	386.3	546.4
Cycle Guide	27.2	29.4	348.4	383.0
Cycle World	34.7	32.6	454.4	474.0
Dune Buggies & Hot VWs	85.1	80.1	652.2	537.1
Family Motor Coaching	138.4	110.4	1,180.5	935.8
4 Wheel & Offroad	74.4	62.2	591.8	513.1
Four Wheeler	91.0	45.8	606.3	313.8
Hot Rod	56.4	41.5	493.2	464.8
Motorcyclist	27.9	25.6	308.8	342.5
Motor Trend	56.0	54.9	510.9	509.9
Pickup, Van & 4 WD	35.5	31.3	245.5	267.8
Road & Track	101.2	95.3	814.7	779.2
3 Wheeling	31.2	26.3	241.4	207.8
Total Group	**1,082.6**	**958.5**	**9,350.4**	**8,760.5**
% change		**+12.9%**		**+6.7%**

Boating & yachting

Boating	87.3	83.0	1,133.1	923.5
Chesapeake Bay	25.3	24.3	220.8	217.3
Cruising World	106.9	108.4	1,091.0	1,052.8
Lakeland Boating	66.8	42.4	477.8	390.8
Motor Boating & Sailing	125.2	117.1	1,305.3	1,125.7
Sail	140.1	125.8	1,112.0	943.0
Sea & Pacific Skipper	52.8	57.9	476.1	558.5
Small Boat Journal (6X)	34.8	32.5	174.6	158.6
Trailer Boats	22.1	14.8	293.4	199.4
Western Boatman (6X)	—	—	102.2	75.0
Yachting	145.2	125.2	1,367.3	1,194.0
Total Group	**806.5**	**731.4**	**7,753.6**	**6,838.6**
% change		**+10.3%**		**+13.4%**

Canadian

L'Actualite	39.8	30.3	477.2	363.3
Chatelaine:				
English Edition A	61.8	60.9	729.6	645.4
French Edition	56.7	49.8	611.2	575.2
City Woman (5X)	—	—	116.7	96.1
Equinox	—	—	156.3	149.3
Financial Post Magazine A	15.0	20.8	317.9	236.8
Flare A.	44.3	47.3	389.1	347.9
Homemaker's Magazine	—	—	432.4	505.4
Madam Au Foyer	—	—	402.4	395.8
Macleans A. (52X)	67.9	59.8	885.6	695.5
Montreal Calendar	226	23.8	324.9	152.1
Montreal Ce Mois C	29.0	29.0	344.5	192.7
Quest Magazine (8X) A.	—	—	123.2	210.2
Reader's Digest:				
Canadian-English A.	95.2	77.0	515.9	464.3
Canadian-French A.	74.9	63.4	448.5	421.3
Toronto Life	54.3	61.1	643.4	610.8
Vancouver	62.5	69.9	505.6	537.6
Total Group	**624.0**	**593.1**	**7,422.4**	**6,600.2**
% change		**+5.2%**		**+12.5%**

Civic/fraternal

American Legion	19.2	23.6	193.5	222.0
Elks Magazine (10X)	17.4	20.4	157.6	177.9
Kiwanis Magazine	15.5	14.2	88.5	102.4
Lion (10X)	5.3	9.0	44.5	38.4
Moose Magazine	—	—	144.0	155.0
Rotarian	8.2	13.8	90.3	93.2
V.F.W. (10X)	23.5	27.2	215.0	224.0
Total Group	**89.1**	**108.2**	**933.4**	**1,012.9**
% change		**−17.7%**		**−7.8%**

Comics

Archie Comic Group (6X)	10.0	10.0	40.0	40.0
DC Comics	5.5	7.0	60.0	63.5
Marvel Comics Group	8.0	10.0	74.0	83.8
Total Group	**23.5**	**27.0**	**174.0**	**187.3**
% change		**−13.0%**		**−7.1%**

General

American Health (10X)	—	—	237.3	157.9
American West (6X)	38.7	19.8	130.8	127.2
The Atlantic A.	32.0	35.2	349.1	295.5
Audubon Magazine (6X)	—	—	104.4	143.4
Bon Appetit A.	69.8	62.6	623.5	569.7
Changing Times	30.7	33.5	335.2	315.8
Cuisine Magazine	38.2	28.9	378.3	266.8
Ebony	101.7	102.0	709.3	701.6
Fifty Plus	21.2	18.2	268.2	196.5
Food & Wine	30.8	34.0	275.0	266.7
Games	16.6	26.0	165.5	217.4
Geo	20.9	16.7	257.8	200.0
Gourmet	53.3	48.4	575.4	315.3
Home Entertainment (6X)	33.0	31.7	149.1	109.6
Harper's Magazine A.	20.3	19.7	186.9	133.0
Life	44.4	42.0	470.2	442.2
Modern Maturity (6X)	33.2	37.6	159.9	155.3
Money	82.7	81.9	942.0	836.9
Moneysworth (4X)	—	—	40.0	51.8
Mother Earth News (6X)	47.9	52.4	208.7	248.9

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Mother Jones	20.5	13.8	117.7	103.1
National Geographic	16.7	10.9	191.1	178.9
Prevention	65.6	66.2	553.7	597.5
Psychology Today	22.4	22.0	190.9	207.7
Reader's Digest A.	71.9	46.0	657.0	607.5
Saturday Evening Post (9X)	32.4	32.8	169.7	205.1
Signature	30.6	39.6	418.7	416.5
Smithsonian	57.9	55.4	633.2	531.6
Success	27.4	35.2	263.9	271.5
Town & Country	99.7	109.0	1,007.3	948.6
Travel/Holiday	24.9	28.8	357.3	324.9
Travel & Leisure	50.7	52.5	823.2	672.7
Vanity Fair	18.2	22.2	166.8	343.5
Video	93.3	57.7	538.4	485.4
Video Review	43.2	60.5	380.2	500.6
Writer's Digest	20.1	20.3	191.9	196.2
Yankee	66.0	70.2	601.9	629.2
Total Group	**1,476.9**	**1,433.7**	**13,829.5**	**13,172.0**
% change		**+3.0%**		**+5.0%**

Home

Americana (6X)	—	—	144.6	132.1
Architectural Digest A.	85.3	68.9	973.1	903.0
Better Homes & Gardens	85.0	82.4	879.1	806.3
Colonial Homes (6X)	51.1	45.5	257.6	233.8
Country Journal	22.0	27.9	253.4	286.6
Country Living	55.7	46.6	497.3	373.7
Dallas/Ft. Worth				
Home & Garden	68.7	65.7	565.1	523.7
Early American Life (6X)	19.6	27.1	110.3	101.3
Family Food Garden (2X)	—	—	153.0	227.2
Family Handyman (10X) A.	—	—	479.8	422.5
Flower & Garden (6X)	25.2	32.6	155.1	164.2
Home	46.3	32.2	426.6	274.9
The Homeowner (6X)	—	—	125.6	77.3
House Beautiful	73.1	63.8	699.1	624.2
House & Garden	49.7	37.2	625.2	458.9
Houston Home/Garden	81.0	91.6	787.2	766.4
Metropolitan Home	45.2	37.9	498.3	422.3
New Shelter (9X)	—	—	283.8	275.4
1001 Home Ideas	38.1	29.1	297.8	235.1
Organic Gardening	50.9	46.7	532.9	573.5
Phoenix Home/Garden	53.0	37.0	435.8	344.3
San Diego Home/Garden	76.4	69.7	554.7	533.8
Southern Accents (6X)	—	80.3	284.1	231.4
Southern Living	91.1	83.0	1,043.6	972.6
Sunset Magazine A.	97.9	93.8	1,091.7	1,058.9
Texas Homes	70.0	49.5	644.2	546.1
Workbench (6X)	—	—	235.3	245.3
Total Group	**1,185.3**	**1,148.5**	**13,034.3**	**11,814.8**
% change		**+3.2%**		**+10.3%**

In-flight & other passenger

Aboard Group (7) (4X)	—	—	64.4	53.6
Alaskafest	67.8	54.4	405.2	362.2
American Way	74.9	70.7	785.4	691.1
East/West Network:				
Amtrak Express	27.8	36.3	274.5	320.3
Continental	43.7	54.0	493.9	490.5
Eastern Review	95.5	78.7	913.4	768.1
Ozark	36.8	39.5	371.0	351.6
PSA Magazine	120.7	84.9	813.7	668.6
Pan Am Clipper	58.7	40.3	486.3	325.1
Republic Scene	48.5	51.2	478.4	421.6
United	125.3	80.3	906.8	711.5
USAir	42.8	52.5	479.5	464.3
Western's World	90.3	58.3	546.0	464.1
Halsey Publications:				
Air Cal	44.1	38.0	375.8	297.8
Braniff	21.3	—	135.2	—
Delta Sky	59.9	59.5	593.4	497.7
Frontier	24.0	31.1	248.8	277.0
Northwest Orient	33.7	37.3	249.6	275.2
Skylite	15.3	20.5	153.0	139.0
TWA Ambassador	55.9	53.4	481.4	397.8
Hawaii	22.0	18.8	173.9	139.0
Pace (6X)	—	—	—	—
Southwest Airlines	96.3	87.5	733.9	774.4
Spirit of Aloha	22.8	19.3	177.5	127.0
Total Group	**1,228.1**	**1,066.5**	**10,341.0**	**9,017.6**
% change		**+15.2%**		**+14.7%**

Men's

Esquire A.	—	—	—	—
Firehouse Magazine	31.3	32.1	411.5	397.9
Gentlemen's Quarterly A.	—	—	—	—
Penthouse A.	41.8	53.5	382.2	460.3
Playboy A.	60.9	69.5	559.1	655.6
Total Group	**134.0**	**155.1**	**1,352.8**	**1,513.8**
% change		**−13.6%**		**−10.6%**

Metropolitan

Aloha (6X)	37.2	24.0	146.2	100.0
Atlanta	55.5	54.2	439.4	405.3
Baltimore	61.4	60.9	465.0	454.1
Boston	154.9	135.0	1,078.3	999.7
California	59.2	56.4	473.9	467.0
Charlotte (10X)	18.0	19.3	145.6	149.3
Chicago	116.4	113.6	1,003.2	1,016.6
Chicago's North Shore	77.8	76.5	645.8	622.9
Cincinnati	47.0	37.7	388.2	396.1
Cleveland	79.3	60.9	586.2	540.6
Coast (38X)	394.8	346.6	2,455.2	2,410.8
Columbus Monthly	83.0	84.4	529.0	528.9
Commonwealth	—	—	—	—
Connecticut	95.3	90.3	641.8	565.2
Country Magazine	38.8	23.2	309.8	217.4
D/Magazine, Dallas/Ft. Worth	118.3	105.0	946.5	851.0
Denver	35.2	24.0	255.8	220.3

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Exclusively Yours,				
Wisconsin (15X)	61.9	59.1	508.9	505.5
Grand Rapids	39.3	46.7	408.6	372.3
Gulfshore Life (10X)	31.1	33.7	507.4	406.7
Honolulu	61.5	62.5	465.1	549.2
Houston City	76.4	76.9	639.7	539.1
Indianapolis	28.4	27.7	334.5	320.2
Kansas City	36.2	26.8	257.8	229.5
Los Angeles	323.0	251.0	1,641.0	1,458.5
Louisiana Life (6X)	—	—	296.8	266.1
Madison	51.0	49.0	371.0	351.0
Metropolitan Detroit	54.1	—	386.1	—
Miami/South Florida	60.3	70.9	693.2	669.7
Milwaukee	47.1	28.4	317.2	121.5
Minneapolis/St. Paul	83.7	77.8	711.5	581.6
Monthly Detroit	55.5	32.8	481.2	425.3
New Jersey				
Monthly	59.9	56.5	425.2	401.3
New Mexico	41.5	26.8	278.8	172.2
Ohio	45.4	47.5	442.1	356.6
Orlando	92.7	79.5	687.2	596.1
Palm Beach Life	41.5	35.1	580.1	538.5
Palm Springs Life	39.8	41.2	831.2	798.3
Philadelphia	118.7	127.9	966.3	953.3
Phoenix	130.1	108.4	703.0	594.6
Pittsburgh	59.6	50.1	479.9	443.8
St. Louis	52.5	50.0	459.5	422.0
San Diego	162.7	134.1	1,167.9	1,047.7
San Francisco	82.7	67.9	557.2	467.7
San Francisco Focus	53.2	439.7	36.8	334.8
The Virginian (6X)	—	—	188.5	139.5
Tampa Bay				
Monthly	32.0	43.0	368.6	136.2
Texas Monthly	127.5	107.9	986.4	873.8
Twin Cities	61.7	48.8	511.3	391.0
Ultra Magazine	74.6	66.9	618.7	467.2
The Washingtonian	142.0	132.0	1,115.5	1,052.2
Total Group	**3,933.2**	**3,861.8**	**30,254.1**	**26,987.3**
% change		**+1.8%**		**+12.1%**

Music/entertainment

American Film (10X)	—	—	—	—
Audio	63.4	57.0	485.6	399.1
Circus Magazine	—	—	—	—
Dance Magazine	45.2	45.7	499.9	497.2
Musician	57.0	51.3	490.1	499.4
Playbill	45.2	43.7	449.0	394.1
Record	23.4	7.4	180.3	68.7
Stereo Review	37.0	49.0	344.4	384.6
Total Group	**271.2**	**254.1**	**2,449.3**	**2,243.1**
% change		**+6.7%**		**+9.2%**

Movie/romance/radio/tv

Macfadden's Women's Group:				
Modern Romances	21.7	26.8	193.6	210.2
Secrets	21.7	26.8	193.6	210.2
True Confessions	21.7	26.8	193.6	210.2
True Experience	61.5	56.6	455.2	452.4
True Love	21.7	26.8	193.6	210.2
True Romance	21.7	26.8	193.6	210.2
Sterling Women's Group				
Daytime TV	28.5	30.2	223.0	242.5
Modern Screen	19.5	29.2	81.0	119.9
Movie Mirror (6X)	20.5	—	82.0	151.7
Soap Opera Stars	16.5	—	89.5	171.0
TV Movie Screen (6X)	5.0	—	15.0	126.6
TV Picture Life (6X)	5.0	28.2	87.0	57.5
Teen Bag (6X)	5.5	9.5	42.5	28.9
Total Group	**270.5**	**287.7**	**2,043.2**	**2,401.5**
% change		**−6.0%**		**−14.9%**

Newspaper, Sun. magazines

Family Weekly A.	59.6	57.9	475.5	572.7
Parade	49.0	61.1	417.5	527.8
Total Group	**108.6**	**119.0**	**893.0**	**1,100.5**
% change		**−8.7%**		**−18.9%**

Outdoor & sport

Alaska	34.5	43.7	327.4	325.2
The American				
Handgunner (6X)	—	—	154.6	154.7
American Hunter	27.1	23.6	141.6	135.2
American Rifleman	38.7	38.6	215.4	215.4
Backpacker (6X)	—	—	172.8	204.7
Bass Master (8X) A.	—	—	349.8	338.5
Bicycling (9X)	95.6	92.2	762.9	732.2
Field & Stream	61.8	53.6	687.4	721.7
Fins & Feathers A.	26.3	25.8	370.0	335.2
Fishing World (6X)	—	—	190.9	190.8
Flying	57.0	43.3	362.9	328.2
Fur-Fish-Game	16.9	20.4	169.5	163.7
Golf Digest	62.7	68.8	761.1	730.4
Golf Magazine	36.4	31.7	639.8	567.2
Guns	27.7	28.6	219.7	213.1
Guns & Ammo	41.1	50.3	378.6	382.8
Muscle & Fitness	117.0	109.0	870.0	827.0
Outdoor Life	59.2	52.6	629.0	592.5

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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	Current month		Year-to-date	
	1984	1983	1984	1983
Outside Magazine	41.2	—	305.6	271.5
Petersen's Hunting	46.6	49.3	322.7	275.7
The Runner	55.7	40.5	359.6	309.5
Runner's World (13X)	75.5	60.1	417.1	388.1
Salt Water Sportsman	45.4	32.6	590.8	462.8
Shooting Times	43.7	47.9	290.3	279.5
Ski (8X) A.	—	—	249.2	209.7
Skiing (7X)	—	—	215.3	209.5
Skin Diver	66.1	59.5	634.0	597.3
Southern Outdoors (8X)	—	—	233.1	246.4
Sport	46.3	38.5	361.0	309.9
Sports Afield	73.8	60.6	689.0	657.9
Tennis	60.0	62.1	657.7	616.6
Western Outdoors (10X)	49.4	39.4	319.5	231.1
World Tennis	40.5	37.2	361.3	393.0
Total Group	**1,346.2**	**1,209.9**	**13,409.6**	**12,617.0**
% change		**+11.3%**		**+6.3%**

Photography

	Current month		Year-to-date	
American Photographer	30.0	42.8	320.4	387.2
Petersen's Photographic	21.9	28.9	250.2	259.8
Popular Photography	99.0	109.0	770.0	908.1
Total Group	**150.9**	**180.7**	**1,340.6**	**1,555.1**
% change		**−16.5%**		**−13.8%**

Religious

	Current month		Year-to-date	
BBI Jewish Monthly (10X)	—	—	149.7	1342.
Christian Herald	—	—	194.4	196.8
Christian Life	21.6	19.4	209.6	205.7
Christianity Today	28.3	26.0	432.2	417.0
Inside (4X)	—	—	152.5	134.7
Moody Monthly	—	—	—	—
Today's Christian Woman (6X)	—	—	144.0	73.7
Total Group	**49.9**	**45.4**	**1,282.4**	**1,162.1**
% change		**+9.9%**		**+10.4%**

Science/electronic/mechanic

	Current month		Year-to-date	
Compute	47.9	125.3	625.8	1,063.0
Computers & Electronics	34.8	54.0	353.4	484.0
Creative Computing	84.0	132.9	961.0	1,400.7
Discover	29.7	38.9	287.3	337.1
Family Computing	38.2	—	431.3	—
Mechanix Illustrated	59.3	59.5	554.4	530.5
Omni	55.8	52.8	480.0	463.6
Natural History	23.6	26.4	320.3	276.5
Personal Computing	131.6	181.3	1,208.1	1,539.6
Popular Mechanics	73.9	77.3	744.2	759.6
Popular Science	53.7	65.3	641.6	649.0
Science Digest	20.8	28.4	224.4	256.7
Science 84 (10X)	—	—	204.1	230.7
Scientific American	44.6	39.3	482.6	378.2
Spectrum	91.7	75.7	778.5	620.7
Total Group	**789.6**	**957.1**	**8,297.0**	**8,989.9**
% change		**−17.5%**		**− 7.7%**

Women/fashion/service

	Current month		Year-to-date	
Bride's Magazine (6X) A.	—	—	1,447.5	1,369.2
Cosmopolitan A.	203.2	221.6	1,630.5	1,544.0
Essence	81.1	75.3	651.1	631.3
Family Circle A.	113.7	150.0	1,110.6	1,129.4
Glamour	201.3	207.7	1,346.0	1,236.6
Good Housekeeping A.	143.0	147.1	1,217.4	1,246.6
Handmade (6X)	—	—	90.3	56.7
Harper's Bazaar	141.1	103.9	1,025.4	852.6
Health	38.0	26.4	290.5	254.3
Ladies' Home Journal	84.2	94.6	786.0	728.1
Ladycom	—	—	262.9	227.9
Lady's Circle	8.2	7.4	58.1	66.1
Mademoiselle	168.9	165.3	1,066.3	975.2
McCall's	94.6	86.9	709.4	657.0
Modern Bride (6X)	—	—	1,238.7	1,160.2
Ms.	44.2	37.2	395.5	328.0
New Woman	43.0	38.5	385.4	322.1
Parents Magazine A.	84.2	58.1	580.4	566.0
Playgirl	39.0	36.7	275.6	311.1
Redbook	80.7	84.9	706.9	648.0
Self	95.6	72.4	744.8	564.5
Seventeen	288.1	262.8	1,065.1	906.1
Shape	58.0	57.0	452.0	404.0
Soap Opera Digest	22.8	31.0	236.6	203.4
'Teen Magazine	88.7	102.8	431.4	424.6
True Story A.	61.5	56.6	455.2	452.4
Vogue	258.1	225.4	1,828.1	1,567.5
W Magazine	152.1	138.0	813.2	693.3
Weight Watchers	25.0	16.0	78.0	62.0
Woman's Day A.	75.1	95.8	860.0	907.3
The Workbasket (10X)	33.3	36.8	255.5	263.2
Working Mother	67.4	62.1	547.9	500.2
Working Woman	90.0	80.5	751.0	661.8
Total Group	**2,884.1**	**2,778.8**	**23,793.3**	**21,920.7**
% change		**+3.8%**		**+8.5%**

Youth

	Current month		Year-to-date	
Boys' Life	10.7	18.7	131.9	167.7
Campus Life	28.6	26.0	252.7	242.3
Total Group	**39.3**	**44.7**	**384.6**	**410.0**
% change		**−12.1%**		**−6.2%**

July

Business

	Current month		Year-to-date	
	1984	1983	1984	1983
Atlanta Bus. Chronicle (52X)	44.5	22.7	329.6	218.2
Austin Business Journal	—	—	—	—
Barron's (52X)	157.7	149.0	1,337.2	1,351.2
Black Enterprise	44.2	36.9	460.7	433.0
Boston Bus. Journal	91.3	50.9	639.8	428.4
Business Week (52X) A.	389.4	306.6	2,723.9	2,459.2
California Business	89.1	74.5	624.2	483.4
Capital District Bus. Review	56.2	33.9	247.5	330.3
Corporate Report/Kansas City	42.0	62.4	426.2	337.0
Corporate Report/Minnesota	83.0	74.5	596.3	564.7
Crain's Chicago Bus. (52X)	107.0	95.6	902.3	806.3
Crain's Cleveland Bus.	70.0	41.8	445.1	338.1
Dallas/Ft. Worth Bus. (52X)	48.3	33.3	293.4	232.0
Dun's Business Month	46.3	42.6	453.2	417.6
Financial World (24X)	22.5	19.3	218.5	255.5
Florida Trend	87.7	81.2	619.3	519.6
Forbes (26X)	292.0	189.9	2,012.6	1,631.8
Fortune (26X) A.	245.3	168.5	1,867.6	1,585.3
Frequent Flyer	43.2	38.4	384.4	330.7
Futures Mag.	51.0	52.0	391.0	390.0
Hawaii Business	73.4	47.0	357.1	329.3
High Technology	23.4	21.0	222.6	192.3
Houston Bus. Journal (52X)	174.9	134.5	1,040.9	1,030.9
Income Opportunities (10X)	49.2	42.3	325.4	293.4
Industry Week (26X) A.	76.3	85.4	743.3	660.0
Indianapolis Business Journal	133.5	74.0	775.7	584.7
Minnesota Bus. Journal	49.6	28.8	361.1	267.2
Nation's Business A.	30.9	16.3	228.3	183.2
New England Bus. (20X) B.	31.8	33.3	517.7	456.6
New Orleans Citibusiness	98.5	96.8	797.2	787.6
Pacific Business News (52X)	95.7	83.4	718.8	658.6
Philadelphia Bus. Journal	106.4	61.8	737.7	397.2
Pittsburgh Bus. Times (52X)	76.0	45.0	377.1	331.8
Savvy	29.0	27.3	286.7	272.1
St. Louis Business Journal	142.5	105.1	953.3	734.1
Texas Business	92.8	73.9	473.6	389.5
Venture	61.0	40.5	543.1	376.4
Total Group	**3,355.6**	**2,590.4**	**24,431.9**	**21,057.2**
% change		**+29.5%**		**+16.0%**

Newspaper Sunday magazines*

	Current month		Year-to-date	
Arizona Republic	48.4	51.7	443.0	462.6
Boston Globe	150.4	132.4	1,345.0	1,165.1
Chicago Tribune	58.1	49.8	479.1	551.2
California Living	40.7	41.5	365.1	355.3
Cincinnati Enquirer	54.3	62.2	501.1	490.4
Cleveland Plain Dealer	39.6	54.2	400.8	550.0
Columbus Dispatch	29.8	32.3	307.8	296.7
Dallas Times Herald	55.7	59.8	493.6	432.9
Denver Post	70.1	82.0	519.5	682.4
Detroit News	60.6	43.1	499.0	260.0
L.A. Times Home Magazine	114.0	100.6	742.4	591.8
Louisville Courier-Journal	61.0	63.3	484.0	574.2
Miami Herald	54.4	53.4	361.8	382.9
New York News	23.0	49.7	239.0	413.8
New York Times Magazine	157.3	137.8	2,335.3	2,019.8
Philadelphia Inquirer	37.0	43.0	386.0	413.1
Toledo Blade Magazine	44.1	42.2	330.1	325.9
Washington Post	76.0	77.4	735.5	715.5
Total Group	**1,174.5**	**1,176.4**	**10,968.1**	**10,683.6**
% change		**−0.2%**		**+2.7%**

Weeklies/bi-weeklies

	Current month		Year-to-date	
The Advocate (25X)	93.0	93.1	675.0	731.0
Army Times Military Group:				
Air Force Times (52X)	165.4	133.7	1,043.9	994.1
Army Times (52X)	160.1	133.4	994.5	970.4
Navy Times (52X)	177.0	150.4	1,122.6	1,116.3
The Times Magazine	6.0	5.6	109.4	102.6
The Blood-Horse (52X)	512.9	463.0	3,339.6	3,144.8
Capper's Weekly (26X)	20.6	16.4	182.8	180.2
Commonweal (22X)	3.6	4.2	46.7	48.9
Golf World (43X)	72.8	99.3	588.1	613.0
Grit (52X) A.	20.4	19.3	163.6	179.4
National Journal	29.0	17.0	195.7	171.0
National Review	17.1	20.3	182.7	207.5
New Republic (48X)	32.2	24.2	215.5	215.5
New York Magazine (50X)	194.5	181.8	1,234.0	1,368.0
New Yorker (52X)	171.5	133.5	1,871.6	1,806.5
Newsweek (52X) A.	212.0	156.1	1,589.1	1,479.4
People (52X)	273.7	193.5	2,087.3	1,838.3
Rolling Stone (25X)	112.9	118.0	606.1	623.0
Sporting News (52X)	61.2	53.8	343.6	389.8
Sports Illustrated (52X) A.	444.0	168.3	1,728.5	1,525.1
Time (52X) A.	222.2	144.2	1,529.5	1,448.8
Travelhost (52X) C.	3,605.0	3,320.0	19,783.0	21,009.0
TV Guide (52X) A.	220.3	229.3	2,038.9	2,028.9
Us Magazine (26X)	40.3	60.0	265.8	324.0
U.S. News & World Report (52X) A.	145.8	99.9	954.5	987.3
Total Group	**7,013.5**	**6,038.3**	**42,892.0**	**43,502.8**
% change		**+16.2%**		**−1.4%**

Foreign

	Current month		Year-to-date	
	1984	1983	1984	1983
Good Housekeeping Foreign Editions:				
Australia	31.2	38.6	211.3	243.9
Japan	93.6	67.7	493.7	386.2
Great Britain	102.9	116.4	800.6	788.9
Buenhogar:				
Central America	2.3	1.0	9.8	12.0
Chile	1.3	—	5.3	7.0
Colombia	54.0	15.7	201.3	234.2
Dominican Republic	8.5	14.3	41.0	88.0
Ecuador	21.0	9.0	89.5	58.3
Mexico	46.2	23.3	240.5	277.7
Peru	21.0	32.7	110.5	142.3
Puerto Rico	17.3	11.0	105.8	93.8
U.S.	18.0	8.0	78.2	59.5
Venezuela	40.8	14.3	160.2	142.8
Geomundo:				
Central America	6.5	4.0	36.8	30.0
Chile	6.0	4.0	34.3	33.0
Colombia	11.5	11.5	57.0	70.5
Ecuador	5.0	3.0	24.0	27.0
Mexico	9.0	5.0	47.8	43.5
Peru	6.0	6.0	34.3	39.0
Puerto Rico	2.0	4.0	18.3	25.0
U.S.	4.0	6.0	30.5	21.0
Venezuela	18.5	14.0	76.3	78.7
Hombre De Mundo:				
Central America	14.0	5.0	42.0	39.3
Chile	11.0	5.0	42.0	38.0
Colombia	24.5	11.5	67.5	68.0
Ecuador	9.0	4.0	32.0	37.0
Mexico	25.5	7.0	89.5	72.8
Peru	16.0	6.0	41.0	33.0
Puerto Rico	25.0	3.5	63.0	35.3
U.S.	15.0	4.0	41.0	18.0
Venezuela	40.0	10.5	121.0	101.8
Ideas Para Su Hogar:				
Central America	—	—	1.5	2.0
Chile	—	—	1.0	—
Colombia	23.5	24.0	109.0	162.3
Ecuador	3.0	7.0	34.5	21.0
Mexico	8.2	10.0	53.5	100.8
Peru	7.5	10.0	39.5	35.5
Puerto Rico	1.0	—	4.5	6.0
U.S.	6.0	4.0	44.0	23.3
Venezuela	14.5	6.5	100.2	82.5
Mecanica Popular:				
Argentina	3.5	6.8	39.2	49.3
Central America	10.8	12.7	90.0	88.2
Chile	5.8	5.5	41.8	43.2
Colombia	14.7	18.7	94.7	122.0
Mexico	18.0	8.8	82.5	65.3
Peru	11.7	20.3	111.7	128.3
Puerto Rico	12.8	15.3	100.2	104.2
U.S.	3.2	5.0	29.8	20.0
Venezuela	21.5	19.0	112.5	147.7
The Ring en Espanol:				
Colombia	—	—	1.0	—
Mexico	0.2	—	0.2	—
Puerto Rico	—	—	—	—
U.S.	8.0	4.3	26.3	22.0
Venezuela	—	—	7.0	4.0
Vanidades Continental:				
Central America	3.8	4.8	43.2	46.2
Chile	1.3	2.0	12.3	26.5
Colombia	64.7	57.8	365.7	398.3
Dominican Republic	2.7	17.0	50.8	129.0
Ecuador	13.7	10.8	115.2	74.2
Mexico	72.5	73.8	506.7	610.5
Peru	19.5	37.8	137.7	173.0
Puerto Rico	29.2	23.7	254.5	251.3
U.S.	37.7	37.0	280.7	309.7
Venezuela	51.2	26.5	273.0	317.2
Business Week Int'l.	174.7	121.6	906.3	955.7
Cosmopolitan Foreign Editions:				
Australia	46.8	55.4	366.3	400.2
Brazil	26.4	36.0	222.7	284.5
France	66.6	60.2	959.3	621.2
Germany	59.9	33.4	608.4	376.4
Great Britain	112.0	112.0	757.3	725.2
Greece	36.0	45.0	377.0	364.0
Holland	26.0	18.5	333.0	288.5
Italy	31.3	47.0	343.0	399.8
Japan	29.7	40.3	209.7	271.2
South Africa	82.8	—	343.5	—
Cosmopolitan en Espanol:				
Central America	—	2.3	7.0	15.8
Colombia	8.0	21.3	63.2	98.2
Ecuador	—	.3	3.0	7.0
Mexico	42.0	55.7	276.5	356.3
Peru	2.0	11.7	14.0	53.7
Puerto Rico	27.0	13.2	201.7	141.5
U.S. (Spanish language)	19.5	24.0	125.2	115.0
Venezuela	18.0	14.0	108.5	95.8
International Management:				
Africa	7.0	10.0	77.5	96.8
Europe	19.7	26.7	245.0	273.0
Latin America	8.0	7.0	53.8	86.7
Middle East	7.0	24.7	76.8	141.7
Pacific	13.0	10.7	86.3	106.2
Johnston International:				
Alam Attijarat	28.8	37.5	357.6	384.2
Ejecutivo	13.8	20.0	36.7	57.0
Modern Africa	20.3	25.8	80.8	93.0
Modern Asia	21.7	33.5	168.4	219.8
Reader's Digest:				
Arabic	10.0	16.5	58.0	71.5
Asian	59.0	330.5	905.0	1,303.0
Australian	103.3	79.3	462.0	363.7
Belgian-Flemish	215.0	267.5	556.0	670.5
Belgian-French	128.5	196.5	371.0	502.0
British	50.5	65.1	322.1	377.2
Chinese B.	65.2	137.0	553.2	573.8
Danish	28.8	18.3	201.0	222.2
Dutch	39.0	31.8	240.8	211.9
Finnish	64.0	57.0	272.5	410.0
French	55.0	57.1	307.1	357.7
German	61.8	61.5	446.2	435.4
Greek	3.5	—	66.5	—
Iberian	20.5	27.0	102.5	109.5
Indian-English	59.5	77.8	456.0	459.8
Indian-Hindi	4.0	—	27.5	16.5
Italian	33.0	60.0	237.5	314.0
Japanese	63.4	57.1	257.8	295.8
Korean	2.20	20.5	155.0	119.9
Latin American:				
Argentina	16.5	19.5	93.0	81.5
Brazil	3.0	30.0	16.0	72.0
Central American	11.0	13.5	49.5	66.5
Chile	15.5	32.0	70.5	92.5
Colombia	33.5	51.0	151.0	231.0
Ecuador	8.0	13.0	42.5	63.0
Mexico	50.9	49.2	267.3	256.7
Peru	10.0	12.0	47.0	60.5
Puerto Rico	3.0	8.5	29.0	40.0
U.P.B.	7.0	12.0	37.0	66.0
U.S. Spanish	9.5	18.5	53.0	94.0
Venezuela	11.0	18.0	58.0	93.0
New Zealand	103.5	106.5	471.0	489.5
Norwegian	35.5	35.5	217.6	227.1
Portugal	56.0	55.0	219.7	233.5
South African	104.5	138.0	522.8	536.5
Swedish	7.0	32.5	77.5	131.0
Swiss-French	34.5	37.4	174.1	189.1
Swiss-German	44.8	43.2	224.6	234.8
Time International:				
Time-Asia	79.3	74.4	590.3	637.6
Time-Atlantic	59.9	71.8	659.7	642.0
Time-Canada	105.2	68.9	1,161.6	925.1
Time-Latin America	36.9	37.5	281.1	291.1
Time-South Pacific	128.9	112.9	732.1	799.2
Visao (52X)	188.3	122.7	1,026.9	924.6
Vision/Latin America (26X) A.	27.3	20.0	179.4	180.6
Total Group	**4,401.3**	**4,636.9**	**28,468.8**	**28,410.2**
% change		**−5.0%**		**+0.2%**

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GOP turns on the heat

Nets pressured on Reagan film

By DIANE MERMIGAS

Network news executives went down to the wire this week before deciding whether to air an 18-minute film that will introduce President Reagan during tonight's closing session of the Republican national convention in Dallas.

The Republican National Committee spent much of this week's uneventful convention pressuring the tv networks to air the film.

RNC chairman Frank Fahrenkopf Jr. sent a letter to the presidents of the three network news divisions Aug. 18 at the same time copies of the film were released to CBS, ABC and NBC under restricted, embargoed conditions.

The two-page letter urged the tv news officials to broadcast the film live and in its entirety in the interest of fairness since the networks provided live coverage of Sen. Edward Kennedy's 22-minute speech introducing presidential nominee Walter Mondale during last month's Democratic convention.

84 Marketing the CANDIDATES

"Objective journalism and a sense of balance should be guidelines in yôur decision," Mr. Fahrenkopf wrote.

Throughout the week, the tv networks have held meetings with and received telephone calls from the RNC regarding the film. Late last week, Charles Manatt, chairman of the Democratic National Committee, fired off letters to the network news presidents arguing that the Republicans had no right to have their film shown since the networks last month refused to air a film the Democrats had prepared profiling Mr. Mondale.

Network news officials say they are not particularly bothered by the flap since such pressure tactics are common during election years.

The three commercial networks are postponing a decision on whether to air all or only portions of the film until airtime tonight. "If there is something more important to cover at the time, we'll do that. It's a news

(Continued on Page 53)

Wirthlin details research plans

By JACK J. HONOMICHL

Republican strategists in Dallas for the GOP convention already have begun tracking the shifting moods of the U.S. electorate.

"We started national tracking studies Aug. 1," said Richard Wirthlin, President Reagan's personal pollster and director of polling-planning in the Reagan-Bush '84 campaign organization. "That's further ahead than we started in '80," he added, referring to the nightly telephone surveys of public opinion that are used to sharpen Republican campaign tactics.

Data from this national tracking study and others being done for President Reagan's political advisers provide the Republican leadership with almost instant reaction to developments in the campaign, such as the selection of Geraldine Ferraro as Democratic presidential candidate Walter Mondale's running mate. And, usually, drafts of major speeches to be made by President Reagan are routed through Mr. Wirthlin and others to make sure that any comments regarding the aspirations of the American people square with vox populi, as measured by the surveys.

President Reagan's marketing budget will be larger than in 1980, according to Mr. Wirthlin, but about the same proportion will be devoted to survey research at both the national and, later, the key-states levels, similar to what was done in 1980.

"In addition to watching how the President's constituency is building, or eroding, we'll be using survey data as inputs in simulation models and for perceptual mapping—like in previous campaigns, but more sophisticated." Mr. Wirthlin added, "We'll be using a broader array of research techniques to develop and assess paid advertising."

When asked about a recent *New York Times* story devoted to the apparent variance in national political-poll results published by Gallup, Harris, NBC and ABC News and the *New York Times*/CBS News during

(Continued on Page 53)

Staff photo by Arnold Adler

General Foods president Philip Smith (r.), a keynote speaker at the Advertising Age Creative Workshop in New York, talks with Morio Nishikawa (l.), a group manager of S.C. Johnson & Son's Japanese affiliate, and Ronald Giglio, ad-promotion manager for Safeway Stores, Oakland. Some 1,200 people from around the world attended the meeting.

JWT exec cites visual revolution

By STEWART ALTER

CREATIVE WORKSHOP

New York—The success of visually based advertising has led Burton Manning, chairman and chief executive officer of J. Walter Thompson USA, to rethink his standards for creating effective messages.

"There is a revolution going on in our understanding of how people, our customers, can be moved," Mr. Manning told the 27th annual Advertising Age Creative Workshop Aug. 20 at the New York Hilton here. "They can be persuaded primarily through the visual sense with incredible effectiveness. They want to see intensity of movement and actions and can grasp images with astonishing speed."

The importance of thinking visually was also emphasized in a presentation made by another agency creative exec, Hal Riney, exec vp-managing director, Ogilvy & Mather, San Francisco.

Advertising has to become more visually communicative in order to reach consumers who are becoming more visually sophisticated, observed Mr. Manning. "We are finding the eye is a glutton for visual stimulation," he said, "and has been that way since earliest man crawled out of the mud." What the so-called "visual revolution" is about, he said, "is to understand how much the human eye and mind want visually."

Among the suggestions Mr. Manning offered to those wanting to think visually were: "Immerse yourselves in images. . .make it play without words. . .bring the unexpected together. . .bring figures of speech to life. . .bring feelings to life. . .[show] familiar things from unfamiliar views. . .fantasize.

"My training has been to approach problems logically," Mr. Manning said, "and probably to extend the logical process too far into the selling process." He noted that visual images "go directly into the perceptual or intuitive area of the brain, and the intuitive sale is a much more profound and intense sale than the logical one." To Mr. Manning's thinking, the growth of music video, with its fantasies set to music, reflects this trend.

Mr. Riney indicated, at another

(Continued on Page 2)

Presstime

McDonald's tests Cheddar Melt in Midwest

Oak Brook, Ill.—McDonald's Corp. is test-marketing a ⅓-lb. hamburger dubbed Cheddar Melt in Kokomo, Ind., and Milwaukee. The new sandwich, priced at $1.59, is topped with cheddar cheese and grilled onions, and is served on a toasted rye bun. Print and tv ads, via Leo Burnett USA, Chicago, support. Burger King Corp. earlier tested a ⅓-lb. burger in Miami (AA, April 30). Separately, McDonald's has announced a 3-for-2 stock split, its second split in two years.

K mart tags Jaclyn Smith for sportswear line

Troy, Mich.—K mart will design a new line of women's sportswear and dresses bearing the name of actress Jaclyn Smith. It is the company's first effort at marketing a personality line of clothes. Ross Roy Inc., Detroit, handles K mart's advertising.

Ingalls gets its first Ground Round tasks

North Quincy, Mass.—Ground Round Restaurants has given several initial creative tasks to Ingalls Associates, Boston, the new agency for its $5 million account. They include a spot radio campaign and a November

(Continued on Page 2)

No cheers for USFL fall plan

By SUSAN SPILLMAN

The U.S. Football League is considering this week in Chicago whether to move its spring schedule to the fall in 1986, despite a lack of enthusiasm from advertisers and syndicators.

"We're not encouraging them to make the move," said Duane Kell, senior vp-director of broadcast media at Campbell-Ewald, the agency for USFL sponsor Chevrolet. "It's not like there is an underabundance of sports programing to buy between September and December with the NFL and college football games."

"From a purely selfish point of view I hope they don't move," said Steve Leff, exec vp-director of media services at Backer & Spiel-

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Harlequin romances JWT

By BRIAN MORAN

Looking to consolidate marketing activities in its Toronto home, Harlequin Books has moved its $4 million North American advertising account to J. Walter Thompson Ltd., Toronto, from Rosenfeld, Sirowitz & Lawson, New York.

Harlequin, the world's largest publisher of romance paperbacks, said JWT's Chicago office will handle media placement. JWT's first creative work is not expected to appear until next year, but the media team is coordinating a $1 million-plus

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NEWSPAPER

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P&G rushes Folger's to perky decaf field

By GAY JERVEY

The speed with which Procter & Gamble is introducing nationally Folger's decaffeinated instant coffee reflects the company's pressing need to do better in the decaffeinated arena.

In launching the new entry this week without any test-marketing, P&G is responding to competitive pressure in a segment that, unlike the generally listless coffee market, is alive and growing due to consumer health concerns.

The record launch time is further evidence of P&G's new tendency to move more quickly with new products than ever before, even foregoing test markets altogether, an almost unheard-of tactic among leading consumer goods companies. The fast rollouts of several P&G brands earlier this year, including Ivory conditioner, Always sanitary napkins and unscented Tide, provided evidence that the company is becoming increasingly aware that "time is of the essence," although those products did spend some time in test.

No one will be watching the new Folger's product more carefully than those who forced P&G's hand—rivals General Foods Corp. and its White Plains, N.Y., neighbor, Nestle Co. After a nearly three-year hiatus, both companies' coffee operations have spruced up 1984 product lines with several new items and reformulations (AA, Nov. 7, *et seq.*).

Most notably, General Foods introduced decaffeinated variations of both its Maxwell House and Yuban lines. Nestle christened a new Nescafe custom-blended instant line that includes a decaffeinated entry.

Nestle also revamped the advertising for its Taster's

(Continued on Page 54)

news summary

Thursday, August 23, 1984

Republican strategists at the GOP national convention already have begun tracking the moods of the electorate, even earlier than they did in 1980. *See Page 1.*

Harlequin Books has moved its North American advertising account to J. Walter Thompson Ltd., Toronto, in an effort to consolidate marketing efforts in its Canadian home. *See Page 1.*

U.S. Football League owners are hearing little encouragement from advertisers and syndicators for a plan to play their games in the fall instead of the spring. *See Page 1.*

The speed with which Procter & Gamble is going national with Folger's decaffeinated instant coffee reflects the company's need to do better in the decaf arena. *See Page 2.*

The Winston-Salem, N.C., *Journal* and *Sentinel* have developed a "creative pricing" structure that has netted the newspapers more revenue while allowing a local retailer to "heavy up" its newspaper schedule. The program makes more money for the newspapers and has aided an over-all 60% increase in the retailer's sales volume. *See Page 2.*

Kimberly-Clark is planning to test-market a new weapon in the fight against colds and flu: A specially treated facial tissue the company says kills many common cold and flu viruses. *See Page 3.*

Drug companies have sent a strong message to Congress—they oppose advertising prescription drugs directly to consumers. *See Page 3.*

Marketers of low-alcohol beer already are wondering if "L.A." stands for "low-acceptance." *See Page 3.*

A creative department setup that has its critics will be examined by the new creative services director at SSC&B. *See Page 53.*

DIRECT MARKETING

Six Flags Great Adventure is using direct-mail promotion in an effort to restore some of the attendance that it lost following a fire May 11 that claimed eight lives. *See Page 8.*

ABC Video Enterprises is eyeing a direct-marketing effort, through ESPN, ABC Inc.'s cable tv sports network, to sell a videocassette of Summer Olympics highlights. *See Page 8.*

The first international telemarketing service is going into operation in Europe. Serving 27 cities, the service is part of System 800, the toll-free network serving Europe, North America and Asia. *See Page 9.*

SPECIAL REPORT

Delivering an invitation to buy to the growing segment of affluent consumers isn't easy. They are an elusive group, too busy to sit still, requiring creative techniques on the part of marketers. *See Page 11.*

While being careful not to alienate their affluent listeners, classical-music radio stations are trying to attract a larger audience and more general consumer advertisers. *See Page 24.*

Prestigious marketers such as jeweler Harry Winston Inc. and furrier Revillon are making changes in their traditional approaches to try to reach new kinds of affluent customers. *See Page 40.*

REGIONAL REPORT

With the baby boom almost a bust, colleges and universities that until recently had to turn away potential scholars are advertising heavily to recruit new students. *See Page 54.*

REGULAR FEATURES

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ABP MFA RED TAG ABC ANPA

Treasure Isle hopes to end 'limp shrimp'

By NANCY GIGES

Treasure Isle, one of the nation's leading producers of shrimp, has developed a new process for frozen breaded shrimp it hopes will turn around the declining category.

Dover, Fla.-based Treasure Isle is introducing nationally what it says is the first frozen breaded shrimp that can be prepared in a microwave oven without becoming soggy. The company calls it "the end of the limp shrimp."

Sold under the name Rik-Sha microwavable breaded fantail shrimp in Oriental-style or large-crumb breading, the product is getting a $1 million national media campaign. Word Works division of Zachary & Front, New York, is the agency.

Charles Johnson, vp-retail sales, said shrimp long has been sold at retail as a commodity item. The frozen breaded category, although the largest retail segment at $100 million, has declined about 9% a year because of the inconvenience of preparation (it must be deep-fried) and messy cleanup.

Treasure Isle is the second-largest entry in this segment with about 12%; Buffalo-based Rich Products SeaPak is No. 1 at about 15%, and Omaha-based ConAgra's Singleton is No. 3 with about 8%, Mr. Johnson said. The executive said the fastest-growing retail segment is frozen cooked and peeled shrimp, but it is only about $35 million; sales of uncooked shrimp are static at about $45 million.#

JWT exec

(Continued from Page 1)

session, that he tries to think visually from the outset of creating an ad. He gave as an example a commercial for Henry Weinhard beer, which "started with a visual idea which said more about purity and natural quality than could have been said in words."

Mr. Riney observed that the fault of too many creative strategies is that they "depend too heavily on rational appeals. . .are too explicit. . .focus too much on words. . .are unrealistic. . .are simply headlines, or tv copy, in disguise."

One question Mr. Riney said should be asked about a commercial is "Does this approach incorporate a strong or appealing visual element?"#

Presstime

(Continued from Page 1)

in-store promotion. Ingalls this week picked up the $5 million Ground Round business, previously at Ross Roy/Colarossi Griswold, New York.

Other late news

● New York—**MTV Networks**, parent of MTV: Music Television, will launch a second advertiser-supported cable music video channel on Jan. 1. The new channel will be targeted to contemporary music's 25-to-49-year-old audience. MTV's decision to go ahead with the as-yet-unnamed channel was "obviously affected" by Ted Turner's recent announcement that his Turner Broadcasting System, Atlanta, would start a counter-MTV service (AA, Aug. 13), said MTV Networks exec vp Robert Pittman.

● New York—**Ally & Gargano** reported a loss in its fiscal fourth quarter, ending June 30, and a 62% decrease in net income for the fiscal year. The agency tied the losses to a $408,000 after-tax writeoff of a client receivable after that client, Franklin Computer, filed for Chapter 11 bankruptcy. The fourth-quarter net loss was $20,000, compared with net earnings of $899,000 a year ago. For the year, net earnings fell to $851,000.

● Statesville, N.C.—**Thorneburg Hosiery Co.** has signed tennis star Martina Navratilova as spokeswoman for its line of Thor-lo sports socks. Rubin Walter Advertising, New York, handles.

● Dallas—**Fund for a Conservative Majority** has rolled out three test tv spots here during the Republican national convention. The move was a prelude to a nationwide $800,000 campaign to support the Reagan/Bush reelection effort. The spots were prepared by Edmonds Associates, Washington.

● Peterborough, N.H.—The computer magazine shakeout continues with CW Communications/Peterborough's decision to fold *jr*, its monthly for IBM PCjr users. The magazine, which was only five months old, is being shuttered because of limited advertising and circulation.

● Glenview, Ill.—**Zenith Electronics Corp.** unveiled a national ad campaign on Aug. 22. The fall campaign includes six tv spots, a record number of commercials for a Zenith campaign. They tout the company's "smart" new high-tech video products. The first two tv spots begin this month. Zenith also is increasing its ad spending on cable tv by 50% beginning this fall. Foote, Cone & Belding, Chicago, created the campaign.

● **NEWSLINE: New York** is expected to name today a successor to Brian McCabe, who resigned as advertising director earlier this month after holding the post only since February. . .**Christopher Sinclair**, *Newsweek's* vp-marketing director, is leaving to become vp-marketing, PepsiCo's Pepsi-Cola Bottling Group, Purchase, N.Y. . . .**Lady Marlene Sales Corp.**, New York, a marketer of high-fashion intimate apparel for women, to **De Krig Advertising** for its $250,000 account. No recent agency of record.

N.C. dailies promote creative ad pricing

By WILLIAM GLOEDE

The *Winston-Salem Journal* and *Sentinel* have found that it's better to make a "fast nickel over a slow dime" with a new "creative pricing" structure that has increased revenues while contributing to a spectacular sales increase at a local J.C. Penney store.

Winston-Salem, N.C., is only one example in which dailies, faced with increased competition from direct mail, weekly newspapers and free-distribution "shoppers," have felt pressure to give advertisers more exposure for their money.

"Newspapers have for years been acting on the theory that if you raise rates, volume will fall off a little but revenues will increase," explained James Fowler, marketing director for the newspaper. "We've been willing to talk about rate elasticity—if you spend more with us, we'll lower our rates."

Faced with a further erosion of run-of-press advertising from the Penney's store, the paper began a program last January under which any retail advertiser running $3,500 on any combination of r.o.p. and preprint advertising in the Wednesday paper would qualify for a 50% discount on r.o.p. space in the Thursday and Friday papers.

Similarly, if an advertiser spent at least $2,000 in the Sunday paper, r.o.p. space in Monday and Tuesday editions would qualify for the 50% discount.

The Penney store made extensive use of the creative pricing structure, running ads in six daily editions of the newspaper in addition to its midweek preprint.

According to the store manager, the increased exposure gained from "heavying up" his newspaper advertising was "directly responsible" for 20% of an over-all 60% increase in sales through the first half of this year. The increased advertising did cause the store to increase its ad spending, but the increase amounted to a mere 0.2% of total sales.

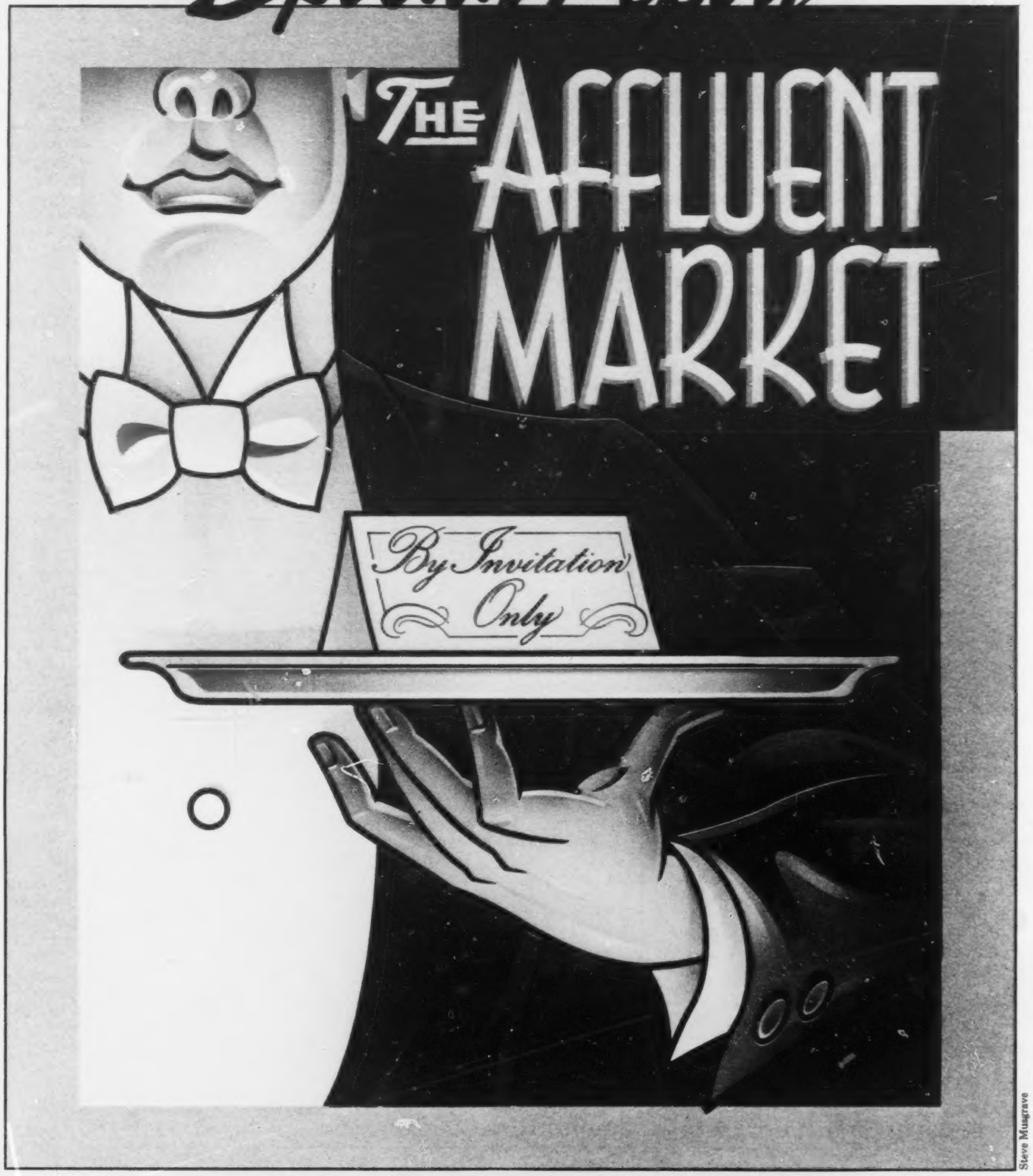
Creative pricing has been gaining favor in the newspaper industry, where for years the rule of thumb has been that retail and national advertisers could only get a break on advertising space if they ran a certain volume of space—specified on the newspaper rate card—within a particular category (AA, July 19).

In 1979, the industry introduced volume discounts for national advertisers in a program called NEWSPLAN. The program was welcomed by national advertisers and their agencies, but in the opinion of many it did not go far enough toward reducing the difference between what national advertisers and retail advertisers pay for the same space.

In Philadelphia, the *Daily News* and *Inquirer* have been running programs similar to the one in Winston-Salem for retailers, and they have created a rate structure under which a national advertiser can get substantial discounts by running the same ad three times in one week in both newspapers, with up to 50% off the rate for the third insertion. If an advertiser takes full advantage of the program, the net rate, minus agency commission, actually becomes a little less than the local retail rate.#

Special Report

THE AFFLUENT MARKET



Steve Musgrave

Group offers a wealth of opportunities

By Len Strazewski

Affluent consumers are a growing target for marketers, according to a study by FIND/SVP, a New York-based market research company.

But delivering an invitation to buy is not easy. The affluent are an elusive bunch, too busy to sit still and be sold.

Though many marketers set their affluence benchmark at an annual family income level of $50,000 or more, in a recently released study, FIND/SVP set its lower affluence limit at an annual income of $40,000 and discovered that level is growing rapidly among American consumers.

In fact, the number of households with annual incomes of $40,000 or more increased from 6.2 million in 1970 to 8.9 million in 1980 and is forecast to increase to 16.6 million by 1990.

Of those households:

- About half have annual incomes between $40,000 and $50,0000.
- About one-fourth fall into each of three age brackets—35 to 44, 45 to 54 and 55 to 64.
- About three-quarters are married couples in which there are no children younger than 6.
- About half are married couples in which both adults work outside the home.
- About half of the heads of the households have completed college and 60% are employed in managerial or professional positions.
- More than half are in the suburbs and one-fourth in inner cities.

The media that reach the affluent are varied and effectiveness depends upon the interest of the consumer. No one medium does it all.

"Generally speaking, the affluent are among the most difficult of any consumer group to reach," the FIND/SVP study says. "They spend more time working, traveling and entertaining. They have larger families. When they have some spare time, they are more likely than the average consumer to go to the health club, read a book or talk.

"Even when they sit down to be entertained in their homes, they are more likely than the average consumer to watch cable tv or a video record."

Affluent consumers watch relatively little commercial tv, according to the study.

However, cable tv programing such as Entertainment & Sports Programming Network and Financial News Network were singled out by the study as delivering a high percentage of affluent men, based upon viewership studies.

Radio, according to the study, is a relatively good medium to reach the affluent.

Radio is cheaper than tv, portable and therefore more accessible to affluent consumers on the go, and diverse in programing choice.

Magazines also offer a lot of diversity, the study says, and marketers can match their products with magazines that cater to virtually any interest. However, the study cautions that magazines do not deliver all or even a major portion of the affluent market.

Of 31 magazines studied, none delivers as much as 10% of the affluent market and only five magazines deliver as much as 5% of that market.

The magazine options, however, continue to grow. Besides such traditional choices of the wealthy as *Town & Country, Golf Digest* and the *Robb Report*, a variety of regional and specialized magazines are appearing, targeting the affluent.

Len Strazewski is the ADVERTISING AGE *associate editor who coordinated this Special Report.*

For the rich, home is where the heart is

By B.G. Yovovich

Affluence is where you find it, and you can find it in the strangest places.

Consider, for example, the Census Bureau's finding in 1979 that some 11,000 U.S. households with annual incomes exceeding $75,000 ($100,000 in 1984 dollars) resided in mobile homes.

Or how about the homes of the wealthy that can be found in the midst of the most abject of rural poverty.

"It's kind of like a peasant-king phenomenon," says geodemographer Jonathan Robbin, chairman of the board of Claritas Corp. and founder of PRIZM research service. "Plains, Ga., is an example. You have one rich peanut farmer and everyone else works for him."

Thomas Stanley, a Georgia State University marketing professor whose work has focused on the affluent, says: "When I drive from Atlanta to the Georgia coast, I typically take the back roads because it is a better way to go and it is very interesting because you go through every little town down there and there will be one big house with a satellite dish in front."

Mr. Stanley has researched affluence for such clients as Chase Manhattan Bank, Citicorp, American Express and the American Bankers Assn.

"There is money wherever you go. In some of the banking studies we have done, we found people who had million-dollar jumbo CDs [certificates of deposit] living in neighborhoods you wouldn't believe," Mr. Stanley says. "They were people who maybe started a cash business—restaurants, whatever—and never moved out of the neighborhood."

Even when the affluent flock together, several very distinct types emerge.

"Within the affluent market, you have different pockets of wealth, different types of neighborhoods, that relate to different types of consumer behavior," Mr. Stanley says. "All of the people may be affluent, but they are distinctly different in their patterns of behavior."

In the neighborhood classification scheme developed for PRIZM, for example, suburban affluent communities are divided into three prime clusters: "Blue Blood Estates," "Money & Brains" and "Furs & Station Wagons."

"Blue Blood Estates is the most compact part of the affluent market and those communities are the most visible," Mr. Robbin says. "These are the Bel Airs, the Lake Forests, the Scarsdales, the Wellesleys."

Blue Blood Estates communities are the wealthiest of PRIZM's neighborhood classifications, and a household in such a community is more than eight times likelier to have an annual income greater than $50,000 than a U.S. household chosen at random.

The communities are populated by "super-upper established managers, professionals and heirs in old money, accustomed to privilege and living in luxury surroundings," Mr. Robbin says.

One in ten millionaires can be found in this classification, and there is a considerable drop from these heights to the next level of affluence.

In contrast, Furs & Station Wagons neighborhoods are typified by "new money" and are populated by "mobile professionals and managers with the nation's highest incidence of teen age children," Mr. Robbin says.

Atlanta illustrates some of the differences between the older and newer affluent communities, Mr. Stanley says.

"We recently did a study of the old-money neighborhoods, areas like Buckhead in which the houses were built in the 1920s and 1930s—marvelous mansions," Mr. Stanley says. Much of the wealth in the area is "fifth and sixth-generation, some of it going back to pre-Civil War."

Just outside the Atlanta city limits about five miles from the central business district, Buckhead residents "are white, Anglo-Saxon Protestant, conservative in their life styles, have trust funds, belong to a particular type of country club."

But in newer Atlanta communities such as the Dunwoody area, which has the highest income of any of the Atlanta neighborhoods, according to Mr. Stanley, residents are generally "hard charging younger executives who live in very nice homes and who were not born here.

"They are 80% first-generation wealth, are very innovative in terms of changing styles, are more interested in having cable tv, are more likely to have videotex in their house or have a

B.G. Yovovich is a frequent contributor to Special Reports and a specialist in demographics and research.

Cities of gold

Top 10 SMSAs by income of inhabitants

1. Anchorage, Alaska
2. Bridgeport-Stamford-Norwalk-Danbury, Conn.
3. Washington-Maryland-Virginia
4. Midland, Tex.
5. San Francisco-Oakland, Cal.
6. Anaheim-Santa Ana-Garden Grove, Cal.
7. San Jose, Cal.
8. Reno, Nev.
9. Casper, Wyo.
10. Seattle-Everett, Wash.

Source: *Census Bureau, 1980 census*

Neighborhoods tell life style

The marriage of computerized census information and sophisticated statistical techniques has provided a powerful new tool for studying the affluent: Geodemographics.

It may sound complicated, but the basic idea is quite simple.

"Neighborhoods are the result of the choices that people have made, the choice to live there," says Keith Wardell, manager of the marketing support group of Arlington, Va.-based CACI Inc. "The decision factors that a person considers in choosing where to live—including such things as the person's age, their income, where they work—are very indicative of a person's life style."

And, the theory goes, knowledge of which neighborhood a person lives in can yield a great deal of information about that person's behavior.

"When people choose a house, they seem to have a feel for the house, the neighborhood, the life style. There is a homogeneity of neighborhoods in America that is really surprising," says Georgia State University marketing professor Thomas Stanley, a geodemographic researcher.

CACI's "A Classification of Residential Neighborhoods" (ACORN) geodemographic service took 300,000 block groups—each consisting of about 300 households—and cross-classified them using a multitude of demographic, socioeconomic and housing characteristics collected by the Census Bureau, including such variables as age, sex, household income, number of children in the household, value of the housing, housing type, car ownership, educational level and ethnicity.

Using sophisticated statistical techniques, ACORN came up with 44 neighborhood classifications into which the 300,000 could be divided, which, in turn, would be used to predict the behavior of individuals residing in those communities.

The information obtained from geodemographic analyses can be linked with information from other sources that have address information, such as magazine subscription lists, warranty cards and direct mail lists.

Claritas Corp.'s PRIZM also has put together what it calls its PRIZM Interlock that allows cli-

Areas of dominant affluence

Twenty most affluent central city communities of 25,000 or more persons in the U.S. (1980)

Rank	Community and boundaries	Per capita income	No. of households	Pop./household	Adults % college graduates	% Workers working downtown
1.	Upper East Side (Manhattan)/3rd Ave.-5th Ave., 59th-91st St.	$31,970	35,000	1.84	57.3	36.9
2.	Gold Coast/Water Tower (Chicago)/Lakefront-State, 800-1600N; State-LaSalle, 1200-1600N	27,380	26,400	1.50	57.9	36.0
3.	East River (Manhattan)/1st Ave.-East R., 23rd-70th St.	24,837	17,800	1.62	59.0	32.2
4.	Hollywood Hills (Los Angeles)/Sunset-Forest Lawn & Ventura, Laurel, Canyon & Wonderland-Los Angeles R.	22,370	14,300	1.95	40.5	5.9
5.	Central Park South (Manhattan)/1st Ave.-8th Ave., 49th-59th St.	22,320	21,500	1.44	48.1	50.7
6.	Wood Lake/Briar/Tanglewood/West Oaks/Tall Timbers (Houston) Westheimer-Buffalo Bayou & Woodway Dr., Gessner-Timberlane	20,450	21,800	1.62	49.7	18.4
7.	East End (Manhattan)/1st Ave.-East R., 23rd-70th St.	20,211	18,000	1.68	56.0	28.8
8.	Central Park West (Manhattan)/8th Ave.-Amsterdam, 62nd-82nd St.	20,036	25,300	1.12	54.8	35.9
9.	LaFayette Park/So. Capitol (Washington)/NW Washington E of Rock Creek & SW of Mass. Ave. & 16th St.; SE Washington N of So. Carolina Ave. & W. of 8th St.	19,670	15,000	1.50	65.9	22.2
10.	LaFayette Park (San Francisco)/Arguello-Van Ness, California-Filbert	19,610	17,800	1.69	54.9	35.9
11.	Georgetown (Washington)/NW Washington W. of Rock Creek & Conn. Ave.	19,550	20,600	1.95	63.6	21.7
12.	Upper Second Avenue (Manhattan)/1st Ave.-3rd Ave., 59th-89th St.	19,025	38,600	1.56	51.4	32.1
13.	East Lincoln Park (Chicago)/Lakefront-Sedgwick & Clark, 1600-2800N	18,650	12,500	1.43	58.3	37.2
14.	Murray Hill (Manhattan)/1st Ave.-5th Ave., 28th-49th St.	18,630	30,200	1.41	49.8	44.8
15.	Washington Square (Manhattan)/Park Ave.-8th Ave., 4th-14th St.; Park Ave.-Ave. of the Americas, 14th-21st St.	18,100	19,100	1.64	60.1	26.4
16.	West Los Angeles/Pico-Hilgard, Warner & Sunset, San Diego Fwy-Beverly Hills	18,000	17,000	1.88	43.9	4.1
17.	Center City (Philadelphia)/Schuylkill R.-Delaware R., South-Chestnut; Schuylkill R.-Broad, Chestnut-Arch	16,685	17,500	1.57	62.2	55.6
18.	New Town/East Lake View (Chicago)/Lakefront-Broadway & Clarendon, 2800-4000N	16,450	20,800	1.56	42.0	34.0
19.	Beacon Hill/Back Bay (Boston) Mass. Ave.-Washington, Chardon & Rowdon, Charles R.-Boylston, Arlington & Beacon	16,100	16,600	1.78	63.1	22.6
20.	North Park (Dallas)/N.W. Hwy.-Walnut Hill, Dallas North Tollwy.-Central Expwy.	16,000	21,400	1.84	45.3	12.3

Source: 1980 Census

Note: These areas are combinations of contiguous census tracts of downtown-oriented central city neighborhoods. To exclude suburban oriented neighborhoods on the periphery of cities, only areas where unrelated individuals outnumber families were included.

home [computer] terminal," he says.

Dunwoody houses were built in the 1960s and, even though the community's households boast higher incomes than Buckhead's, "the houses in Dunwoody are not in the league of the old mansions," Mr. Stanley says. "Dunwoody households are slightly lower in net worth [than are those in Buckhead]. There are a lot of millionaires there, but they haven't had that big hit yet."

Another significant difference between the old money and the new money is its source.

"Dunwoody people [who live about 15 miles from the center of Atlanta] are much less likely to work in Atlanta's central business district than are Buckhead residents," Mr. Stanley says. Dunwoody residents also are more likely to have sales positions, which has a significant impact on their life styles. They tend to be travelers and to frequent resources common to travelers.

"They do a lot of travel on the personal side as well as the business side because they build up travel coupons and they tend to have a regional or international interest. They want access to the airport, which is a key element in their life styles."

Buckhead residents are much more likely to be part of "the infrastructure of old wealth," Mr. Stanley says. "It started with the original major corporation that exploded in terms of growth, and what you have [in Buckhead is the families of] those key executives, many of whom were major stockholders; the enlightened lawyers who had latched onto that group, and the enlightened bankers who got part of the action."

Money & Brains, PRIZM's third affluent suburban classification, "is typified by swank, shipshape townhouses, apartments and condos, with relatively few children," Mr. Robbin says. These neighborhoods often are located near universities and contain large populations of upscale singles. He cited areas such as Washington, D.C.'s Georgetown neighborhood and Brooklyn Heights, in New York, as typical of the Money & Brains characterization.

"It is a combination of intellectual people—generally empty-nested or childless couples—and professionals, lawyers, doctors and so forth," Mr. Robbin says. "This is the sort of neighborhood that consists of people who want to absorb the culture and ambiance around a major university.

"There is no middle class in this place. You are either really up there [in income], or you are a student. There are not many children here."

In addition to these affluent suburban areas, pockets of urban affluence have grown in recent years. According to Chicago sociologist Pierre De Vise of Roosevelt University, Chicago's Gold Coast, located just north of the city's downtown Loop, has surpassed the very affluent suburbs just north of the city in terms of per capita household income.

Where the rich live

Top 10 counties by income of inhabitants

	Per capita income
1. Bristol Bay, Alaska	$14,948
2. Falls Church, Va.	12,885
3. Alpine, Cal.	12,861
4. Juno, Alaska	12,757
5. Arlington, Va.	12,565
6. Marin, Cal.	12,525
7. Montgomery, Md.	12,339
8. Alexandria, Va.	12,209
9. Pitkin, Colo.	12,054
10. Valdez-Cordova, Alaska	11,642

Source: *Census Bureau, 1980 census*

Perhaps the archetypical affluent central city areas are the upscale portions of Manhattan, called Urban Gold Coasts in the PRIZM classicication, characterized by densely populated, multi-unit high-rises and low incidences of auto ownership.

Similarareas also are found in a handful of other metropolitan areas—Washington, Chicago, Boston and San Francisco—that are heavily white-collar, professional and childless.

The growth of these kinds of neighborhoods in Manhattan in recent years has pushed other kinds of affluent households out of the city, experts say.

"It used to be that the west side, just west of Central Park, in New York was where the affluent raised their families," says John Maier, author of a recent report from Find/SVP, a New York-based market research company, on the affluent.

With the sharply higher housing prices caused by increased demand for Manhattan housing from childless affluent couples and career singles, "it is getting difficult to do that."

There also are predictions that the growth of Urban Gold Coasts may be starting to wane.

"Some of the older baby boomers seem to be moving out of New York," says Lillian Deitch, vp at the Glastonbury, Conn.-based Futures Group.

"The affluent might not be as concentrated in the future as they are now," she says. "It used to be that there were one or two affluent suburbs and that, if you had money, that's where you lived. You were known by your suburb. It seems to me that, particularly with the younger affluent, people are spreading out more, living in different kinds of suburbs. They might be living in a gentrified area, or they could be living in an exurban area where they previously might not have lived.

"There is a greater variety of life styles. The younger people have grown up with a diversity of life styles." ■

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ents to use the PRIZM classification in combination with information collected by such companies as A.C. Nielsen Co.; R.L. Polk & Co.; Simmons Market Research Bureau; SRI International, and Roper Associates.

Though such cross-correlations on occasion can go awry, they do make it possible to make a variety of predictions that would be difficult to obtain otherwise, such as projecting that a household in a Blue Blood Estates neighborhood is 232 times more likely to have a Rolls-Royce in its garage; is 1.4 times more likely to use much cat litter, and is twice as likely to consume pumpernickel bread than the typical U.S. household.

Jonathan Robbin, founder of Claritas Corp., says geodemographics is particularly suited for use in studying the affluent.

"The extreme types of neighborhoods are the most homogeneous, and it [geodemographics] works best in areas that have the kind of striking extremity that you find in Blue Blood Estates, which is three standard deviations from the mean in everything," Mr. Robbin says. "Neighborhoods tend to be homogeneous among one or more variables, but these [extreme] areas tend to be homogeneous along a whole host of variables.

"The same is true with the very downscale. If you walk through a ghetto, it is pretty uniformly dismal."

"So, when you look at the geographic dimension of the affluent, they tend to be pretty organized in a way that makes it possible for us to tell an awful lot about their life styles and to get a very accurate picture of their neighborhoods . . . and to predict their individual behavior." —*B.G.Y.*

Town & Country goes beyond club image

By Ed Fitch

"The person from the Bronx who recently won some $20 million in the lottery probably won't subscribe to our magazine," says Charles Kennedy, the 49-year-old publisher of New York-based Hearst Corp.'s *Town & Country.*

This does not mean that the publication, whose bloodline reaches back 138 years to 1846, is ignoring the *nouveau riche.* But Mr. Kennedy says it takes more than merely money to become a qualified member of *Town & Country's* constituency.

"Of course you need selective income to be affluent," he says, "but you also need education to appreciate culture and an understanding of life style."

Fortunately for *Town & Country* the number of people possessing that cultured life style—and the bankroll necessary to support it—is growing in the magazine's favor. Mr. Kennedy says he enjoys repeating the following statistic: More than 1 million millionaires currently live in the U.S.

This leaves the magazine, which has 388,500 subscribers as of June, according to the Audit Bureau of Circulations, plenty of potential to enlarge its coffers.

Mr. Kennedy, the former publisher of *Newsweek,* attributes the increase in prospective subscribers to the growing number of highly paid middle managers. Old-guard money still rests quite comfortably in the vaults of the Vanderbilts and Mellons, Mr. Kennedy says, but more and more personal wealth is concentrated in the hands of those who control property, not those who own it.

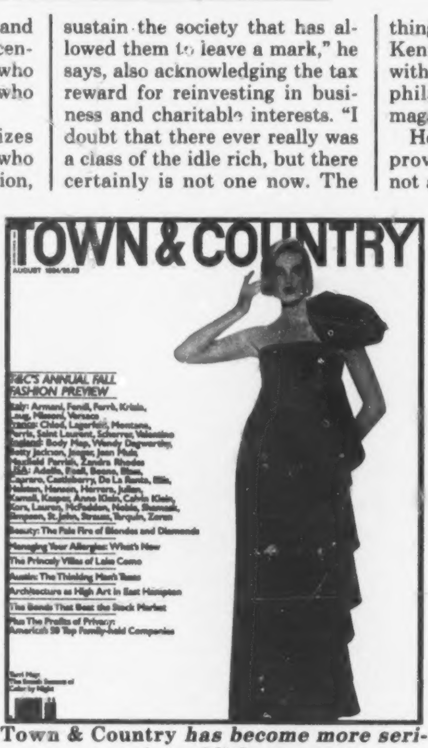
Mr. Kennedy characterizes the new affluent as someone who responds not to class distinction, but accomplishment. "It's no longer so much a case of who you are," he says, "but what you're about."

Town & Country, therefore, might seem to need to address two audiences: The old money—Mr. Kennedy says *Town & Country* is almost a house organ to some families—and the new aristocracy, who may respond to the publication as a "handbook for living" their new life, he says. However, according to Mr. Kennedy, the difference between the two groups is not distinct or critical.

Affluence no longer solely means having a house on the hill, servants and Thoroughbreds. "I asked one of our editors to define affluence," Mr. Kennedy says, "and she wrote: Affluence is the abundant flow of material goods, property and wealth, which carries with it the implication of not only acquisitiveness but also spending. And I want to emphasize the word flow."

This quality of reinvesting—and not just collecting—wealth differentiates today's affluent from previous Nob Hill inhabitants.

"The rich feel responsible to sustain the society that has allowed them to leave a mark," he says, also acknowledging the tax reward for reinvesting in business and charitable interests. "I doubt that there ever really was a class of the idle rich, but there certainly is not one now. The new affluent are emancipated and want to make a statement."


TOWN & COUNTRY
AUGUST 1984
T&C'S ANNUAL FALL FASHION PREVIEW
Beauty: The Pale Fire of Blondes and Diamonds
Managing Your Allergies: What's New
The Princely Villas of Lake Como
Austin: The Thinking Man's Texas
Architecture as High Art in East Hampton
The Bonds That Beat the Stock Market
Plus The Profits of Privacy: America's 50 Top Family-held Companies

Town & Country *has become more serious, its publisher says.*

As the affluent society has become more complex and socially concerned, *Town & Country* has become more serious, Mr. Kennedy says. The magazine now features articles on such issues as South African apartheid and the quality of today's doctors and lawyers.

"*Town & Country* is not solely concerned with showing attractive people doing attractive things in attractive places," Mr. Kennedy says. "It is concerned with cultural, human, social and philanthropic matters. It is a magazine for doers."

He says the editorial direction proves that the publication is not a club book. *Town & Country* is not "a list of the rich," Mr. Kennedy says. He does acknowledge, however, that the loyalty of the magazine's audience is a large part of its success, saying that once readers subscribe they rarely discontinue. "It's like they're giving a gift subscription to themselves."

Not that the readers' favor isn't actively cultivated; printing a picture of someone in the pages of a magazine certainly can help endear a publication to that reader. "Many of our readers don't want to miss an issue because they will find themselves, their friends and acquaintances featured in it."

According to Mr. Kennedy, *Town & Country* is the only upscale journal to feature the women and men behind the money, both the new and the old guard. "Some affluent media, such as *The New Yorker* and *Vanity Fair,* are intellect oriented," he says. "Others are thing oriented, like *Architectural Digest.*

"Our intent is to provide insight into the lives of our subjects and readers; we don't prescribe a life style, we portray one," Mr. Kennedy says. "When

(Continued on Page 14)

Ed Fitch is an associate editor of Advertising Age.

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Monday, August 27, 1984

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The International Newspaper of Marketing

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AD AGE CREATIVE WORKSHOP

Coverage of the 1984 Advertising Age Creative Workshop is on Pages 3, 6, 14, 26 and 66.

Staff photos by Arnold Adler

Nancy Pice and Patrick Fallon (c.) of Fallon McElligot Rice accept the Agency of the Year award from Rance Crain, editor-in-chief of Advertising Age, presented at an awards luncheon during the AA Creative Workshop at the New York Hilton last week.

Cindy Fee, singer, and Joe Lubinsky, partner in HLC, a Hollywood-based music house and composer of Wheaties' "What the Big Boys Eat," accept their award for Advertising Music of the Year from Rance Crain. Agency is Needham, Harper & Steers/USA.

U.S. gymnasts face endorsement flap

By ROBERT RAISSMAN

The financial future of the U.S. Men's Olympic gymnastics team reaches a crossroads in Chicago Aug. 28 when the U.S. Gymnastics Federation will impart its rules and regulations concerning endorsement and appearance fees.

The situation for the USGF, the governing body of gymnastics in this country, is unprecedented. The gold medal-winning men's gymnastic team has become a hot commercial property following the Olympics, with advertisers reportedly seeking big-ticket endorsement packages from individual team members and producers trying to sign up the team for tv movie deals.

The rush of commercial attention for the men's team has led the USGF to become alarmed at how the six team members are being handled by their agents and attorneys.

At the heart of the issue is what the USGF perceives as individual greed versus the good of the team and the sport. If the athletes decide to go individually into endorsements and forsake the team, they will lose their eligibility to compete in amateur gymnastics.

On the other hand, the team members, through their agents, maintain that the chance to cash in on the glory of the gold medals may never come again—and may not last forever. For advertisers interested in the athletes' endorsement services, the issue is whether the gymnasts emerge from the controversy perceived as money-grubbing opportunists, a decidedly less valuable property than the well scrubbed image the athletes had before and during the games.

"In these kind of circumstances you find out how people really are and what kind of harmony they have," said Rich Kenney, USGF director of sponsorships. Mr. Kenney said that originally the USGF wanted only the athletes to attend the Chicago meeting, but they insisted on bringing their agents and lawyers. Sources added that representatives of the Assn. of Representatives of Professional Athletes may be asked to attend the meeting.

The USGF rules may have become secondary to some gymnasts,

(Continued on Page 66)

Reagan strategy set

By MARK LIFF

Dallas—As President Reagan triumphantly accepted a ringing mandate from the Republican party last week, his powerhouse team of image makers cranked out "uplifting" tv commercials designed to take him back to the White House.

The new spots, to be aired in the fall campaign, fit in squarely with what seems to be emerging as the master plan of the Reagan-Bush '84 reelection drive: Leave the trashing to others, while stressing the positive yourself.

The commercials will focus on "individual issues, one at a time," and stress what the President's policies have done to strengthen the nation, said James Weller, a member of the Tuesday Team, the ad hoc agency creating ads for the presidential ticket.

"There is a general warmth throughout the campaign," added Ronald Travisano, another team member.

The two men, both high-ranking executives at Della Femina, Travisano & Partners, New York, and other members of the Tuesday Team were at the Republican national convention last week filming footage for later use in commercials. The team manned two skybooths high above the convention floor, from which they aimed their cameras and observed the proceedings.

No matter how the footage will be used, it probably won't contain some of the harsh rhetoric aimed at the President's Democratic opponents.

"Our campaign will not be negative," said James Travis, president and chief executive officer of Della Femina and director of the Tuesday Team. "At no time will you see the President be negative."

The strategy apparently is to ac-

(Continued on Page 64)

Last Minute News

Beatrice gives Nestle Quik advertising relief

New York—Nestle Co. in an out-of-court settlement has gotten assurances that Beatrice Cos. ads will stop making direct claims about the sugar content of Nestle's Quik instant flavored drink mix. The settlement came in a lawsuit that Nestle, White Plains, filed in federal court here over advertising for Chicago-based Beatrice's Swiss Miss brand. Beatrice also has withdrawn a series of print and broadcast ads featuring actor Judd Hirsch. Those ads identified Quik as "80% sugar" (AA, April 30). Beatrice, through its advertising agency, Bozell & Jacobs, Minneapolis, is creating a new ad effort for fall.

Frito-Lay hits hard on P&G over cookies

Dallas—Frito-Lay has charged Procter & Gamble with unfair competition in the cookie market and denied P&G's earlier claims of patent

(Continued on Page 8)

Burgers going

NEWSPAPER

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CONGRESSIONAL INFO SERVICE
SPI ACQUISITIONS
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WASHINGTON DC 20014

Dusenberry takes film fuss in stride

By SARAH STIANSEN

Dallas—Philip Dusenberry must be used to having his quasi-ordinary projects explode into media events. It happened earlier this year, when Michael Jackson's hair caught fire during the filming of Mr. Jackson's Pepsi spots. It happened again when an 18-minute film for President Reagan escalated into a network news issue at the Republican national convention.

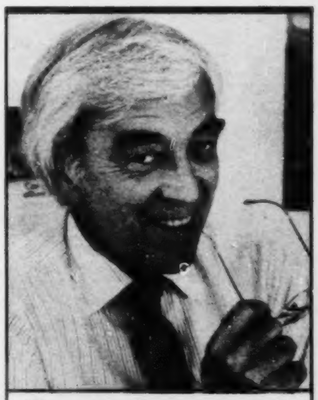
It's obvious that the quiet BBDO vice-chairman and executive creative director doesn't mind the attention.

Mr. Dusenberry thinks all the fuss is, well, "absolutely fascinating." On the evening before the film was aired by Cable News Network and NBC, Mr. Dusenberry, 48, predicted that the film itself would probably be the "most exciting thing on the air," and might

(Continued on Page 64)

NOTICE

The Advertising Age issue of Thursday, Aug. 23, carried the wrong date on its Page 1 logo. What you are now looking at is the real Monday, Aug. 27, issue. We apologize for the confusion.



Do you know me?

"Ten years ago our agency began a highly successful and widely quoted ad campaign."

(See Page 34.)

Line of fresh entrees to get Campbell test

By NANCY GIGES

Campbell Soup is reinforcing its reputation as an innovator in the food industry with the testing this fall of Today's Taste, a broad selection of cooked, refrigerated items prepared daily by local caterers.

The company also will add an international line to its Chunky soup brand next month and is working on a frozen gourmet soup in a ready-to-serve container.

Although all the details of Today's Taste have not been completed, Campbell is hoping to test the line in several stores in Washington, displayed in their own refrigerated kiosk filled with juices, soups, salads, entrees, desserts, sauces, spices and condiments that can be mixed and matched.

Several entrees in the works are grilled chicken with lemon, red snapper Vera Cruz and chicken with sunflower and pumpkin seed sauce. Initially, the line will probably receive little advertising because of the limited test.

The frozen soup line, as yet unnamed although Chunky has not been ruled out, is expected to be a heavily garnished soup in a thin broth. It may not be ready for test until next year. The agency is unknown, though Leber Katz Partners, New York, has been working on new products for Campbell.

The first on the market in this latest wave of new products will be the Chunky international soups, going into most western markets in September. Separate advertising from the regular Chunky campaign but with the Chunky theme, "Soups that eat like a meal," will break Oct. 15. The first three flavors are imperial won ton, tortilla filled with squares of real corn tortilla and beef ravioli romano. BBDO is the Chunky agency.

In another move, Campbell is negotiating with General Foods for the use of a GF-patented batter that might be appropriate for Campbell's Mrs. Paul's fish products. Those discussions may have prompted reports the two companies were talking merger, which both have denied.#

A lot of smarts

Zenith Electronics hails its "smart" sets (AA, Aug. 23) in new spots. In this one, a scarecrow (for computer brain) and a mother (for parental control) agree with Einstein that the features are "smart." FCB handles.

Charged with monopolistic practices

Nielsen sued by IRI

By DAVID SNYDER
Crain News Service

A.C. Nielsen Co. is the target of a major antitrust suit alleging that the market research giant is using monopolistic tactics to stamp out competition from a local rival.

Information Resources Inc. filed the antitrust action in U.S. district court in Chicago earlier this month, alleging that Northbrook, Ill.-based Nielsen is actively working to corner a burgeoning segment of the market-research business that uses sales data generated from the computerized scanning devices found at grocery store checkouts.

Court documents indicate that Chicago-based IRI's action stems from Nielsen's announcement last May that it would offer its audits on retail grocery store sales—the Nielsen Food Index—only if its several hundred subscribers agree to purchase its separate scanning data report. That report competes directly with a scanning service introduced by IRI in 1981.

In addition to unspecified monetary damages, IRI is seeking a court order permanently barring Nielsen from selling the audit index and scanning data as a single

(Continued on Page 68)

Highlights

MTV Networks likely will find selling advertising on its new video music channel a lot tougher than it has on its popular MTV service, according to ad agency executives. *See Page 10.*

The nation's blue-chip communications companies took their messages about an array of newer, faster services to the Republican convention last week. *See Page 12.*

The first advertising for Avanti luxury coupes since the car was a Studebaker in the early 1960s will air next month. A $200,000 campaign aimed at wealthy buyers will break Sept. 3. *See Page 46.*

Stroh Brewery's upcoming 123-city run to benefit the Statue of Liberty drives home the company's efforts to move from a regional to a national brewer. *See Page 60.*

THE GREATEST RUN OF THE 20TH CENTURY IS GOING TO BE RUN FOR HER.

CORPORATE CLOSEUP

Jack Reichert, chairman of Brunswick Corp., is on a crusade to unite the Olympics and one of his company's most noted product lines. *See Page 4.*

INTERNATIONAL

When Dun & Bradstreet Corp. officially takes over A.C. Nielsen Co. after D&B's annual meeting this week, as is expected, one problem will have to be solved—how to combine international networks. *See Page 38.*

Laura Ashley Inc., the English fashion designer, is poised for a U.S. expansion next year that might be financed through a listing on the London Stock Exchange. *See Page 42.*

COMING THURSDAY

SPECIAL REPORT

Homeowners will spend an estimated $38.6 billion on do-it-yourself projects in 1984. This growing battalion of do-it-yourselfers has contributed to the growth of the home-improvement market, and retailers and manufacturers have altered the way they do business to keep up.

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ABP MPA RED TAG ABC ANPA

'USA Today' promo rides on Kellogg packs

By WILLIAM GLOEDE

Gannett Co. and Kellogg Co. have cut a deal that is bringing newspaper promotion to the nation's breakfast tables.

In what is thought to be the first marriage of package-goods marketing and newspaper promotion, Kellogg is providing the back panels of its Nutri-Grain, Product 19 and Kellogg's Raisin Bran cereals free to Gannett to promote a cut-rate deal on home and office delivery of *USA Today*.

"It's part of our over-all, blue-chip program of looking for non-traditional ways to both expose *USA Today*, as well as solicit subscriptions and sales," said Carolyn Vesper, director of national-circulation sales for the Washington-based national newspaper. "It is the first time that I know of a newspaper doing an offer on package-goods products, particularly cereal."

Gannett approached Kellogg, Battle Creek, Mich., in February with the idea. "We gave them a feature-function-benefit presentation of the fact that we thought our demographics matched the same kind of people they were trying to sell those cereals to," Ms. Vesper said. "We came to an agreement based on that."

What Kellogg gets from the deal is added value for consumers on its packages. The subscription discounts range from more than $7 for three months to more than $25 for a year.

The promotion offers a one-third discount from *USA Today's* three, six and 12-month subscription rates for both home and office delivery by carrier or same-day mail.

The promotion-carrying packages began hitting the distribution pipeline two weeks ago, and are beginning to show up on supermarket shelves in various markets

(Continued on Page 68)

NH&S/NY names McCann's Kuras

By STEWART ALTER

NEW YORK—Needham, Harper & Steers/USA, working to strengthen its operations here since Keith Reinhard took over as chairman-chief executive officer two years ago, has picked Jim Kuras of McCann-Erickson/New York to be president of its New York office.

Mr. Kuras, 44, was exec vp-general manager of McCann's office here since 1981. His previous employers include Marschalk Co., where he also had been exec vp-general manager of the New York office, and Procter & Gamble, where he started his career in 1962.

Bob James, president-chief operating officer, McCann-Erickson Worldwide, will add Mr. Kuras' responsibilities and have the New York department heads report to him.

The hiring of Mr. Kuras, which takes effect Sept. 4, comes only a week after the announcement that Peter Nelson, 52, had resigned as president-chief operating officer, NH&S/USA (AA, Aug. 20). Mr. Reinhard said the two events were unrelated.

The search for an NH&S/New York president has gone on since March, 1983, when Joel Baumwoll moved up to vice-chairman of the agency and Mr. Reinhard, who became chairman the previous July, took on the additional post as acting president of New York.

At that time, the office was billing about $110 million. New-business gains will bring New York's billings this year to between $155 and $170 million, compared with

(Continued on Page 68)

CORPORATE CLOSEUP

Brunswick pins success on reorganization

Staff photo by Mary Herlehy

Brunswick Corp. top executive Jack Reichert has two aims: To keep Brunswick profitable, and to make bowling an Olympic sport.

By LAURIE FREEMAN

Skokie, Ill.—The 1984 Summer Olympics finished with a flourish, but at least one man keeps the torch lit for a new Olympic sport.

For Jack Reichert, chairman and chief executive officer of Brunswick Corp., the "crusade" to elevate bowling to Olympic status continues.

"Nothing can compare to the thrill of being an Olympic athlete," said the 53-year-old Mr. Reichert, whose support for the sport leads him so far as to narrate bowling image commercials. "There are at least 100 million bowlers around the world, and to deny the top amateurs the chance to compete in the Olympics is a shame."

That Brunswick's chief executive officer now has time to lobby for his favorite sport speaks well of a company that many Wall Street analysts had written off only two years before. Today, this marketer of marine power engines, bowling equipment, fishing gear, camouflage for the defense industry, door systems for buses, filters and valves is riding high on increased sales of products from all its divisions.

The result is paying off on Wall Street. "Brunswick smells so sweet right now," said analyst Stanley Fishman of Fahnestock & Co., New York. "It's making money, and it's one of the best buys on the market. The company cut its costs and it's selling products. You just can't beat that combination."

Such an assessment is welcome news to Brunswick executives. After K. Brooks Abernathy, Mr. Reichert's predecessor, sold Brunswick's Sherwood Medical Industries unit two years ago, the company lost its "highly regarded luster with investors," said Mr. Fishman. Faced with a hostile merger offer from Los Angeles-based Whittaker Corp., Mr. Abernathy, who since has retired but remains on the Brunswick board, sold off the division. In its last year of operation, the medical unit added $24.4 million in earnings to the company.

Mr. Reichert then was advised to sell off the company's recreational businesses, including bowling, fishing, billiards and even its profitable marine unit. Top investment bankers and analysts had told company officials Brunswick could not survive without the medical business.

"They told us to sell the recreational, marine and defense units and expand our technical and defense work," said Ross Stemer, a company spokesman. "We just didn't want to do that."

Mr. Reichert said he is glad he did not pay attention to the doomsayers. Brunswick is enjoying what may turn out to be its most profitable year in the company's 140-year history. For the first six months of fiscal 1984, sales are up 26% over the same period last year, to $766.4 million. Earnings increased at an even greater pace, rising 66% to $51.1 million.

Sales last year were $1.22 billion, up 14%, while earnings reached $66.1 million, compared with a $19.8 million loss from continuing operations in 1982.

Coupled with the recession of 1982, the earnings loss sparked major changes in the company's management structure, including the dismissal of 60% of its corporate and upper-management staff.

The company's 11 divisions, encompassing the technical-defense, recreation and marine power units, were consolidated into eight. Mr. Reichert then gave his top managers more power to run their units. "Decentralizing the company was crucial," said Mr. Reichert. "Under the old structure, it took too long for decisions to be made, and we couldn't react quickly to the demands of the marketplace."

On the heels of the decentralization, two-thirds of Brunswick's corporate headquarters here was rented out, saving $2.5 million yearly.

Under Mr. Reichert's guidance, the company also put $9 million last year into a new venture-capital program. The money backed projects ranging from oil-recovery improvements to powdered metals, all of which he said have long-term potential.

Business remains brisk at all the company's divisions, particularly at Mercury Marine, Fond du Lac, Wis., the maker of Mercury outboard engines. The division contributes 56% of Brunswick's sales.

Mercury's earnings were up 27% last year,

(Continued on Page 52)

WHO MINTED ALKA SELTZER?

The same people who would like to put your upcoming success in headlines. The same techniques that developed new Alka Mints for Alka Seltzer, put Baking Soda in more than thirty million refrigerators, developed new Aloe Wet Ones and new SOS Oven Pads . . . can work for you.

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Time to unlink Pioneer chain

By LEWIS LAZARE
Crain News Service

New York-based Time Inc. wants to immediately sell Pioneer Press, its only newspaper holding.

Time apparently has given itself 90 days to discard the Wilmette, Ill.-based chain of nearly 30 weekly newspapers in suburban Chicago.

The asking price for Pioneer is believed to be in the $25 million range.

Although Time does not break out revenues for individual publications, Advertising Age recently estimated Pioneer's 1983 revenues at about $32 million. The chain is believed to be a solid profit maker.

In recent years, it has grown via the acquisition of Pickwick Papers, another suburban Chicago chain.

A Time spokesman refused to confirm or deny that Pioneer is on the block. Dave Simonson, Pioneer president and publisher, also refused to comment.

But sources at Pioneer say Time's decision to sell apparently is part of the company's plan to focus primarily on its large book publishing, cable tv and consumer magazine operations.

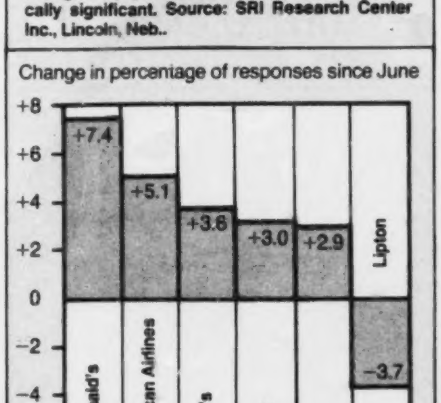
Although rumors have surfaced in the past regarding a sale, Time apparently now is quite serious about finding a buyer quickly.

It should have no problem unloading Pioneer, newspaper analysts said. Several large and medium-size newspaper chains could be interested, they noted, including Hearst Corp., New York, and Media General, Richmond, Va.#

July winners & losers

Question: Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which ad first comes to mind? *Note:* A change of of plus or minus 2.8 points is statistically significant. Source: SRI Research Center Inc., Lincoln, Neb..

Change in percentage of responses since June



While others broil or beef, Big Mac stays on the top

By SCOTT HUME

adWatch

Wendy's grabbed consumers' attention—and national headlines—from February through April with its "Where's the beef?" campaign. Burger King in May moved back into the spotlight with Mr. Rodney, a caveman cookout and a reprise of its "broiling vs. frying" advertising.

Now it's McDonald's turn.

In July, 39.5% of the 1,254 adults polled for the Advertising Age adWatch survey named McDonald's as the first fast-food advertiser that came to mind. That share represented a hefty 7.4 percentage-point increase over the 32.1% share of top-of-mind awareness McDonald's commanded in June.

The chain was last month's single largest gainer in advertising awareness.

The July survey also shows McDonald's with a nearly 20 percentage-point lead over No. 2 Burger King (39.5%

(Continued on Page 60)

Kable president Getson quits

New York—Al Getson will resign on Oct. 1 as Kable News Co.'s president-chief operating officer.

Mr. Getson plans to "pursue personal interests," the company says. He is a veteran of almost 25 years at Kable, which is a worldwide distributor of books and magazines.

The company handles about 600 titles.

Chairman Daniel Friedman will assume the post of president-chief operating officer.

Other people moving:

William Rowe to chief operating officer, a new post at Times Mirror National Marketing, New York, from president-chief executive officer, *Peninsula Times Tribune*, Palo Alto, Cal. Also at Times Mirror National Marketing: **Raymond McCutcheon** to marketing research manager, a new post, from research analyst, Branham Newspaper Sales; **John McKeon** to director-marketing services, a new post, from vp-research, Million Market Newspapers.

Gregg Hano to national account manager, a new post at U.S. Suburban Press, New York, from select promotions coordinator, Cox Arizona Publications, Mesa, Ariz.

John Hillock to vp-associate publisher, a new post at *Travel & Leisure*, New York, while continuing the duties of vp-advertising sales director.

Gary Anderson to Detroit manager, *Sports Illustrated*, from sales rep. He succeeds **John Jay**, now ad sales director, *Discover* (AA, July 30). Also at *SI*: **Steve Seabolt** to Los Angeles manager from West Coast manager, *Time International*, succeeding **Michael Parker**, now in charge of *SI's* New York division overseeing apparel, consumer electronics, imported automobiles and sporting goods.

Reginald Brack Jr. to group vp-books, Time Inc., New York. He succeeds **Joan Manley**, who retired. Mr. Brack will continue as president-ceo, Time-Life Books.

Meg Page to western regional manager, *Newsweek International*, San Francisco, from sales rep, American Express Publishing Co. She succeeds **George Mackin**, who left.

Harry Myers to publisher, *Architectural Digest* until a successor is named for **G. Robert Griswold**, who left. Mr. Myers retains his title of group publisher-senior vp, Knapp Communications Corp., New York. Also at *AD*: **Serge Padilla** to account manager, a new post, from promotion manager and **Peter Kines** to research director, a new post, from director of promotion and sales planning, Parade Publications.

Shirley Malone to director-circulation administration, *Newsweek*, New York, from vp-director of communication services, *Chicago Tribune*.

Chris Clark to New England advertising sales, a new post at *California* and *Texas Monthly*, New York, from senior media planner, Needham, Harper & Steers/USA.

Charles Novak to publisher, *Journal of Cardiovascular Medicine*, New York, from publisher, *Transition*. He succeeds **Joseph McGreal**, who retired.

Janice Grossman to advertising director, a new post at New Woman, New York, from advertising director, *Ms*.

Susan Littlehale to account manager, a new post at *Contemporary Ob/Gyn*, Oradell, N.J., from account manager, *RN*.

Charles Rich to western advertising manager, a new post at *American Baby*, Encino, Cal., from eastern advertising manager.

Richard Meth to mid-Atlantic regional sales manager, *Sporting Goods Dealer*, St. Louis, from regional marketing manager, Bill Communications, New York. He succeeds **Russ Pomerantz**, who left.

Paul Siman to circulation director, Nature Publishing Co., New York, from director of marketing and operations, American Express Publishing Co. He succeeds **Mirta Soto**, who left.

Beth Russo to promotion art director, *McCall's*, New York, from assistant promotion art director. She succeeds **Valerie Smith**, who left.

Nat Friedland to editor, *Antic*, San Francisco, from departmental editor, *Billboard*, Los Angeles. He succeeds **Robert Dewitt**, who is on a one-year sabbatical.

Michael Bradley to regional manager, a new post at *Iron Age* and *IAMI*, Devon, Pa., from Chicago regional manager, *Food Engineering*, *Food Engineering International* and *Food Engineering Master*. Also at *Iron Age*: **Greg Gorts** to Cleveland regional manager, a new post, from Cleveland regional manager of *IMPO Distributor News*.

Susan Blank to vp-operations, advertising and promotion, a new post at *Atlantic*, New York, from office manager.

Alexander Auerbach to vp-special markets and project development, Alan Weston Communications, Los Angeles, from editor-publisher, *Boxoffice* , Hollywood. Succeeding him as *Boxoffice* editor is **Harley Lond**, managing editor.

Philip Vernon to marketing director, New York Times Co.'s regional newspaper group, Atlanta, from research manager, St. Petersburg, Fla., *Times* and *Evening Independent*. He succeeds **John Polich**, now president, Simmons-Scarborough Syndicated Research Associates, New York.

Sally Cohen to associate publisher, a new post at *Village Voice*, New York. She will continue her duties as display advertising director. Also at *Village Voice*: **Joachim Blunck** to associate publisher, a new post, from coordinator, electronic technology, News America Publishing, Rupert Murdoch's holding company for his U.S. media interests.

Gerald Tryhane to vp-business manager, a new post at the *Denver Post*, from assistant to the senior vp-newspapers and tv, Times Mirror Co., Los Angeles. Also at the *Post*: **Ernestine Maestas** to research manager, a new post, from senior research analyst.

James Borton to publisher, Commercial News Publishing Co., San Francisco, from vp, Innkeeper Group. He succeeds **Dan DeLong**, who left.

BROADCAST

Suzanne Sack to director-marketing and promotion, a new post at CBS Radio Network, New York, from director-sales promotion.

Matthew Field, general manager, WNCN (fm), New York, and publisher of its monthly program guide, *Keynote*, to the added post of vp-general manager at parent GAF Broadcasting Co.

Sharon Warantz to director-advertising and promotion, a new post at KIXK (fm), Dallas, from director- advertising and promotion, KRQX (fm).

Lon Bason to general manager, KBFM radio, McAllen, Tex., while retaining his responsibilities as general sales manager. He succeeds **Richard de Butts**, who left.

H. Joseph Lewin to general manager, WXEX-TV, Nationwide Communications station, Richmond, Va., from associate publisher, F&W Publishing Co., Cincinnati. He succeeds **Ben McKeel**, now Nationwide vp-tv.

Bill Harrison to vp-sales, KAAM/KAFM (am, fm), Dallas, from general sales manager.

Jack Johnson to sales manager, ABC-owned WLS-AM and WLS-FM, Chicago, from account exec for the station. He succeeds **Jerry Ryan**, now general sales manager at ABC-owned KIXK (fm), Dallas.

Joseph D. Oliver Jr. to vp-general sales manager, WLEX-TV, Lexington, Ky., from vp-national and regional sales manager. He took over responsibility for local sales from **Robert Davidson**, who retired.

OTHER VIDEO

Paul Fisher to vp-general manager of Southeast region, a new post at Harte-Hanks Cable, San Antonio, Tex., from corporate director of human resources. Also at Harte-Hanks: **Robert Hale** to vp-general manager, Miami region, a new post from vp-general manager, Cox Cable Communications, Tidewater, Va.

Janice Marin to West Coast national advertising manager, Nationwide Cable Rep, Marina del Rey, Cal., from account exec at Nationwide's Cleveland headquarters.#

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Country music fans buy more barbecue sauce than just about anybody else. Isn't that a tangy thought, Open Pit?

THE NASHVILLE NETWORK.
AMERICA'S COUNTRY HOME
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High-tech magazines cool off

New York—The high-tech magazines' circulation boom was too hot not to cool down, according to the latest figures from the Audit Bureau of Circulations.

The per-issue averages for the six months ending June 30 show titles in the technology/computer field still growing over-all.

But the percentages of increase are starting to decline. In some cases, individual books lost circulation, a previously rare development.

In many cases, of course, a slowdown was not unexpected after several periods of double and triple-digit percentage gains.

For example, the percentage gains in this six-month period compared with the gains made in the six months ending June 30, 1983, are as follows: *Byte*, 12.3% vs. 38.2%; *Personal Computing*, 39.2% vs. 154.6%; *Popular Computing*, 24.3% vs. 110.3%; *Video*, 30.7% vs. 67.5%, and *Video Review*, 37.3% vs. 59.5%.

These high-tech titles lost circulation: *80 Micro*, 4.4%: *Electronic Games*, 4.1%, and *Microcomputing*, 22.1%.

In other areas, recent readership trends continued for the most part, though there seemed to be a few more magazines showing circulation drops than before.

For instance, among the top 10, only two, *TV Guide* (No. 2) and *Modern Maturity* (4) reported higher circulations, by 0.4% and 12.1%, respectively. In the six months ending June 30, 1983, five magazines showed gains. The remaining eight this time suffered declines: *Reader's Digest* (1), down 1.6%; *National Geographic* (3), down 1.5%; *Better Homes & Gardens* (5), down 0.2%; *Family Circle* (6), down 4.1%; *Woman's Day* (7), down 1.3%; *McCall's* (8), down 0.8%; *Good Housekeeping* (9), down 2.3%, and *Ladies' Home Journal* (10), down 1.5%. The ABC data do not include as magazines the major Sunday newspaper supplements, *Parade* and *Family Weekly*.

All six of the Seven Sisters in the top 10—*Better Homes & Gardens*, *Family Circle*, *Woman's Day*, *McCall's*, *Good Housekeeping* and *Ladies' Home Journal*—lost circulation. The seventh, *Redbook*, was the only gainer, up 1.5%.

Among business books, gains ranged from 1.1% for *Forbes* and 1.4% for *Fortune* to 15.4% for *Venture* and *Inc.'s* 25%. *Barron's* and *Business Week* declined by, respectively, 2.6% and 0.4%.

Of the newsweeklies, the largest, *Time*, showed a decline of 1.9% while the next largest, *Newsweek*, was up 0.5% and the third-largest, *U.S. News & World Report*, rose 0.1%.

Almost all the men's sophisticates continued to lose circulation, with *Playboy* down 1.1% and *Penthouse* down 7.3%.

Among magazines that were reporting their circulations for the first time to ABC: *Family Computing*, 315,830, and *Vanity Fair*, 281,519.#

Largest magazines by circulation

Modern Maturity's gain of more than 1 million readers was one of only two increases tallied by the top ten magazines. The 0.4% jump by *TV Guide* was the only other increase. *Family Circle* registered the largest loss – nearly 300,000 readers. Figures represent the per-issue average for the six months ending June 30 of each year. *Source: Audit Bureau of Circulations*

Rank					Per cent
'84	'83	Name	6/30/84	6/30/83	change
1	1	*Reader's Digest*	18,012,397	18,299,091	– 1.6
2	2	*TV Guide*	17,345,473	17,725,471	+ 0.4
3	3	*National Geographic*	10,202,854	10,357,853	– 1.5
4	4	*Modern Maturity*	9,887,549	8,822,161	+12.1
5	5	*Better Homes & Gardens*	8,003,399	8,022,794	– 0.2
6	6	*Family Circle*	7,003,508	7,303,488	– 4.1
7	7	*Woman's Day*	6,858,487	6,949,344	– 1.3
8	8	*McCall's*	6,224,408	6,277,293	– 0.8
9	9	*Good Housekeeping*	5,296,527	5,420,830	– 2.3
10	10	*Ladies' Home Journal*	5,123,096	5,200,705	– 1.5

Request For Proposals

The New York Convention Center Operating Corporation requests proposals for the furnishing of consultant services to secure exclusive and/or sponsorship commitments for the New York Convention Center.

Proposals must meet all requirements and conditions contained in the request for proposals, which may be obtained in person or by mail from the Deputy Director of Operations at the address listed below, on or after Aug. 27, 1984.

Compliance with the applicable Federal, State and City of New York affirmative action and equal opportunity regulations is required of all proposals.

On the basis of the proposals submitted, the New York Convention Center Operating Corporation, will select an applicant to assume sole responsibility for securing these commitments.

Proposals must be submitted to the New York Convention Center Operating Corporation no later than 2pm on the 13th day of Sept. 1984.

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AdWatch

(Continued from Page 4)

vs. 20%), a margin McDonald's hasn't enjoyed since the January survey (41.8% vs. 21.5%), before the latest skirmishes in the burger battles had broken out.

McDonald's effective counterpunch was its new campaign, themed "It's a good time for the great taste of McDonald's," which broke June 18 (AA, April 16). It appears also to have been a great time for new advertising. The chain's previous theme "Together, McDonald's & you," launched in January, 1983, generated consistently strong awareness: McDonald's has never finished other than first in the 28 months adWatch has been conducted. But competitors have come close in recent months to knocking it from its perch.

Burger King's sharply focused comparative campaigns and Wendy's new-product and "beef" commercials tightened the struggle for top-of-mind awareness. In May, the Big 3 chains' awareness shares were tightly bunched: McDonald's, 29.2%; Wendy's, 22.8%, and Burger King, 18.3%.

"Great taste" has put McDonald's comfortably ahead again. For now. "If we needed improvement in any area it was in the area of being a little younger, a little more contemporary, a little more with it," said McDonald's exec vp and chief marketing officer Paul Schrage of the campaign.

As a result, the original 15-spot pool of "Great taste" commercials (new spots, including several promoting Chicken McNuggets, since have been added) included a few with break-dancers, two with pop group Menudo and one featuring the DeBarge group and dozens of smiling teen-age faces.

The result: Target market identified and captured.

The "Great taste" campaign generated higher awareness for McDonald's among respondents in the 18-to-34 age group than had "McDonald's & you" the previous month. In June, for example, 35% of respondents aged 25 to 34 said McDonald's advertising first came to mind. Its share of that group rose to 43% in July.

But McDonald's biggest gain last month came in the 45-to-54 age group. Its share of first mentions in this important market jumped from 31% in June to 45% last month, proving that even if you're too old to break-dance and aren't interested in owning a DeBarge album, you can still hum a good jingle when you hear one.

It should be noted that last month's adWatch survey was conducted between July 1 and July 20. The national attention focused on McDonald's following the July 18 shootings at its San Ysidro, Cal., store (AA, July 23) had little or no impact on advertising-awareness survey results.

The adWatch survey is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Advertising awareness is measured by asking a nationally projectable sample of consumers to name the advertising that first comes to mind in 22 product and service categories from all they have seen or read in the previous 30 days.

Last month, 1,254 adults were questioned by phone. Under adWatch methodology, an increase or decrease between monthly samplings of 2.8 percentage points is considered statistically significant and attributable to more than sampling variation.

There's more to life and advertising than fast-food. Among noteworthy developments in other product categories last month:

- Speaking of good timing, Procter & Gamble's got it. P&G is rolling out decaffeinated Folger's just as regular Folger's has surged in advertising awareness. With a 3.6 percentage-point increase to 22.5% of first mentions last month, Folger's returned to the No. 1 spot in the **coffee** category. Maxwell House was a close No. 2 in July with a 21.7% awareness share; Hills Bros. was No. 3 with 6.3%.
- The **airline** advertising category has been almost—but not quite—as unpredictable as the airline industry lately. American Airlines, Eastern Air Lines and United Airlines have traded stints in the No. 1 spot for several months. In July, American registered a 5.1 percentage-point gain in first mentions. Its 14.4% of the total tied it with Eastern for the top spot. United was No. 3 with 10.9%.

Don't be surprised next month if budget-carrier People Express, which received only 2% of total first mentions (most of them from respondents in the Northeast) in July, makes a bid for one of the top five spots.

- Americans may not be able to pronounce or spell ibuprofen, but American Home Products' advertising for its new Advil pain-reliever has made its mark in the **medicine and drugs** category. Advil didn't even show up in the June survey (although it may have received fewer than 1% of mentions and have been lumped in the "other" category), but last month it came to mind first for 3.9% of those polled. That put it in the No. 4 spot, behind Tylenol (28.3%), Anacin (6.5%) and Bayer (4.9%), but ahead of Excedrin (2.6%).

Bristol-Myers' ibuprofen-based Nuprin did not show up in July, but that, too, could change.

- Kodak, whose ad awareness dropped in June, last month made up some of the ground lost in the **cameras and equipment** category. Kodak's share of first mentions rose 3 points to 27.1% to increase its lead over No. 2 Canon (16.8%). Polaroid remained No. 3 with 8.3%.
- What happened to Lipton? It still had a stranglehold on top-of-mind awareness in the **tea** category last month with 42.7% of mentions (compared with 7.9% for No. 2 Nestea), but that share represented a 3.7% decline. Chris Evert-Lloyd—and her dad—may have returned just in time (during the Olympics). Tetley held the No. 3 spot with 4.4% of first mentions.

Worth noting is the tea marketer in last month's No. 4 position: It was Luzianne tea, marketed by New Orleans-based Luzianne-Blue Plate Foods Co. Luzianne received 1.8% of first mentions over-all (putting it ahead of Salada), but 5% of first mentions in the South Central region where it is sold.

- Shearson Lehman/American Express' stark new advertising in the **financial services** category shows no faces, no rampaging bulls, no heads turning to listen. Instead, its tv spots use only white type on a black background ("Now may not be a good time to 'play the market'. . .However it may be a very good time to invest in the market"), soberly read by an off-camera announcer. However stark the advertising may be, it has gained Shearson Lehman some surprisingly fast awareness.

After receiving fewer than 1% of first mentions in June, Shearson's advertising came to mind first for 3.4% of respondents, enough to dislodge Smith Barney in the No. 3 spot. Merrill Lynch's bull continued as No. 1 with a 6% share of first mentions and E.F. Hutton held the No. 2 spot with 3.7%.

- Nissan's advertising efforts to persuade consumers to stop calling its cars Datsuns are bearing some fruit in the **cars and trucks** category. Last month, 37 respondents said Datsun, 19 said Nissan, for a total of 56 first mentions (4.5%). Of course, the car maker's real problem is that 281 adults named Ford first (22.4%), 157 said Chevrolet (12.5%) and 123 said Toyota (9.8).#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Stroh run seen as step toward national position

DETROIT—Stroh Brewery Co.'s Oct. 13 run for the Statue of Liberty drives home the company's efforts to move from a regional to a national brewer.

The company expects 400,000 runners in 123 cities to participate in the Stroh's Run for Liberty. Stroh is billing the nationwide happening as the biggest running event in history.

The run also is a merchandising tie-in to Stroh's $3 million sponsorship of the Statue of Liberty-Ellis Island restoration. The $8 runner's entry fee will go to the Statue of Liberty-Ellis Island fund.

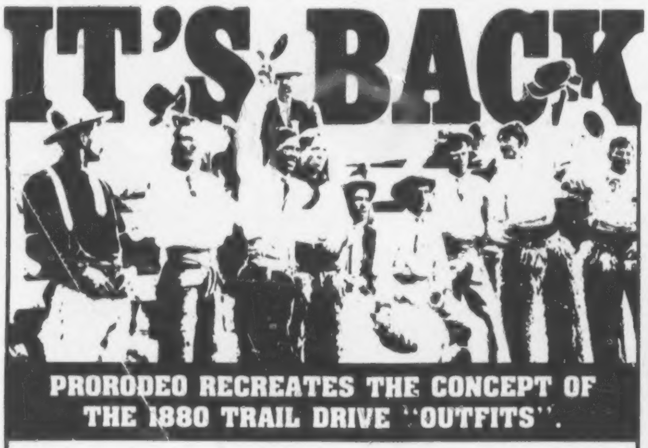
The brewery will be supported in the event by Brooks Shoe, an athletic shoe and sportswear subsidiary of Wolverine Worldwide, Rockford, Mich.

Stroh also is enlisting local radio stations as promotional partners. Promotional announcements, pre-race activities and Brooks merchandise giveaways start Sept. 17, followed by race-day remote broadcasts and live coverage.

Promotion for the 8-kilometer (5-mile) run is through Hobson, Barnes & Associates, an Atlanta marketing service agency.

Stroh and Brooks will provide merchandise prizes and medallions for top finishers in each of the cities. Race sites were chosen to ensure that each state has at least one race, with heavier participation in states where Stroh is making a marketing push.

The brewery is backing the run with 30-second network tv awareness commercials, entry forms in sports and consumer magazines, radio spots and point-of-purchase materials. Marschalk Co., New York, is handling the print ads.#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Thursday, August 30, 1984

Advertising Age®

The International Newspaper of Marketing

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Disney seeks spark via Hasbro

By CLEVELAND HORTON and JAMES P. FORKAN

Walt Disney Productions and Hasbro Industries tantalized the volatile toy licensing marketplace this week with the outlines of a potentially significant tv production and merchandise spinoff alliance.

Disney, long the premier U.S. animation house, and Hasbro, a toy marketing powerhouse, revealed they have collaborated on a new set of animated characters for both television shows and subsequent merchandise and licensing agreements.

Execs in the toy and licensing fields say the joint venture sounds "promising" and "aggressive." Most, though, declined to say more until further details of the new property become available. Network executives also expressed interest in the programing.

The characters, as yet not revealed, were developed jointly by the two companies, the first time in recent history that Burbank, Cal.-based Disney has split such a chore, according to Barton (Bo) Boyd, Disney exec vp-consumer products. Disney is now in the storyboard phase of creating the tv shows and won't approach the networks for 30 to 60 days, Mr. Boyd said. He added that the tv series and the character merchandising probably will be released at the same time.

Disney has long been a magic name in animation and licensing, though mainly for its pre-1960s theatrical cartoons. It has lately had a tough time scoring in movies and network tv. And while Disney has had prime time series on all three networks, it has stayed away from Saturday morning cartoons.

By linking with Hasbro—which in the past two years has become very aggressive in licensing its own toys to other companies and to tv syndication—Disney apparently is out to capture a share of the licensing revenues, that have been generated by such relatively new properties as American Greetings' Strawberry Shortcake and Care Bears and Hallmark Properties' Rainbow Brite.

The agreement calls for Pawtucket, R.I.-based Hasbro and Disney to share licensing in the U.S. while Disney has exclusive rights overseas. The tv release is expected in early 1985.

Although Disney has created a number of animated characters for theatrical release, this is the first time it has created entirely new characters specifically for tv. "We had considered creating new characters for some time," Mr. Boyd said. He added that the idea of collaborating with another company "sparked both of us [Disney and Hasbro]." Hasbro has licensed characters from Disney in the past.

Network representatives say they have

(Continued on Page 25)

OLYMPIA LIGHT
OLYMPIA
STAY WHERE YOU ARE.
WE'LL SEND THE BEER.

Sending in the Oly

Pabst Brewing, Milwaukee, is backing expanded distribution of its Olympia and Olympia Light beers with new ads themed "Stay where you are. We'll send the beer." The humorous tv spots are airing in Texas and in the East and Southeast. The spots, via Young & Rubicam, reassure consumers that they needn't brave the Northwest to find Oly.

Hills attacks GF's Yuban via Gold Blend

By JENNIFER PENDLETON

San Francisco—Hills Bros., taking a lesson from the success of General Foods' Yuban, has entered the premium coffee market with a new product, Hills Bros. Gold Blend, now in test in Green Bay, Wis.

The coffee marketer, which Nestle Co. is in the process of acquiring (AA, April 16), is presenting the ground high-extract coffee as a slightly higher-price, upmarket alternative to mainstream coffee brands in ads on tv and in free-standing inserts.

"Imagine the taste of coffee fresh from the grinder," the commercial announcer says, spotlighting the product's gold and brown can. "That's the taste captured in new Gold Blend."

Gold Blend's introduction is Hills Bros.' first entry into the premium coffee market that Yuban dominates. Yuban is the only product in the premium category marketed nationally; other popular brands are marketed regionally.

Last year GF introduced a decaffeinated version of Yuban on the West Coast, far and away Yuban's strongest selling area. GF earlier this year launched Le Cafe, a flavored line of ground-roast coffees, under the heretofore instant-only International Coffees label.

Like almost all coffee marketers

(Continued on Page 25)

K/D/P wins $6.5 million Cal. pitch

Sacramento—California's newly formed Department of Commerce here named Keye/Donna/Pearlstein, Los Angeles, to handle a $6.5 million advertising campaign for tourism and business development starting early next year.

The agency, which earlier completed a $300,000 market-research project for the department, was chosen over review finalists N W Ayer, Los Angeles and Ogilvy & Mather, San Francisco.

About $5 million of the department's $6.5 million advertising budget will be devoted to stimulating tourism; the remaining $1.5 million will apply to attracting business and industrial investment in the state. Tv and print ads in the western U.S. will start in January or February.#

Seeking network for fall schedule

New USFL ratings study

By ROBERT RAISSMAN

The U.S. Football League is moving ahead with a game plan designed to gets its fall, 1986, games on one of the networks.

The young USFL commissioned Yankelovich, Skelly and White to perform a study projecting television audience ratings for its 1986 shift to a fall schedule.

However, there is no guarantee the USFL owners will use the Yankelovich numbers. Earlier, they decided to move from spring to fall football despite statistical pitfalls presented in another league-commissioned study by McKinsey & Co. (AA, Aug. 20).

But Doug Kelly, a USFL spokesman, said the results of the new study will be used in negotiations with the networks. CBS and NBC currently carry National Football League games on Sundays, leaving only ABC without weekend professional football. At ABC, which has been carrying USFL's spring-summer games (along with ESPN), an official said that network is not interested in pitting the USFL head-to-head with the NFL. The NFL network contract expires before the 1986 season.

A highly placed USFL source who has been briefed on Yankelovich's initial findings said the research company had "an excellent"

(Continued on Page 27)

A marketing tour of th

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Presstime

Marschalk pins Diaparene; Pamprin line to Doner

New York—Sterling Drug's Glenbrook Laboratories has moved its Diaparene baby products line to Marschalk Co., New York, from N W Ayer. Billings are estimated at $1.5 million. Also, Chattem, Chattanooga, has moved an estimated $2 million in billings for Maximum Cramp Pamprin to W.B. Doner & Co., Baltimore, from Marschalk, which continues to handle regular Pamprin and other Chattem products.

California Cooler may pull cork on McCann

Stockton, Cal.—California Cooler, following months of reported dissatisfaction with marketing efforts for its wine cooler, is reviewing agencies for the estimated $7 million-to-$7.5 million account. McCann-Erickson, San Francisco, appointed earlier this year, is expected to compete against Chiat/Day; Ketchum Advertising; J. Walter Thompson USA, and Young & Rubicam, all San Francisco; Della Femina, Travisano & Partners, Los Angeles; Michael-Stewart Advertising, San Mateo, and Girvin, Conrad & Girvin, Sacramento.

O&M checks out from Marriott account

Washington—Marriott Hotels & Resorts and Ogilvy & Mather have agreed to end their relationship. Marriott cited its shift toward local, regional and direct marketing as the reason. The company spent $4 million a year through O&M, 24% of the hotel chain's national advertising budget.

(Continued on Page 27)

BEST AVAILABLE COPY

Midway move may hatch new airline

By SCOTT HUME

Midway Airlines is contemplating creation of a new low-cost airline by buying out bankrupt, low-fare carrier Air Florida.

That airline initially will carry the Air Florida name, but a spokeswoman for Chicago-based Midway said it has formed a new subsidiary called Midway Express through which this week's buyout negotiations have been implemented.

The spokeswoman declined to speculate about what name Air Florida's planes eventually would carry if a buyout can be arranged. The name Midway Express is similar to Midwest Express, the business class airline operated by Kimberly-Clark Corp., Neenah, Wis.

Even if Air Florida's operations are absorbed into the existing Midway system, they would provide important added muscle. In addition to gaining Florida routes and more arrival and departure slots at New York's LaGuardia and Washington's National airports, Midway would gain operating rights into Westchester County Airport in New York for its Midway Metrolink business-class service.

The Westchester and LaGuardia slots would lessen the importance to Midway of its flights between Chicago and Newark. Low-fare carrier People Express, Newark, last week began flying that route (AA, Aug. 20), and fare cuts on the route by major carriers followed.

Midway on Aug. 27 presented a preliminary buyout proposal to a U.S. bankruptcy court judge in Miami, who gave Midway until Sept. 14 to present a detailed, final plan for absorbing Air Florida.

Under Midway's preliminary proposal, Miami-based Air Florida next month would resume flying (as an independent carrier) between Westchester, Washington, and several Florida cities. Service between Chicago and Westchester would be started.

That first phase would be in effect until November, after which time Air Florida could be folded into Midway.

A Midway buyout of Air Florida would require approval from the Civil Aeronautics Board, Air Florida's creditors and the U.S. bankruptcy court in Miami.

Meanwhile, Midway this week moved to strengthen its frequent-flier program by announcing an updated version of its FlyersFirst system, originally begun March 1.

The revamped FlyersFirst II still offers reward packages based on number of round-trips flown rather than miles flown (a measurement used by other carriers).

Print ads for the new program break Sept. 4, backed by a direct-mail campaign. Ally & Gargano, New York, is Midway's consumer agency. Zwiren & Wagner, Chicago, handles trade advertising.#

Underwear success leads to sale of Klein division

By PAT SLOAN

New York—In one year Calvin Klein's masculine-styled underwear for women has become a classic, with sales topping $48 million. That success, which the designer says "no one would have expected," may have required Calvin Klein Industries to sell its women's underwear division to Kayser-Roth Corp.

As demand for Klein's gender-bender underwear has grown, so has the competition from a handful of companies that might not have as toney a name as Calvin Klein, but are well muscled on the manufacturing side.

Kenosha, Wis.-based Jockey International's Jockey For Her, which began rolling out in fall, 1982, now is sold nationally, while Murjani International announced just a few weeks ago it is introducing a collection of Gloria Vanderbilt women's underwear with mannish lines (AA, Aug. 2). Then, too, there have been a slew of similarly fashioned products from knock-off artists that have copied the look but not the high price of these department-store labels.

For several months Klein's competitors have been saying the rapid growth of that company's own sales and the profusion of competitors it has engendered have put pressure on the designer's manufacturing plants. To continue to grow in women's underwear and withstand the onslaught of those companies with greater manufacturing capabilities, Calvin Klein Industries opted to sell the division to Kayser-Roth, they say. The sale was announced Aug. 27.

Reached at his office, Mr. Klein wouldn't couch the reasons for the sale—terms of which were undisclosed—in exactly those words. But when asked about reported manufacturing difficulties, he noted, "No one gears up for that kind of production in the first six months of a business. When we started out, no one would have expected this to be the success it has become. At one point Bloomingdale's couldn't run an ad for the line because every time it came in, it sold out the first day on the floor." The store

(Continued on Page 26)

Highlights

Hasbro Industries and Walt Disney Productions see great tv and licensing potential for a cartoon project due in 1985 on tv and store shelves. The two companies are sharing creative and licensing aspects. *See Page 1.*

U.S. Football League has commissioned Yankelovich, Skelly and White to project tv ratings when the league moves from spring to fall. The study is expected to be used by the USFL as a negotiating tool with the Big 3 tv networks. *See Page 1.*

Kayser-Roth Corp. will buy Calvin Klein's women's underwear division for an undisclosed sum, but leave Calvin Klein in the designer's seat, which may let Mr. Klein have his cake and eat it too. *See Page 3.*

Book-of-the Month Club has turned to another crowded field—microcomputer software and books. *See Page 5.*

Seventeen, at 40, has much to celebrate: Circulation, ad pages and ad revenues are rising, at a time when its audience, women 13 to 19, is shrinking. *See Page 24.*

New York Post will jump into battle for the city's business-to-business ad dollars Sept. 18 with the introduction of a special business pullout section to be published every Tuesday. *See Page 26.*

DIRECT MARKETING

A recent survey of retailers showed they thought direct mail was the medium that best served their needs. *See Page 8.*

Home Box Office is leading a cable-industry direct-marketing program that aims to reach 25 million households this fall. *See Page 9.*

SPECIAL REPORT

Spending an estimated $38.6 billion on projects in 1984, the growing battalion of do-it-yourselfers has contributed to the growth of the home-improvement market, and hardware stores, mass retailers, home centers, specialty retailers and even product manufacturers have altered the way they do business to keep up with the changing marketplace. *See Page 11.*

The warehouse retailer is a growing phenomenon in the d-i-y home-improvement market; an example is Atlanta-based Home Depot, which has captured about 20% of the local home-improvement market with only four stores, by stocking everything to build a house and providing the service to explain how to do it all. *See Page 12.*

Host of tv's "This Old House," Bob Vila talks about how the proliferation of do-it-yourselfers is affecting the business of home-improvement contractors. *See Page 14.*

REGIONAL REPORT

With the National Football League season about to begin, many teams are marketing themselves aggressively to lure fans into their stadiums. *See Page 26.*

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Video Theater is one of a number of companies setting up video retail outlets in unexpected locations—this one in a grocery store.

Videocassette rental sites in darndest spots

By SUSAN SPILLMAN

From a train station in the nation's capital to bookstores, grocery stores, movie theaters and even U-Haul outlets, videocassette rental facilities are sprouting just about everywhere.

The 12,000 traditional video retail stores specializing in renting and selling videocassettes and videocassette recorder hardware face growing competition from an estimated 2,000 unrelated businesses that have found shelf space to "moonlight" in videocassettes.

The nontraditional video retailers offer customers convenience and generally bargain prices. Prices for a one-night rental average about $2 in these stores, compared with as much as $4 from a video dealer.

Traditional dealers, on the other hand, offer greater selection. Therefore, such store owners claim they are not threatened by their new competitors.

"We offer bigger selections and experienced salespeople. You wouldn't buy records at K mart, would you? Then why should people want to rent cassettes at the supermarket," said a spokesman for the Video Software Dealers Assn.

"Record stores were the first of the new breed [of nontraditional video dealers], but now just about any type of business that has space and customer traffic is discovering that getting into the videocassette act can be very profitable," said Dave Butterfield, president of Butterfield Communications, a Cambridge, Mass., research company.

The reason is simple—startup costs are low and profits can be high. Setting up a video shop inside a store can cost less than $35,000, while first-year profits can exceed $50,000, Mr. Butterfield said.

For some companies such as Publix Super Markets, Lakeland, Fla., there is no upfront investment at all.

Video Theater, a video products distributor, supplies the grocery chain with several hundred tapes, as well as videocassette players, to rent. The two companies then split the revenues. Publix currently has video outlets in 32% of its 125 stores and is looking to add more, said Dean Ramus, assistant director of store operations for the company's division in Lakeland.

Publix isn't the only grocery store operation getting into video. Since March, six San Francisco area stores owned by Safeway Stores, Oakland, Cal., have been renting and selling videocassettes.

"A grocery store is the perfect place to rent videos. You can pick up a steak for dinner and get a movie to watch with it all at the same time," said John Saltners, a spokesman for That's Entertainment, which supplies Safeway with its video inventory.

In Manhattan, an outlet of the Food Emporium chain also is selling and renting videocassettes, but store officials declined to comment.

Renting videos also can help a store sell more of its staple prod-

(Continued on Page 5)

Polled retailers stamp approval on direct mail

SCARSDALE, N.Y.—Direct mail beat out newspapers as the most responsive medium to retailers' needs as advertisers, according to a recent survey.

Of the retailers surveyed, 38% found direct mail to be the most responsive ad medium to their needs; 34% cited newspapers; 7%, television, and 6%, radio. In the subcategory of food retailers, 48% found direct mail to be most responsive.

The survey, conducted by Aaron Cohen Marketing Services, was commissioned last year by Advo-System, Hartford, Conn., the nation's largest direct mailer.

Top executives in nearly 400 retail stores were interviewed. Food and food-related retailers comprised 45% of the sample. Most of the rest were from automotive, department, discount, drug, furniture, hardware or home improvement stores.

The sample's median annual retail sales volume was about $237 million, and the average number of retail outlets was about 32 stores.

The survey found that 87.6% of the retailers interviewed were satisfied with the results of their direct or shared-mail advertising.

It also discovered that 91.5% of the retailers planned to use direct-mail advertising again, and that more than 46% also planned to increase their 1984 budget for direct mail. Another 46% intended to keep their budgets the same. Only 6.8% said they would decrease their direct-mail budgets this year.

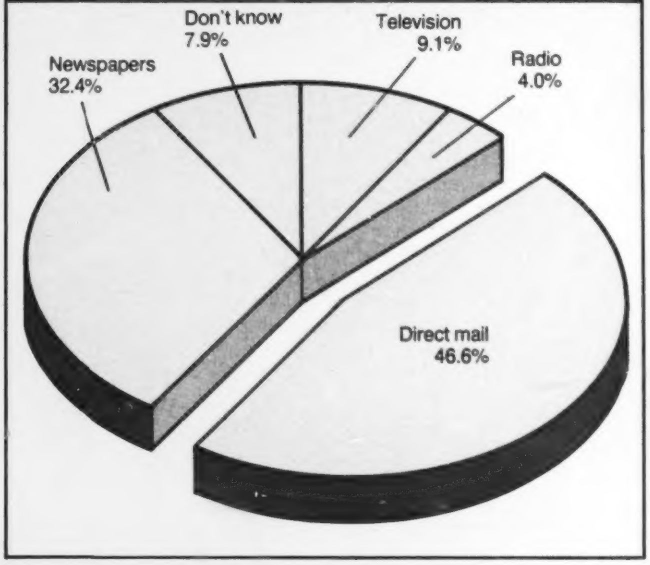
In contrast, the survey found that 39.3% of the newspaper and 28.1% of the magazine advertisers planned increases; 39.3% of the newspaper and 56.3% of the magazine advertisers planned to keep their budgets the same, and 22.3% of the newspaper and 12.5% of the magazine advertisers anticipated decreases.

Nearly half of the responding retailers said that direct mail was the best way to avoid duplication of an advertising message (for example, the duplication that occurs when ads appear in competing newspapers). Over-all, 49% of the retailers said this was so, but among food retailers, in particular, 55% said direct mail avoided duplication, four times as many as favored newspapers.

The survey also found that retailers believe direct mail most effectively keeps advertising expenses in line. Direct mail was so judged by 32% of the respondents, newspapers by 25%, radio by 10%, tv by 6% and magazines by 1%.#

Retailers on direct mail

Direct mail was selected most often by leading retailers as the medium which best pinpoints their advertising message to a specific trading area.
Source: Aaron Cohen Marketing Services



CMG Telemarketing to add inbound unit

Bruce McBrearty, president of CMG Telemarketing, says his company is launching inbound telemarketing capability to capitalize on a large potential for new business.

ALEXANDRIA, VA.—CMG Telemarketing is launching an inbound telemarketing center on Oct. 1 in Pasadena, Cal.

CMG, which has been providing outbound telemarketing services for five years, will now provide full-service inbound capabilities, too, including computer-assisted scripting, call monitoring and reporting and fulfillment, said Bruce McBrearty, president.

A new division, CMG Inbound Telemarketing, will be headed by an as-yet-unnamed executive with considerable experience in the telemarketing field, Mr. McBrearty said.

Generally, in outbound telemarketing an agency calls customers on behalf of a client, such as a retailer, to spur business with such strategies as special offers. In inbound telemarketing, customers call the agency, via a toll free 800 number, responding to the client's advertising or requests.

The bulk of CMG's outbound telemarketing business has been for clients active in fund-raising and development, such as charitable associations, political groups and television ministries.

Current clients include the American Medical Assn., tv evangelists Rex Humbard and Oral Roberts and the Republican Senatorial Committee.

CMG has not yet actively pursued customers for its inbound services, Mr. McBrearty said. He expects some existing outbound clients will use the new inbound services.

"Many of our clients came to us and said that they needed this," he said. "We will also be developing a lot of new business, particularly in tv direct response and the business-to-business area."

Mr. McBrearty said that CMG has developed many telemarketing skills through its outbound service that should make it attractive to inbound customers, too.

"Because of the expertise that we've developed in outbound telemarketing, we'll be able to do much more for our inbound clients than simply take orders on the phone," he said. "By working closely with our clients, we'll be able to talk about the companies and products that we represent, even sell."

Marketers are at the threshold of a new era in direct response, he said, explaining, "The vast potential of the 800 number has hardly been tapped. It is our hope that the formation of CMG Inbound Telemarketing will stimulate large numbers of organizations to explore more fully what can be accomplished with inbound telemarketing."

CMG currently is installing in its Pasadena facility 75 computerized work stations that will give it the capacity to handle from 20,000 to 30,000 inbound calls a day. Charges for the service have not been set yet but will be based on the number of calls handled.#

Essence, Hanover House unveil catalog for blacks

NEW YORK—Hanover House and Essence Communications, publisher of *Essence*, have teamed up to produce a mail-order catalog, Essence By Mail, aimed at black women aged 20 to 50.

Acting through their subsidiaries, Hanover House's Leavitt Advertising and Essence's Essence Direct Mail Marketing, the companies are planning a joint venture to produce five catalogs a year: Spring, summer, summer sale, fall and holiday.

The first catalog, 32 pages, is due the first week of September, with a distribution of 500,000. The catalog, which features black models exclusively, displays a range of moderately priced merchandise, including fashions, accessories, home-decorating items and the Essence line of intimate apparel.

The product mix, said James Forsythe, assistant managing agent and president of Essence Direct Mail Marketing, is 60% fashion and 40% home goods. "We're targeting the catalog toward the *Essence* audience," said Mr. Forsythe, "but to make it viable, we have to reach well beyond that."

The magazine has a circulation of 800,000, 650,000 of which are subscriptions, he said. The September catalog will test 50,000 of those subscribers matched against the Hanover House list of mail-order buyers. In addition, he said, Essence will test purchased lists of mail-order buyers selected on the basis of predominantly black Zip codes. "We'll be looking at both Zips and census tracts."

Essence Communications, founded in 1970, is a privately held communications company with interests in publishing, tv and merchandising. Ed Lewis, publisher-chief executive officer, said, "This joint venture with Hanover House marks a significant step forward in our plans to diversify ECI's operations. Essence By Mail is a natural extension of our success in magazine publishing, and will capitalize on the credibility we've established with black consumers."

For Hanover House, this is the first time it has teamed up with a publication to produce a catalog, said president Harold Schwartz.#

Senior editor Paul L. Edwards, New York, is the editorial director of the ADVERTISING AGE *Direct Marketing section.*

MacDantz signs fourth agency link

McLEAN, VA.—MacDantz Direct, a national direct-marketing agency, has formed its fourth affiliation with a general advertising agency since opening its doors 15 months ago. This latest is with Mel Richman Inc., Philadelphia.

Under the agreement, MacDantz will establish an office in MRI's headquarters building and provide its services in the Delaware Valley exclusively through Richman.

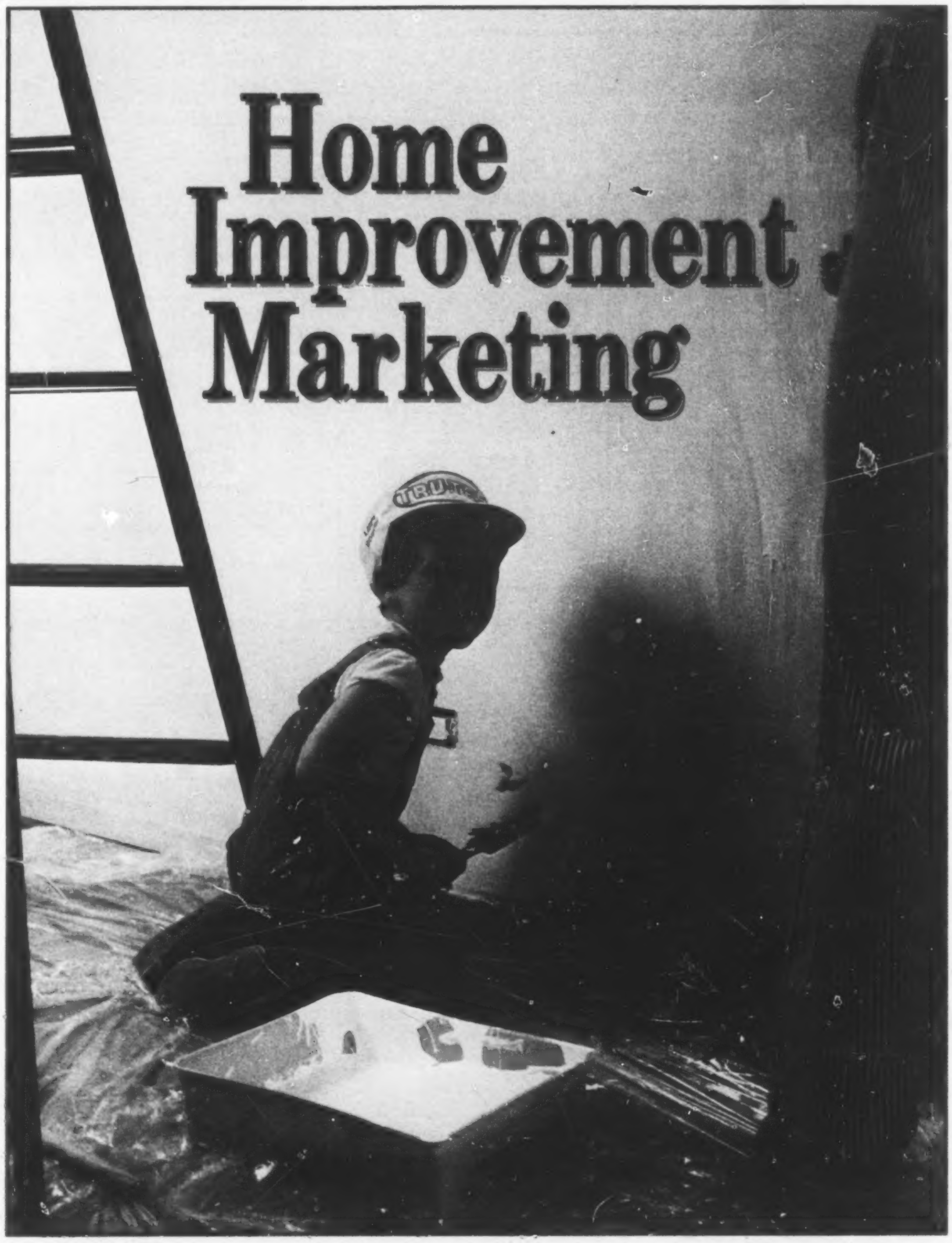
"We will have access to their direct-marketing expertise in the Philadelphia area," said MRI pr director Robert Ehlinger. "They will have access to our creative services here. We'll split the revenue from mutual projects."

Mr. Ehlinger said the Richman shop traditionally has been strong in creative, graphics and copy but had limited resources in direct marketing, an area that has become important to the agency.

"Rather than go out and try to develop our resources internally, we decided to go outside for more horsepower," Mr. Ehlinger said.

The MacDantz office in Philadelphia will be managed by William Ball, vp. Before joining MacDantz, Mr. Ball was vp of new-business development for Credit Card Service Corp., working on direct-marketing programs with financial institutions, retailers and oil companies. The other general agencies with which MacDantz is affiliated are Tucker Wayne Co., Atlanta; Needham, Harper & Steers/USA, Washington, and Lawler Ballard Advertising, Norfolk, Va.#

Home Improvement Marketing



Neal Vance

Do-it-yourselfers painting new face on industry

Just when you thought it was safe to buy an 8 ft. length of 2-by-4.

Unsuspectingly, you drive to your local home center. Inside, hordes of home improvement shoppers, armed with checklists and charge cards, hover around high racks of hardware and decorating products. After covering about 2½ miles of aisles, you come upon a huge doorway that opens into a yawning cavern of wood, stacked to the rafters.

You get the funny feeling you may be involved in something much bigger than buying a board. And, as a member of the booming battalion of do-it-yourselfers, you are.

In 1984, says Brad Farnsworth, executive director, Do-It-Yourself Research Institute, Indianapolis, about 75% of U.S. households will be involved in a d-i-y project. He estimates homeowners will spend about $38.6 billion this year on d-i-y projects. To put this figure in perspective, d-i-y expenditures (in 1984 dollars) totaled $26.5 billion in 1980, and annual spending is expected to hit $75 billion by 1990.

Mr. Farnsworth attributes much of the growth in the market to the baby boomers' recent rise to homeowner status. Their hands-on approach to life, coupled with their general disdain for paying a plumber $40 an hour to install a new faucet, makes these boomers the prime targets of d-i-y marketers.

"If you want to know what triggered the do-it-yourself movement," says Patricia Coleman, editor of *Building Supply & Home Centers*, Des Plaines, Ill., "just take a look at how much contractors are getting paid an hour."

While cost savings may be the initial motivation, Mr. Farnsworth indicates that an emotional factor counts more than the money. "When you can bring someone into your home and say 'I put up that track lighting,' . . . there's a great sense of satisfaction that transcends the economic side."

Ralph Dillon, president of Plano, Tex.-based Bowater, a home improvement warehouse center, condenses the motivation behind the movement into its most basic terms. "This is a *need* business," he says. "Everyone has the basic needs of food, clothing and shelter—we're talking about providing and upgrading shelter."

The entrance of warehouse retailers such as Bowater has started a race for market share. "More and more traditional building supply outlets are . . . developing a specific market strategy to position themselves in a niche from which they can compete with the new wave of retailers," says *BS&HC* publisher Joseph Modaff.

Once the domain of lumberyards and corner hardware stores, the industry is now a prime example of retailing dynamics, pulling Sears, Roebuck & Co. into direct competition with old-line local lumberyards. One of the building supply industry's earliest players, North Wilkesboro, N.C.-based Lowe's Cos.' stock meetings formerly were attended by building supply analysts, says Wyatt Kash, editor, *National Home Center News*, New York. "Now when they talk to analysts, half of the people in the crowd are retail specialists," he says.

"It hasn't been easy for a lot of these [building supply] people, who were accustomed to taking $3,000 sales orders from contractors, to shift to selling 59 cent washers," Mr. Kash says. "Many of the building supply centers just didn't have a retail mentality or capability."

But survival in this market means that hardware stores, mass retailers, home centers, specialty retailers and even product manufacturers must drill that mentality and capability into their staffs. Consumers are now driving what once was a trade-driven business.

Warehouses stack the deck

By Jim Auchmutey

Saturday morning in Atlanta. At one large hardware store on the east side of town, six cars, including employes' vehicles, sit in the lot. A couple of miles away at a supermarket-size home center, a young woman yawns at the only open cash register and files her nails

But down the road at Home Depot, a home improvement warehouse, the parking lot is crawling with cars, many bearing out-of-county license plates. Inside, a dozen checkout lines are open. Customers wander wide-eyed through canyons of stock shelved 20 ft. high, dodging forklifts that ferry everything from flooring to roofing to the kitchen sink.

It's like Six Flags Over Gypsum.

Although it is nowhere near the largest chain of home centers in the nation, Atlanta-based Home Depot Inc. is the hottest thing in home improvement since the hammer, according to many analysts and competitors. It was the only home improvement company—and one of very few retailers—to make the *Inc.* 100, that magazine's ranking of the fastest growing small public companies of 1984.

Since opening its first store in Atlanta five years ago, Home Depot has captured an estimated 20% of the local home improvement market with just four stores. Outlets are now in Louisiana, Florida and Arizona —21 in all. Plans call for almost twice that number by the end of 1985, after Texas and California are invaded.

Oddly, many people in the industry say they believe Home Depot and other warehouse operations have not wrested business away from competitors such as lumberyards, hardware stores and smaller home centers. As Home Depot chairman Bernard Marcus is fond of saying, his big sell makes the pie fatter for the whole home improvement industry.

"I agree with him," says Leonard Herring, president of the North Wilkesboro, N.C.-based Lowe's Cos., a much larger chain of much smaller home centers. "Sales at our Atlanta stores have increased above the company average. The warehouses seem to be increasing the business as well as setting standards others are looking to."

The warehouse concept pioneered by Home Depot is the third stage in the evolution of home improvement retailing.

In the 1950s, the hapless handyman had to visit six or more suppliers if he wanted to renovate a house. The business was so tailored toward professionals that the do-it-yourselfer often was too intimidated to ask for something as piddling as five furring strips. Change started slowly three decades ago as lumberyards set up cash-and-carry operations to accommodate nonprofessional customers.

> **"The warehouses seem to be increasing the business as well as setting standards others are looking to."**
>
> *—Leonard Herring*
> *Lowe's Cos.*

But the real revolution in the home center evolution occurred in the 1960s with the birth of home centers, pioneered by the Handy City and Handy Dan chains, now owned by W.R. Grace & Co., New York. Home centers offered a little of almost everything needed for the house.

The warehouse idea hinges on offering a lot of everything. "We wanted the customer to be able to literally build a house out of a Home Depot," says Mr. Marcus, a former Handy Dan executive. "So we came up with a store that's basically a warehouse with cash registers up front."

Home Depot is industrial-strength retailing. The stores are bigger—80,000 sq. ft., more than twice the size of most home centers—the selection wider—25,000 units stocked, about double home center inventory—and usually cheaper—the average pricing margin is rock bottom by industry standards, 28%. And that's "too damn high," Mr. Marcus says.

The most surprising thing is that Home Depot forged this formula and made it work during the worst U.S. recession in 50 years.

Not surprisingly, the concept has been imitated. Many conventional home centers have added space to their stores and increased their inventories. And several warehouse chains have been started, including Plano, Tex.-based Bowater, Los Angeles-based Home Club, Margate, Fla.-based HomeOwners Warehouse, San Antonio-based Home-Pro Warehouse and New Orleans-based HouseWorks.

Still, the warehouse trend is in its infancy. "We need to put this thing in perspective," says Harry Franta, editor of *Home Center Magazine*, a Vance publication based in Lincolnshire, Ill. "There are perhaps 50 warehouse stores operating in the U.S. If each did $15 million in annual sales—and that would be a very good average—that totals $750 million."

Last year, Lowe's rang up almost twice that amount, resulting in total sales of about $1.4 billion. And *Building Supply & Home Centers* reports that the 322 largest home improvement retailers' 1983 sales reached $25.5 billion. Only a handful of those 322 companies were warehouse operations, although Home Depot's sales of $256 million topped the average of $79 million.

Mr. Franta says he does not want to "belittle the trend. Warehouses are growing. Some of the better thinkers in this industry say they will capture 7% to 10% of the industry."

That would be remarkable. Home improvement is a very fragmented business dominated by local and regional chains. None of the big boys—Lowe's; Payless Cashways Inc., Kansas City, Mo.; Wickes Cos., Santa Monica, Cal.; W.R. Grace—commands more than 3% of the national market. Smaller home centers as a group account for more than a third of it.

Increasingly, the market is the province of the home handyman. This year, the Do-It-Yourself Research Institute, Indianapolis, estimates that almost three-fifths of the $68 billion Americans will spend on home improvement will come from the hip pockets of nonprofessionals. A primary reason: The rising cost of buying and maintaining a home.

"Do-it-yourselfing has become

Jim Auchmutey, a writer with the Atlanta Constitution, *is renovating his home. He reports being on a first-name basis with every clerk in every Atlanta-area home center and hardware store.*

Lowe's renovates its image

When Robert Swanson talks about the strategy of Lowe's Cos., you'd think he was selling Diane Von Furstenberg blouses instead of sheet rock. Lowe's, the second largest home center chain in the nation, takes design very seriously.

"When you walk into a Lowe's, each corner of the store makes a fashion statement," says Mr. Swanson, senior vp-advertising. If a Lowe's executive had said something like that 20 years ago, he might have been sent back to the sawmill to get his mind back on the right plane.

Obviously, things have changed at the North Wilkesboro, N.C., company. Years ago it was known for running lumberyards in slumbering small towns down the East Coast and across the South. No frills, no fashion statements—just lots of wood, sold to professional contractors for the most part.

During the home center revolution of the 1960s and 1970s, Lowe's gravitated toward do-it-yourself retailing, but contractor sales remained the backbone of its business. Increasingly, though, company leadership realized that every time home building slumped, Lowe's was whapped with a 2-by-4 on its corporate keister. When housing starts almost stopped in the late 1970s, the company decided to court the common consumer carpenter in a big way.

It launched a plan called RSVP (Retail Sales, Volume and Profits), aimed at standardizing the company's 241 stores. A consultant was hired to make the showrooms more appealing to retail customers by improving traffic flow and lighting. The product line was shored up, store hours extended, advertising increased.

The result: After a flat sales tally of $1 billion in 1982, Lowe's recorded $1.43 billion in 1983. It was the first good housing year in which the chain made more money selling to consumers rather than professionals.

"That clearly is the future trend," Mr. Swanson says.

In today's home center industry, Lowe's plays a boutique compared with Atlanta-based Home Depot's warehouse. Although Lowe's is constructing larger stores, its typical outlet is 12,000 sq. ft., one-sixth the size of an average Home Depot. And it stocks one-third as many items.

The biggest difference, though, is store appearance. In stark contrast to Home Depot's two-story industrial shelving, the aisles of which are prowled by forklifts, Lowe's has traditional retail displays and pipes in music. "We present merchandise in a way you can envision it in a finished house," Mr. Swanson says. "We don't just show you kitchen cabinets in a row; we show you the wallpaper and countertop. We try to provide the sizzle along with the steak."

As for price, Lowe's beats Home Depot on some things, but it can't meet it item for item. "But price isn't the only thing that matters," Mr. Swanson says. "There's color, pattern, wood tone. The customer wants to know that something's fashion-right."

And, as a typical consumer, I certainly want my 2-by-4s to be fashion-right. *—J.A.*

Nailing down the home improvement market

Top 10 home improvement retailers

	1983 sales ($ millions)	No. of units
1. Sears, Roebuck & Co.	$3,700	850
2. K mart Corp.	1,600	1,180
3. Lowe's Cos.	1,300	235
4. W.R. Grace & Co.	1,000	280
5. Wickes Cos.	1,000	450
6. Payless Cashways	850	117
7. Evan's Products	800	345
8. Sherwin-Williams Co.	750	1,400
9. 84 Lumber	625	340
10. Scotty's Inc.	450	103

Source: *Building Supply & Home Centers*

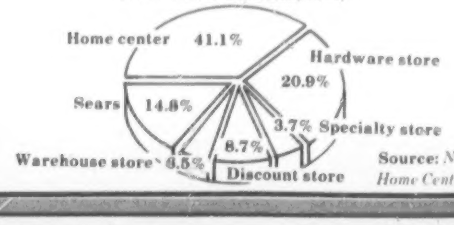
Growth of the home improvement market

	Total market ($ billions)	DIY market ($ billions)	DIY market as % of total
1970	$17.5	$6.4	36.6%
1975	29.7	14.4	48.5
1980	51.4	26.5	51.6
1985	75.9	43.3	57.0
1990	122.4	75.4	61.6

Source: Do-It-Yourself Research Institute

Shoppers preference of retail outlets

(% of U.S. households, 1984)



Source: *National Home Center News*

a very important part of our life style today," Mr. Marcus says. "When money is tight, you can give up a vacation, put off buying a dress or a new car; but you need a roof over your head. Your house is the only damn thing that's worth anything in this world. Fixing it up is a good investment."

Home Depot takes the fixup philosophy to heart. Many of its outlets are located in converted Woolco or Treasure Island stores, and its headquarters is a renovated A&P grocery store on the banks of the Chattahoochee River. Sitting in his office there, Mr. Marcus sounds almost evangelical while explaining do-it-yourselfing. It can get to be an addiction, like jogging.

"We have one interview on tape where a guy says Home Depot is his life," he says. "People laugh when they hear it, but they don't realize that for him, a Saturday without Home Depot is almost like passing up sex."

But for the average homeowner, who'd rather hold a spouse than a hammer, that first do-it-yourself project can be intimidating. That's where service, the other element of the Home Depot formula, comes in. Each store employs more than 120 people, most of them fulltime. It's not unusual to see a sales clerk diagramming a project for a customer.

Finding trained staff is one of Home Depot's biggest potential problems as it expands, industry observers say. One way the store found staff in New Orleans was to raid the competition. In the time-honored tradition of free enterprise, Home Depot hired away employes from Harry's Ace Hardware, a six-store chain whose vp, Don Shellist, calls warehouse stores "the beasts."

Today, a year later, he assesses the warehouses' effect on Harry's: "They had no effect at all—other than making us change our entire operation.

"We had to get better," Mr. Shellist says. "We pushed training very hard. We restructured our ads. We had to attack the high-price image of the hardware store in general, so we ran specials on high-profile items like Black & Decker tools. We almost doubled our advertising the first year just to maintain market share. We used to say 'Harry's Ace Makes Hardware Easy'—very laid-back southern-style ads. Then we went to a guy banging a board on tv and screaming about prices.

"The warehouses," he says, "really shook up the marketplace."

Indeed, when Home Depot invades a city, it's a frontal assault, with advertising as its artillery. In Orlando, for example, they asked customers to bring in the catalog of Scotty's Inc., a 110-store home center chain that's been based in Winter Haven, Fla., almost as long as pink flamingos. Home Depot said it would knock 20% off Scotty's prices. They needed two police officers to direct traffic at one store.

Home Depot's ads are a mirror of the company: Big, no-nonsense and sometimes brash. Newspaper spreads, a monthly

(Continued on Page 14)

Sears, K mart building on homes

By B.G. Yovovich

The far-reaching changes under way in the home improvement market have spurred mass market retailers to embark on some major remodeling projects of their own.

At K mart Corp., Troy, Mich., not only have in-store home improvement product offerings been expanded dramatically and reorganized into mini-home center modules, but this summer K mart acquired Home Centers of America, San Antonio, Tex. Soon after the acquisition, K mart announced plans to aggressively expand HCA operations and move into new markets.

> **"... when people want to make an improvement in a given area of their home, they want to prepare for it in one shopping trip."**
>
> *—Barbara Palazzolo*
> *K mart Corp.*

Giant retailer Sears, Roebuck & Co., Chicago, also has revamped its home improvement retailing operations and is testing a new breed of stand-alone home improvement stores.

Moving in the other direction, J.C. Penney Co., New York, has abandoned the market and removed home improvement products from its stores.

HOMECARE CENTER
CONTEMPORARY LIVING

K mart Corp. has reorganized its expanded home improvement offerings into home center modules.

More generally, the whole industry is abuzz with speculation about the fast-growing warehouse home centers and the impact these changes will exert on existing retail channels. "The whole scenario is changing rapidly," says Barbara Alexander, a vp-building and construction analyst with Salomon Brothers, New York.

B.G. Yovovich is a frequent contributor to Advertising Age *Special Report.*

Sears, Roebuck & Co. is attempting to build a solid reputation in home improvement through its in-house brand names, such as Craftsman tools and Weatherbeater paints.

The changes at K mart illustrate some of the impending fundamental shifts in home improvement retailing. Guided by customer surveys and market research, K mart efforts began with restructuring the chain's in-store home improvement operations.

"We found that not only were people getting more involved in do-it-yourself [activities], but that when people want to make an improvement in a given area of their home, they want to prepare for it in one shopping trip," says Barbara Palazzolo, assistant to the vp for public relations.

"They want to go to one place to purchase the entire package and go home and complete the job on a given day or weekend. We . . . make sure that the merchandise we have complements that one-day project," she says.

In particular, K mart brought together hardware, plumbing and other products that previously might have been located in different departments. Inventories of building materials—roofing, insulation and dimensional lumber, for example—were expanded, and, in many cases, relocated from storage areas. In combination, these moves essentially turned the home improvement modules into 8,000 to 12,000 sq. ft. mini-home centers within the K mart store.

Product packaging also has been changed. "We found that people wanted instructions, so our buyers worked very closely with merchandisers" to provide more detailed information on packaging, Ms. Palazzolo says.

A decade ago, products such as door locks and kitchen faucets generally were placed in plain brown boxes marked with little more than a stock number. Today's hardware box is likely to be "a consumer package, with step-by-step instructions," says Harry Franta, editor of *Home Center Magazine*, a Vance Publication, Lincolnshire, Ill.

"There is better packaging, better presentation, better instructions, and the product has been improved. Even siding and paneling have been improved" and made easier for the do-it-yourselfer to install, he says.

"If you look in a K mart, you will see a lot of stuff that is packaged and ready to go," Mr. Franta says. "It's geared to self-service." The success of the in-store expansion prompted the K mart task force that engineered the effort to examine other possibilities.

"As [the task force members] studied the [home center] warehouse retailing operations, they realized that this was an area that had some real promise," Salomon Brothers' Ms. Alexander says. "And, because it was somewhat capital-intensive, it could give a company like K mart a leg up.

> **"There is better packaging, better presentation, better instructions, and the product has been improved."**
>
> *—Harry Franta*
> **Home Center Magazine**

"It would, for example, be really expensive to put up 10 or 20 [warehouse-size] stores in Chicago," she says. "There is so much in the way of preopening costs, so much in first-year advertising costs, that almost no one could afford it. But for K mart, it would be [on the order of] a penny a share. They could take the hit and not even notice it."

K mart officials also became convinced new warehouse stores would not cannibalize existing K mart home improvement sales.

"Our free-standing home centers will cater to a completely different market," Ms. Palazzolo says.

"In the K mart stores, we are catering to the one-day or weekender projects, whereas our Builder's Square stores, though they will have those one-day things, also will feature products for more extensive, more elaborate projects," she says.

Based on these conclusions, K mart acquired the nine-unit Home Centers of America warehouse chain this summer and announced plans to add two more HCA units in Texas. It also revealed plans to open three Builder's Square warehouses in the Chicago area by the end of 1984. Ten new units are planned for 1985; locations have not been indicated.

At Sears, officials say they probably will not parallel the moves made at K mart. For one thing, although the retail giant rearranged and remerchandised the home improvement areas in its "stores of the future," Sears is limited in how extensively it can tie in with do-it-yourself consumer trends.

For example, its stores, many of which are located in shopping malls, run into logistical problems with items such as plywood sheets and dimensional lumber, making it difficult for Sears to take the "everything you need for your weekend project" approach.

Similarly, stores located in shopping malls often are prohibited from carrying growing goods, products that have been increasingly successful at traditional home centers, in their lawn and garden sections.

Even Sears' experiments with stand-alone home improvement units take a different approach, a Sears official says, attempting to build on its basic marketing

(Continued on Page 14)

Homeowners won't leave contractors out in cold

Special Report: Commentary

Nearly everyone involved in the home improvement market is drumming up images of a dynamic do-it-yourself army. This group of hammer-happy homeowners reportedly is learning how to nail down the intricacies of increasingly complex projects, revolting against the ravages of professional contractors' hourly rates.

To determine whether the legions of professionals are doomed, and to obtain a contractor's opinion of the home improvement movement, we called Bob Vila, host of "This Old House," a Public Broadcasting System tv program. The show, which brings together contractors who transform the homeliest hovel into a majestic mansion, is sponsored by Owens-Corning Fiberglas Corp. and entering its sixth season October.

By Bob Vila

The economics of the mid-1970s were what brought the home improvement market to the forefront.

I pick the Arab oil embargo as the point that really highlighted the economic times; people realized that inflation was getting out of hand and by the end of the '70s they did not want to pay for anything they could do themselves.

What really helped the home improvement industry is that it's simple for most people to become involved in it. Do-it-yourself auto repair hasn't caught on to the same degree because it's much easier for someone to replace the sash cord on a window than a fan belt on a car engine.

This phenomenon—well, I don't know if I can refer to it as a phenomenon because it's always been here—never will let up. As the population increases and more new homes are built and more are rehabilitated, the do-it-yourself aspect of the industry can only spiral upward. Probably the most popular home purchase is the 50-to-100-year-old home. And more people are realizing that nothing is more rewarding than face lifting an old house.

Not to mention the fact that more and more people are making their living rehabilitating and renovating dwellings. Activity in home improvement is happening on so many different levels, all of which support its existence.

No one has lost out by the growth in do-it-yourself projects. Larger contractors work on big jobs, so they haven't been affected. The small home improvement contractor probably has suffered a bit in the short term, but not over-all. The contractor and do-it-yourselfer have a symbiotic relationship.

"Take an accountant who's a real crackerjack carpenter. If he decides to build an addition or totally revamp his house, he can probably handle all the carpentry. But he'll most likely have to call in an expert to handle the plumbing or the electrical or the roofing. You see, the do-it-yourself movement has really built business for everyone because people wouldn't have thought of doing half of the things they're undertaking today. They would have moved to another house or just not bothered before.

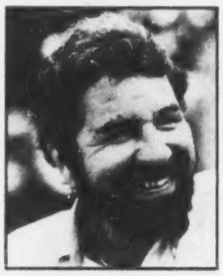
Besides the fact that in building very few people are a jack-of-all-trades, another factor supporting contractors is that most people don't have the time to do projects themselves. In our new show, we're attempting to show that the best approach is a blend between contractor work and do-it-yourself projects. Homeowners just don't have the time or the expertise to handle everything.

Contractors also will function as home improvement consultants for do-it-yourselfers. They won't do this as a mainstay of their business; maybe about 20% of the time. On one hand, they are slightly incredulous that they can charge for their services as consultants. But on the other, they feel they have valuable knowledge and skills that they shouldn't give away for free. It's similar to the way that architects' fees and service are structured.

There's also a lot more advice on the retail side. I've watched lumberyards evolve into home centers, and the major change has been in the personnel who staff the home center of today. Before, you had professionals selling to professionals; the staff didn't have to deal with consumers or do much in the way of traditional sales and service.

Now, one of the most important things for salespeople is that they know how to help people get going on a project without intimidating them, explaining as simply as possible what's needed to undertake and complete a job. The home improvement retailer—along with books, magazines and shows such as "This Old House"—increasingly will be the most important source of information. ■

> **"We're attempting to show that the best approach is a blend between contractor work and do-it-yourself projects. Homeowners just don't have the time or the expertise to handle everything."**
>
> *—Bob Vila*
> *"This Old House"*



Sears

(Continued from Page 13)

strengths: Our good name, our in-house brand names of Craftsman [tools] and Weatherbeater paints.

"There is plenty of room in this industry for different types of retailers, and the most critical thing is to develop a personality in the consumer's mind, something that you stand for."

In particular, the five free-standing units it has been testing during the past year are intended to be essentially convenience stores, offering little more than the full line of Sears paint and hardware. "We sell more paint to the consumer than does any other retailer," a Sears spokesperson says.

When company projections showed that industrywide paint sales would become increasingly competitive and only grow at a 4% rate, "we recognized that we could not just sit there and expect to keep our business."

In contrast to Sears and K mart, J.C. Penney has backed away from the home improvement market. "We eliminated those product lines in order to provide additional space for more fashionable lines of merchandise, which our research shows customers expected to find in department store settings in regional shopping malls where we have most of our stores," says Henry J. Rusman, public affairs field manager.

"We felt that we needed to position ourselves to compete with the traditional department stores for the fashion and home furnishing purchases of the regional shopping center customer," he says. "That was the foundation of our business. We were not essentially a hard lines merchant, and home improvement was a very small part of our merchandise offerings in these large traditional full-line department stores. "We felt that selling hammers and tools next to designer sheets and pillowcases is the wrong mix."

By dropping its home improvement products, J.C. Penney will avoid some of the challenges that will confront retailers that remain in the market. For one thing, efforts to put together an in-store home improvement center require the retailer to develop new skills.

"Just what is the right selection to have in structural panels? How much waferboard to have against plywood? What grades of plywood? How much of each? There is a lot to be learned there," Mr. Franta says.

The extensive advice and services offered by warehouse stores also are likely to put pressure on other home improvement retailers to upgrade their service offerings.

"An important part of the reason that warehouse stores have grown is that they can help the people who don't know anything more than 'I've got this piece of pipe in my hand. It broke off and I need to replace it.' This has been one of the things that has been lacking in mass merchandisers," Mr. Franta says. ■

Warehouse

(Continued from Page 13)

mailed catalog, and tv and radio spots—with spokesman Al Carrell, the syndicated radio "Super Handyman" whose voice must register 10 on the nasal scale—present the Depot's products. The print ads are distinguished by such punnish headlines as "Talk about Cheap!" (for telephones) and "Air to the Throne" (for bathroom fans).

The ad fusillade isn't necessarily bad for competitors, though. Home Depot's advertising "brings attention to home improvement in the whole area," Mr. Shellist of Harry's Ace Hardware says. "Sales were up for our whole operation in 1983." For that matter, Scotty's reports no sales losses in cities where it competes with Home Depot.

So far, then, the do-it-yourself market seems to be growing steadily enough to keep everyone happy. The economy is robust, the grown-up baby boomers are sawing and sanding, and the computerized cash registers are beeping and blipping.

"It'a a race for markets," *Home Center Magazine's* Mr. Franta says. "We have yet to see a warehouse casualty, but I think we will soon. These stores depend on tremendous management talent."

And Home Depot?

"There are limits to management, and somehow they will need to train enough people for this enormous expansion," he says. "But they haven't shown any weaknesses yet." ■

Confidence to fuel growth

At the same time that the home improvement market will present problems and challenges to the myriad retailers jumping into the hammer and nail business, it also is likely to offer some very attractive opportunities.

The cost of hiring home improvement contractors continues to rise, and, says Barbara Alexander, a vp and building and construction analyst with Salomon Brothers, New York, "There are 90 million households out there, including 40 million that are more than 20 years old and are owner-occupied. I have never seen a 20-year-old house that couldn't use some work."

The home improvement industry also has the unusual ability to increase the market for its goods and services. In the food industry, for example, "you can take the number of stomachs in the country and that is the governing factor: How many cubic inches of stomach you have to fill," says Harry Franta, of *Home Center Magazine*, Lincolnshire, Ill.

"Our business has an ability to feed on its own success. If someone comes into the store and does that typical first project—say painting—and goes to the store, gets the right kind of tools and the right paint and gets the job done, it gives them a lot of satisfaction, a sense of accomplishment," he says.

"When that happens, it gives them that all-important confidence to say, 'Hey, the light switch broke, and I don't want to spend $50 to get an electrician over here. I'm going to see if I can do it.'

"What happens with do-it-yourselfers is that the confidence factor keeps growing and the [home improvement industry] pie gets bigger."

Says Ms. Alexander: "One of the things that these companies are trying to do is to get people to feel comfortable about doing larger and larger projects, because, ultimately, that is the way they are going to increase their business." *—B.G.Y.*

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Advertising Age®

The International Newspaper of Marketing

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Nestle ups ante for food mergers

By NANCY GIGES
and GAY JERVEY

Nestle S.A.'s willingness to pay $3 billion to buy Carnation Co. (AA, Sept. 6) is a clear indication that consolidation in the food industry is likely to be slowed by the high ante required to purchase a quality U.S. company.

Signaling growing interest among foreign companies in the huge U.S. food business, a cash-rich Nestle is determined to enhance its presence in the U.S. by paying top dollar—the most involving any non-oil-company acquisition—for Carnation's dairy, pet-food and tomato-products businesses.

In return, it will double its business in the U.S. and will benefit from being able to expand Carnation's products overseas through its established Nestle network. Less than 20% of Carnation's sales come from abroad.

Last year, Nestle obtained about 25% of its $13.4 billion in total sales from North America. But over the past several years, top executives at the company's Vevey, Switzerland, headquarters have bemoaned poor profitability in the U.S.—a condition they clearly wish to correct.

Most analysts put their stamp of approval on the match, despite the high price tag. "It's certainly a great idea for Carnation stockholders," said Ronald Morrow of Smith Barney, Harris Upham & Co.

"It's a good fit," said Robert Cummins of Wertheim & Co. "Both companies are major factors in the U.S. grocery market. The attractiveness for Nestle lies in the fact that the company can broaden its product lines, as well as increase its clout in grocery stores, by having more products."

A spokesman in Vevey said it's too early to know which Carnation brands will be marketed in Europe, but he pointed out that Carnation already is selling in several European countries. "They have their own European network. It will be a question of integrating it with our own," he said.

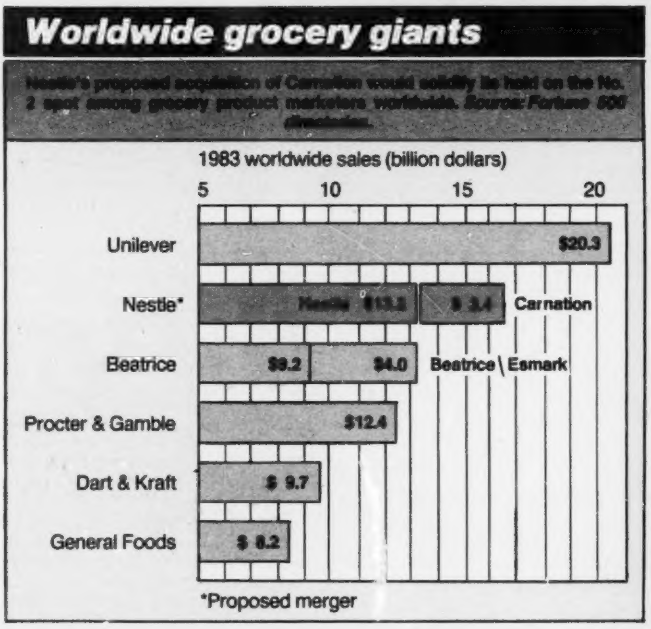
In the U.S., a spokesman at Nestle Enterprises, which oversees 10 U.S. Nestle subsidiaries, including most food operations, said Carnation would report directly to Switzerland and not to James Biggar, president of Nestle Enterprises.

For its part, the Carnation acquisition will give Nestle new opportunities in an array of product lines, most of which Nestle's U.S. operations have never touched.

Although best known for its evaporated-milk products—for years made famous by Carnation's "contented cows"—Carnation also has strong footing with its Friskies and Mighty Dog pet foods, Coffee-mate and Instant Breakfast dairy products and Contadina tomato products, as well as other items in the 200-plus Carnation product line.

Particularly interesting for Nestle—with its highly successful Lean Cuisine frozen foods from its Stouffer's subsidiary—is Carnation's move into the health-and-fitness area. Two years ago, the company christened Carnation Health & Nutrition Centers and,

(Continued on Page 100)



Worldwide grocery giants

Nestle's proposed acquisition of Carnation would solidify its hold on the No. 2 spot among grocery product marketers worldwide. Source: Fortune 500 directories.

*Proposed merger

Court lassos Chiat on work for Pizza Hut

By RUTH STROUD

Los Angeles—Godfather's Pizza won a preliminary injunction against Chiat/Day last week that restricts 10 of the ad agency's staffers from working on or helping those handling the Pizza Hut account.

"Justice has prevailed," noted Julian Pollok, an attorney with Hahn & Cazier, the law firm here representing Costa Mesa-based Godfather's. "We got everything we wanted."

Although the decision may appear novel in advertising circles, where sharing of proprietary information during an agency review apparently is taken for granted, similar suits are common in other industries, Mr. Pollok said.

"This just shows that the advertising business is subject to the same rules as other businesses," he said.

The Godfather's lawsuit, filed on June 29 (AA, July 16, *et seq.*) in superior court here, asked that those agency employes who had been party to a Godfather's review and had access to the company's proprietary marketing information not be allowed to work on the Pizza Hut account. Chiat/Day acquired the account soon after dropping out of the Godfather's review.

The suit, filed before the agency was awarded the $20 million account by Wichita-based Pizza Hut, charged that Chiat/Day would be in an "irreconcilable conflict position" if it won the account and "necessarily be obligated to make use of the confidential" materials it

(Continued on Page 104)

More than Tories win

AA
DC2001ACONGL1 FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

NEWSPAPER

No anti-takeover plan, execs say

ABC's stock puzzle

By DIANE MERMIGAS

Officials of American Broadcasting Cos., while maintaining they do not know who or what is behind last week's ABC stock-buying spree, say they will not take any immediate action against possible takeover attempts.

Executives at Capital Cities Communications and Gulf & Western issued denials of rumors their companies were behind the ABC stock run.

Federal officials say such a merger could pose antitrust and other questions relating to cross ownership of over-the-air broadcast properties, cable tv systems and services and publishing interests.

However, ABC executives and Wall Street analysts agree that the mystery involving ABC stock activity may start unraveling this week.

Any possible tender offer would have to be made soon because a continuation of last week's stock activity would only drive up the price. ABC stock jumped 6 points Sept. 5 and another 2 points Sept. 6. However, at close Sept. 7 trading was down 3⅛ to $74 a share, a price ABC officials say more accurately reflects the company's true worth. Volume also declined, from a high of 1.2 million shares Sept. 6 to 347,900 on Sept. 7.

The Securities & Exchange Commission must be no-

(Continued on Page 102)

Last Minute News

PediaCare cough/cold remedy goes national

Fort Washington, Pa.—Johnson & Johnson's McNeil Consumer Products Co. subsidiary is introducing nationally PediaCare children's cough/cold remedy in three forms. PediaCare 1 is a cough suppressant, PediaCare 2 is a decongestant/antihistamine and PediaCare 3 is a combination of those two formulas. All come in liquid form; PediaCare 3 also comes in chewable tablets. The company plans to launch a $3.6 million multimedia campaign. It was not known at press time what ad agency would handle the effort.

Casualties mount in computer book shakeout

New York—The computer magazine shakeout rumbles on with the folding of *K-Power* and *Compute!'s PC* and *PCjr*. Scholastic says *K-Power*, the 9-month-old magazine that just absorbed rival *Microkids* (AA, June 11), will become a section of its *Family Computing* as of the January issue. Editorial material from *Compute!'s PC* and *PCjr*, which debuted last March from Compute! Publications, Greensboro, N.C., will appear in *Compute!*, with the November issue.

AFL-CIO launches $1.2 million ad campaign

Washington—AFL-CIO is breaking today national tv, radio and print ads covering such topics as education, equal rights, jobs, healthcare, taxa-

(Continued on Page 8)

DDB left holding Atari IOU

By BRIAN MORAN

New York—Atari Corp., stymied by its failure to collect some $300 million in receivables, has left former videogame agency Doyle Dane Bernbach holding the bag for at least $12 million in media costs and unpaid commissions.

According to a DDB source, the agency has not received a penny for its placement of Atari's $6 million Summer Olympics network tv buy. That figure represents "close to half" of Atari's total debt to the

(Continued on Page 104)

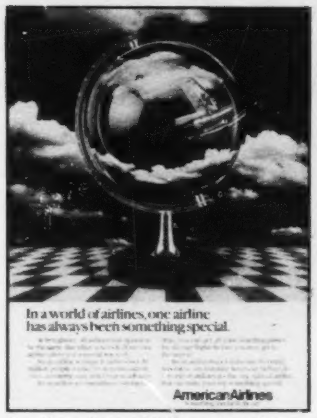
Air-war ads draw battle lines

By TOM BAYER

Airlines headed into the sagging travel season are unleashing ad campaigns that reflect how the survival-of-the-fittest market is shaking out: Struggling carriers are firing themselves up with hard-hitting, fare-based messages, while the superpowers unveil ads that come from cool heads.

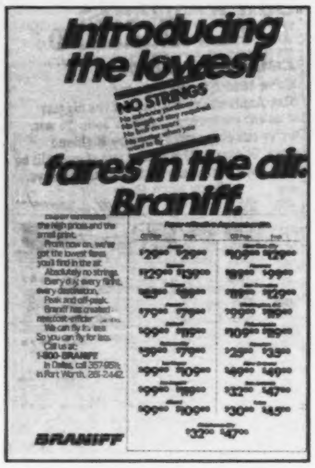
Four airlines, each with new ads appearing last week or being launched today, show how the airline industry is evolving:

- Frontier Airlines, which lost nearly $16 million in the first six months, says its fares are low and lower, "fares you can use."
- Braniff Airlines, shifting its marketing strategy in midstream, says its fares are the lowest.
- Continental Airlines, continuing to fight its way back from bankruptcy, portrays passengers on other airlines slapping their foreheads and exclaiming they could have flown Continental instead of United Airlines or others.


In a world of airlines, one airline has always been something special.
American Airlines

"Continental would have Federal Expressed my ticket to my desk overnight. Free! Why did I fool around with United?"
CONTINENTAL

As American Airlines breaks a new "special" campaign theme, the "second-tier" carriers fire off hard-hitting messages.


Introducing the lowest fares in the air.
NO STRINGS
Braniff.
1-800-BRANIFF
BRANIFF

- Meanwhile, relatively prosperous American Airlines portrays itself simply as "Something special in the air." And, unlike the weaker carriers, American and Chicago-based United are raising unrestricted fares $10 over current levels.

The new ads, besides mirroring the so-called "two-tier" system developing in the airline industry, also reflect particular conditions that face each company.

In Frontier's case, the Denver-based airline is staving off mounting losses by shifting to the low-fare, no-restriction, peak and off-peak strategy pioneered by Southwest Airlines and Pacific Southwest Airlines 12 years ago. Frontier's chief target, however, is Continental, which adopted the low-fare approach as part of its reorganization through bankruptcy proceedings.

Frontier also is changing its routes and schedules effective Oct. 1, in order to increase traffic to popular destinations and eliminate marginal or unprofitable runs to 22 cities.

"What we're doing will lower our cost of doing business," said Ron Thornton, general manager of sales for the airline. "Handling 74 different fares was highly inefficient."

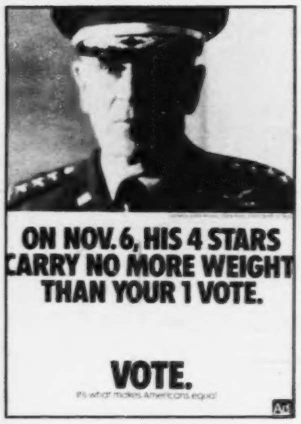
Mr. Thornton said the decision was based on market research indicating the carrier was putting its emphasis on the wrong areas, such as meal service.

The tag line for the campaign

(Continued on Page 102)

Highlights

Can Edith Bunker, Bubba Smith and Gen. John Vessey, chairman of the Joint Chiefs of Staff, persuade more than 70 million Americans to vote? The Ad Council, in the most intensive effort in its 42-year history, hopes so. *See Page 10.*


ON NOV. 6, HIS 4 STARS CARRY NO MORE WEIGHT THAN YOUR 1 VOTE.
VOTE.
It's what makes Americans equal.

Cadillac will try to bridge what it sees as a marketing gap between current model owners and buyers of luxury import autos with its 1986 Cadillac Seville. *See Page 12.*

The month of September again is bringing fat magazines to newsstands and mailboxes, as a variety of publications are setting advertising page and revenue records with their September issues. *See Page 14.*

The first presidential campaign in which advertising played a major role was in 1840. Details of William Henry Harrison's campaign are excerpted from "Packaging the Presidency: A History and Criticism of Presidential Campaign Advertising" by Kathleen Hall Jamieson. *See Page 42.*

Miami University students in Oxford, O., get a taste of the real world through the Laws, Hall & Associates student-run ad agency. The agency has been directed by marketing professor John Maggard for 12 years. *See Page 48.*

Success is becoming *Success!* under new management, with new graphics, new editorial and business staffs and a new focus that is taking aim at the "baby-boom" aged young male manager. *See Page 74.*

Home Box Office is preparing antipiracy spots using celebrities to help thwart the estimated $700 million in lost revenues each year to illegal tapping into pay-cable signals. The spots, made in-house, start on HBO later this year. *See Page 90.*

CORPORATE CLOSEUP

Through aggressive expansion and national advertising, Century 21 Real Estate Corp. has etched itself into the American consciousness as the No. 1 U.S. seller of homes. *See Page 4.*

INTERNATIONAL

U.S. advertising and media executives believe this country's presidential race may lead to a weaker U.S. dollar and stronger earnings abroad. *See Page 54.*

Women's magazines are booming in Japan as the new image of the modern career woman comes into focus there. Although the concept of the "career woman" is not as advanced in Japan as in the U.S., gradual changes in women's roles have created a new market for such magazines. *See Page 54.*

Young & Rubicam is returning to Venezuela next year after leaving in 1978 because of a government rule restricting foreign ownership of ad agencies. The move is the strongest indication yet that agencies do not have to strictly comply with Venezuela's controversial foreign-ownership restrictions. *See Page 56.*

Printemps Ginza, a French department store in Tokyo designed to appeal to Japan's "working woman," is breathing new life into the staid, conservative Ginza shopping district. *See Page 60.*

VIDEOTECH

Advertisers can expect to be wooed more ardently for their dollars as the number of traditional media outlets grows and as newer media mature, a survey says. *See Page 68.*

Metromedia Producers Corp. soon will offer a schedule of prime time blockbusters to interested stations. *See Page 69.*

COMING THURSDAY

SPECIAL REPORT

Radio—Its continued success as an important advertising medium in this tv age can be attributed to its versatility.

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Time venture faces a rival

By STUART J. ELLIOTT

New York—A battle of new investment magazines could begin early next year with Time Inc.'s expected weekly title competing against a new publication from Plaza Communications.

Details about the Time Inc. project, under consideration by the company's magazine development group (AA, April 23, *et seq.*), continue to emerge, despite corporate disclaimers. Latest word from industry sources is that the magazine, likely to be named *Investor's Weekly*, will debut in March.

Plaza's strategy is to attack the market with a monthly, *Personal Investor*, that would stalk the same readers and advertisers as the Time Inc. publication. Its publication would debut in January or February.

Plaza already publishes *Registered Representative*, a magazine for stockbrokers.

The Plaza magazine would face a Time Inc. property that would be the same size as *Time* and on slick paper, sources say. Its content would be oriented toward coverage of big breaking news stories, done by a national network of 60 staffers. Frank Lalli, ex-*New York Daily News* business editor, is expected to be editor; other top editors, it is said, will include Richard Stern, formerly of *Forbes*, and

(Continued on Page 104)

NFL tv ad rates sacked by glut

By VERNE GAY

New York—National Football League games on network tv are wallowing in a severe buyer's market, with ad prices down 25% to 30% from last year.

At least one network was forced to ask advertisers to "front-load" their football schedules to keep unsold time from deflating the market further.

The situation for the networks has worsened due to major sports advertisers shifting big sports dollars into prime time, the confusion and depressed state of college football on network and syndicated tv and the uncertainty of sports advertisers in their plans for the Major League Baseball playoffs and World Series.

There also are reports that major sports advertisers, worried by the skyrocketing prices being paid by networks and syndicators for sports broadcast rights, are sending a message to the broadcasters that the days of carte blanche sponsorships are over.

ABC's "Monday Night Football," coming off a poor ratings performance in 1983, is experiencing the greatest difficulty, according to sources. Instead of getting its rate-card base of $180,000 per 30-second spot, ABC reportedly is selling spots in "Monday Night Football" for as little as $125,000. CBS and NBC, which telecast NFL games on Sundays, are getting between $60,000 and $75,000 per 30 seconds for spots that normally fetch $90,000.

ABC's sports sales corps reportedly is encouraging clients with football ad schedules in October and November to move their spots into September, a front-loading process the networks employ when demand is especially soft. By increasing commercial time in September, ABC would have inventory available later in the season as a hedge against the possibility of

(Continued on Page 102)

Nestle

(Continued from Page 1)

additionally, has experimented with other "healthy" products that may benefit from the heavy advertising and promotional support Nestle is expected to give selected Carnation products.

Although the centers' performance to date has been disappointing—the chain has only 54 locations, as opposed to the 100-plus projected—Carnation, under Nestle's auspices, likely will build its efforts in the weight-loss business by accelerating tests of those "less is more" products that fare well with health-conscious consumers.

Through a spokesman, Carnation denied any major changes would take place under Nestle management. And at least one of the Carnation agencies, SSC&B, was visited by top Carnation executives last week and told the acquisition would not affect their relationship.

Period of no changes

One analyst said that, at least for now, this should be the case. "I think there will be a period of consolidation with no major changes," said Alan Greditor of Drexel Burnham Lambert, New York. "It would be far more pragmatic to keep business as usual and let the companies get to know each other before making any earth-shattering changes." (Carnation declined comment on its future plans for its products.)

However, industry speculation appears to contradict the company line. Many suggest that Everett Olson, Carnation's conservative 77-year-old chairman and chief executive officer, will retire in the near future.

For his part, Merrill Lynch's Bill Maguire predicted Nestle will change management after six to nine months and will put its own people aboard to infuse Carnation with more aggressiveness.

And aggressiveness, particularly in new-product development, is what industry observers have said Carnation needs. The company certainly is a well oiled money machine—it has posted 31 consecutive profitable years—but it also has maintained an old-fashioned and, in some instances, parochial modus operandi.

"It's been my impression that Carnation has not really been going anywhere," said one analyst. "They seem to have been milking some of their key product lines, and have been slow to develop a strong new-product track record."

Such is the company Nestle has hooked, but the lure of strengthening its U.S. interests proved too powerful to resist. It was not until recently that top Nestle management in Switzerland recognized that its U.S. operations would not generate enough cash independently to fund long-term growth, either through new-product development or acquisition. That became apparent late last year when Nestle acquired Ward-Johnson Co. At that time, the acquisition was heralded as only the first in a round of purchases designed to give the company a firmer position in the U.S.

Spree may continue

Nestle's buying spree is not likely to stop with Carnation. Indeed, Nestle has said that it will continue to woo smaller companies with product lines in targeted, preferably growing and profitable, business categories, including pharmaceuticals and some food areas.

"We always have about 30 to 40 projects going, and I'm sure in the next few months more things will pop up," said Helmut Maucher, managing director, earlier this year.

In the Ward-Johnson deal, Nestle Co., the White Plains, N.Y., subsidiary, acquired such all-American brand names as Chunky, Bit-O-Honey, Raisinets, Oh Henry! and Sno-Caps, all of which fit nicely with Nestle's Crunch and regular chocolate bars, as well as Toll House morsels.

In an in-depth interview with Advertising Age (AA, July 5, 12), Mr. Maucher addressed questions about the company's over-all strategic blueprint and the Ward-Johnson acquisition, in particular: "I think our opportunities for growth [in the U.S.]—with all the resources we have—are better than in the rest of the world for the next few years. . .

"First, we look for acquisitions that are complementary to something we have already in our product line, so through the acquisition we can strengthen our position, strengthen our business, be better positioned in the consumer's eyes, improve our corporate image, etc. Ward-Johnson is exactly that type of acquisition because we have a nice chocolate image. . .

"Second, we are interested in businesses where somebody else was creative, innovative and has developed the nucleus of a new business. But he has neither the financial nor international possibilities to expand. Here Nestle has a natural partner, of course, because with our financial capacity we can develop this business, and we have the international contacts and organizations already in place."

Mr. Maucher's words explain well Nestle's acquisition of San Francisco-based Hills Bros., first announced last April. It will enable Nestle to realize a long-contemplated dream of entering the ground-roast arena in this country —a dream deemed necessary if Nestle is to shore up its listless U.S. coffee operations.

"Our opportunities for growth (in the U.S.) are better. . .in the next few years" — Helmut Maucher

Instant-coffee share off

Nestle's share of the instant-coffee business has been declining since it peaked in 1979 at 33.5%, according to figures compiled by beverage analyst John Maxwell Jr. According to longtime Nestle watchers, the company was seduced during the middle-to-late 1970s by soluble coffee's growth rates and badly misjudged that category's momentum, which has slowed consistently since that time.

Equally important, Hills Bros. fits Nestle's bill in terms of what *it* is looking for in a partner. Not only has Hills Bros., long known as a quintessential regional roaster, suffered from eroding U.S. coffee consumption, but it has lacked the financial, distributional and marketing clout to cross swords successfully with such giants as Procter & Gamble and General Foods, which command 24.9% and 34.6% of the ground-roast business, respectively.

Interestingly enough, Nestle's commitment to the U.S. market has been reflected in not just acquisitions and new products—the company earlier this summer introduced Nestle Custom Blended coffees, a line of four instant brews with varying beans and tastes—but also through its depth of understanding of the particular problems and opportunities endemic to this country.

As such, after years of shuttling Swiss executives from Vevey to White Plains, Nestle appointed Mr. Biggar as head of most of Nestle's U.S. subsidiaries.

In describing his philosophy, Mr. Maucher told Advertising Age: "There was always a big misunderstanding for Europeans when they entered business in the U.S., as well as a misunderstanding by Americans who enter European business, that Europeans and Americans are the same people, that they apply the same rules, the same approach, the same marketing. But if one goes a little deeper, one finds that there are a lot of differences—in mentalities, in consumer approach, in consumer behavior—[all of which] need a completely different approach. And who can do it better than people who have lived in this country, were born in this country and know the country very well."

Whether or not companies know this country well, food-industry analysts see little prospect of further consolidation of this magnitude—unless it comes from foreign companies. These organizations, like Nestle, have to be so set on entering the U.S. food market in a big way that they will pay a premium to acquire.

Mr. Morrow of Smith Barney, said Nestle paid more than any domestic company would pay.

U.S. food companies have expressed continuing interest in good buys, but they emphasized that they must make sense economically. Another deal reportedly in the talking stages is PepsiCo/Kellogg, two companies that have been linked as possible partners in past years. A PepsiCo spokesman said the company does not comment on the subject of acquisitions and divestitures. At Kellogg, there was likewise no response to the possibility of a PepsiCo combination.

Another company on the acquisition trail, General Foods, said it is always looking at companies that "fit with our strategic plan," but that generally means smaller, less diversified companies with a limited line of food products. The Rye Brook, N.Y.-based food company has made several acquisitions within recent years, including Oscar Mayer processed meats, Entenmann's baked goods and Ronzoni Italian foods. But none has been of the magnitude of the Nestle-Carnation deal.

Analysts also cited Campbell Soup and Quaker Oats as plums in the U.S. food business, but they quickly add that it would take a lot of money to get them.

Campbell president R. Gordon McGovern has stated repeatedly that Campbell is not for sale and is not interested in merger. What the Camden, N.J.-based company wants is to grow through acquisition itself.

"It's like a funnel out there," said a Campbell spokesman, "and when you get to the quality companies, the funnel narrows dramatically." He said Campbell has looked at large companies for possible acquisition, but so far none of the large ones has fit. "We must have something that we can fit our hands around and manage well," he added.

Earlier this year, Mr. McGovern said Campbell could easily digest about $200 million in acquisitions every two years. Pillsbury and ConAgra executives also have stated publicly they are on the lookout for consumer foods companies.

One analyst who doesn't think all the big candidates have been gobbled up is Ronald Strauss of William Blair & Co., Chicago. "Kellogg, for instance, would be a pure play and a fine candidate to my mind," he noted.

Certainly, there cannot be many more of the likes of Nestle-Carnation and the Beatrice Cos.-Esmark Inc. deal that rang up a $2.8 billion tab in May. Other food buys have been more limited in scope, like Ralston Purina's bid several weeks ago for Continental Baking, a $475 million deal.

Other recent combinations have been Dart & Kraft's purchases of Celestial Seasonings and Lender's Bagel Bakery, and Quaker Oats' acquisition of Stokely Van Camp.

New relationships bloom

Meanwhile, the consolidations that have taken place since Nabisco joined up with the old Standard Brands company in the early 1980s have been establishing new types of relationships between manufacturers and suppliers. Bill Bishop, president of Willard Bishop Consulting Economists, Barrington, Ill., predicts manufacturers will gain more and more clout.

"You'll see manufacturers intruding into the business of their retail and wholesale customers, more actively involved in the details of inventory levels and marketing plans, things that were once the sole province of the retail and wholesale companies," he said.

Some see benefits for the wholesale and retail segments of the business as well, since those in the segments may be able to negotiate better, bigger buys by dealing with fewer, larger companies. But at least one marketing executive from a major grocery chain disagreed. "This merger is a ho-hum thing for us. We don't think such mergers will drastically affect the way we do our business."#

Also contributing to this story were reporter Ruth Stroud in Los Angeles, bureau chief Sarah E. Moran in Chicago and correspondents Dagmar Mussey (Duesseldorf), Sean Milmo (London) and John Parry (Geneva).

Both big spenders

Chicago—Both Nestle Enterprises and Carnation Co. are among U.S. companies in the Advertising Age 100 Leading National Advertisers issue to be published Sept. 14.

As the 61st-largest advertiser, Nestle invested $115 million in advertising in 1983, including $95 million in measured media. The biggest dollars went into the company's coffee, chocolate and Stouffer's frozen foods. Taster's Choice soluble coffee received $19.5 million in measured media; Stouffer's frozen foods, $23 million, including $8 million for Lean Cuisine; Nestle morsels, $15 million; Nestle Crunch, $8 million, and Nestle Quik, $6 million.

Nestle's roster of agencies for food products includes Leo Burnett USA, Chicago; J. Walter Thompson USA, New York; Jordan, Case & McGrath, New York; McCann-Erickson, New York; HBM/Creamer, Pittsburgh, and Sherwood & Schneider, New York.

In 1983, Carnation was the 99th-largest U.S. national advertiser, with ad spending of $54.3 million, including $39.3 million in measured media.

Its biggest dollars went to support New Breed dry dog food ($7.6 million) and Friskies cat food ($7.2 million). Another $4 million was invested in Fancy Feast cat food and $5 million in Come 'N Get It dog and puppy food.

The company's major agencies are SSC&B, New York; Foote, Cone & Belding, Los Angeles, and Dailey & Associates, Los Angeles.#

Will FTC remember CooperVision case?

By STEVEN W. COLFORD

Washington—If Nestle expects the Federal Trade Commission to consider favorably its proposed acquisition of Carnation, the Swiss conglomerate better show a little more respect than in July, when its negative attitude toward the government agency killed its proposed $513 million purchase of CooperVision.

The FTC nixed the deal for CooperVision, the Palo Alto, Cal., contact lens-care company, after Nestle officials refused a commission request to sell about 25% of the business that competed directly with Alcon Laboratories, Fort Worth, a Nestle subsidiary.

"The key this time will be how cooperative Nestle is," an FTC official said. "If they have the same sort of 'we-want-all-or-nothing' attitude, there will be the same end result."

The FTC and the Department of Justice must decide which agency will investigate the proposed $3 billion acquisition, but FTC chairman James Miller last week said he expected to get the case, largely because of the commission's history of reviewing cases involving consumer-product companies.

Besides the CooperVision case, FTC in 1979 approved Nestle's acquisition of Stouffer. But Nestle remains subject to a 1979 commission order requiring the FTC approval of any acquisition of a company involved in frozen prepared foods, a category in which Carnation has minor interests.

The products likely to draw the most FTC attention are ice cream, cocoa and dairy products as the commission considers the potential anticompetitive effects of Nestle's buyout.

In Germany, Nestle must get the blessing of the Cartel Office to acquire Carnation's subsidiary, Glueckslee, which has annual sales estimated at $100 million. Both companies market canned milk and yogurt in Germany. Nestle's subsidiary, Allgauer Alpenmilch, is already the market leader in branded goods.

German observers at this point think the Cartel Office will allow the acquisition there.#

Also contributing: Dagmar Mussey in Duesseldorf.

NOTE

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Advertising Age

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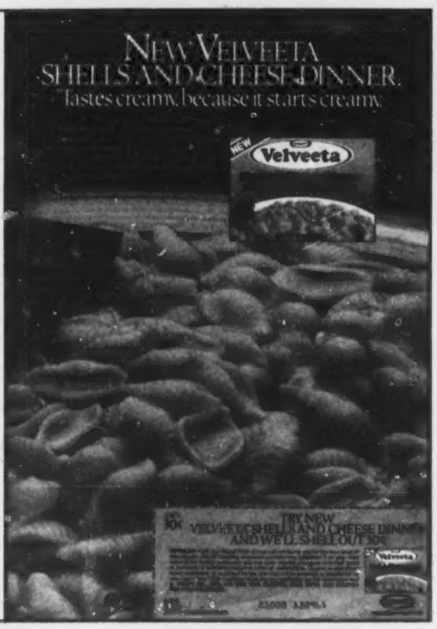
Kraft shells out

Kraft Foods launches Velveeta Shells and Cheese enriched macaroni dinner nationally with newspaper supplement ads via Foote, Cone & Belding, Chicago. The ads, featuring 30¢-off coupons, will run through October.


NEW VELVEETA
SHELLS AND CHEESE DINNER.
Tastes creamy because it starts creamy.
NEW
Velveeta
TRY NEW
VELVEETA SHELLS AND CHEESE DINNER
AND WE'LL SHELL OUT 30¢

Daytime sold out; it's billion $ baby

By VERNE GAY

NEW YORK—Daytime on network tv has become the first daypart to reach a virtual sellout through the rest of the year. The development is the result of a rush of new advertisers and hefty budget increases this season from traditional daytime spenders.

Including upfront, scatter and barter-syndicated programing such as the "Donahue" show, sources estimate the total daytime market this year should exceed the $1 billion mark for the first time.

The daytime market was extremely brisk in the upfront season last May through June. The scatter market has been helped by the general belief among advertisers that demand would remain strong through Christmas and no price drops could be anticipated.

Network sources report last spring's upfront buying spree had consumed 90% of NBC's daytime inventory for $265 million; roughly 80% at CBS for $330 million, and about 75% at ABC for $265 million.

The strong daytime sales also reflect a growing attitude among big advertisers that the cost-per-thousand efficiencies in daytime are more attractive than in prime time, sources say. As a result, the new daytime dollars are coming out of prime time budgets. The three-network average cpm on homes in daytime in the upfront market was $2.50, or a $6.50 cpm against women 18 to 49. Prime time cpm averages are about double the rates for daytime.

"I noticed that our biggest prime time spender last year increased its daytime spending 75% and prime was cut a degree," said Gary Carr, vp-associate director, network programing, SSC&B, New York. "For

(Continued on Page 37)

Tells retailers beware direct marketers

Zale in 'direct' assault

By TOM BAYER

DALLAS—A prominent retailer blasted direct marketing this week, calling the growing industry "public enemy No. 1" to retailers and shopping centers and a threat to their existence.

Speaking at the International Council of Shopping Centers meeting here, Donald Zale, chairman of Zale Corp., described direct marketers as "a new breed of competition" who have taken "a lesson" from retailers.

"They're trying to beat us at our own game by giving consumers what they want, and doing it in a time and money-saving fashion," he said. "They are in existence to take customers out of the malls and out of our stores."

Mr. Zale sounded a battle cry urging retailers and shopping center owners to unite. "We can't remain passive about this issue, only thinking of the short term," he said. "Retailers and shopping center owners and operators must band together. It will take all of us, working together with the experts in related key areas, to begin formulating the kinds of strategies that will ensure our survival."

To create a blueprint for addressing the challenge, Mr. Zale suggested the ICSC conduct a forum with a leading university that would be "a watershed event where major retailers, shopping center owners and operators, banking officials, futurists, economists and market researchers could begin formulating pragmatic strategies.

"Consumers are waiting for ideas to shape their lives," Mr. Zale said. "Let us be pro-active and make that happen."

Mr. Zale, whose $939.8 million company does 90% of its business in shopping centers, sized up the "enemy" by noting that it has been growing at twice the rate of retailing. Direct marketing was a $150 billion industry

(Continued on Page 39)

Lorimar hunts for a top shop

By BOB MARICH

CULVER CITY, CAL.—Lorimar, the public company best known as producer of CBS-TV's "Dallas," is poised to go on another agency acquisition spree, this time looking to take over one of the 20 largest shops in the U.S.

Sources report that Lorimar, flush with the prospect of huge profits from syndication sales of its off-network tv series, wants an agency with a strong international presence, primarily to serve as a network for the international sale of its syndicated programing. Sources also said the target shop, not identified by Lorimar, will be larger than Kenyon & Ecknardt, the 23rd-largest U.S. agency, which Lorimar acquired in August, 1983.

Heading the list of takeover candidates are publicly traded agencies, sources said.

Officials at Lorimar have declined comment on the reports.

Leo-Arthur Kelmenson, chairman of K&E Holdings, said there

(Continued on Page 37)

ESPN deal set

By SUSAN SPILLMAN

NEW YORK—Nabisco Brands' purchase of 20% of Entertainment & Sports Programming Network from ABC Video Enterprises will mean more "in-depth and controversial" in-studio sports programing, says ABC Video president Herb Granath.

The long-expected $60 million deal (AA, July 5, *et seq.*) was announced Sept. 11.

ABC's Fred Pierce gets new pact. See Page 37.

Implementing ESPN's new look will be the job of Ohlmeyer Communications Corp., the program packaging and advertising concern jointly owned by Nabisco and former NBC Sports exec producer Don Ohlmeyer. Ohlmeyer Communications negotiated the ESPN

(Continued on Page 37)

Presstime

Ericsson's $10 million account lands at B&B

GREENWICH, CONN.—Ericsson Inc., the U.S. subsidiary of the Swedish-based communications giant of the same name, has selected Benton & Bowles, New York, after a three-month review. The 1985 budget for the marketer of corporate telecommunications equipment will be $10 million, a source said. That is said to be dramatically higher than the current budget at David Deutsch Associates, Ericsson's former agency.

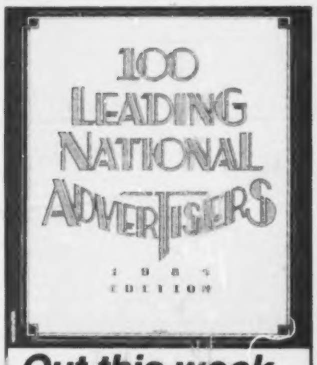
DMA chooses Gitlitz as president-ceo

NEW YORK—Direct Marketing Assn. has named Jonah Gitlitz president-chief executive officer. Mr. Gitlitz, currently DMA's senior vp-public affairs and head of its Washington office, will succeed Robert DeLay, who will become a board vice-chairman. Postmaster General William Bolger earlier withdrew from consideration for the post (AA, Sept. 10).

Chiat/Day switches lawyers after ruling

LOS ANGELES—Chiat/Day president Guy Day said the ad agency has hired new legal counsel after being "stunned" by the preliminary injunction granted to Godfather's Pizza last week (AA, Sept. 10). Stroock & Stroock & Lavan, Los Angeles, replaces Lillick McHose & Charles as the agency's law firm. Also, Chiat/Day has reassigned several people barred from working on the $20 million Pizza Hut account, in light of the ruling, and plans further legal action.

(Continued on Page 39)



Out this week

The nation's leading advertisers increased ad spending 10.5% in 1983, according to ADVERTISING AGE's 29th annual review of the nation's 100 leading advertisers, to be issued this Friday, Sept. 14.

Aziza tries nail

NEWSPAPER

AA
DC 2001 4CONGL1 FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Aziza tries nail polish in a pen

By PAT SLOAN

NEW YORK—For 50 years, Chesebrough-Pond's Prince Matchabelli executives say, women have been polishing their nails with color that comes out of a bottle and is applied with a brush. Now, Greenwich, Conn.-based Matchabelli is about to offer an alternative with the Aziza Polishing Pen, a gadget that resembles a felt-tip marker.

The nail-enamel category is a $216 million retail business in drug, food and mass-merchandise outlets, according to T.H. Augenbraun, vp-marketing of cosmetic products. In drugstores, which account for 60% of all sales, Revlon remains the market leader, posting about a 21.1% share so far this year, up from 17% in 1983. Second-place L'Oreal has fallen back to a 15.1% share as it deemphasized nail color for eye-makeup advertising and promotion, according to industry sources.

In 1985, Cosmair Inc.'s L'Oreal plans to go further afield in makeup with the introduction of foundations and blushers. But with the debut of Polishing Pen in December, L'Oreal most likely will not be able to slack off on nail enamel again. Mr. Augenbraun estimates that Polishing Pen will earn an 8% market share in its first three months.

Polishing Pen will receive about $2.8 million in network tv and national print advertising from Waring & LaRosa Advertising during its introductory period, a sum that is competitive with the market leaders. Baltimore-based Noxell Corp.'s Cover Girl ranked third with an estimated 13% share this year, spending about $6 million in 1983.

With a patented delivery system and formula, Matchabelli president Ed Rabin believes Polishing Pen may be the only product of its kind for two years. A spillproof metal canister whose outside color is coded to the shade inside features a contoured fiber tip that applies the enamel neatly and evenly. The enamel, which dries in less than half the time of traditional products, allows bare nails to be completely manicured in less than five minutes.

Polishing Pen will sell for about $3.50 compared to around $2.35 to $2.75 for

(Continued on Page 38)

Video on menu at McDonald's

By SCOTT HUME

McDonald's wants its message to reach the video generation through a new blend of broadcast and point-of-purchase advertising.

At selected stores, the burger giant has installed videomonitors in overhead menu boards, the first fast-food company to do so. Customers waiting to place their orders not only can peruse the traditional list of products and prices but also can watch continuously shown food photography culled from tv commercials or, in some cases, full-length commercials.

One site for the test is McDonald's recently opened restaurant in New York's Times Square. That location has the potential to be one of McDonald's busiest stores, as well as provide a broad cross section of consumers for the test. At least one store in Washington also has gone electronic.

A McDonald's spokesman said the chain will be monitoring customers' reactions to the videoscreen's presence and testing whether it increases sales of featured products.

"We have some great product photography and we thought we might as well use it," a McDonald's spokesman said. "[The video-

(Continued on Page 38)

Close to a homogeneous market, study says

Hispanics: All for one?

By SUSAN SPILLMAN

NEW YORK—A new Yankelovich, Skelly and White study has revealed that Hispanic Americans are less concerned than before with regional differences among the 17 million Spanish-speaking Americans and can be marketed to as a homogeneous group.

The report, an updating of a 1981 study, which, like the new study, was commissioned by SIN Television Network, also found Hispanic Americans less open to trying new products but still more likely than the U.S. population at large to search out and stay loyal to big-name brands.

The study also found that Hispanics, while still strong in their desire for more Spanish media, are using Hispanic radio and print less now than in 1981.

These findings, good news to SIN because it markets itself on a national level, are significant in several respects. First, marketers had presumed that Hispanics were good targets for new-product launches since they were more likely than the general population to try new brands. While they remain more likely to experiment with new brands, they are less likely than three years ago.

The report also questions claims by Hispanic media and Hispanic advertising agencies and consultants that different Hispanic groups required specialized handling and media.

Yankelovich surveyed 775 Hispanics in personal interviews.

A distinct change from the 1981 study was a "blurring of differences" between U.S. Hispanics of varying national origins. This finding led Yankelovich to conclude that now "the marketer can consider all Hispanics in aggregate as one consumer segment."

Regional patterns of speech, for example, no longer are considered a significant barrier between nationalities, the study said. In 1981 it reported that 42% of U.S. Hispanics said there were "meaningful differences between the way we speak," compared with 34% who said there was today. In 1981, 30% mentioned differences in food and drink preferences as a point of differentiation between themselves and other Hispanics; only 21% now

(Continued on Page 38)

Highlights

Daytime on network tv has become the first to reach a virtual sellout through the rest of the year, due to a rush of new advertisers and hefty budget increases from traditional daytime ad spenders. *See Page 1.*

Nabisco Brands' purchase of 20% of Entertainment & Sports Programming Network will mean more in-depth and controversial sports programing, says an ABC Video executive. *See Page 1.*

Lorimar, best known as producer of CBS-TV's "Dallas," is looking to take over one of the 20 largest ad agencies in the U.S. *See Page 1.*

A new study shows that Hispanic Americans are less concerned than before with regional differences, and can be marketed to as a homogeneous group. *See Page 3.*

McDonald's has installed videomonitors in overhead menu boards at selected stores, the first fast-food company to experiment with a blend of broadcast and point-of-purchase advertising. *See Page 3.*

Chesebrough-Pond's Prince Matchabelli is about to offer an alternative for women who polish their nails—color that comes from a pen instead of from a bottle. *See Page 3.*

In the prime time season ahead, the tv networks plan to use guest stars and exotic locations to bolster viewer interest. *See Page 5.*

The ABC Inc. board gave a vote of confidence to president Frederick Pierce and his management this week in an effort to halt last week's takeover rumors. *See Page 37.*

DIRECT MARKETING

A subsidiary of American Express Co. has made millions of dollars in direct-mail sales, while owning only 20% of what it sells. *See Page 8.*

This month, students in Boston University's school of management will take a one-semester course in direct marketing, the first such course to be taught at the school. *See Page 9.*

SPECIAL REPORT

Radio has proved it's tougher and more versatile than many thought when tv arrived on the scene and radio's commercial future was in doubt. *See Page 11.*

The people behind the voices in radio and tv commercials are members of an elite group. While the work often means anonymity, it also provides longevity. Voices don't grow old; they add character. *See Page 18.*

Arbitron Ratings Co. introduced a computerized ratings service this summer to a rash of opposition. *See Page 24.*

Convincing advertisers that radio is a strong medium is the goal of a national campaign from the Radio Advertising Bureau. *See Page 26.*

REGIONAL REPORT

As symphony orchestras around the nation tune up for the fall concert season, many have turned to advertising agencies or their own marketing and promotion departments for campaigns to draw audiences. *See Page 38.*

REGULAR FEATURES

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ABP MPA RED TAG ABC ANPA

Staff photo by Arnold Adler

Despite continued losses for *USA Today*, chairman Allen Neuharth maintains that "we're operating with the long haul in mind."

Hopes on rise at 'USA Today'

By WILLIAM GLOEDE

ROSLYN, VA.—*USA Today* will celebrate its second anniversary this week, steeped in red ink but buoyed by the kind of encouragement that only new advertising contracts can bring.

Gannett Co.'s national newspaper, which began publication on Sept. 15, 1982, will cost Gannett $100 million in pretax earnings this year, analysts estimate.

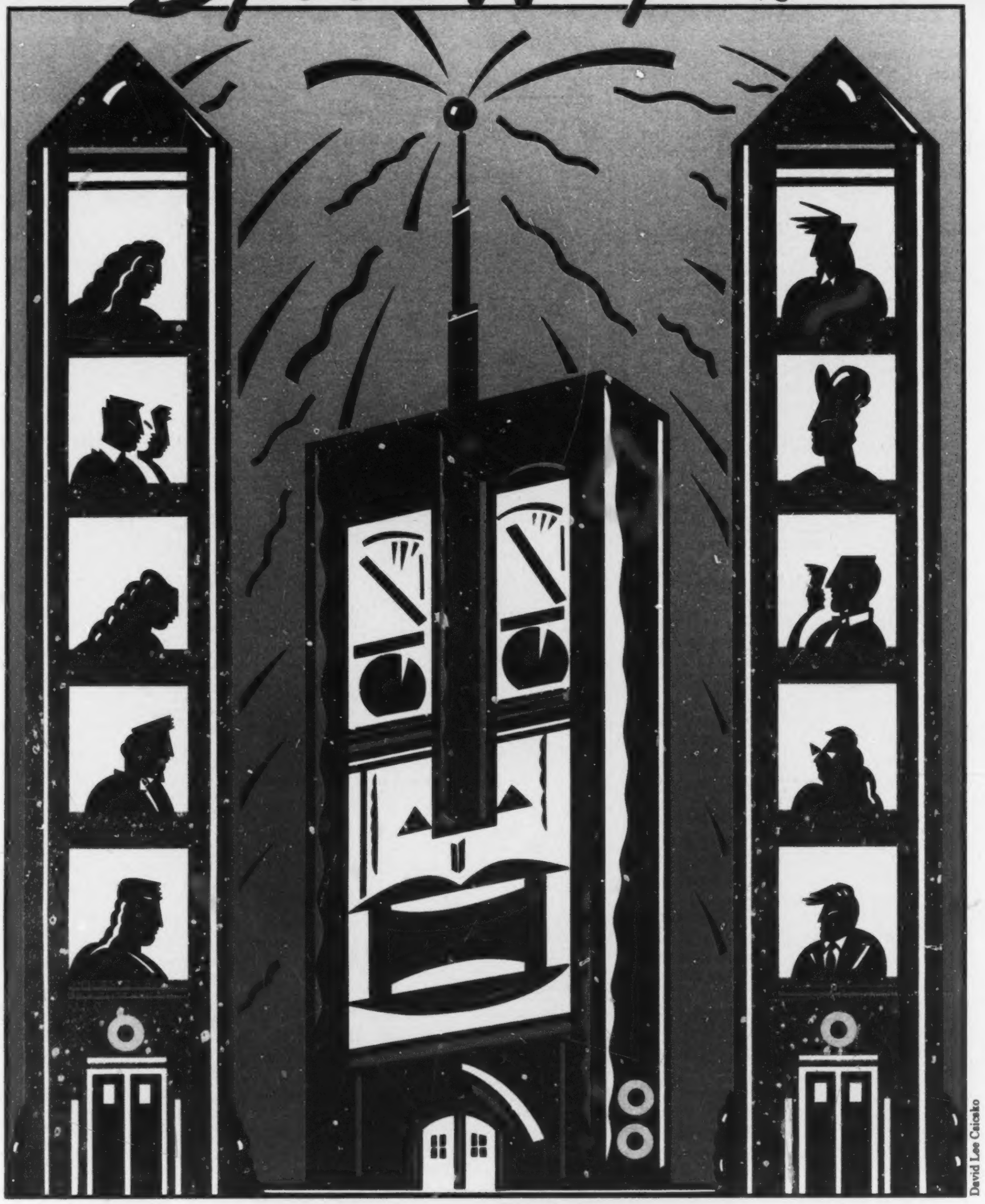
But Gannett clearly is enthusiastic about the brisk pace of recent ad sales, and the word from chairman Allen Neuharth's office is that *USA Today* is here to stay "unless we run into something totally unexpected."

"We're operating with the long haul in mind, even more so than we were two years ago," Mr. Neuharth told ADVERTISING AGE in an interview last week. "We have every reason to think that we can reach the break-even point by the middle of '87 or by the end of '87."

The newspaper's ad pages have been on the rise since the Audit Bureau of Circulations released the results of its *USA Today* circulation audit in June. The paper started

(Continued on Page 36)

Special Report



David Lee Csicsko

RADIO

Medium is alive and well in the age of video

By J. Fred MacDonald

It seemed so clear to so many in the late 1940s that, just as surely as the horse and buggy had given way to the automobile, radio was doomed to extinction now that tv had arrived.

Many industry cognoscenti held views similar to that of one CBS vp, who reported in 1948, "Television is about to do to radio what the Sioux did to Custer."

One year later, a Gallup poll substantiated the dire prophecy. Although at that time only 4% of the U.S. population owned a tv set, 25% of Gallup's survey respondents felt sure that radio would be rendered obsolete by tv. And among those who had experienced tv, one-third of them were certain that video would destroy audio.

For decades radio had served as the American public's principal entertainment and information channel. It had served U.S. business, too, as an electronic billboard on which advertisers spent $425.4 million in 1949—about 10% of all U.S. advertising expenditures that year.

But as the U.S. moved into the tv age, radio's commercial future was in doubt. "Five years from now, when am broadcasting feels the heavy impact of television," warned Federal Communications Commission chairman Wayne McCoy in May, 1949, "the financial returns will undoubtedly be considerably less. These risks should be very carefully weighed by anyone contemplating entering am broadcasting."

Needless to say, the obituary notices were premature. Not only did radio survive the emergence of video, it soon thrived.

Although growth was slow initially, by 1955 industry ad revenues topped $456 million. Five years later the figure hit $622 million, and by 1968 radio billings had surpassed $1 billion.

With renaissance came a revision in prophecy. A 1953 study praised radio's "universal listenership," and the president of the National Assn. of Radio and Television Broadcasters that year hailed the medium as "an essential part of American living," as basic to life as refrigerators, automobiles and "other modern conveniences which have taken on the character of necessities."

More ebullient still was the NBC vp who in 1958 denied the industry ever had a problem. "Radio didn't die," he declared. "It wasn't even sick. The public

(Continued on Page 12)

J. Fred MacDonald is professor of history at Northeastern Illinois University and author of three books, including "Don't Touch That Dial!" a history of American radio. His latest book, "The Video Road to Vietnam," will appear next February. He has contributed regularly to past Special Reports on radio.

Medium is alive and well

(Continued from Page 11)

didn't stop loving radio despite tv."

Radio overcame the tv threat because it was versatile, adaptable and well appreciated by American business as an effective means of advertising.

But not all radio enterprises fared equally well. Although local and non-network national billings rose an average of 8.1% annually from 1948 to 1957, network radio, withering under competition from tv, watched billings decline an average of 8.7% annually over the same period.

> **Radio overcame the tv threat because it was versatile, adaptable and well appreciated by American business as an effective means of advertising.**

Station sales offices and ad agencies employed new marketing strategies in their effort to sell radio time, stressing multiple-sponsor and cooperative arrangements, spot advertising and increased sponsorship by local businesses.

Their selling strategies also emphasized those qualities that continued to attract listeners to radio—its portability, relative inexpensiveness, instant companionship and the "multiple attention factor"—meaning people could do other things while listening.

The proliferation of stations and receivers also enhanced the commercial potential of radio. From 1945 to 1955 the number of commercial am and fm radio stations more than tripled, increasing from 929 to 3,196; by 1965 there were 5,289.

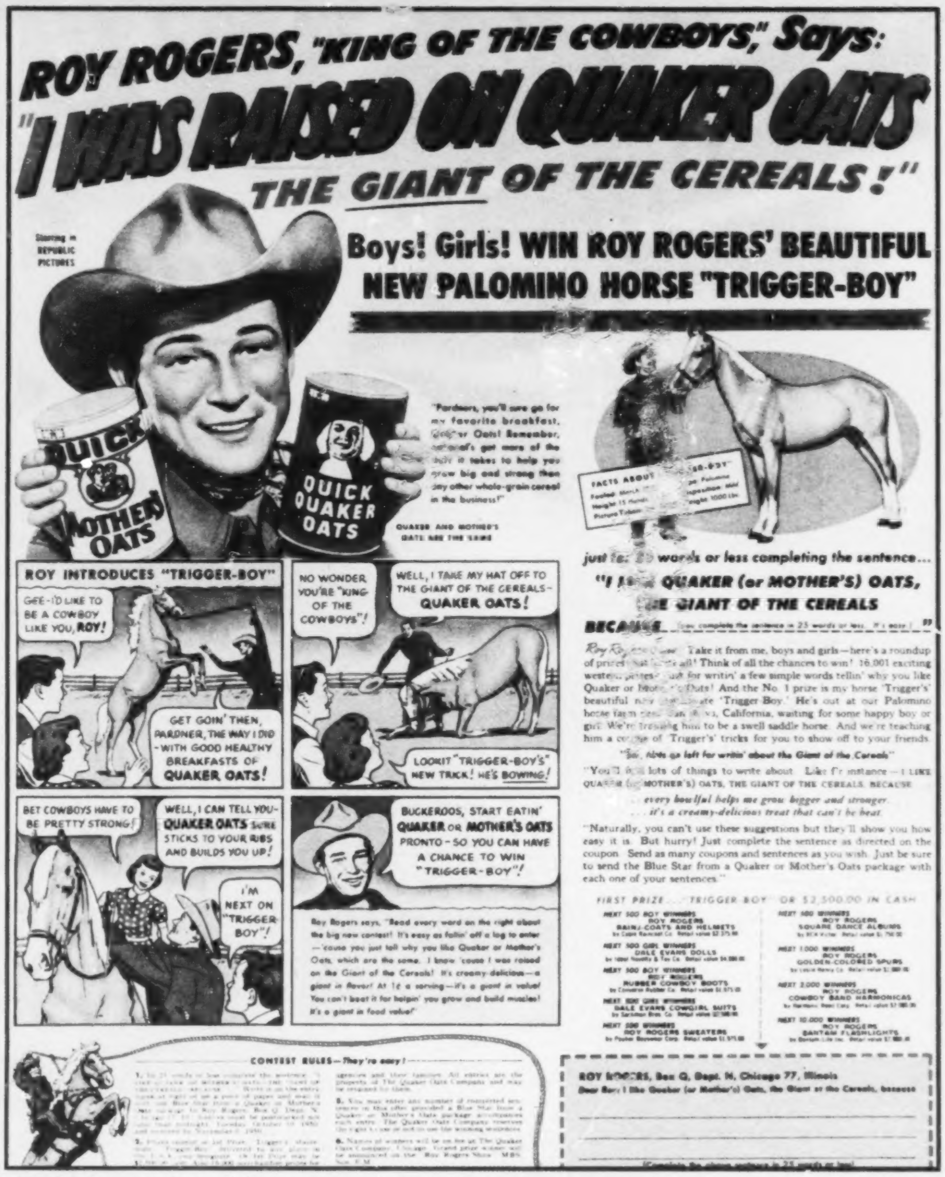
In similar fashion, the number of radios increased rapidly in the early 1950s, as inexpensive extra radios—not only table models, but clock radios, am/fm car receivers and portable transistors for every room in the house—became standard equipment for many households.

Fm broadcasting's meteoric rise in the 1960s and 1970s, radio's quick saturation of U.S. households—98% of which possessed a radio by 1955—and radio's ability to narrowcast its increasingly formatted programming also presented strong selling points.

Narrowcasting offered advertisers an opportunity to target formerly overlooked social groups. Blacks, for example, found new prominence in broadcasting. Radio now offered black news and talk shows, soap operas and music—programs often heard on the expanding number of black-owned-and-operated stations.

In this transitional age, radio triumphed also because sponsors improved their messages. Better commercials made better radio. New talent, new directions, new audiences and new approaches to the consumer made the medium an even more powerful advertising tool. But to improve upon the past was a formidable challenge.

During its pre-tv golden age, radio intrigued the nation with its mix of fascinating programs and advertisements. From "Pepsi-Cola hits the spot/12 full ounces that's a lot," to "Cream of Wheat is so good to eat/That we have it every day," sponsors effectively crooned catchy commercials to the mass audience.


ROY ROGERS, "KING OF THE COWBOYS," Says:

"I WAS RAISED ON QUAKER OATS THE GIANT OF THE CEREALS!"

Starring in REPUBLIC PICTURES

Boys! Girls! WIN ROY ROGERS' BEAUTIFUL NEW PALOMINO HORSE "TRIGGER-BOY"

"Pardners, you'll sure go for my favorite breakfast, [illegible] Oats! Remember, oatmeal's got more of the [illegible] it takes to help you grow big and strong than any other whole-grain cereal in the business!"

QUAKER AND MOTHER'S OATS ARE THE SAME

QUICK MOTHER'S OATS
QUICK QUAKER OATS
FACTS ABOUT "TRIGGER-BOY"
ROY INTRODUCES "TRIGGER-BOY"
GEE-I'D LIKE TO BE A COWBOY LIKE YOU, ROY!
GET GOIN' THEN, PARDNER, THE WAY I DID - WITH GOOD HEALTHY BREAKFASTS OF QUAKER OATS!
NO WONDER YOU'RE "KING OF THE COWBOYS"!
WELL, I TAKE MY HAT OFF TO THE GIANT OF THE CEREALS- QUAKER OATS!
LOOKIT "TRIGGER-BOY'S" NEW TRICK! HE'S BOWING!
BET COWBOYS HAVE TO BE PRETTY STRONG!
WELL, I CAN TELL YOU- QUAKER OATS SURE STICKS TO YOUR RIBS AND BUILDS YOU UP!
I'M NEXT ON "TRIGGER-BOY"!
BUCKEROOS, START EATIN' QUAKER OR MOTHER'S OATS PRONTO - SO YOU CAN HAVE A CHANCE TO WIN "TRIGGER-BOY"!

Roy Rogers says, "Read every word on the right about the big new contest! It's easy as fallin' off a log to enter—'cause you just tell why you like Quaker or Mother's Oats, which are the same. I know 'cause I was raised on the Giant of the Cereals! It's creamy-delicious—a giant in flavor! At 1¢ a serving—it's a giant in value! You can't beat it for helpin' you grow and build muscles! It's a giant in food value!"

just for 25 words or less completing the sentence...

"I [illegible] QUAKER (or MOTHER'S) OATS, [illegible] GIANT OF THE CEREALS BECAUSE ______ (you complete the sentence in 25 words or less... it's easy!)"

Roy Rogers [illegible]: Take it from me, boys and girls—here's a roundup of prizes [illegible] all! Think of all the chances to win! 16,001 exciting western prizes [illegible] for writin' a few simple words tellin' why you like Quaker or Mother's Oats! And the No. 1 prize is my horse 'Trigger's' beautiful [illegible] 'Trigger Boy.' He's out at our Palomino horse farm [illegible], California, waiting for some happy boy or girl. We're training him to be a swell saddle horse. And we're teaching him a couple of 'Trigger's' tricks for you to show off to your friends.

"[illegible], hints go left for writin' about the Giant of the Cereals"

"You'll [illegible] lots of things to write about. Like for instance—I LIKE QUAKER (or MOTHER'S) OATS, THE GIANT OF THE CEREALS, BECAUSE

. . . every bowlful helps me grow bigger and stronger.

. . . it's a creamy-delicious treat that can't be beat.

"Naturally, you can't use these suggestions but they'll show you how easy it is. But hurry! Just complete the sentence as directed on the coupon. Send as many coupons and sentences as you wish. Just be sure to send the Blue Star from a Quaker or Mother's Oats package with each one of your sentences."

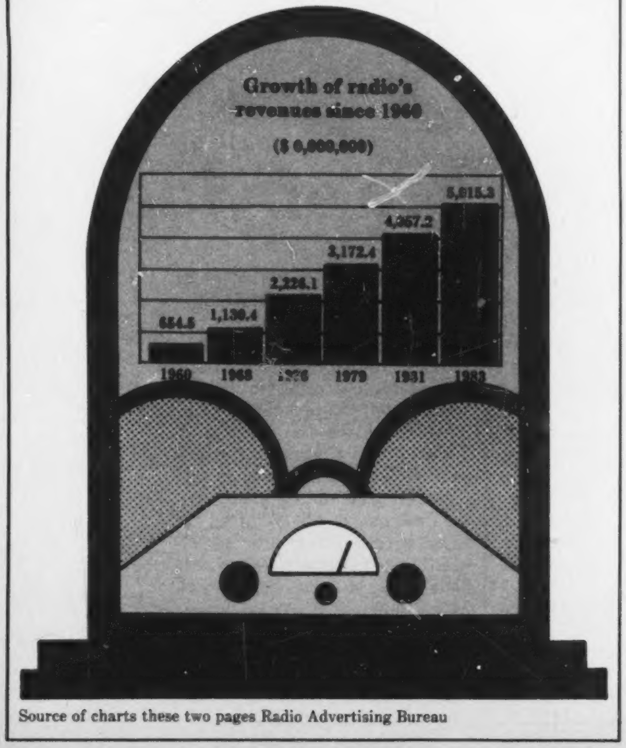
FIRST PRIZE . . . "TRIGGER BOY" OR $2,500.00 IN CASH

CONTEST RULES—They're easy!

ROY ROGERS, Box Q, Dept. N, Chicago 77, Illinois

Dear Roy: I like Quaker (or Mother's) Oats, the Giant of the Cereals, because

Roy Rogers, "king of the cowboys," took his endorsement of Quaker Oats cereal to the radio during that medium's golden age.



Source of charts these two pages Radio Advertising Bureau

Children coming of age in this era of audio-induced imagination had their psyches indelibly etched by commercials for Smiling Ed McConnell's preferred shoes (Buster Brown), Sky King's beloved peanut butter (Peter Pan), the chocolate drink endorsed by Little Orphan Annie and Captain Midnight (Ovaltine), and the favorite breakfast cereals of stalwarts such as Roy Rogers (Quaker Oats), Superman (Pep), the Lone Ranger (Wheaties and later Cheerios), and Jack Armstrong (Wheaties).

But for all its inventiveness, the selling of products in the golden age of radio was no laughing matter. To maintain this tradition of memorable advertising—and compete with the multisensory advantages of tv spots—agency creatives turned to humor.

The person generally credited with introducing levity to radio commercials is Stan Freberg. A satirist and entertainer with credits including tv, phonograph records and radio, Mr. Freberg in 1956 revolutionized advertising with one phrase: "Who puts eight great tomatoes in that little bitty can?" That catchy question catapulted Contadina tomato paste and Mr. Freberg's consulting company, Freberg Ltd. (but not very), into national prominence.

What followed for Mr. Freberg was a veritable hit parade of memorable and successful audio spots—"Omaha Moon" sung in praise of Butter-Nut coffee, the adventures of Tom Swift and his Electric Milky Way Machine, the mass-marketing of Chung King frozen Chinese foods, and his most solemn assignment, selling church attendance for the United Presbyterian Church as a chorus sang:

Where'd you get the idea
You could make it all alone?
Doesn't it get a little lonely
sometimes,
Out on that limb,
Without Him?
It's a great life,
But it could be greater.
Why try to go it alone?
The blessings you lose
May be your own.

The path Mr. Freberg pioneered has been followed creatively by others. Comedy team Bob and Ray sold Piel's beer with their customary dry wit. In the mid-1960s, "the beloved herring maven" and his mother sold Vita pickled herring with the phrase, "make your day a little bit brighter, eat a little pickled herring by Vita," and Mother's gefilte fish with the slogan, "When you eat it, you hear a symphony."

In the 1970s and early 1980s, the marriage of mirth and radio salesmanship was realized most successfully by pairs performing clever, though carefully staged dialog: Jerry Stiller and Anne Meara (as spokesmen for United Van Lines, On-Cor frozen foods, Blue Nun wine) and Dick Orkin and Bert Bertis (Radio Advertising Bureau, West Bend humidifiers, *Time* ["I'm up here in a big airplane"] magazine).

That genre of commercials in turn has spawned what Radio Advertising Bureau vp Dan Flamberg calls today's "lifestyle" ads: Spots featuring "real," as opposed to staged, dialog. Actors speak their lines as though they were part of normal conversation, where responses and questions overlap and where sentences—not always complete *or* perfectly phrased—hang in the air.

Molson Golden's yuppie-oriented spots are the most talked-about example of this genre. The Molson spots, an engaging series of boy-meets-girl-meets-beer commercials, have helped their Canadian product become the second most popular imported brew in the U.S.

That American radio today is booming commercially is apparent from a few 1983 statistics:

- Almost 479 million radios were in use in the U.S.—more than two per person.
- Almost half of all rooms in American homes had radios.
- 70 million *new* receivers were sold.
- 88% of the public listened to radio sometime during any week.
- About 8,260 am and fm stations were on the air.
- Advertising revenues topped $5 billion.

With revitalized network programing, the FCC's deregulatory philosophy, technological advances in transmission and reception, and an improving economy, radio's future as both a programing and a commercial medium seems bright. But many industry insiders remain critical of radio advertising.

Miles David, a 25-year RAB veteran and former chief executive officer, is dissatisfied with ad agencies' failure to understand and exploit radio.

"Ad agencies have been very remiss in their obligation to their clients," Mr. David says, "in not having developed the talents of the current generation of radio writers to make the most effective use of radio sound.

"Tv is consuming most of the creative talent—and yet tv actually demands less from a writer." Agencies, he says, must learn "to write with sound as well as words"—and not just sound, "but also contexts, interactions, and projections of human contact."

Similarly, Mr. Freberg, the doyen of advertising wit, is critical of many of the commercials he hears on radio.

"There are a lot of good agency people working in tv," he says, but ad agencies are not training people for radio. Agencies' mistake, Mr. Freberg says, is that most do not realize that "radio is visual, but you have to approach it through the ear."

The most successful radio promotions, he says, use clever words and sound effects, engaging contexts and memorable music. When they genuinely are humorous, Mr. Freberg says, chances are great they were composed by a professional comedy writer. For example, John Cleese, of Monty Python's Flying Circus fame, contributes much, if not all, of the copy for radio spots he's done for Kronenbourg beer and Callard & Bowser candies.

Radio advertising began in August, 1922, with an 8½-minute, $100 commercial for a housing development in New York.

Despite refinements in sales methods and creative approaches since that maiden commercial, one question remains: If radio advertising has been so successful—especially in the 36 years since tv became a popular commercial rival—how much more profitable might the medium become with a fuller use of radio's inherent audio capabilities—and more aggressive promotion of those capabilities?

A famous radio writer once called the medium a "theater of the mind." Should radio not also be understood as a "billboard of the mind" with still-unexploited implications for imaginative and stimulating salesmanship?

Tv tests tried and true spots

By Marie Spadoni

You're jogging through the park, listening to the music of a favorite radio station piped through your headphones. Suddenly you hear that throaty, sultry chuckle and you stop in your tracks. Where is she? Overcome by the moment, you search for the tall, wheat-blond beauty with the soulful brown eyes. Alas, it is merely an illusion, a voice over the airwaves—the Molson Golden woman.

Such strong imagery in radio is one of advertisers' most tangible commodities. Aided by creative copy, charismatic characters and scintillating sound effects, radio advertising entertains the consumer and, at the same time, instills brand awareness—qualities advertisers seek when creating ads for various media, including tv.

One of radio's attributes is its mystique—its ability to stretch the listener's imagination near the snapping point.

However, advertisers have tried to bring to tv, a visual medium, what they consider good radio advertising.

"I knew it could be done," says Rennie Solomito, referring to Molson Golden's recent tv spots. The advertising manager for Martlet Importing Co., Molson's Great Neck, N.Y.-based distributor, says he was a longtime advocate of putting the radio spots—featuring the voices of Garrett Brown and Anne Winn as the bantering duo who end up sharing a Molson Golden beer—on tv.

Incidentally, both Mr. Brown and Ms. Winn are creators and producers of all Molson radio and tv advertising. Dancer Fitzgerald Sample, New York—as of April 1—oversees over-all objectives for the importing company. Rumrill-Hoyt, New York, was Martlet's former agency.

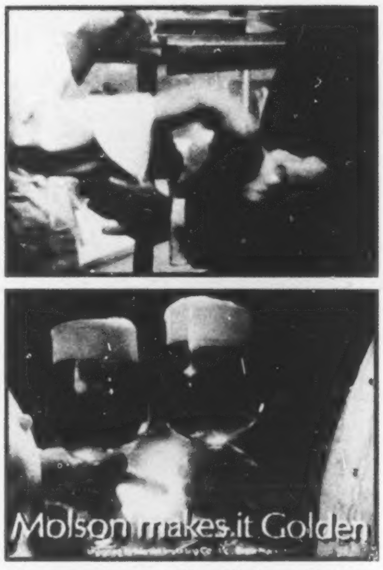
Maintaining the mystique of the spots was a key concern, Mr. Solomito says.

The magic of radio is the listener's ability to fantasize, so the company was unsure about what type of visual aid to offer tv viewers.

The answer was a series of commercials shot on location featuring both radio characters—from their chins down.

In this instance, according to Mr. Solomito, the mystery continues—with tv communicating the same message as radio.

However, while the message may remain constant, the cost more than doubles from one medium to the next. "People get a little frightened when they start adding up the sums," Mr. Solomito says, pointing out that the Molson tv spots cost more than $100,000 each.



The mystique of the Molson Golden radio spots lives on in tv spots such as this one in a steamy kitchen.

The tv spots, such as this one shot in Malta, feature the characters from their chins down.

Often a company will sacrifice one medium for the other, failing to reinforce the translated tv campaign with the original radio spots. But Martlet continues running Molson radio ads in markets where the tv ads run, Mr. Solomito says.

"The move to tv was dictated by our change in marketing strategy," Mr. Solomito says. "As effective as radio was, we wanted to broaden our reach."

The extension of the campaign added a new dimension, he says.

The tv spots supplement the radio ads and increase brand awareness. And, although radio is still Martlet's primary medium—in 1983, the company spent $10.9 million in spot radio—tv has "expanded our market and is fulfilling our over-all objectives," Mr. Solomito says.

More difficult to portray visually than a couple drinking beer, perhaps, is a hungrily growling stomach. But that's what Wendy's International agency Dancer Fitzgerald Sample, New York, did with its recent radio campaign advertising the fast-food chain's new late-night hours.

The cost for the same spot on tv was much more than double its radio cost, says Robert Reed, senior vp for DFS and management supervisor for the Wendy's account. But, he says, "The spot was such good radio, we thought, 'Maybe we can translate it to tv.'"

After weighing the pros and cons, the company decided to bring the radio spot to tv. "There were two reasons why we did it," Mr. Reed says. "First, it was a piece of good creative advertising and we didn't want to limit it to a radio audience. And second, because it would help reinforce the already existing radio spots."

The Wendy's spot was DFS' first attempt at bringing an existing radio ad to tv. Mr. Reed credits a "gut feeling" rather than "a formula" with providing the motivation behind this effort.

"Something like this [radio ad translation] has to be looked at on an individual commercial-by-commercial look," Mr. Reed says. Both Wendy's spots—radio and tv—are running in some local markets. Despite the companies' positive reactions to a radio-to-tv ad transition, the concept has its detractors.

"If it's created for one medium that usually means it will not work as smoothly in another medium as a direct lift," says Joel Hochberg, executive vp-creative, Needham, Harper & Steers/USA, Chicago.

"If the situation is such that the audio device that works well in radio carries unscathed to tv, it will work," Mr. Reed says.

He suggests the Wendy's growling stomach spot works, perhaps, because the key radio element—the talking stomach—remains an audio element on tv.

A brief list of advantages supporting a radio-to-tv ad translation includes a similar target audience and increased brand awareness. However, according to many agency people, ads for different media should be created with the characteristics of each in mind.

"To exactly duplicate an ad would not be right.

"Sometimes [when this is done] I think it's laziness and lack of creativity," says Mr. Hochberg.

Marie Spadoni is an Advertising Age *assistant editor.*

($0,000,000)

1.	$40.675	Anheuser-Busch
2.	29.079	General Motors
3.	27.949	AT&T
4.	21.578	Adolph Coors Co.
5.	19.214	Miller Brewing Co.
6.	16.651	Chrysler Corp.
7.	15.309	Delta Air Lines
8.	14.636	United Airlines
9.	14.603	Van Munching & Co.
10.	14.205	PepsiCo
11.	12.993	Ford Motor Co.
12.	12.146	Southland Corp.
13.	11.036	American Honda Motor Co.
14.	10.917	Martlet Importers
15.	10.881	Nissan Motors

The pickup
Molsen Golden beer, :60

FEMALE: *Excuse me, is this stool taken?*
MALE: *Uh, no.*
FEMALE: *Mind if I sit here?*
MALE: *Help yourself.*
FEMALE: *Thanks.*
MALE: *Would you, uh, pass me the peanuts?*
FEMALE: *Sure—(sound of a glass being knocked over)—oh, oh, I'm terribly sorry. Oh, I've ruined that tie, and it's so beautiful too. Let me wipe it up.*
MALE: *(softly) That's okay.*
FEMALE: *Um, that's a very interesting cologne you're wearing.*
MALE *Huh? It's beer!*
FEMALE: *(Chuckle) Oh, no, I'm sorry. Let me buy you another one, please.*
MALE: *No, that's all right—I'll just suck my tie.*
FEMALE: *(Chuckle) Let me make it up to you. How about a Molson Golden?*
MALE: *Molson Golden?*
FEMALE: *Yah, imported from Canada. It's excellent. Crisp, clear, smooth—you'll really love it.*
MALE: *Uh, yah, yah . . .*
FEMALE: *You will?*
MALE: *Are you trying to pick me up?*
FEMALE: *(Chuckle) The thought never entered my mind.*
MALE: *Well, think.*
FEMALE: *(Chuckle)*
ANNOUNCER: *Molson Golden beer, from North America's oldest brewery. Since 1786, Molson makes it golden. Imported by Martlet, Great Neck, New York.*
MALE: *Well, you're not doing a very good job of this.*
FEMALE: *I know, let me start over: Is this stool taken?*
MALE: *(Shouts) Hold the peanuts!*

Broadcast medium fills voids in advertising

By Karrie Jacobs

Lord only knows what time it is: The bars are closed, the street outside is quiet, the tv sits dormant—but the radio is still on.

The radio's on and Henry Morgan, game show guest emeritus, is making a pitch. "A picture is worth a thousand words," he declares as if it had just occurred to him. Then he says something about Polaroids and snapshots.

> **"Because of the nature of the brand, it's more responsive to radio. You say 'jock itch' on the radio and people's ears perk up."**
>
> ***—Dave Hurwitz***
> ***Pennwalt Drugs***

"Cameras," you think wearily, "He's selling cameras."

But no. Mr. Morgan goes on to explain that a single word can evoke an image—"France," he says to give an example, "Raquel." And, he reasons, if one word carries so much weight, just think about the cumulative effect of all the words in a radio commercial and what that could do for your product.

The spoken word *does* give radio a certain edge, a personal touch, especially when it's late night and you and the voice on the radio are the only wide-awake souls in a sleeping world.

While tv offers a mass audience, and while it trades heavily in pretty faces and glamorous images, radio gets down to the nitty gritty.

Sure, tv commercials remind us about unsavory hygiene problems such as dandruff and bad breath and address viewers suffering from hemorrhoids and those dirty rings. But more often tv ads feature beautiful people doing beautiful things. Without the distraction of gorgeous models, radio can speak one-to-one with listeners about their unfashionable, unsightly and dreary maladies—and radio advertisers can sidestep the problem of graphically portraying both the malady and the cure.

"It does take time, but your brown spots will fade," says a wise, matronly voice. This frank and well-adjusted woman says she can bear some of the symptoms of aging—the glasses perched on her nose and the gray streaks in her hair—but is miffed that her skin's pigmentation has gone haywire, mottling her complexion with liver spots. To clear up this blight, she uses Porcelana face cream, gradually bleaching those brown spots into obscurity.

Actually, Porcelana, part of a stable of esoteric health and beauty aids developed by Jeffrey Martin Inc., is itself a little on the obscure side unless you listen to talk radio.

Jeffrey Martin Inc., Union, N.J., has the distinction of being the nation's top spender in network radio advertising, devoting $21.7 million last year to promote products that clean tobacco-stained teeth, relieve backaches and banish brown spots. And that represented a substantial decrease from the company's $32.8 million 1982 radio budget.

Jeffrey Martin relies heavily on network radio because its products are targeted to two groups of regular radio listeners: Insomniacs and housewives, particularly elderly women, who spend time alone with the radio, day and night.

Tom Herzberg

Late-night commercial breaks are a mixed bag filled with public service spots and stars such as McGruff the police dog (offering crime-stopping hints) and Carlton Fredricks (hyping Special Stress vitamins and mineral ice in a voice reminiscent of the Queen of England).

The Jeffrey Martin ads, however, are the most compelling of the lot.

"D-R-O-W-Z-Y," spells a hypnotic male voice during a commercial break from Mutual Radio's Larry King show.

Moments ago, Mr. King's guest, a noted sportscaster, was comparing baseball to a beautiful woman. Now a man is inquiring ever so gently, "Can't cope with occasional sleepless nights?"

He assures listeners that "simple nervous tension" will float away as easily as D-R-O-W-Z-Y is transformed into C—O—M—P—O—Z. Jeffrey Martin spent $754,000 on Compoz network radio spots in 1983.

Jeffrey Martin chief executive officer Martin Himmel—who believes that tv is a "medium of the emotions" and radio "a medium of the mind"—stresses the importance of creativity in the radio ads done by JM's in-house agency.

"We try to have word pictures so you can see a picture of what's happening," Mr. Himmel says.

Late night is an obvious time to sell Compoz, but Mr. Himmel also says it is a prime time for Doans pills ($2.7 million in 1983 radio spots). He pictures back-pain sufferers, listening to late-night Doans spots as they try desperately to fall asleep, rushing out the next morning to purchase the product.

Radio spots for other JM products—Ayds weight loss candies ($2.5 million in 1983 network radio spots), Topol tooth polish ($6.5 million) and Bantron smoking deterrent ($1.6 million)—are aired during daytime talk shows. Bantron, for instance, co-sponsors New York Mayor Ed Koch's call-in show on WOE-AM.

"You can break—*SNAP*—the smoking habit," insist the ads, following up the claim with testimonials. Mr. Himmel says Jeffrey Martin has been doing fewer "slice of life" ads and more spots with comments from satisfied customers—in some cases using actual consumers' voices.

During the past 20 years, JM has grown from a company forced to advertise on radio because tv was too expensive to one that invests 50% to 60% of its ad budget in tv—network, spot and cable.

Topol, Jeffrey Martin's largest selling product, is heavily advertised on tv as is the company's newest concern, Lavoris mouthwash. Although he praises tv's ability to reach an enormous audience, Mr. Himmel says, "I'll never move away from network radio."

When Jeffrey Martin bought its 100-year-old Cuticura brand from Purex in 1982, the soap's appeal seemed limited to customers as old as the brand itself. The demand for Cuticura was, in a word, dying.

After discovering that Cuticura was an effective cleanser for part dry/part oily complexions, Jeffrey Martin repositioned the product with advertising on youth-oriented networks such as The Source, RadioRadio and ABC-FM network. The result? Cuticura's "combination skin" has become part of young people's vocabulary.

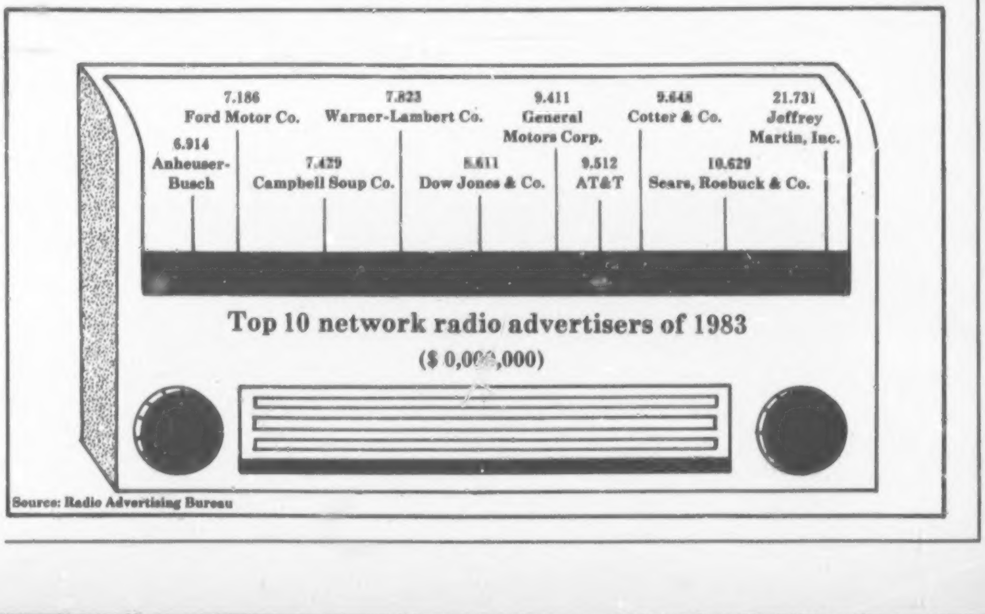
And then there are things that itch, such as feet and . . . . er, jock itch. Pennwalt Drugs, Rochester, N.Y., produces Desenex and Cruex powders to cope with those difficulties.

Product manager Dave Hurwitz says last year's successful two-market radio test makes a 1985 national radio campaign for Cruex seem probable.

Cruex has been advertised on outdoor signs ("Jock itch is no laughing matter"), but Mr. Hurwitz says he believes that the radio ads have achieved better results. "Because of the nature of the brand, it's more responsive to radio," he says.

"You say 'jock itch' on the radio and people's ears perk up."

Free lance writer Karrie Jacobs joined the ranks of late-night radio listeners while working on this story.



Top 10 network radio advertisers of 1983

($ 0,000,000)

Source: Radio Advertising Bureau

A TEXAS STATE NETWORK GIVES YOU...

America's Team
The Ag Team
The Spanish Team
The News Team

Nowhere but Texas can you find a state network that offers four different lineups of stations providing a variety of programming on 229 stations in 195 markets in 10 states.

Action of America's Team—The Dallas Cowboys Football Network—is broadcast in English and Spanish on 182 stations in 174 markets in 10 states...more than any NFL team.

The Texas State Network feeds news, sports and information to 129 affiliates in 108 Texas markets. TSN Agribusiness Network supplies seven hours of farm and ranch news weekly to 54 stations in 47 Texas markets. And, the TSN Spanish Information Service keeps Hispanics in Texas informed through our 22 stations in 19 markets.

It's the biggest state network, of course. Biggest Ag network, of course. Biggest state Hispanic network, of course. Biggest NFL network, of course. Satellite fed...of course.

TSN
TEXAS STATE NETWORK
7901 Carpenter Freeway
Dallas, TX 75247
214-688-1133

MM METROMEDIA RADIO

Represented Nationally By KATZ Radio

C2710-1

Advertising Age®

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$52 a year; this issue $3.00 *The International Newspaper of Marketing* *September 14, 1984*

100 LEADING NATIONAL ADVERTISERS

1984 EDITION

SIMMONS

AA
DC20014CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SFI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Advertising Age®

Leaders rebuild sales, hike advertising 10.5%

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By R. CRAIG ENDICOTT

The nation's 100 leading advertisers monitored by Advertising Age accumulated U.S. advertising expenditures of $18.89 billion in 1983 to rebuild aggregate worldwide sales to $901.8 billion.

Leading the surge which helped push sales of the 100 leaders out of their one-year decline suffered in 1982, was Procter & Gamble, the perennial "leader." Sears, Roebuck & Co., however, came closer than ever to usurping the throne.

The 10.5% increase in advertising on a year-to-year basis for the 100 leaders cooled off a blistering pace in 1982 when advertisers, faced with increasing recessionary pressures, primed the consumer pump with a 15.2% increase in an attempt to rejuvenate sales, which slumped to $765.3 million, a drop of 0.9% from 1981.

The 100 leaders' U.S. sales of an estimated $643.75 billion were 72% of the worldwide total and represented an advertising-to-sales ratio of 2.9. Many of the leaders registering poor performances in 1982 reported better results in 1983. As a whole, the 100 leaders' earnings of $38.7 billion were 4.4% of worldwide sales. (Return on sales omits figures for private companies.)

Most leaders pressed forward feeding the marketing mix withstepped up advertising, reworked marketing strategies that attracted broader clientele, divestiture programs that brought focus to conglomerate holdings, product-specific acquisitions, new product category development, heavy line extension movement and product reformulations.

Ad expenditures in the eight measured media tracked in this issue were $11.67 billion for the 100 leaders in 1983, an increase of 10.5%. Unmeasured ad totals pulled an additional $7.2 billion for a similar year-to-year increase. Unmeasured advertising includes cable, direct mail, collateral materials, co-op advertising, trade show promotions, point-of-purchase and transit advertising. Neither measured nor unmeasured advertising in this case includes national retail advertising or local newspaper expenditures.

100
LEADING
NATIONAL
ADVERTISERS

P&G again led the spenders with $773.6 million in total advertising. U.S. sales of $9.55 billion gave P&G an ad-to-sales ratio of 8.1. Experts predict P&G will surpass the $1 billion mark by 1985 as it continues to push new product development. P&G spent nearly $100 million each in introducing Always feminine hygiene product and Citrus Hill Select orange juice in 1983.

Sears played bridesmaid with an expenditure of $732.5 million. If local newspaper advertising were included in the measured advertising—the criterion that places a company on the 100 leader list—then Sears would leave P&G in its wake.

The most dramatic shift among the top 10 advertisers was made by Beatrice Cos., which bought its way into third place from a rank of 16th in 1982. The Beatrice of the 1983 list is a composite of three 100 leaders appearing on the 1982 chart. The company purchased Esmark Inc. in August, 1984, a company that already had consumed Norton Simon Inc. in late 1983. Esmark was the 32nd largest national advertiser in 1982 and Norton Simon Inc. the 33rd.

Newcomers to the 100 leaders this year include Tandy Corp. (No. 40), Texas Instruments (No. 51), IC Industries (No. 64), Sony Corp. of America (No. 70), GTE Corp. (No. 85), Cosmair Inc. (No. 87), Adolph Coors Co. (No. 93), Goodyear Tire & Rubber Co. (No. 96), Coleco Industries (No. 98) and Carnation Co. (No. 99).

Joining the two Beatrice units in leaving the chart were North American Philips Corp. (No. 67 in 1982), SmithKline Beckman Co. (No. 68), Pan American World Airways (No. 80), 20th Century-Fox Film Corp. (No. 86), Royal Crown Cos. (No. 92), Polaroid Corp. (No. 95), Hiram Walker Resources Ltd. (No. 98) and E&J Gallo Winery (No. 99).

Major changes already are beginning to rejuggle the rankings for next year's leaders. Just as Beatrice "acquired" its position in this year's 100 leaders rankings, Nestle is poised to do the same in 1984 through a pending merger with Carnation announced last week. Nestle will purchase Carnation for an estimated $3 billion. A consolidated measured ad spending for the

(Continued on Page 2)

R. Craig Endicott is profile issues editor of Advertising Age.

The leading advertisers by rank ($000)

Rank	Company	Advertising
1	Procter & Gamble Co.	$773,618.3
2	Sears, Roebuck & Co.	732,500.0
3	Beatrice Cos.	602,775.4
4	General Motors Corp.	595,129.5
5	R.J. Reynolds Industries	593,350.3
6	Philip Morris Inc.	527,481.8
7	Ford Motor Co.	479,060.0
8	American Telephone & Telegraph	463,095.5
9	K mart Corp.	400,000.0
10	General Foods Corp.	386,134.2
11	Nabisco Brands	367,530.4
12	PepsiCo Inc.	356,400.0
13	Warner-Lambert Co.	343,553.5
14	American Home Products Corp.	333,485.0
15	Unilever U.S.	324,865.8
16	McDonald's Corp.	311,378.0
17	Johnson & Johnson	295,328.8
18	Mobil Corp.	294,932.5
19	J.C. Penney Co.	292,451.0
20	Anheuser-Busch Cos.	290,616.4
21	Ralston Purina Co.	285,667.4
22	Coca-Cola Co.	282,150.0
23	General Mills	268,690.2
24	Colgate-Palmolive Co.	268,000.0
25	Warner Communications	251,049.6
26	Bristol-Myers Co.	235,000.0
27	Chrysler Corp.	230,020.1
28	U.S. Government	228,857.2
29	RCA Corp.	212,300.0
30	Dart & Kraft	210,279.4
31	H.J. Heinz Co.	202,400.0
32	General Electric Co.	196,506.6
33	Consolidated Foods Corp.	195,858.0
34	Pillsbury Co.	190,944.3
35	Gillette Co.	$185,604.4
36	Mattel Inc.	179,934.8
37	Kellogg Co.	176,306.9
38	Sterling Drug	171,828.1
39	CBS Inc.	167,711.0
40	Tandy Corp.	156,728.0
41	Richardson-Vicks	150,813.9
42	Quaker Oats Co.	148,441.7
43	Batus Inc.	146,076.9
44	Gulf & Western Industries	145,500.0
45	American Cyanamid Co.	142,400.0
46	Chesebrough-Pond's	141,324.5
47	Eastman Kodak Co.	141,318.9
48	Loews Corp.	135,115.1
49	ITT Corp.	134,229.0
50	Beecham Group p.l.c.	-134,126.8
51	Texas Instruments	129.042.0
52	Campbell Soup Co.	126,000.0
53	Revlon Inc.	123,968.9
54	Nissan Motor Corp. in U.S.A.	122,848.0
55	Mars Inc.	120,350.5
56	Time Inc.	119,785.0
57	Jos. E. Seagram & Sons	119,604.4
58	International Business Machines Corp.	119,222.5
59	Schering-Plough Corp.	117,914.2
60	American Honda Motor Co.	115,182.3
61	Nestle Enterprises	114,957.0
62	Toyota Motor Sales U.S.A.	113,649.0
63	Volkswagen of America	112,500.0
64	IC Industries	112,100.0
65	Xerox Corp.	110,101.8
66	American Express Co.	107,571.0
67	Du Pont	102,637.0
68	Trans World Corp.	101,503.3
69	American Motors Corp.	$100,800.7
70	*Sony Corp. of America*	97,283.2
71	CPC International	96,627.3
72	Miles Laboratories	89,063.8
73	Union Carbide Corp.	88,000.0
74	S.C. Johnson & Son	86,970.3
75	Greyhound Corp.	83,564.0
76	AMR Corp.	80,000.0
77	Kimberly-Clark Corp.	77,460.0
78	UAL Inc.	77,200.0
79	American Brands	75,590.1
80	MCA Inc.	74,543.6
81	Mazda Motors of America	74,500.0
82	Stroh Brewery Co.	73,532.4
83	Pfizer Inc.	72,084.3
84	Brown-Forman Distillers	70,500.0
85	GTE Corp.	70,179.9
86	Eastern Air Lines	70,000.0
87	Cosmair Inc.	69,955.0
88	Clorox Co.	69,429.0
89	Hershey Foods Corp.	68,257.4
90	Wendy's International	64,445.0
91	Wm. Wrigley Jr. Co.	63,948.2
92	Delta Air Lines	63,944.3
93	Adolph Coors Co.	63,621.3
94	Noxell Corp.	58,264.4
95	Canon U.S.A.	58,032.9
96	Goodyear Tire & Rubber Co.	57,831.7
97	GrandMet U.S.A.	55,566.2
98	Coleco Industries	55,216.4
99	Carnation Co.	54,284.6
100	American Broadcasting Cos.	49,167.5

Figures are a composite of measured and unmeasured advertising.

Where AA got its data

For the 29th consecutive year, ADVERTISING AGE unfolds the marketing operations of the nation's 100 advertising giants. What they spend on advertising, where they spend it, how their leading product lines and brands rank nationally, what share of market they hold and scores of other details are analyzed in 100 profiles and 13 charts.

The profiles include listings of each company's marketing executives, its agency lineup and a rundown of account personnel.

Much of the material is not published elsewhere, including estimates of total advertising and promotion expenditures for the advertisers covered, sales figures for privately owned companies and scoops on future marketing strategies.

Advertising figures listed for each of the 100 leading national advertisers include measured media expenditures published by various statistical bureaus and associations.

The sources used include Leading National Advertisers, Agricultural Marketing Information Service (AGRICOM), Radio Advertising Bureau, Media Records (newspapers), Broadcast Advertisers Reports, Institute of Outdoor Advertisers and Outdoor Advertising Assn. of America.

100
LEADING
NATIONAL
ADVERTISERS

In the eight measured media—newspapers, magazines (business and consumer), farm publications, spot and network tv, spot and network radio, and outdoor—the 100 leaders dominate, accounting for 55.1% of all advertising dollars invested in those media. *(See chart on Page 144.)*

This year, for the first time, cable ad spending is reported in a ranking of the 25 top cable advertisers (not necessarily a 100 leader), courtesy of Broadcast Advertisers Reports. *(See chart on Page 136.)*

In addition to the measured media figure, an unmeasured spending figure is added to arrive at the company's total ad expenditures. These unmeasured expenditures include point-of-purchase advertising, couponing, direct mail, premiums, trade shows, special events, catalogs and other forms of sales promotion.

Many leaders provided ADVERTISING AGE with estimates of ad spending as well as breakdowns on their measured spending. In most cases, these listings were printed along with AA's estimates.

Although the final ranking is based on the combined total of our measured and unmeasured figures, ADVERTISING AGE stresses that the selection of the 100 leading national advertisers is based on measured media expenditures only.

If other criteria were used, advertisers not now on the list would be included. Among them would be those companies that spend millions annually in local retail advertising, which is not measured, and relatively little in national advertising. Such companies include many large retailers.#

American Brands

	1983	1982
Sales*	$7,093,392,000	$6,504,961,000
Earnings*	390,298,000	381,240,000
U.S. Advertising	75,590,100	72,272,000

*Worldwide

American Brands, New York, the 79th largest national advertiser, spent an estimated $75.6 million on advertising in 1983, down 4% from 1982's $72.3 million level and continued the slide from the $82.2 million registered in 1981.

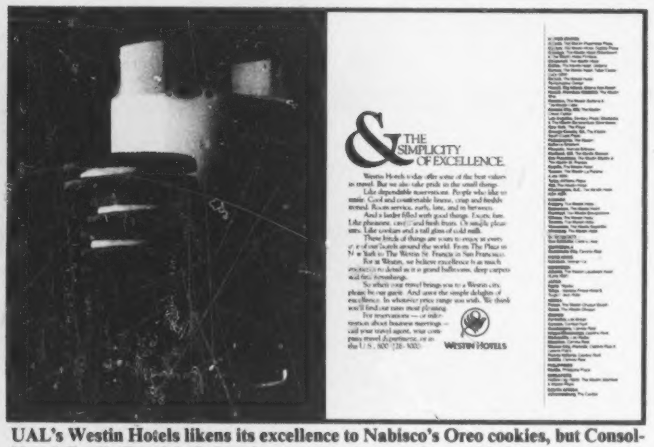
Halting a two-year decline, net sales rose 9% in 1983 to a record $7.1 billion. Big contributors were the domestic tobacco product sales, which were up 18%, and the hardware and security segment, with an increase of 166% in sales. American Brands is a security, food, office products,

Leaders rebuild sales

(Continued from Page 1)

two of $169.2 million in this issue would have moved Nestle from 61st to 39th in the rankings had the purchase been concluded before publishing.

The 100 leaders continued to dominate national spending among all advertisers in measured media. This is most evident in the leaders' dominance of network tv. They commanded 75.9% of network tv's total advertising of $7.04 billion, down from a 77.7% share in 1982.


THE
SIMPLICITY
OF EXCELLENCE
WESTIN HOTELS

UAL's Westin Hotels likens its excellence to Nabisco's Oreo cookies, but Consolidated Food's Popsicle Industries went one better—it crumbled the morsels into its ice cream.

In decreasing influence, the leaders provided 65% of total network radio expenditures of $263.3 million, up from a 50% share in 1982; 54.3% of total outdoor expenditures of $549.7 million, up from 36.9%; 49.6% of total magazine expenditures of $3.94 billion, down from 50.2%; 44.6% of total spot tv spending of $5.56 billion, up from 44.5%; 39.8% of total spot radio spending of $1.11 billion, down from 47.3%, and 38.3% of total national newspaper spending of $2.57 billion, down from a 39.3% share.

Only in outdoor did the 100 leaders fail to show an across-the-board increase. Outdoor drew $298.3 million in advertising from the leaders, down 0.2% from their contribution in 1982. Batus Inc., ranked fourth among the nation's advertisers in outdoor, registered the most dramatic drop among the leaders in that medium, plunging from $42.5 million in 1982 to $22.4 million in 1983.

The media segment showing the largest percentage increase in 100 leaders' spending was the smallest medium—farm publications—which received $28.6 million in advertising from the leaders, up 20.8%. The first 100 leader company to break into the nation's top 25 advertisers in farm publications was Du Pont, ranked sixth nationally. American Cyanamid and Ford Motor Co. were other 100 leaders among the top 10 advertisers in farm journals.

Spot tv spending among leaders of $2.48 billion increased 13.8% from 1982. The nation's top 25 spot radio spenders were all 100 leaders with Procter & Gamble the pace setter by a long shot with $229.2 million in spending, up 28.1% from 1982, and close to doubling spot tv expenditures of No. 2 PepsiCo.

Magazine spending of $1.95 billion for the leaders increased 13.6% over the previous year. The 100 leaders again did not permit a nonleader company to crack the top 25 national spenders in magazines. The No. 1 spender remained R.J. Reynolds Industries with an expenditure of $155.1 million, up 40% from 1982, and a comfortable $15 million lead over runnerup and head-to-head competitor Philip Morris Inc.

Toyota is actually attempting to "overturn" its Japanese brethren—Mazda, Nissan and Isuzu—in the hotly contested U.S. small truck market.

Network tv drew $5.35 billion in spending from the 100 leaders, up 10.5% from the previous year. Procter & Gamble again was far out in front in spending honors for the nation's top 25 advertisers in network tv with $366.7 million, down 6% from 1982, and far ahead of No. 2 General Motors Corp.

Network radio spending of $141.2 million among leaders was up 7.5%. Sears paced the 100 leaders among all advertisers in the medium with a No. 2 rank, spending $10.6 million, down 4.5%, compared with the top network radio spender, Jeffrey Martin Inc., which supported such products as Doan's pills, Cuticura medicated soap and Topol tooth polish with $21.7 million, down 35% from 1982. Cotter & Co. (TrueValue Hardware), Dow Jones & Co., Hartz Mountain Industries and Purex Industries were the only other nonleaders among the top 25 in this medium.

Spot radio spending of $440.8 million by 100 leaders was an increase of 5.5%. Anheuser-Busch Cos., with an expenditure of $40.7 million, up 10.6%, kept a firm grip on first place among the nation's top spot radio spenders.

Newspapers attracted $984.1 million in advertising from the 100 leaders, up 2.3%, with R.J. Reynolds Industries pacing the nation's top 25 list with $112.3 million in spending, down 8.8%. Texas Air Corp. and Republic Airlines were the only nonleaders among the top 25 newspaper advertisers.

Cable tv, which is not a monitored medium in this issue, is beginning to attract sizable spending as more networks become advertiser-supported. The medium, dominated by 100 leaders companies, is led by Anheuser-Busch, with an expenditure of $15.8 million, up 72%, but only a notch ahead of Procter & Gamble's $15.2 million, up 124%, according to Broadcast Advertisers Reports.

Among the industries represented by the leaders, the airline industry is perhaps one of the most ad-driven. In 1983, the airlines attempted to prop up sluggish revenues and sagging profits with sizable advertising increases. Of the five 100 leaders in the category, Eastern Air Lines, Delta Air Lines and Trans World Airlines suffered losses during 1983, yet advertising at the three increased 22%, 30% and 10%, respectively.

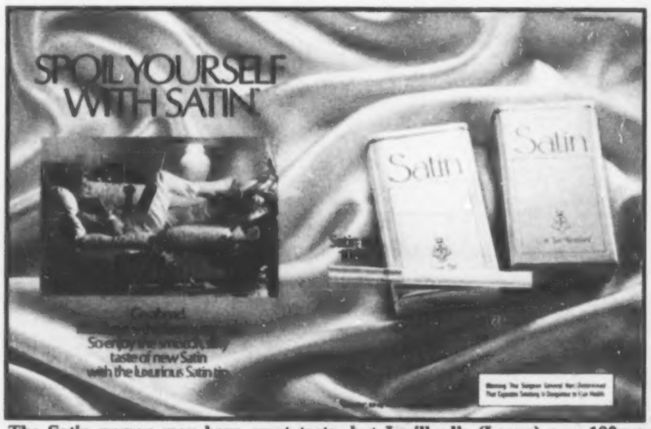
While the market was hostile to airlines in general—a year marked by a soft economy in the first half followed by severe discounting and stiff competition in the second—it turned the beer spigot to a trickle. Barrelage industrywide for the nation's brewers was up 1% as several large brewers lost barrelage volume on a year-to-year basis.

Adolph Coors Co. was one big exception as it boosted advertising 63% to back a barrelage increase of 15% that helped it push eastward and southward into virgin territory.

The shadow of your smile.

Kodak frames its film ad featuring this lipsmacking baboon with mixed lyrics. But is "a kiss just a kiss . . . when you were gone?"

Anheuser-Busch attempted to stop the erosion in superpremiums—Michelob dropped from 7.4 million to 7 million bbls.—by increasing advertising of Michelob 29% and Michelob Light 13%, and switching agencies for both.



The Satin woman may have great taste, but Lorillard's (Loews) new 100mm smoke did not stimulate heavy use, as advertising might have warranted. It has since embossed the pack in gold leaf to build greater awareness.

A-B also launched the low-alcohol category with its LA brew in May, 1984. It got a jump on the competition by sprinting through test market in one month. Schaefer (Stroh Brewery Co.) and Blatz, Old Style, Old Style and Rainier (G. Heileman Brewing Co.), and Sharps (Miller Brewing Co.) were quick to follow and entangled the industry in a legal dispute when some opted for an LA (for low-alcohol) on their labels. Litigation regarding whether LA is proprietary or generic continues.

The distilled spirits industry, the beer industry's beverage cousin, felt a similar erosion of consumer interest as sales remained stagnant at Jos. E. Seagram & Sons, Brown-Forman Distillers and Heublein, a subsidiary of R.J. Reynolds Industries. The industry is caught in a vice between public concern over alcohol and moderation, and a shift in public tastes toward lighter and whiter products.

In contrast to ad spending trends among the nation's brewers, the distilled spirits market leaders (including the 100 leaders among them) have elected to pare advertising an average of 11% from 1982.

New product development, which is likely to garner increased ad outlays, captured the interest of several industry leaders such as Seagram, which cut ad spending 21.8% as sales dropped 6.4%. Seagram is moving into new categories including creams, rums, liqueurs and wines. It shored up wine holdings in 1983 by acquiring Coca-Cola Co.'s Wine Spectrum (Taylor California Cellars).

Heublein, a subsidiary of R.J. Reynolds, fought the shift in consumer tastes by introducing lighter cocktails, by doubling its advertising for Jose Cuervo tequila, the nation's best-selling tequila, and by funneling $9.5 million—its largest liquor brand support—into Smirnoff vodka, the No. 2 liquor brand behind Bacardi rum.

Brown-Forman, which had a decline in earnings of 23% largely because of the purchase of Lenox Inc. on a sales increase of 29%, cut advertising 4.7%. It seemed to play ostrich by keeping out of the new product race and carving advertising from its leading brands, which are mostly dark whisky types. The company lost its ad agency, McCann-Erickson, which resigned the account earlier this year to pick up Heublein's growing Smirnoff business. B-F has yet to sign on another agency.

Seagram took an industry advocacy role by advertising drinking with moderation in a print campaign. One ad that drew wide attention featured a picture of four jiggers of whisky, four tobacco and hardware company.

The sales increase recorded in the tobacco products line, however, reflected the higher selling prices resulting from last year's doubling of the cigaret excise tax. The U.S. smoking public smoked 4.6% fewer cigarets last year, according to *Business Week's* annual cigaret industry score card. That score card also shows that American Brands' cigaret sales (by volume) declined 8% in the 1981-83 period and that its top sellers—Pall Mall, Carlton and Tareyton—have suffered declining market shares. International tobacco sales also declined slightly in dollars.

The January, 1983, acquisition of Pinkerton's Inc. accounted for the big sales jump shown for the hardware and security segment.

The company continues to diversify, a process started in 1966. Earlier this year, its Franklin Life subsidiary, which specialized in life insurance, acquired the Southland Life Insurance Co., a specialist in group life and health and universal life policies.

American Tobacco, which together with American Cigar constitutes the domestic tobacco division, had record sales in 1983. Late in the year, it completed the national rollout of Lucky Strike Filters, while also introducing Lucky Strike Lights in test markets. The Lucky Strike Filters rollout was followed early in 1984 by national rollout of Lucky Strike 100's. All three are low-tar [illegible].

Lucky Strike Filters was backed with nearly $13 million in measured media spending, tripling its 1982 spending when it was introduced. Of that, $8.4 million went to magazines. Promotions also have included heavy sponsorship of sporting events, which are not included in the measured totals.

Carlton continues as the industry's best selling ultra low-tar brand and accounts for about 20% of that market. Measured media spending for the Carlton brand was $16.5 million, down from the previous year's $23.3 million. Carlton Filters was the big loser, as its measured spending fell from $10 million to $2.2 million. Multiproduct advertising, meanwhile, was $11.4 million, about the same as the previous year.

American Tobacco's low-tar lineup also includes Tareyton and Tareyton Lights, which are the industry's leading charcoal filter brands, plus Pall Mall Lights 100's and Silva Thins. Pall Mall Lights led the way in measured media spending, with $7.5 million last year.

Unadvertised in major media, nonfilter Pall Mall Kings continues to be the fifth best selling cigaret in the U.S.

American Brands measured media spending shows that newspapers continue to get a declining slice of the ad budget. Last year, newspaper spending was $5.8 million, down from 1982's $8.9 million, and even further away from 1981's $13.2 million.

In the smoking tobacco category, the company markets Half and Half, Paladin, Blackcherry and Bourbon Blend.

At the American Cigar unit, Antonio y Cleopatra is the leading brand and received about the same measured media support in 1983 as in 1982 ($500,000). La Corona Whiffs, a Continental-style cigar, increased in unit volume and is now second to Antonio

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glasses of beer and four of wine, with the headline "Surprised?" Copy noted the alcohol level of the groups were equivalent, concluding: "Even if it looks light, it shouldn't be taken lightly.

Cigaret marketers, facing similar erosion in public confidence, found an industry advocate in R.J. Reynolds, which spent $7 million on a controversial corporate campaign that called for "an open debate about smoking." The advertising—more than any outlay for an RJR brand in 1983—created a public flap, drawing heavy criticism from the heart, lung and cancer associations. RJR also pulled its media buying inhouse, an action that could have a farreaching effect on Madison Avenue if it becomes a trend.

The biggest growth category among 100 leaders was electronics and office equipment, attracting four of the newcomers to the 100 leaders' list—Tandy Corp., Texas Instruments, Sony Corp. of America and Coleco Industries.

The category, however, is as volatile as its growth potential. At least one of the newcomers, TI, is likely to fade from the chart next year because the consumer product that put TI into the 1984 rankings—the TI 99/4A home computer—was dropped in October, 1983. Coleco spending would have been greater had its new Adam computer been delivered at intended volumes in 1983, but production snags rendered the introductory hype useless as Coleco pulled advertising until it got the Adam to market in early 1984.

Sony's most heavily advertised unit, the Betamax videocassette recorder ($6.2 million in measured spending) continued to lose market share to rival VHS-format systems, but it won a U.S. Supreme Court decision against moviedom when the court ruled that recording tv programs for private use did not violate federal copyright law.

Even Tandy Corp., which backed its popular TRS-80 line with $15.5 million, or 42% of its total measured spending, was beginning to feel the heat from industrywide price cutting at year's end. In its fourth quarter, Tandy net income dropped 21.6% from the year-earlier period from reduced sales of the TRS-80 affected by industrywide price-cutting.

Soft drinks attracted considerable attention as marketers rushed to retail shelves "lighter" products, extracting just about everything from the drinks but the cola underpinnings.

Aspartame/saccharin sweetener substitute got good play as Coca-Cola infused the blend into diet Sprite; Consolidated Foods reintroduced Diet Shasta with the new sweetening blend and continues testing 100% d'Lite with 100% aspartame in three markets; Philip Morris introduced aspartame into both Diet 7UP and Sugar Free Like, and PepsiCo injected aspartame into Diet Pepsi.

The successful G.D. Searle & Co. product also found its way into General Mill's Trix cereal, General Food's Alpha Bits, Carnation's low-cal hot cocoa, Heinz Superman hot cocoa mix, Lipton iced-tea mix and Wrigley's Extra gum.

UAL gets you there and American Express pays the bill in this All-American vacation tie-in.

Coca-Cola upset the soft drink market share rankings in propelling diet Coke into third place past 7UP, and even bumped off Coca-Cola's TAB as the leading U.S. diet cola. The diet Coke product made the surge with $21 million in advertising in its first full year of national distribution. Coca-Cola sought to minimize any cannibalization of TAB by introducing diet Coke as a unisex drink unlike TAB's feminine image, but it proved a tradeoff as TAB's share dropped as the diet category share increased.

The collective catch phrase among mass retailers in 1983 was "a store within a store," characterized by the introduction of boutiques within the body of the store.

Sears, in adopting its equivalent "store of the future" design, outfitted existing units with the boutiques and refined its merchandising. J.C. Penney Co., which tried the boutique concept about 10 years ago but scuttled the idea after finding its traditional blue-collar customers not enamored by fashion, followed the Sears' lead by upgrading merchandise, adding a distinct Italian *haute* to its apparel offerings, and shelved low-return auto service, major appliances, hardware and garden products.

Montgomery Ward & Co., the biggest ad spender among Mobil Corp. subsidiaries, is introducing a new merchandising plan that establishes seven specialty stores in one store. Likewise, K mart Corp. credited its improved sales, the earnings to its remodeling program and addition of designer labels to its merchandise, and the touting of such shifts with heavy advertising spending ($40 million alone in 1984 Olympic Games advertising and promotion).

Euphoria returned to the auto industry in 1983 evidenced by Ford Motor Co. earnings of $1.9 billion, a turnaround from a loss of $657.8 million in 1982, and General Motors Corp.'s earnings increase from $962.7 million, to $3.73 billion. The year closed with American Motors Corp. recording its first quarter in the black in years. The year was marked by Jeep downsized for the first time in 20 years and Ford Motor pitching tractors to women.

The year was not a particularly dramatic one for agency shifts, although several 100 leaders gave pink slips to their agencies of longstanding: SSC&B's headlock on the Carnation account was loosened when the company for the first time gave products (from three divisions) to Foote, Cone & Belding; J.C. Penney dropped McCaffrey & McCall after 14 years and picked up N W Ayer; Colgate-Palmolive sought coordination in its worldwide business by picking Young & Rubicam to handle business worldwide previously directed by Kenyon & Eckhardt stateside and D'Arcy MacManus Masius abroad.

A major battle is shaping up for the 1985 Leader's issue. If the top two spenders maintain their current rate of spending, Sears will supplant P&G.

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127 R.J.Reynolds Industries
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129 Schering-Plough Corp.
130 Jos. E. Seagram & Sons
132 Sears, Roebuck & Co.
133 Sony Corp. of America
134 Sterling Drug
134 Stroh Brewery Co.
136 Tandy Corp.
136 Texas Instruments
137 Time Inc.
138 Toyota Motor Sales U.S.A.
138 Trans World Corp.
139 UAL Inc.
140 Unilever U.S.
141 Union Carbide Corp.
142 U.S. Government
142 Volkswagen of America
144 Warner Communications
145 Warner-Lambert Co.
145 Wendy's International
146 Wm. Wrigley Jr. Co.
146 Xerox Corp.

y Cleopatra Grenadiers in company sales.

Internationally, American Brands tobacco business consists almost entirely of U.K.-based Gallaher Ltd., where results were flat last year in dollars, at $2.97 billion, though they were up 16% in sterling, to £1.94 billion. On the bright side, however, the company's share of the U.K. cigaret market during the year rose to more than 32%.

Gallaher's Benson and Hedges Special Filter continues to be the leading brand in the U.K. and its standing was enhanced by the national rollout of Benson & Hedges Longer Length. Silk Cut, meanwhile, is the top-selling, low-tar brand.

Gallaher has sizable shares of the cigar, smoking tobacco and roll-your-own markets in the U.K. Its Condor brand is the pipe tobacco market leader and now has a 48% share of that market. Hamlet is the top-selling cigar and its share of market increased to more than 46%. In the roll-your-own category, Old Holbron is the No. 2 brand in the U.K. but rose to a 43% market share.

Gallaher also includes the Dollond & Atchison Group, Europe's largest optical company.

American Brands distilled beverages division had a 6% sales gain in 1983. Liquor consumption, however, continues to decline in the U.S.

Jim Beam countered the industry trend and increased sales in 1983. Over the past three years, its sales are up 27%, to $241.2 million, and it has strengthened its ranking as the world's top bourbon. Measured media spending was nearly $2.5 million, the bulk in magazines. Ad support also includes sponsorship of the "Jim Beam Spiral Thoroughbred Stakes."

Other bourbon brands include Beam's Black Label and Beam's Choice. In the whisky category, Beam's 8-Star blended whisky had an 8% sales gain.

The Beam Import Co. division added several products to its lineup. In September, 1983, it introduced Trenais Nouvelle liqueur to the U.S. The introduction was backed by $1 million in measured media support. Trenais combines yogurt and cognac. Another new entry is Canadian Silk, which is a Canadian whisky, and Gammel Dansk bitters, an import from Denmark.

Kamora, which is imported from Denmark, meanwhile, continues as the No. 3 leading coffee liqueur in the U.S.

Beam's Taylor Foods division had record sales, and distribution for its Mr. and Mrs. T cocktails scored a big gain when K mart Corp. began carrying the line in late 1983.

American Brands' food products division posted a 9% sales gain. Sunshine Biscuits is the major performer and invested nearly $1 million in measured media ad support for Hydrox cookies last year, nearly triple the previous year's measured spending. The cookie industry was particularly active in 1983 with many new entries appearing and precipitating an industry cookie war.

Sunshine continued its "Great cookies don't have to be expensive" campaign, unfurled in 1982 when it introduced smaller, low-price packages of its Hydrox, Vienna fingers and other sandwich cookie lines.

New entries included Chip A Roos and Hi Ho crackers, which were reformulated and repackaged, and Sunshine bite-size shredded wheat cookies, which were introduced. The snacks division, meanwhile, introduced Compadres tortilla chips.

The Andrew Jergens Co., American Brands' personal care products unit, which posted a 5% sales increase last year, substantially increased its ad and marketing support in the face of stiffer competition, according to the company. The increased money went mostly to support established lineups, which include Jergens lotion and Jergens Aloe & Lanolin lotion. The Jergens lotion line was backed with $3 million in measured spending in 1983.

Fiesta deodorant soap, a 1982 entry, got full-fledged ad support—$2.5 million in measured spending.

Squeek, a shampoo-conditioner which was introduced in 1982, went national last year. Gee Your Hair Smells Terrific, another shampoo-conditioner, meanwhile, has faded and received nothing in measured media spending in 1983.

The Acushnet Co. division, which makes Titleist and Pinnacle brand golf balls and golf accessories, had a 22% sales gain. Measured media spending for its golf balls was kept at $3 million. Its golf clubs ad spending was doubled to $1.4 million, the boost backing its new Pinnacle golf clubs.

American Brands' other major subsidiaries include Master Lock Co., the world's leading padlock manufacturer; Swingline Inc., which makes staplers and staples, and Wilson Jones Co., an office products manufacturer.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$5,815,400	$8,903,400
Magazines	35,472,900	32,279,500
Spot tv	2,500,800	1,539,800
Network tv	8,607,800	6,980,600
Spot radio	30,100	59,700
Network radio	104,500	—
Outdoor	12,[illegible]49,900	12,314,400
Total measured	65,481,400	62,077,400
Unmeasured	10,108,700	10,194,600
Estimated total	75,590,100	72,272,000

AMERICAN TOBACCO CO.

Marketing Personnel

T.C. Hays, exec vp
W.J. Moore, vp-adv
N.H. Chester, media director
W.C. Stevenson, mktg controller
M.J. O'Neill, mktg services director
E.T. Bonnett, senior rsch analyst
H.W. Bahrenburg, product mgr, Carlton
E.J. Gesell, product mgr, Lucky Strike
J.A. McGinn, product mgr, Pall Mall, Tareyton
J.J. Mellett, media mgr
W. Degenhardt, media super
C.H. Mullen, senior vp-sales
T.F. McGuire, mgr-sales operations
S. Roses, sales promos and merch director

Advertising Agencies

SSC&B, New York—Pall Mall, Tareyton, Tall, all smoking tobacco—Douglass Bomeisler, senior vp-mgmt super; Dan Bellucci, acct exec.

Laurence, Charles & Free, New York—Carlton, Lucky Strike, Silva Thins—Albert Magnane, vp-mgmt super; Malcolm Minor, vp-mgmt super; Thomas Keane, R. LaFrance, acct supers.

SUNSHINE BISCUITS

Sayreville, New Jersey

Marketing Personnel

Jay R. Neidenberg, vp-mktg and U.S. snack operations
Robert M. Lorys, group product mgr
Harold B. Derstine, group mktg mgr
John Pendergast, cracker product mgr
Hedy Britton, cookie product mgr
Alexander Nichols, adv mgr
Alan Hiller, new products mgr
Janet Botti, associate product mgr

Advertising Agencies

Sherwood & Schneider, New York—Marvin Schneider, chairman-ceo; Lew Sherwood, president; Brendan Hawk, exec vp-genl mgr; Craig Bernard, acct super.

FRANKLIN LIFE INSURANCE CO.

Springfield, Ill.

Marketing Personnel

Jack Watson, senior vp-mktg
T.M. Costa, vp, director-sales promo

SOUTHLAND LIFE INSURANCE CO.

Marketing Personnel

Joe W. Hopkins, senior exec vp-mktg officer
Virgil L. Hooper, 2nd vp-director special mkts.

JAMES B. BEAM DISTILLING CO.

Chicago

Marketing Personnel

Victor Zast, vp-mktg and adv director
B.J. Bilocerkowycz, adv mgr

Advertising Agencies

Bozell & Jacobs, Chicago—Jim Beam bourbon—Charles Brom, acct super.

BBDO, Chicago—Beam's Black Label bourbon, Beam's Choice bourbon, Dark Eyes Vodka, Chateaux Cordials—Doug Hector, acct super.

Marsteller Inc., Chicago—Kamora Imported Coffee Liqueur, Spey Royal Scotch, Beamero Tequila, Aalborg Akvavit—D. Brashears, acct super.

MASTER LOCK CO.

Milwaukee

Marketing Personnel

Peter U. Jung, vp-mktg
Harv Schneider, mgr-mktg services

Advertising Agency

Cramer-Krasselt, Milwaukee—consumer trade, intl adv—W. Faude, acct super.

WILSON JONES CO

Chicago

Marketing Personnel

A.E. Fontenot Jr., vp-sales and mktg
R.F. Smock, vp-adv and mktg services
M.A. Rosenfeldt, adv mgr

Advertising Agency

Al Paul Lefton Co., New York—G. William Wolston, vp.

ACME VISIBLE RECORDS

Crozet, Va.

Marketing Personnel

Irving M. Sloan, adv mgr

Advertising Agency

Al Paul Lefton Co., New York—G. William Wolfston, vp; Larry Wilson, acct rep.

ACUSHNET CO.

New Bedford, Mass.

Marketing Personnel

Golf Division

Wally R. Uihlein, senior vp-worldwide sales
Robert B. Forbush, vp-worldwide mktg
John W. Hoagland, business mgr-golf balls
Theodore S. Ingalls, business mgr-clubs & putters
Robert A. Shell, business mgr-accessories
Nicholas W.H. North, director-intl mktg

Rubber Division

Richard A. Bugg, director mktg and sales
Robert T. LaCrosse, mktg mgr-custom molded prods
Charles C. Gregory, field sales mgr
Roger M. Horning, field sales mgr
Ernest P. Amaral, mgr-natl accts
Jack W. Wagner, mgr-natl accts

Advertising Agency

Humphrey Browning MacDougall/Creamer Inc, Boston—John McNamara, acct super-golf div; Marty Curran, acct super-rubber div.

PINKERTON'S INC.

New York

Marketing Personnel

Garland R. Vance, asst vp-dir, mktg and business devels
William C. Bond, dir-adv and pr

Advertising Agency

Douglas Turner Inc., Newark, N.J.—Douglas J. Turner, acct super; Theresa S. Maul, acct exec.

THE ANDREW JERGENS CO.

Cincinnati, Ohio

Marketing Personnel

R.L. Dom, exec vp-mktg
R.V. Reed, vp-product mgmt
L.D. Cornell, vp-new prod devel
R.R. Culpin, vp-sales

Advertising Agency

Cunningham & Walsh, New York—Jergens Lotion, Jergens Aloe and Lanolin Lotion, Gee Your Hair Smells Terrific Shampoo and Conditioner, Jergens Lotion-Enriched soap, Gentle Touch soap, Fiesta Deodorant soap, Jergens Aloe & Lanolin soap, Jergens Clear Complexion products—Nathaniel B. Allan, senior vp-mgmt director; Carole Foxley, vp-acct super; Debra Ludgate, Jo Ann Barbieri, acct execs.

SWINGLINE INC.

New York

Marketing Personnel

David B. Miller, vp-sales and mktg
John Sheridan, director-sales and mktg, business machines div
Fred Weiss, vp-mktg devel and admin
Jack Shulman, vp-sales, office prods div
Anne Burritt, mktg services mgr, office pros div
Carol Mascolo, sales devel mgr, office prod div
John Peters, export mgr
Bill Gibbons, natl sales mgr, consumer prod div, retail stationery div
Anne Beirne, mktg services mgr, consumer prod and retail stationery div

Advertising Agency

Al Paul Lefton Co., New York—G. William Wolfston, president-mgmt super; Robert H.D. Ellis, vp.

MCM PRODUCTS

New York

Marketing Personnel

Daniel Roberts, natl sales mgr, W.R. Case & Sons Cutlery Co.
Alan Ritchie, president, Marson Corp.
Richard B. Turner, vp-sales and mktg, Marson Corp.
Robert M. Hewson, vp-sales and mktg, Marson Corp.
Craig M. Meyers, vp-sales and mktg, Marson Corp.
Paul Greenberg, vp-sales and mktg, Marvel Lighting Corp.

Advertising Agencies

Al Paul Lefton Co., New York—W.R. Case & Sons—Bob Ellis, Rob Grundy, acct execs.

Ingalls Associates, Boston—Marson Corp.—Joseph Maynard, chairman.

Kolker, Talley, Hermann, New York—Marvel Lighting Corp.—Stanley Kolker, president.

Leslie Advertising Ltd., Don Mills, Ontario—Swingline of Canada Ltd.—Jerry Leslie, president.

AMERICAN CIGAR

New York

Marketing Personnel

G.L. Theophilos, president-ceo
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K.P. Noone, mktg mgr
T.P. Tiernan, exec mgr-sales admin
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E.A. Vega, sales mgr-south
E.M. Totty, sales mgr-central
S.G. Dye, sales mgr-west
W.C. Bock, military sales mgr

Advertising Agency

SSC&B, New York—Roi-Tan, Antonio y Cleopatra, Bock y Ca, La Corona Cigars, Roi-Tan Little Cigars, A&C Little Cigars, Sail, Flying Dutchman, Clan and Blue Boar Smoking Tobaccos—Ken Robbins, chairman-ceo; Hal Rover, vice chairman; Doug Bomeisler, senior vp-mgmt super; Sharon Treacy, Dan Bellucci, acct execs.

American Broadcasting Cos.

	1983	1982
Sales*........	$2,948,849,000	$2,664,528,000
Earnings*.....	159,834,000	160,027,000
U.S. Advertising	49,167,500	42,860,700

*Worldwide

American Broadcasting Cos., New York, the 100th largest national advertiser, is estimated to have increased its advertising 15%, to $49.2 million, in 1983, as broadcast operations prospered.

ABC Television Network continued to be the company's leading corporate spender with total media spending of

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$18.9 million, up 35.9% over 1982. Of this, $18.2 million went to magazines.

The next major spender was ABC Movie of the Week with $3.4 million, all placed in magazines. WABC (am) Radio, New York, which spent more than $1.1 million in 1982, reduced its spending to $658,300. Other radio stations increased ad spending, including WLS (am, fm), Chicago, with $723,000, up from $706,300 and WRIF (fm), Detroit, with $421,500 down from $396,300.

In 1983, ABC reported record revenues of $2.95 billion, up 10% from 1982. Net earnings, however, dropped to $159 million, a 0.1% decline.

ABC got a quick start out of the blocks for fiscal 1984 in gaining net earnings for the first quarter ending April 30, 1984, of $23.9 million, a 72% increase, on revenues of $836.7 million, up 26% over the first quarter in fiscal 1983. Momentum was expected to continue with ABC's coverage of the Olympic Games attracting a wide audience, with the residual benefit of exposing those tv viewers to ABC's fall lineup promos. The tv coverage was the most comprehensive and extensive ever for a modern athletic event.

The year also marked the company's increased involvement in cable sports programing with the purchase of Entertainment & Sports Programming Network, the cable sports network in which the company already had a 15% stake. The purchase of the remaining 85% of ESPN from Texaco cost the company an estimated $202 million.

In June, the company announced an agreement to sell WXYZ Radio, Detroit, to Fritz Broadcasting for an undisclosed sum.

The company said broadcasting operations, which have provided 86% of the total revenues of the company over the past several years, were the major contributor to both revenues and profits. Revenues increased 12% in 1983, to $2.61 billion, as earnings increased 16%, to $365.3 million.

ABC Television Network had increases in revenues and earnings in 1983. However, news costs increased as a result of reformatting the late-night news programing and the coverage of the crises in Lebanon and Grenada. Costs of sports programing also increased because of a return to a full National Football League schedule after the strike the previous year and the coverage of Major League Baseball's World Series.

The ABC-owned tv stations reported increased revenues and earnings primarily as the result of a strong advertising marketplace. Similarly, ABC Radio showed good revenues and earnings growth.

ABC Publishing experienced a 10% increase in revenues, compared with a 70% decline between 1981 and 1982. Earnings rose 22% to a record $29.2 million. COMPUTE! Publications, acquired in May, 1983, was a significant contributor to the improved revenues and earnings for the company.

ABC Video Enterprises revenues declined 10.6%, to $13.4 million in 1983. The division's share of profits and losses from its joint cable ventures showed a loss of $47.3 million in 1983, compared with a loss of $32.4 million in 1982. One of the major costs was the development of TeleFirst, an in-home entertainment recording service, which the company decided to discontinue after only a few months in operation.

In late 1983, the two Hearst/ABC Video Services cable programing services, ARTS and Daytime, merged with additional equity partners to form two new services. Daytime merged with Viacom's Cable Health Network to form Lifetime. ARTS merged with the Entertainment Channel to form the Arts & Entertainment Services.

ABC Motion Pictures, which released its third film, "Silkwood," at the end of 1983, reported increased revenues for the year, as well as a reduced operating loss.

In the early morning daypart, ABC's "Good Morning America" dominated its network competition for the fourth year in a row.

In daytime programing, ABC continued its dominance of the three networks, a position it has occupied since 1977. The network added a new series, "Loving," to its lineup of "All My Children," "General Hospital" and "One Life to Live."

In 1983, established ABC series such as "Dynasty" and "The Love Boat" were joined by three successful newcomers: "Hotel," "Webster" and "Hardcastle and McCormick." In addition, three theatrical presentations—"Something About Amelia," "Who Will Love My Children?" and "The Day After"—all received high audience recognition and critical acclaim. "The Day After" was the most-watched made-for-tv movie ever.

This year saw the cancellation of the popular "Hart to Hart" series, an announcement that was received with a considerable degree of disappointment by many viewers.

ABC finished the 1983-84 season with a 17.2 rating, nine-tenths of a rating point behind CBS. However, with the coverage of the Olympic Games being a focus of the network's coverage in the months of July and August, it is confident that it will return to the top of the ratings charts.

ABC pulled more viewers during the two-week Olympic coverage than the other two networks combined. It got a 24.9 rating and a 44 share of audience compared with a 9.6 rating and 16.9 share of audience for NBC, and an 8.9 rating and 15.8 share of audience for CBS. (A rating point equals 1% of the nation's 83.8 million homes with tv sets, and a share is the percentage of tv sets being watched.)

The ABC Owned Television Stations continue to lead all tv station groups in reaching young adults. Its performance in the five tv markets—where revenues rose about 13%—was roughly comparable to the increase. The company expects its stations to outperform the others in the markets in 1984, primarily because of to the incremental revenues that are expected to result from the Olympic Games coverage.

ABC Radio got part of the increased market share being enjoyed by the networks, which moved from 48% of the market in 1982 to 53% in 1983. While radio industry revenues increased more than 12% in 1983 over 1982, the division performed considerably better than the industry segment.

ABC Publishing continued to show strong revenues through the performance of its Chilton Co., which is a diversified publisher of magazines and how-to books serving automotive, industrial, merchandising, transportation and international markets. In 1983, it added a new line of computer books for small businesses.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$10,303,700	$10,299,300
Magazines	23,826,800	17,863,300
Spot tv	5,519,700	5,718,200
Spot radio	574,100	485,000
Network radio	408,900	415,200
Outdoor	537,300	1,102,700
Total measured	41,170,500	35,883,700
Unmeasured	7,997,000	6,977,000
Estimated total	49,167,500	42,860,700

ABC-TV NETWORK
Marketing Personnel

James E. Duffy, president-ABC Television Network and senior vp-ABC Broadcast [illegible]
[illegible] A. Goldberg, vp-mkt planning, [illegible]ogy and social service
[illegible] Mord, vp-mktg, rsch services
[illegible] Weller Keever, vp-sales
Warren Boorom, vp-genl sales mgr
Robert Silberberg, vp-natl sales mgr
John Lazarus, vp-sports mktg and sales
J. Larre Barrett, vp & director-sports sales
John Tiedemann Jr., vp-daytime sales
Alfred A. Smith, vp-director daytime sales
Robert Cagliero, vp-early morning sales
Marvin Goldsmith, vp-prime time sales proposals
William Breen, vp-news sales
Anthony Rocco, vp-business devel
Charles Allen, vp-sales admin
Paul W. (Pete) Barrett, vp-adv
Charles Gabelmann, vp-sales devel & affiliate projects
Madeline Nagel, vp-mktg
Edward Ryan, vp-eastern sales mgr
John Grace, vp-tv network sales, central div
Richard Wozniak, vp-tv network sales, Detroit
Douglas Streff, vp-tv network sales, western div
William Giliogly, vp-news sales, central div
Edward Wollock, vp-sales mgr, central div
Roy Polevoy, vp-on-air promo, ABC

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212 Post Road West, Westport, CT 06880 S

Advertising expenditures as a percentage of U.S. sales in 1983 ($000)

Category	Rank	Company	U.S. advertising expenditures	U.S. sales	Adv. as % of U.S. sales	Worldwide sales	Worldwide earnings (loss)
Food	3	Beatrice Cos.	$602,775.4	$ N/A	N/A	$13,442,885.0	$550,000.0
	10	General Foods Corp.	386,134.2	6,407,500.0	6.0	8,599,800.0	317,100.0
	11	Nabisco Brands	367,530.4	3,655,600.0	10.1	5,985,200.0	322,600.0
	16	McDonald's Corp.	311,378.0	7,069,000.0	4.4	8,687,000.0	342,640.0
	21	Ralston Purina Co.	285,667.4	3,848,600.0	7.4	4,900,000.0	256,000.0
	23	General Mills	268,690.2	5,100,000.0	5.3	5,600,800.0	233,400.0
	30	Dart & Kraft	210,279.4	6,905,300.0	3.0	9,714,000.0	435,100.0
	31	H.J. Heinz Co.	202,400.0	2,555,368.0	7.9	3,950,000.0	237,500.0
	33	Consolidated Foods Corp.	195,858.0	5,195,752.0	3.0	7,000,310.0	188,441.0
	34	Pillsbury Co.	190,944.3	4,160,000.0	4.6	4,172,000.0	169,800.0
	37	Kellogg Co.	176,306.9	1,560,000.0	11.3	2,381,100.0	242,000.0
	42	Quaker Oats Co.	148,441.7	1,623,500.0	9.1	3,340,000.0	138,700.0
	52	Campbell Soup Co.	126,000.0	2,760,000.0	4.6	3,292,433.0	250,000.0
	61	Nestle Enterprises	114,957.0	2,508,000.0	4.6	13,400,000.0	N/A
	64	IC Industries	112,100.0	3,375,000.0	3.3	3,730,000.0	92,700.0
	71	CPC International	96,627.3	1,525,900.0	6.3	4,010,900.0	136,200.0
	90	Wendy's International	64,445.0	1,908,000.0	3.4	1,922,913.0	55,220.0
	99	Carnation Co.	54,284.6	2,221,081.5	2.4	3,365,275.0	194,759.0
Automotive	4	General Motors Corp.	595,129.5	66,160,000.0	0.9	74,581,600.0	3,730,200.0
	7	Ford Motor Co.	479,060.0	33,000,000.0	1.5	44,454,600.0	1,866,900.0
	27	Chrysler Corp.	230,020.1	11,642,100.0	2.0	13,240,000.0	700,900.0
	54	Nissan Motor Corp. in U.S.A.	122,848.0	14,417,183.0	0.9	14,417,183.0	293,883.0
	60	American Honda Motor Co.	115,182.3	10,165,969.0	1.1	10,165,969.0	409,301.0
	62	Toyota Motor Sales U.S.A.	113,649.0	5,300,000.0	2.1	20,386,099.0	839,050.0
	63	Volkswagen of America	112,500.0	1,575,611.8**	7.8	16,027,530.6	(23,493.0)
	69	American Motors Corp.	100,800.7	3,271,720.0	3.1	3,271,720.0	(146,730.0)
	81	Mazda Motors of America	74,500.0	5,846,280.0	1.3	5,846,280.0	109,890.0
	96	Goodyear Tire & Rubber Co.	57,831.7	6,794,200.0	0.9	9,735,800.0	305,500.0
Pharmaceuticals	13	Warner-Lambert Co.	343,553.5	1,822,000.0	18.9	3,108,325.0	200,496.0
	14	American Home Products Corp.	333,485.0	3,482,300.0	9.6	4,856,501.0	627,233.0
	17	Johnson & Johnson	295,328.8	3,600,000.0	8.2	3,610,000.0	281,800.0
	38	Sterling Drug	171,828.1	703,433.0	24.4	1,901,171.0	136,844.0
	41	Richardson-Vicks	150,813.9	667,134.0	22.6	1,280,500.0	71,900.0
	59	Schering-Plough Corp.	117,914.2	985,200.0	12.0	1,808,500.0	190,100.0
	72	Miles Laboratories	89,063.8	784,000.0	11.4	1,115,400.0	35,500.0
	83	Pfizer Inc.	72,084.3	1,950,000.0	3.7	3,750,000.0	447,100.0
Airlines	68	Trans World Corp.	101,503.3	3,221,788.0	3.2	5,240,000.0	(7,700.0)
	76	AMR Corp.	80,000.0	4,763,307.0	1.7	4,763,307.0	227,867.0
	78	UAL Inc.	77,200.0	6,021,840.0	1.3	6,021,840.0	142,045.0
	86	Eastern Air Lines	70,000.0	3,500,000.0	2.0	3,942,134.0	(183,667.0)
	92	Delta Air Lines	63,944.3	3,616,413.0	1.8	3,616,413.0	(86,700.0)
Communications and entertainment	25	Warner Communications	251,049.6	2,715,940.0	9.2	3,425,272.0	(417,803.0)
	29	RCA Corp.	212,300.0	8,010,000.0	2.7	8,977,300.0	240,800.0
	39	CBS Inc.	167,711.0	3,900,000.0	4.3	4,540,184.0	187,198.0
	44	Gulf & Western Industries	145,500.0	3,443,000.0	4.2	3,992,601.0	263,320.0*
	56	Time Inc.	119,785.0	2,529,000.0	4.7	2,717,000.0	143,000.0
	80	MCA Inc.	74,543.6	1,254,583.0	5.9	1,584,539.0	147,160.0
	100	American Broadcasting Cos.	49,167.5	2,948,849.0	1.7	2,948,849.0	159,834.0
Tobacco	5	R.J. Reynolds Industries	593,350.3	10,769,000.0	5.5	13,533,000.0	835,000.0
	6	Philip Morris Inc.	527,481.8	9,303,100.0	5.7	12,975,900.0	903,500.0
	43	Batus Inc.	146,076.9	6,064,000.0	2.4	6,064,000.0	259,000.0
	48	Loews Corp.	135,115.1	5,260,075.0	2.6	5,260,075.0	341,242.0
	79	American Brands	75,590.1	3,048,100.0	2.5	7,093,392.0	390,298.0
	97	GrandMet U.S.A.	55,566.2	1,340,000.0	4.1	1,340,000.0	84,428.0
Toiletries and cosmetics	26	Bristol-Myers Co.	235,000.0	2,889,300.0	8.1	3,917,000.0	408,000.0
	35	Gillette Co.	185,604.4	1,020,000.0	18.2	2,183,297.0	145,876.0
	46	Chesebrough-Pond's	141,324.5	1,310,242.0	10.8	1,685,417.0	127,878.0
	50	Beecham Group p.l.c.	134,126.8	2,800,000.0	4.8	2,800,000.0	385,000.0
	53	Revlon Inc.	123,968.9	1,660,930.0	7.5	2,378,867.0	111,203.0
	87	Cosmair Inc.	69,955.0	480,000.0	14.6	600,000.0	N/A
	94	Noxell Corp.	58,264.4	255,414.0	22.8	304,300.0	23,205.0
Wine, beer and liquor	20	Anheuser-Busch Cos.	290,616.4	6,658,500.0	4.4	6,658,500.0	348,000.0
	57	Jos. E. Seagram & Sons	119,604.4	1,639,000.0	7.3	2,647,552.0	117,500.0
	82	Stroh Brewery Co.	73,532.4	1,561,000.0	4.7	1,646,000.0	N/A
	84	Brown-Forman Distillers	70,500.0	885,089.0	8.0	1,146,343.0	73,554.0
	93	Adolph Coors Co.	63,621.3	1,110,406.0	5.7	1,110,406.0	89,261.0
Soaps and cleaners	1	Procter & Gamble Co.	773,618.3	9,554,000.0	8.1	12,946,000.0	890,000.0
	15	Unilever U.S.	324,865.8	2,808,000.0	12.2	3,328,000.0	125,800.0
	24	Colgate-Palmolive Co.	268,000.0	2,200,000.0	12.2	4,865,000.0	381,000.0
	74	S.C. Johnson & Son	86,970.3	880,000.0	9.9	2,000,000.0	N/A
	88	Clorox Co.	69,429.0	824,419.0	8.4	974,566.0	79,709.0
Chemicals and gasoline	18	Mobil Corp.	294,932.5	23,900,000.0	1.2	58,998,000.0	1,503,000.0
	45	American Cyanamid Co.	142,400.0	2,388,662.0	6.0	3,535,500.0	166,400.0
	67	Du Pont	102,637.0	25,832,000.0	0.4	35,378,000.0	1,127,000.0
	73	Union Carbide Corp.	88,000.0	6,189,000.0	1.4	9,001,000.0	79,000.0
Gum and candy	55	Mars Inc.	120,350.5	N/A	N/A	2,083,000.0	N/A
	89	Hershey Foods Corp.	68,257.4	1,700,000.0	4.0	1,700,000.0	100,160.0
	91	Wm. Wrigley Jr. Co.	[illegible]3,948.2	406,472.0	15.7	581,688.0	39,164.0
Retail chains	2	Sears, Roebuck & Co.	[illegible],500.0	32,637,000.0	2.2	35,883,000.0	1,342,000.0
	9	K mart Corp.	40[illegible],000.0	17,785,700.0	2.2	18,600,000.0	492,300.0
	19	J.C. Penney Co.	292,451.0	11,565,000.0	2.5	12,078,000.0	467,000.0
Soft drinks	12	PepsiCo Inc.	356,400.0	6,714,000.0	5.3	7,895,936.0	284,111.0
	22	Coca-Cola Co.	282,150.0	4,071,400.0	6.9	6,829,000.0	558,800.0
Electronics and office equipment	40	Tandy Corp.	156,728.0	2,354,000.0	6.7	2,780,000.0	281,900.0
	47	Eastman Kodak Co.	141,318.9	6,435,000.0	2.2	10,170,000.0	565,000.0
	51	Texas Instruments	129,042.0	3,295,000.0	3.9	4,579,800.0	(145,400.0)
	58	International Business Machines Corp.	119,222.5	23,100,000.0	0.5	40,180,000.0	5,485,000.0
	65	Xerox Corp.	110,101.8	5,300,000.0	2.1	8,463,500.0	466,400.0
	70	Sony Corp. of America	97,283.2	1,356,047.0	7.2	4,747,953.0	127,312.0
	95	Canon U.S.A.	58,032.9	860,174.3	6.7	966,448.0	N/A
	98	Coleco Industries	55,216.4	526,051.0	10.5	596,498.0	(7,433.0)
Telephone equipment	8	American Telephone & Telegraph	463,095.5	67,648,000.0	0.7	69,848,000.0	248,700.0
	49	ITT Corp.	134,229.0	12,430,000.0	1.1	20,249,842.0	674,510.0
	85	GTE Corp.	70,179.9	10,900,000.0	0.6	12,943,918.0	995,604.0
Miscellaneous	28	U.S. Government	228,857.2	N/A	N/A	N/A	N/A
	32	General Electric Co.	196,506.6	17,649,000.0	1.1	26,797,000.0	2,024,000.0
	36	Mattel Inc.	179,934.8	840,000.0	21.4	989,495.0	(94,100.0)***
	66	American Express Co.	107,571.0	7,352,000.0	1.5	9,770,000.0	515,000.0
	75	Greyhound Corp.	83,564.0	2,625,031.0	3.2	2,625,000.0	105,500.0
	77	Kimberly-Clark Co.	77,460.0	2,325,800.0	3.3	3,274,300.0	189,000.6

Source: AA's estimates and company sources

*Earnings from continuous operations

**Includes Latin America

***Net loss from continuing operations

Entertainment
Stuart L. Brower, vp-on-air promo, creative services, ABC Entertainment
Dennis Fitch, vp-adv, West Coast, ABC Entertainment
Peter Dimmock, vp-intl

ABC Owned Tv Stations

Elio Betty, vp-sales and mktg
Phyllis Green, director retail mktg

ABC-TV Spot Sales

Walter Flynn, vp-genl mgr
Georgia Breza, director-planning and rsch svcs
Philip Sweenie, genl sales mgr

ABC Radio Networks

Louis J. Severine, vp-director of sales
Arthur Sulzburgh, vp-natl sales mgr
Dan Perry, vp-western sales mgr
Joseph Kelly, vp-Detroit sales mgr
Robert Watson, vp-eastern sales mgr
Dennis Glynn, vp-central sales mgr
Rhonda Hack, mgr-southwestern sales
Michael A. Winter, director-creative services
Linda Meilan, director-sales admin
David Logan, sales mgr-mkt devel
Blaise Leonardi, sales mgr-youth networks
Frank Leoce, sales mgr-adult networks

ABC Video Enterprises

Archie C. Purvis Jr., vp-video sales div
Marvinia Hunter, director-cable/cassette mktg, video sales
Carol E. Francesca, director-ABC Merchandising Inc.

ABC Publishing

William J. Liss, vp-creative services

Advertising Agencies

Grey Advertising, New York—ABC-TV movies for tv, miniseries—Len Fogge, vp; Donald Foley, genl mgr-entertainment & leisure; Bob Griffin, acct super; Chris Pula, acct exec.

McCaffrey & McCall, New York—ABC-TV sports, theatricals, all other entertainment dayparts—Norman Freedman, group acct mgr; Patrick Corrigan, acct super-sports; George Rojaf, acct super-entertainment.

N W Ayer, New York—ABC-TV news—Tom Maxey, exec vp-exec acct director; Irwin Fischer, vp-acct super.

American Cyanamid Co.

	1983	1982
Sales*........	$3,535,500,000	$3,453,674,000
Earnings*.....	166,400,000	132,127,000
U.S. Advertising	142,400,000	133,000,000

*Worldwide

American Cyanamid, Wayne, N.J., is the 45th largest advertiser in the U.S. with $142.4 million spent in advertising in 1983, up 7% from the previous year.

Worldwide sales were up 2.6% in 1983, to $3.54 billion, from 1982. Net earnings rose to $166.4 million, up 26% over the previous year, which had been down 33% from 1981.

The company cited internal cost reduction and improved management programs as reasons for its improved earnings. In addition, the company's divestiture of unprofitable product lines proved helpful in raising profit margins.

The consumer products group, one of American Cyanamid's five operating groups, had a 1.6% increase in worldwide sales to $508 million in 1983. This total, as it has over the past six years, accounts for 14% of company sales. Worldwide earnings in the division rose 56%, to $25 million, from $16 million in 1982. The 1982 figure had been a 47% decline from 1981.

U.S. sales of Shulton toiletries continued to gain. In fragrances, deodorants, antiperspirants and haircare products, market share also increased.

In its first full year, Lady's Choice antiperspirant progressively grew in sales. Ad spending in 1983 was $5.4 million, with $5 million concentrated on network tv. In 1982, the company spent $5.7 million advertising Lady's Choice.

The Old Spice line of products chalked up good sales gains with the stick deodorant and solid antiperspirant. On the stick deodorant, spending was down from $4.3 million in 1982 to $1.1 million in 1983. Most of the money was spent on network tv. For the solid dry antiperspirant, $103,000 was spent solely on spot tv. Money spent to advertise the two products together hit $5.4 million, with most concentrated in network tv.

The Old Spice fragrance, which the company spent $6 million to advertise in 1983, strengthened its No. 1 position in the total mass fragrance market. It showed its best sales and market share gains in recent years. A new tv ad campaign, heavily concentrated on network buys, began and Old Spice conditioning aftershave lotion was introduced.

Declines in Breck Hair Care products were reversed as the company spent $685,000 to advertise the Miss Breck and Breck Basic hair sprays, as well as Breck shampoo.

Pine Sol liquid cleaner retained its No. 1 position and continued to increase sales. Ad spending for the Pine Sol line reached $7.3 million, up from $6.4 million in 1982. In 1983, Pine Sol shifted agencies, moving from BBDO to Carrafiello, Diehl & Associates, Irvington, N.Y.

U.S. sales of prestige fragrances were down slightly, due to flat real growth and increased competition. The Jacqueline Cochran subsidiary showed an over-all sales increase, with the acquisition of Swiss La Prairie skincare line contributing to the gain. Ad spending for the line was $103,700 and was concentrated in national magazines.

Media advertising for the prestige fragrances totaled $6.5 million, up 4% from 1982. Among the perfume lines, L'Air du Temps was the biggest spender with $2.5 million, up 38% from 1982; Cie got $990,400; down 45%; Fleur de Fleur dropped substantially, to $119,900, down 82%. Pierre Cardin for women was not advertised.

Pierre Cardin cologne gained ad support with $1.9 million in 1983, up 60%. Grey Flannel got $899,600, up 56% from 1982.

In an unusual move termed "an investment for the ad-supported future," Shulton USA took an equity position in a syndicated tv program, "Stars," with David Steinberg interviewing celebrities, put together by the Paramount TV Group. Shulton also developed an advertising campaign tied into the 1984 Olympics.

Media buying for Shulton, Jacqueline Cochran and Lederle Labs in the medical group—which represents $35 million in spending—was switched from BBDO to Dancer Fitzgerald Sample in 1983.

Worldwide sales for the Formica-brand unit declined 9.1% in 1983, but showed improved first quarter earnings in 1984. While U.S. sales were up, sales in Latin America declined more than 40% due to over-all poor economic conditions. That factor, along with reduced sales in Europe, led to lower results for the group. By midyear of 1984, American Cyanamid was looking for a buyer for the unit because, as a company spokesman said, the group's cyclical business nature did not mesh with the company's current strategies.

During 1983, the division successfully launched the Colorcore brand of surfacing material in several key U.S. markets where the product demonstrated excellent sales growth. Ad spending was $868,000 on Formica, $443,300 on Colorcore, with heavy concentration for both in magazines.

In the medical group, sales made up 27% of the corporate total with figures up 9.5% from $884 million in 1982 to $968 million worldwide. Earnings, up an impressive 145%, represented 50% of the corporate total.

The company's increased commitment to research and development, which has taken on large expenditures over the past five years—up 13%, to $215 million, in 1983 compared with 1982—has begun to show results.

In the medical group, the company credited a more up-to-date product mix with helping over-all sales. In this area, Lederle Labs and Davis & Geck cover nonprescription and prescription business to consumers and hospitals. In addition, the company maintains an equity interest in Cytogen Corp., with which it signed a research agreement in 1983 to develop a new anticancer drug delivery system.

Pipracil brand of pipricillin, a semisynthetic penicillin launched in 1982, continued to lead the division in sales.

The Lederle Labs division recorded dynamic sales growth—up 35% for both adult and Jr. Centrum multivitamin. In 1983, after just four years on the market, the product became a market leader. Centrum was American Cyanamid's single most heavily advertised product with $8 million spent in 1983, down 14% from 1982. Centrum Jr. products for children received $1.3 million in ad spending, mostly in network tv and magazines. Total advertising spending on the Centrum line reached $9.4 million, 17% of the company's ad budget, as spending for all vitamins reached $16 million.

Spartus, a nutritional supplement introduced in 1983, received $2.1 million in advertising, including $1 million in network tv and $390,000 in spot tv. Ad spending for Stresstabs reached $3.6 million, 74% of it in network tv.

In early 1984, another supplement, Caltrate 600, a high-potency calcium supplement for women, was introduced with a multi-million-dollar, multimedia campaign breaking in February. During the first four months of 1984, it had gleaned a 10.2% share of the combined food and drug market.

In 1983 separate research and operating divisions were created for Davis & Geck surgical sutures.

In the agricultural group, worldwide sales in 1983 rose 2.1%, to $747 million, from $731 million in 1982. While sales from this group comprise 21% of the corporate total, earnings were only 12% of the total. Reduced plantings spurred by the federal government's Payment In-Kind (PIK) program resulted in lower sales of crop protection chemicals. Due to a worldwide industry overcapacity, lower prices for fertilizers had an impact on earnings.

Building on the basic strengths of the business by introducing new products in the animal industry area, Cyanamid introduced two new products for cattle in 1983: Tramisol gel dewormer and Guardian insecticide ear tags. Another product, Maxforce roach control system, was introduced and sales figures, although unavailable, reportedly exceeded expectations.

The company spent $749,000 on spot tv advertising for herbicides and insecticides. Three herbicides from a new chemical class began field trials. Cygro, a potent agent to protect poultry from a debilitating disease, will be introduced overseas in 1984 with an eye toward 1986 for a U.S. market tryout.

The chemical group increased sales to $973 million in 1983 from $866 million in 1982. Operating earnings were significantly higher, $72 million in 1983 from $38 million in 1982, up 90%. The company attributed lower raw material costs, an improved product mix and effective cost reduction programs to the earnings boom. Elimination of general product lines helped the totals.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$969,600	$204,800
Magazines........	7,441,900	6,372,500
Farm publications..	3,449,100	—
Spot tv...........	8,743,700	9,141,500
Network tv........	35,257,900	36,839,800
Spot radio........	1,088,900	1,749,400
Outdoor..........	2,600	2,600
Total measured..	56,953,700	54,310,600
Unmeasured....	85,446,300	78,692,000
Estimated total..	142,400,000	133,002,600

AGRICULTURAL DIVISION
Marketing Personnel

T.J. Raser, adv mgr-crop protection chemicals
W.J. Reynolds, adv mgr-animal nutrition & health

Advertising Agencies

Bergelt Advertising, New York-poultry food prods, feed additives—E.C. Bergelt, acct super.

Tucker Wayne & Co., Atlanta—Counter, Avenge, Prowl, Thimet, Cygon, Cyprex, Pay-Off, Amdro, Maxforce—L.E. Ver Steegh, mgmt super; Mark Kirkpatrick, acct super.

H.T. Fenton, Somerville, N.J.—Arsenal, Cythion.

Miller-Meester, Minneapolis—Pesticides prod publicity.

Richardson, Myers & Donofrio, Baltimore—animal industry prods—Roger Randall, acct super.

CONSUMER PRODUCTS
SHULTON U.S.A. DIVISION
Marketing Personnel

R.G. Bryan, vp-mktg
G. Ball[illegible]na, mgr-fragrances
A. Low[illegible] mgr-deodorants
J. Janis, mgr-new ventures
T. Kuhn, mgr-hair care/hard surface cleaner
J. O'Brien, director-new category devel
K. Freeman, director-new ventures
L. Lent, director-mktg services
J. Gibbs, director-adv services

JACQUELINE COCHRAN INC.
DIVISION
Marketing Personnel

P. Masturzo, genl mgr J.C.
A. Rowland, genl mgr-La Prairie
B. Kotlikoff, vp-mktg, Ricci prods
T. Moloney, mktg mgr-Cardin
B. Gyde, vp-mktg, women's fragrances
R. Kapur, vp-mktg, men's fragrances

Advertising Agencies

BBDO, New York—Nina Ricci/Pierre Cardin—Jack Thorne, exec vp; M. Paxton, senior vp; B. Day, vp-acct super.

Peter Rogers Associates, New York—Niki de Saint Phalle—J. Tabaczyk, mgmt director; L. Chasman, acct super.

FIBERS DIVISION
Marketing Personnel

W. DeMartine, vp-mktg
J.B Simmons, mgr-mktg communications

Advertising Agency

Grey, Lyon & King, New York—Creslan Acrylic fibers—E. Wollin, vp-acct mgr.

FORMICA CORP.
Marketing Personnel

V.P. Langone, mktg director
N.R. Mathews mktg mgr
R.H. Kilbury, communications mgr

Advertising Agency

Geers, Gross Advertising, New York—D. Kurtz, president.

SHULTON INC.
INTERNATIONAL DIVISION
Marketing Personnel

B.W. Morgan, vp-mktg
R. Vigue, mgr-mktg services

INDUSTRIAL PRODUCTS
DIVISION
Marketing Personnel

M.R. O'Rourke, mgr-mktg communications

Advertising Agencies

Hazard, Barbetta & Miller, Fairfield, N.J.—T. Brogan, acct exec.

LEDERLE
LABORATORIES
Marketing Personnel
Pharmaceutical Dept.

L.E. Tilton, genl mgr-proprietary products
R.M. Lynch, director-mktg, proprietary prod
H.H. Spoon, director-mktg

Davis & Geck Dept.
Marketing Personnel

K.F. Wilson, president
D.A. Sullivan, director-professional and trade relations

Advertising Agencies

Carrafiello, Diehl & Associates, Hudson, N.Y.—T. Sweeney, acct exec.

Klemtner Advertising, New York—Gabin Scotti, acct super.

Rolf Werner Rosenthal Inc., New York—H. Messinger, mgmt acct super; R. Recobs, acct super.

Dugan/Farley Communications, Montvale, N.J.—E.J. Farley, exec vp.

CHEMICAL PRODUCTS
DIVISION
Marketing Personnel

M.R. O'Rourke, mgr-mktg communications

Advertising Agencies

Wildrick & Miller, New York—W. Doyle, acct exec.

Hazard, Barbetta & Miller, Fairfield, N.J.—T. Brogan, acct exec.

INTERNATIONAL AND
LATIN AMERICA GROUP
Medical Products
Marketing Personnel

K.M. Sethna, director mktg-Lederle prods, Cyanamid International
J.L. Ackermann, director-D&D prods
D. Pritchard, director-medical Latin America group

Chemical Products
Marketing Personnel

A.C. Bell, director-chemicals, Europe, Mid-East, Africa, Cyanamid International
W.J. Murray, director-Canada, Asia, Australasia, Cyanamid International
L.D. Frattaroli, director-Latin America group

Medical Products
Advertising Agencies

AM/PM Advertising, Newark, N.J.—R. Saks, R. Hodes, partners.

D.M. Advertising, New York—D.F. McGuillicuddy, president.

Klemtner Advertising, New York—L.A. Davies, acct super.

Landi & Handler, new York—G.M Naimark, president; D. Barba, art director.

Chemical Products
Advertising Agency

Rebell International—Warren Rebell, president.

American Express Co.

	1983	1982
Sales*........	$9,770,000,000	$8,093,000,000
Earnings*.....	515,000,000	581,000,000
U.S. Advertising	107,571,000	95,458,000

*Worldwide

American Express Co., New York, the 66th largest national advertiser, increased advertising expenditures 12.5% in 1983, to an estimated $107.6 million, from 1982. Total worldwide spending for advertising and promotion increased 22.5%, to $384 million in 1983.

For the first time in 36 years, the company failed to post earnings gains over the previous year, thanks largely to a dismal year at the company's Fireman's Fund Insurance Cos. unit, where net income plummeted 88% from 1982, to $30 million in 1983, and to a $99 million loss, half of which was borne by American Express, at the company's cable tv venture with Warner Communications, Warner Amex Cable Communications.

The earnings drop did not keep American Express off the acquisition trail, however, as the company completed the acquisition in January, 1984, of Investors Diversified Services, now IDS/American Express, and bought Lehman Brothers Kuhn Loeb for $360 million in June. Lehman was merged into the company's Shearson/American Express unit, which became Shearson Lehman/American Express. By mid-1984, American Express was gaining fast on Merrill Lynch, Pierce, Fenner & Smith for the leadership spot in the brokerage industry.

The news was bright in 1983 for three of the company's main business units. At Travel Related Services, net income was up 22%, to $301 million, as the number of American Express Cards in use rose to 17.3 million from 16 million in 1982. Shearson/American Express posted one of the best profit records on Wall Street, with $175 million in earnings growth representing a 41% rise over 1982. And American Express International Banking Corp., which was combined in 1983 with certain non-U.S. banking subsidiaries of Trade Development Bank Holding S.A., posted a 126% growth in net income to $136 million, primarily because of the combination.

Warner Amex Cable Communications had an active year, albeit unprofitable. Former U.S. Transportation Secretary Drew Lewis was named chairman-ceo in February. The unit implemented several new strategies aimed at streamlining operations, including the layoff of more than 200 employes.

The merger of Warner Amex's The Movie Channel with Viacom's Showtime, both pay tv services, was consummated in September, creating a subsciber base of more than 7 million homes. Warner Amex retained a 19% stake in the merged operation.

Warner Amex also folded its Pittsburgh regional pay tv sports service and agreed to sell its Pittsburgh cable system to Denver-based Tele-Communications Inc. The sale awaits approval from the city. Warner Amex also reportedly is trying to unload its systems in St. Louis and suburban Chicago.

In programing, MTV:Music Television began generating revenues from cable system operators as Warner Amex began charging operators for the service, and Nickelodeon, its cable channel for children, began accepting advertising. Warner Amex, at press time, was planning a public offering of MTV and Nickelodeon.

American Express advertising spending in 1983 for network and spot tv fell to $36.1 million, an 8.6% drop from 1982's $39.5 million. The "Do You Know Me" campaign, via Ogilvy & Mather, New York, continued through 1983 and some new spots, including a spot featuring John Cleese, ADVERTISING AGE's Star Presenter for 1984 were added. Ads for American Express Travelers Cheques retained spokesman Karl Malden and the tag line, "Don't leave home without them," through 1983, a record-breaking year in sales. Boosted by the 1983 performance, the 1984 ad budget for the cheques will be 40% greater than in 1983.

O&M also broke a new campaign for the American Express Card directed toward women. The tv spots featured the tag line, "It's part of a lot of interesting lives." And a radio campaign featuring Ann Winn and Garrett Brown promoted the use of the card for retail purchasing.

McCann-Erickson, New York, continued its "Minds over Money" campaign for Shearson/American Express through 1983, with the equivalent of long copy ads on tv. In June, 1984, the agency began a new campaign, with the same general theme, adding the Lehman name. The agency also continued ads for the Gold Card, which use only print media and don't use a consistent theme line.

In August, American Express planned to begin rolling out its new Platinum Card to the top 5% of its card holders. Solicitation will be by direct mail. There will be no media advertising.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$12,336,700	$11,840,300
Magazines	15,651,500	12,088,600
Spot tv	13,650,900	15,190,100
Network tv	22,417,100	24,253,400
Spot radio	4,685,600	2,899,400
Network radio	3,031,200	—
Outdoor	67,100	17,500
Total measured	71,840,100	66,289,300
Unmeasured	35,730,900	29,168,700
Estimated total	107,571,000	95,458,000

AMERICAN EXPRESS TRAVEL-RELATED SERVICES
New York
Marketing Personnel

Richard D. Rosenbloom, vp-adv, worldwide
John C. Sutphen, senior vp-consumer mktg/card products
Morris Perlis, senior vp-service establishment mktg and sales
Frank J. Partel, senior vp-financial services institutions mktg and sales

SHEARSON LEHMAN/-AMERICAN EXPRESS
New York
Marketing Personnel

Catherine Stewart, senior vp-director consumer mktg and adv

FIREMAN'S FUND INSURANCE COS.
San Francisco
Marketing Personnel

David Kalis, vp-corp public relations

Advertising Agencies

Ogilvy & Mather, New York—cards, travelers cheques, travel services, intl banking—J. Brendan Ryan, senior vp-director of account mgmt; Rochelle Lazarus, senior vp-group director; Patricia Deneroff, vp-mgt super, travelers cheques; Scott Marshall, vp-mgmt super, card; Gwenn Sobel, vp-acct super, IDS/American Express.

Cunningham & Walsh, San Francisco—insurance—Edward R. Bennett, senior vp-mgmt super; Betsy Homsher, acct super.

McCann-Erickson, New York—American Express Gold Card, Shearson Lehman/American Express—Ian Hooper, senior vp-acct director, gold card; Stanley Adams, senior vp-mgmt representative, Shearson Lehman/American Express; Robert Marden, vp-acct director, Shearson Lehman/American Express.

American Home Products Corp.

	1983	1982
Sales*	$4,856,501,000	$4,582,096,000
Earnings*	627,233,000	560,103,000
U.S. Advertising	333,485,000	325,395,700

*Worldwide

American Home Products Corp., New York, the 14th largest national advertiser, increased its advertising to an estimated $333.5 million in 1983, a 3%, boost from the previous year. It was the drug, food and household product marketer's 31st consecutive year of increased sales and earnings.

Total sales rose to $4.857 billion in 1983 6% over 1982. Each segment of the business reported a gain in U.S. sales, although foreign sales, measured in U.S. dollars, showed a decline because of the strong dollar. Net income for the corporation increased 12%, to $627.2 million.

That growth pace continued into 1984 with first-quarter sales reported at $1.3 billion, a 5% gain over the similar period in 1983, and net income registered at $172.9 million, a 10% increase over the year-earlier period.

Prescription drugs and medical supplies, the largest portion of American Home's operations, inched even further upward in importance, accounting for 48% of total sales and 63% of pretax income in 1983, a 1% increase in both cases from the previous year.

The product areas where American Home is focusing its medical growth are in cardiovascular drugs, anti-arthritics and analgesics, oral contraceptives, tranquilizers and infant nutritionals. The company filed 11 new drug applications with the Food & Drug Administration last year.

But the drug development that had the most impact on the company's advertising budget had to do with the FDA giving approval to Upjohn Co. and American Home to market the popular anti-arthritis prescription drug ibuprofen as a nonprescription pain reliever. As a prescription drug, American Home's Whitehall Laboratories' brand, Advil, had about $220 million in sales.

That approval came in May, 1984, and the next month American Home launched a $50 million ad campaign through Young & Rubicam to introduce Advil as an over-the-counter drug. However, by mid-July, American Home was adjusting its campaign in response to a suit filed by Upjohn alleging that the Advil advertising was "misleading and deceptive."

With brands such as Anacin and Dristan, packaged medicines are a major business area for American Home. Packaged medicines, which accounted for 13% of sales and 13% of profits in 1983, rose 5% in sales and 17% in pretax income last year. Whitehall Laboratories is the division that markets such industry-leading packaged medicines as Anacin, Dristan, Preparation H and Primatene, along with Advil.

Whitehall, which spent $135 million in advertising last year, sought to expand its franchise in the 18 product markets in which it competes. It added to the Anacin-3 line by introducing Regular Strength Anacin-3 and Anacin-3 for children. In the specialty analgesics field, it extended the Arthritis Pain Formula line with the introduction of Safety-Coated Arthritis Pain Formula. In measured media, Whitehall spent a six-media total of $25.3 million on Anacin, $27 million on Anacin-3, $26.1 million on Dristan, $5.5 million on Denorex medicated shampoo, $5.2 million on Arthritis Pain Formula, $13 million on Preparation H and $7.3 million on Primatene.

But Whitehall also entered a new major business area with the introduction of Youth Garde lotion into the skincare treatment market. In advertising prepared by Kornhauser & Calene, Youth Garde used Catherine Deneuve as spokeswoman as it took aim against Richardson-Vicks' Oil of Olay, the major force in the estimated $400 million facial moisturizing category. Launched in July, Youth Garde received $8.2 million in advertising support in measured media figures in 1983.

Another AHP otc product, Riopan, which is marketed by Ayerst Laboratories, received $6.8 million in measured six-media advertising. Its share grew to 12% of the $200 million liquid antacid market, but late in the year the product ran into some controversy. William H. Rorer Inc., the marketer of category leader Maalox (40% share), sued AHP, charging misleading claims for Riopan Plus in comparative ads aimed at Maalox. Rorer alleged Riopan Plus advertising claimed it was more effective than Maalox, although it had only lab tests to support its claims and no tests involving humans. The case has been settled to the satisfaction of both companies.

Besides Riopan Plus, Ayerst moved further to build its otc line, its third year of activity in this direction. One step was to expand the Riopan line with a tablet product to compete in the large roll-pack market. Except for Riopan, other Ayerst otc products did not receive very heavy advertising, with $617,300 spent on Beminal Stress Plus Vitamins and $892,000 on Dermoplast.

Food and household products sales in the U.S. were up 6% in 1983, with about a third of that increase the result of Ranch Style Inc., a processor and marketer of bean products in the Southwest. While household and candy operations both were up in sales and profits, heavy price competition depressed profits for food products.

In 1982, there were a number of product reassignments to ad agencies in the household products area. Last year, none were reported. But in 1984, there were some food reassignments related to Young & Rubicam adding Ronzoni macaroni when General Foods purchased that company. Cunningham & Walsh, another American Home Foods agency, picked up about $15 million in Chef Boy-Ar-Dee pizza mixes, dinners and spaghetti sauces, and Kornhauser & Calene had about $2 million in Dennison's chili billings.

Y&R retained Chef Boy-Ar-Dee canned pastas, the industry leader in the $400 million retail canned pasta market, and the largest AHF assignment the agency was handling. All Chef Boy-Ar-Dee products received a total of $16.5 million in six-media measured advertising in 1983. New product introductions under this label were concentrated in the children's lunch market with the launches of such products as Zooroni, animal shaped macaroni in tomato sauce; Cosmic Kids, chicken flavored pasta in sauce, and Pac-Man, a new pasta introduced under license. Chicken-flavored ravioli also was introduced.

In soups, Chef Boy-Ar-Dee Soup di Pasta and Luck's Country Style soups, both introduced in 1982, added a combination of 10 varieties last year. Other foods, such as Gulden's mustard, received $1.4 million in advertising in 1983 while Franklin Crunch 'N Munch, which has been growing at 30% a year, added new flavors and introduced new sizes.

Led by its Pick-a-Mix products, the company's Brach's candy increased sales by 7% last year. Following a successful test market, Hula Chews, a chocolate-covered coconut candy, was rolled into national distribution. Another product, Peanut Butter Putters, was launched into test. Gum Dinger, a bubble gum and candy lollipop, was expanded to the western sales region. Measured advertising for the various Brach's products was $4.9 million last year.

With strong gains posted by Woolite, Pam and Sani-Flush, the company's Boyle Midway household products division increased sales by 7% last year. Generally the division has been profiting from increased consumer demand for convenience products that save time and effort. Sani-Flush Tank II bowl cleaner, which was introduced at the end of 1982, received $5.3 million in advertising last year and became Boyle-Midway's most successful first-year sales achiever in terms of volume.

The Easy-Off line, which received $9 million in advertising, was expanded with the national introductions of Easy-Off Ovens and More, and Easy-Off Oven Pad. There were 11 new fresheners added to the Wizard air freshener line last year, which received $1.1 million in advertising. Other major brands receiving top-dollar ad support were Woolite ($14.8 million) and Black Flag ($5.3 million).

In the cardiovascular group, Ayerst Laboratories' Inderal became the most prescribed drug in the U.S.; it also received FDA approval for use by patients who have survived a heart attack, and it was being tested for treatment of acute heart attacks. Plans also were made to introduce Betacor in 1987, a drug considered significantly more potent than Inderal.

In the oral contraceptive area, Wyeth Laboratories filed a new drug application for Triphasil. In the infant nutritional market, it is expanding distribution of Nursoy, a soya base formula for infants allergic to cow's milk, and internationally, Promil, a milk food to enrich the diet of older babies.

The company also announced it was seeking a buyer for its Ekco Group of housewares and related operations because that group's return on investment did not meet AHP standards over the long term. In mid-1984, letters of intent were executed with a division of Tenneco Inc. for the sale of Ekco Products and with a group organized by Gibbons, Greene, von Amerongen, Ltd. for the sale of Ekco Housewares and E-Z for corporation.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,754,100	$2,090,700
Magazines	21,321,000	13,259,400
Farm publications	605,000	513,200
Spot tv	32,063,400	36,733,600
Network tv	161,435,000	160,767,200
Spot radio	1,908,000	1,841,400
Network radio	3,888,100	1,725,200
Total measured	222,974,600	216,930,700
Unmeasured	110,510,400	108,465,000
Estimated total	333,485,000	325,395,700

AMERICAN HOME PRODUCTS
Marketing Personnel

John W. Culligan, chairman-ceo
John R. Stafford, president
George DeMott, vp
Ernest Harper, vp
John Horsman, vp
Albert Pezzillo, vp

WHITEHALL LABORATORIES
New York
Marketing Personnel

Stanley F. Barshay, president
G. Prince, vp-mktg
L.R. Yates, vp-new prod devel
Richard Fieldheim, adv dir

Advertising Agencies

William Esty Co., New York—Anacin, Compound W, Dristan Tabs/Caps, Dristan nasal sprays, Heet, Momentum, Oxipor, Preparation H, Quiet World, Viro-Med—George Biava, senior vp-acct director; Tom Perotta, Ed Bauccio, Peter Balint, vp-mgmt supers; Mort Becher, Ed Peck, Will Waldron, Deborah Dick-Rath, vp-acct supers; Carol DiSanto, Linda Hooper, Rebecca Murphy, Marjorie Weisman, acct execs.

Kornhauser & Calene, New York—Anacin 3, Children's Anacin 3, Arthritis Pain Formula, Aspirin-Free Arthritis Pain Formula, Safety Coated Arthritis Pain Formula, Denalan, Dristan Ultra Colds Formula, Dry & Clear, Denorex Medicated Shampoo, Freezone, Outgro, Bisodol, Predictor, Primatene, Sudden Beauty, Trendar, Youth Garde—Dick Matthews, vice chairman; Alan Yarnoff, exec vp; Jim Harrigan, Mike Detels, mgmt supers; Tom Dianis, Debbie Forman, acct supers; Steve Kornhauser, Janet Bellin, acct execs.

Young & Rubicam, New York—Advil, Maximum Strength Anacin, Anbesol, Bronitin, Neet, Semicid, Sleep-Eze—Tim Fitzgerald, mgmt super; Garth Anderson, Roger Chiocchi, John Leonard, acct supers.

John F. Murray Advertising, New York—responsible for all AHP network and spot broadcast time.

AMERICAN HOME FOODS
New York
Marketing Personnel

D.P. Jaicks, president
T. Host, vp-mktg
K.H. Becker, vp-mktg services
J.P.Palminteri, vp-product mgmt
J. Neuberger, adv director

Advertising Agencies

Young & Rubicam, New York—Chef Boy-Ar-Dee canned pastas, new products—Art Klein, exec vp-group director, AHPC account; Jane Brite, mgmt super; Ken Ramsey, acct super.

Cunningham & Walsh, New York—Chef Boy-Ar-Dee Pizza Mix/sauce, dinners, pasta supreme, tin sauce; Crunch 'n Munch, Gulden's Mustard, Jiffy Pop Popcorn, Luck's

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beans and soups, Ranch Style Beans, G. Washington Seasoning, Portavista Spaghetti Sauce—James Polizzi, mgmt super.

Kornhauser & Calene, New York—Soup di Pasta, frozen foods, Dennison's—Steven Kornhauser, mgmt super.

E.J. BRACH & SONS
Chicago
Marketing Personnel

Ned Mitchell, president
R.B. Hecklau, senior vp-mktg & sales
D. Grady Zehr, mktg mgr
Tom Pendergast, mktg mgr
S.R. Thompson, vp-sales
Robert C. Wells, vp-trade relations
Robert J. Urban, asst vp-mktg

Advertising Agency

BBDO, Chicago—Harry Ellsworth, vp-mgmt super; Robin Cohen, acct exec.

BOYLE-MIDWAY
New York
Marketing Personnel

Donald Grummer, president
Rick Donnelly, vp-mktg
Ken Lagana, director-adv and sales promo
Ellen Schapps, vp-new products
Jack Gulemi, vp-sales

Advertising Agencies

Cunningham & Walsh, New York—Antrol/Snarol, Easy-Off Mildew Stain Remover, Wizard Charcoal Lighter, Easy-Off Glass Cleaner, Woolite (various products), Depend-O—Stephen Tart, vp-mgmt super; George Ford, Kathi Mendell, acct super.

Kornhauser & Calene, New York—Griffen shoe polish, Black Flag, Easy-Off, Wizard—Mark Rothman, exec vp; Ron Herlighy, acct director; Dane Bridgewater, Jim Caldwell, mgmt supers.

BBDO, Chicago—Pam, Quick Dip—Bob Pingrey, mgmt super.

Hicks & Greist, New York—Noxon, Zud, 3-in-One Oil, Plastic Wood, Easy-On Starch, Old English furniture polishes—Ed Ricchiutto, president; Ken Silvers, vp-mgmt super.

William Esty Co., Sani Flush, Tank II, Sani Flush 4 month, and Woolite Gentle Cycle—Andy Allen, vp-mgmt super.

DUPLI-COLOR PRODUCTS
Elk Grove Village, Ill.
Marketing Personnel

R.R. Miller, president
Fred Frieden, vp-mktg

Advertising Agency

Brand Advertising, Chicago—Alice Mikkelson, Alan Blumfeld.

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AYERST LABORATORIES
New York
Marketing Personnel

Judson St. John, president
Arnold Somin, senior vp-mktg & operations

Advertising Agencies

Sadler & Hennessey, New York—Aygestin, Factrel, Fluothane, Grisactin, Grisactin Ultra, Inderal, Inderal LA, Auralgan, Sonacide, Premarin—Vincent Trovati, exec vp.

Klemtner Advertising, New York—Riopan, Riopan Plus, Beminal Family, Atromid-S, Kerodex, Mysoline—R.J. Conlan, vp-group super.

William Douglas McAdams Inc., New York—Ultradol, Anacin 3 with codeine, Antabuse—William M. Wolf, exec vp.

William Esty Co., New York—Riopan, Riopan Plus—J. O'Neill, vp-group super.

WYETH LABORATORIES
Radnor, Pa.
Marketing Personnel

Richard Bogash, president
Charles H. Brantley, vp-sales
John T. Spitznagel, vp-promo
Martin M. Meaney, director-mktg planning and promotion

Advertising Agencies

William Douglas McAdams, New York—Nordette, Ovral, Lo/Ovral, Phenergan, Tubex—Paul Nalbandian, acct super; Albert Carter, acct exec.

Kallir, Philips, Ross, New York—Ativan, SMA, Nursoy, Collyrium—John Parets, acct super; Janet Feldman, Joyce Hecht, acct execs.

Sieber & McIntyre, Morristown, N.J.—Cyclapen-W, Antibiotics—Sandy Cazalunis, acct super.

F. Scott Kimmich & Co., S. Norwalk, Conn.—Wytensin, Equagesic, Mazanor—Stephen Bryan, group acct mgr; Kenneth Begase, Amy Johnson, acct exec.

IVES LABORATORIES
New York
Marketing Personnel

T. Cavanagh, president
J. Donovan, vp-mktg
Joseph Faherty, vp-finance
Michael Delonnay, director-mktg services

Advertising Agencies

Robert A. Becker Inc., New York—Cordarone, Isordil—Raymond Perry, vp; Ed Martin, acct super.

Klemtner Advertising, New York—Cyclospasmol, Synalgos-DC, Orudis—Gavin Scotti, vp; Jake [illegible], acct super; Greg Gull, acct exec.

Lally, McFarland & Pantello, New York—Surmontil, Sectral, Cerubidine—Fred Kellogg, acct super

FORT DODGE LABORATORIES
Fort Dodge, Ia.
Marketing Personnel

Thomas W. Freeze, president
O.W. Whitcomb, vp-mktg
W.E. Ryan, director-adv

Advertising Agency

Miller-Meister, Minneapolis—Ted Priebe, exec vp.

SHERWOOD MEDICAL CO.
St. Louis
Marketing Personnel

Howard E. Wickstra, president
David M. Olivier, vp-gen mgr, Monoject
David A. Low, vp-gen mgr, Argyle

Advertising Agency

Frank Block Associates, St. Louis—Monoject, Argyle—Robert Brace, acct exec.

COROMETRICS MEDICAL SYSTEMS
Wallingford, Conn.
Marketing Personnel

Flave L. Jones, president
C.L. Voight, vp-sales
Michael Tuccio, director-mktg services
Don Anderson, asst vp-mktg

Advertising Agency

Blunt Hann Sersen, Hackensack, N.J.—Dwayne Hann, mgmt super; Deborah Janik, acct super.

American Honda Motor Co.

	1983	1982
Sales*........	$10,165,969,000	$9,375,661,000
Earnings*.....	409,301,000	303,721,000
U.S. Advertising	115,182,300	94,891,800

*Worldwide, fiscal years 1984 and 1983 ended February

American Honda Motor Co., Gardena, Cal., the 60th largest national advertiser and the third largest auto importer in the U.S., increased its total ad spending in 1983 to an estimated $115.2 million, up 22% in from the previous year.

American Honda is the country's motorcycle sales leader and accounts for 14.7% of all imports and a 4.5% share of the total market. It is a wholly owned subsidiary of Honda Motor Co. Ltd., Tokyo.

The company, which is celebrating its 25th anniversary in the U.S. this year, also plans to become a major force in the power equipment industries through its lawn mower and snow thrower products.

The parent company posted an 8.4% gain in worldwide sales for fiscal 1984 ended February of this year over fiscal 1983, with overseas (outside Japan) sales accounting for 63% of the year's consolidated total and 10% of motorcycle revenues. Autos accounted for 57% of the parent's sales, motorcycles for 21%, consumer power products for 7% and parts and other revenues for 15%.

The company's last fiscal year recorded worldwide car sales of 1.1 million units, up 1% over the previous year, and the third straight year that Honda auto sales have exceeded the million-unit level. U.S. spending accounted for 350,670 units in 1983, down from 365,865 the previous year because of import quota restrictions. Sales are expected to increase to 480,000 in calendar 1984 through increased U.S. production.

Honda, Japan's third largest producer of passenger cars, is offering in 1984 a new line of Civic small cars, the two-seat CRX and an expanded Accord series, all refined and carrying new high-technology equipment.

Honda retired the six-year-old "We keep it simple" slogan in the U.S. for an even simpler: "Honda." Media sales also was simplified, with magazine buys being made upfront for a year, resulting in stable rates and better positioning. Also, magazines received 10% less of the budget than in 1982.

Tv picked up what magazines lost. Both tv and magazine ads promoted the Civic CRX, a two-seat coupe that gets 51 miles per gallon in city driving and is priced at $6,149 for the 1.3-liter engine and $6,599 for the 1.5-liter model. The CRX was billed as "the new car" and touted for high gas mileage and performance. The U.S. Environmental Protection Agency gave it the highest rating for fuel economy.

Network and spot tv represented the major expenditure in the company's support of its 1984 car and motorcycle models, while youth-oriented consumer magazines accounted for about 80% of the advertising support in the major push behind Honda's motorized scooters. The new Aero models received particular emphasis, but the Honda Elite, said to be the most technologically advanced scooter ever built, also had solid support.

Once again the popular Honda Accord auto led the company's sales in the U.S., selling 171,736 units. Lower import quotas also reduced sales of the Civic model to 127,856 units, but the new Honda CRX, selected as the 1984 *Motor Trend* Import Car of the Year, tallied 10,287 units in its first year. While the Accord is Honda's strongest model in the U.S., the top-of-the-line Prelude, priced at more than $9,900, is coming on strong. During the year, 41,188 Preludes were sold. The *Motor Trend* selections found the Prelude and the Civic Hatchback as the first and second runners up, the first time one auto maker has taken the top three spots in the annual balloting.

Worldwide sales of Honda motorcycles during the past fiscal year declined 7% to $2.1 billion. Minimizing the impact were big gains recorded in the U.S. market—507,000 units sold in North America, a dramatic increase of 37%—which accounts for 25% of total overseas unit sales.

An increasing number of U.S. purchases will be of U.S.-produced cycles made in the Marysville, O., plant, which will reach a full annual capacity of 150,000 units by next spring.

Honda is planning to produce motorcycle engines in Ohio and is studying the possibility of manufacturing auto engines there. The company already has decided to double the plant's automobile production capacity, with construction expected to be completed early in 1986. Since Honda has an import quota of about 350,000 units, compared with 500,000 for Toyota and 450,000 for Nissan, expansion of its U.S. capacity is the only way for it to expand sales. (Domestically produced cars are free of the quota.)

Honda introduced a variety of new motorcycle models in 1983, backed by $35.6 million in media purchases from six mediums. The over-all campaign for the fifth year remained "Follow the Leader."

The gains recorded by Honda motorcycles in the U.S. were enhanced by booming sales in the three-wheel, all-terrain vehicle market where Honda continues to hold a dominating 70% share of the market, followed by Yamaha with 15%, Suzuki with 10% and Kawasaki with 5%.

Honda continued to showcase its motorcycles and all-terrain vehicles on selected prime time network series such as "The A Team." It was also key sponsor of National Basketball Assn. and National Collegiate Athletic Assn. basketball games.

Major new product introductions in the U.S. included a redesigned top-of-the-line 1200cc Gold Wing, a new entry in the touring segment of the market, of which Honda holds an 80% share. The company also introduced new models in the Interceptor family, 1000cc and 500cc models, which quickly became the dominant motorcycles in their respective classes.

Power products, the third major group in Honda's worldwide operations, encompass some 40 different products built around Honda's small, high-efficiency engines. Currently receiving advertising support estimated at nearly $5 million annually are Honda lawn mowers, snow throwers and the EX800 electric generator. Honda's share of the U.S. lawn mower market is only about 1%, but the company plans to boost that share by building a $10 million lawn mower manufacturing plant in North Carolina.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$8,059,400	$6,957,300
Magazines........	19,850,400	15,446,000
Farm publications..	813,700	——
Spot tv...........	10,806,900	8,864,900
Network tv........	41,529,300	29,887,400
Spot radio........	11,035,800	11,866,200
Network radio.....	2,636,100	1,238,900
Outdoor..........	2,450,700	2,631,100
Total measured..	97,182,300	76,891,800
Unmeasured....	18,000,000	18,000,000
Estimated total..	115,182,300	94,891,800

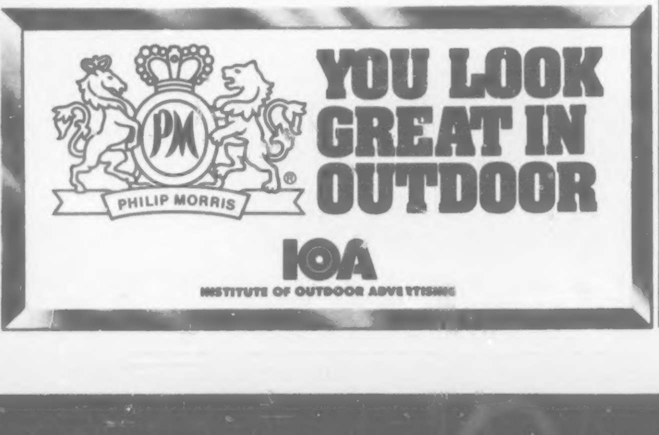
Marketing Personnel

T. Chino, president
C. Schmillen, vp-auto div
R. Iwai, vp-motorcycle div
S. Okamura, vp-power products div
E. Conn, natl adv mgr-auto div

Advertising Agencies

Needham, Harper & Steers, Los Angeles—William Hagelstein, vp-acct director, autos.

Dailey & Associates, Los Angeles—David Parmenter, vp-acct mgmt super, motorcycles; Roger Van Remmen, vp-acct mgmt super, power prods.



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American Motors Corp.

	1983	1982
Sales*........	$3,271,720,000	$2,393,000,000
Earnings*.....	(146,730,000)	(154,474,000)
U.S. Advertising	100,800,700	**78,587,000

*Worldwide **Revised

American Motors Corp., Southfield, Mich., the 69th largest national advertiser, increased its 1983 advertising budget to an estimated $100.8 million, up 28% from 1982.

AMC, which reported a profit of $7.4 million in the fourth quarter of 1983—the first following 14 consecutive quarterly losses—couldn't get over the hump for the full year, reporting a net loss of $146.7 million, compared with a loss of $153.5 million in 1982. Sales increased to $3.3 billion, up 37% from $2.3 billion in 1982.

The fourth quarter, followed by a profitable first quarter, 1984, in which net income was $5.1 million on sales of $1.1 billion, however, has generated hope at AMC. Profits were credited to the success of the new Jeep Cherokee and Wagoneer, the continuing success of the Renault Alliance and the 1984 Renault Encore, introduced in fall, 1983.

The Renault Alliance was introduced in September, 1982, the first of the new generation of Renault passenger cars built in the U.S. AMC positioned Alliance to straddle both the domestic and import markets. Early in 1983, the Alliance was named "Car of the Year" by *Motor Trend* magazine. The car surpassed all sales projections, reaching the projected 100,000-unit sales mark in June, then adding another 40,570 units by the end of the year.

In September, 1983, American Motors introduced its second new passenger car model, the Renault Encore, a hatchback model based on the Alliance chassis, drive-train and suspension system.

Led by these two cars, the company sold 226,580 passenger cars in the U.S. in 1983 (its highest level of sales since 1976, up 51% from 1982), which represented 2.5% of the passenger car market, including imports. The company's share of the U.S. subcompact passenger car market, including imports, increased from 6.8% in January, 1983, to 7.3% in January, 1984.

Introduced as 1984 models were the four-wheel-drive Jeep Cherokee and Wagoneers, the first all-new Jeep line in 20 years. Both Jeeps compete in the new compact segment of the sports utility market. Through yearend, 13,500 Cherokees and Wagoneers were sold at retail in the U.S., taking an 18% share of the compact sports utility market in the fourth quarter.

Total AMC vehicle sales in the U.S. increased 44%, to 308,711 units in 1983. The number of Renault import vehicles dropped from 37,540 units in 1982 to 33,220 in 1983, but U.S.-made Renault sales increased from 30,173 in 1982 to 146,190 in 1983, a 384% increase. Jeep sales rose 28.8%, to 82,140 in 1983.

Meanwhile, AMC labeled vehicles were struggling for survival. In the spring of 1983, the aged Spirit and Concord were discontinued because of a 50% drop in sales. Sales of the 4wd AMC Eagle dropped from 43,221 in 1981 to 35,206 in 1982 to 31,207 in 1983, a decrease of 26% over the three-year period.

Worldwide totals for AMC automobile and Jeep vehicle wholesale sales reached 383,462 units in 1983, up 34% from 1982. Automobile sales were 270,019, up 37.9%, and Jeep sales were 113,443, up 25%.

The first ads for the 1983 Alliance broke Sept. 4, 1982, a "prelaunch" campaign that lasted two weeks. The ads—stressing "the alliance of quality and affordability" and "European technology now built in America"—broke during tv coverage of National Football League games. AMC spent

Analysis of media spending by 100

Rank			Total estimated advertising expenditures		Total measured advertising expenditures		Total unmeasured advertising expenditures		Newspaper		Magazines	
1983	1982	Company	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
1	1	Procter & Gamble Co.	$773,618.3	$726,109.7	$650,414.7	$609,405.7	$123,203.6	$116,704.0	$9,830.5	$8,538.6	$40,184.9	$29,169.4
2	2	Sears, Roebuck & Co.	732,500.0	631,514.0	224,416.3	188.186.0	508,083.7	443,328.0	—	—	33,629.9	51,179.4
3	16	Beatrice Cos.*	602,775.4	659,694.4	221,727.5	202,654.4	381,047.9	457,310.0	17,232.7	11,475.8	50,249.8	46,999.5
4	3	General Motors Corp.	595,129.5	549,000.0	449,041.6	394,413.1	146,087.9	154,586.9	88,578.5	82,000.1	89,020.0	86,079.7
5	4	R. J. Reynolds Industries	593,350.3	530,261.8	469,725.8	418,888.3	123,624.5	111,373.5	112,343.0	123,174.8	155,062.8	111,[illegible]02.6
6	5	Philip Morris Inc.	527,481.8	501,694.7	462,029.4	432,394.7	65,452.4	69,300.0	65,271.9	83,793.8	140,366.6	130,094.3
7	12	Ford Motor Co.	479,060.0	387,000.0	365,530.3	285,955.1	113,529.7	101,044.9	49,602.6	45,582.6	80,346.3	58,735.2
8	7	American Telephone & Telegraph Co.	463,095.5	373,585.0	359,095.5	263,554.7	104,000.0	100,030.3	71,995.4	34,467.2	61,306.0	40,858.3
9	8	K mart Corp.	400,000.0	366,136.9	49,700.0	56,136.9	350,300.0	310,000.0	—	—	11,038.7	8,933.4
10	6	General Foods Corp.	386,134.2	429,070.0	284,771.6	349,341.8	101,362.6	79,728.2	4,201.0	4,700.0	33,373.2	29,746.5
11	9	Nabisco Brands	367,530.4	335,205.0	125,530.4	115,205.0	242,000.0	220,000.0	6,173.9	6,225.2	9,167.5	11,772.6
12	13	PepsiCo Inc.	356,400.0	305,000.0	222,744.0	196,316.1	133,656.0	108,683.9	6,002.4	2,853.4	3,894.6	9,417.3
13	15	Warner-Lambert Co.	343,553.5	294,736.0	132,332.6	131,563.2	211,220.9	163,172.8	1,505.6	1,298.7	7,266.1	7,936.4
14	10	American Home Products Corp.	333,485.0	325,396.0	222,974.6	216,930.7	110,510.4	108,465.0	1,754.1	2,090.7	21,321.0	13,259.4
15	14	Unilever U.S.	324,865.8	304,582.2	184,865.8	179,582.2	140,000.0	125,000.0	4,688.8	5,336.5	13,020.4	17,684.2
16	19	McDonald's Corp.	311,378.0	265,541.4	193,357.4	162,907.9	118,020.6	102,633.5	—	—	248.8	878.1
17	17	Johnson & Johnson	295,328.8	270,000.0	168,038.9	163,615.3	127,289.9	106,384.7	1,976.7	3,109.6	23,239.1	28,535.4
18	11	Mobil Corp.	294,932.5	320,000.0	42,272.4	48,268.3	252,660.1	271,731.7	7,045.3	8,046.1	3,924.1	6,181.2
19	26	J.C. Penney Co.	292,451.0	230,000.0	70,188.3	54,710.7	222,262.7	175,289.3	—	—	19,745.2	11,824.8
20	22	Anheuser-Busch Cos.	290,616.4	243,355.7	242,616.4	204,355.7	48,000.0	39,000.0	4,157.7	3,290.7	10,931.1	10,486.1
21	27	Ralston Purina Co.	285,667.4	220,000.0	158,704.1	124,372.6	126,963.3	95,621.4	3,170.3	2,588.7	14,579.4	8,926.8
22	20	Coca-Cola Co.	282,150.0	255,325.6	192,513.2	174,206.3	89,636.8	81,119.3	6,037.0	4,424.5	8,582.1	5,762.7
23	21	General Mills	268,690.2	244,363.7	253,092.6	230,150.4	15,597.6	14,213.5	5,620.7	4,241.7	25,451.5	17,585.9
24	18	Colgate-Palmolive Co.	268,000.0	268,000.0	103,805.0	97,889.0	164,195.0	170,111.0	1,664.3	2,582.5	8,477.8	7,208.9
25	25	Warner Communications	251,049.6	232,228.1	156,049.6	148,550.8	95,000.0	83,677.3	15,717.9	18,875.6	25,608.7	24,929.6
26	30	Bristol-Myers Co.	235,000.0	205,000.0	164,552.9	152,968.6	70,447.1	52,031.4	1,380.3	2,045.5	28,472.2	25,244.0
27	35	Chrysler Corp.	230,020.1	214,000.0	200,415.6	163,460.2	29,604.5	50,539.8	31,845.7	29,600.0	44,845.2	25,582.2
28	29	U.S. Government**	228,857.2	205,453.1	94,067.7***	101,435.5***	134,789.5	103,701.6	5,306.2	6,753.6	25,498.8	31,868.0
29	38	RCA Corp.	212,300.0	160,102.2	108,923.7	84,374.6	103,376.3	75,727.6	31,716.3	28,273.3	35,301.5	23,362.1
30	31	Dart & Kraft	210,279.4	199,195.8	175,232.8	163,570.2	35,046.6	35,625.6	7,066.9	6,976.3	33,219.4	26,110.3
31	23	H. J. Heinz Co.	202,400.0	175,000.0	75,442.1	78,570.7	126,957.9	96,429.3	2,749.9	3,712.5	6,869.0	5,874.0
32	40	General Electric Co.	196,506.6	159,000.6	69,758.7	49,505.7	126,747.9	109,494.3	12,219.8	6,054.1	13,129.1	10,313.8
33	34	Consolidated Foods Corp.	195,858.0	178,006.9	97,516.9	92,492.7	98,341.1	85,514.2	2,833.6	2,263.0	16,671.7	13,412.9
34	36	Pillsbury Co.	190,944.3	170,426.7	149,971.2	132,914.9	40,973.1	37,512.8	917.3	2,134.3	2,497.7	4,858.6
35	37	Gillette Co.	185,604.4	163,000.0	101,904.4	94,469.3	83,700.0	68,530.7	1,839.3	3,525.6	9,237.8	8,276.0
36	28	Mattel Inc.	179,934.8	217,900.0	78,182.4	97,698.1	101,752.4	120,201.9	2,031.7	5,799.9	4,783.2	9,238.3
37	43	Kellogg Co.	176,306.9	154,167.3	117,042.5	104,167.3	59,264.4	50,000.0	3,257.5	2,695.5	6,180.8	9,359.3
38	46	Sterling Drug	171,828.1	140,149.5	114,828.1	93,433.0	57,000.0	46,716.5	288.3	498.8	6,631.5	8,191.2
39	41	CBS Inc.	167,711.0	158,997.0	71,114.2	64,896.7	96,596.8	94,100.3	15,829.3	15,917.7	30,737.1	28,248.0
40	—	Tandy Corp.	156,728.0	126,985.0	43,873.3†	34,011.4†	112,854.7	92,973.6	—	—	4,944.4	3,946.3
41	50	Richardson-Vicks	150,813.9	129,289.4	93,929.5	71,289.4	56,884.4	58,000.0	—	14.2	12,130.5	8,126.5
42	59	Quaker Oats Co.	148,441.7	106,071.5	84,823.8	64,622.4	63,617.9	41,409.1	1,341.0	1,865.5	11,433.4	6,832.1
43	24	Batus Inc.	146,076.9	235,010.2	108,785.8	175,015.7	37,291.2	59,994.5	27,803.2	42,893.6	44,290.3	73,461.5
44	42	Gulf & Western Industries	145,500.0	155,031.0	57,845.4	57,722.6	87,654.6	97,308.4	2,365.2	4,506.1	6,026.5	6,105.6
45	47	American Cyanamid Co.	142,400.0	133,002.6	56,953.7	54,308.0	85,446.3	72,692.0	969.6	204.8	7,441.9	6,372.5
46	48	Chesebrough-Pond's	141,324.5	131,006.8	72,904.6	70,834.6	68,419.9	60,172.0	2,170.7	2,374.7	16,686.7	16,850.3
47	45	Eastman Kodak Co.	141,318.9	142,820.0	90,343.5	92,200.7	50,975.4	50,619.3	5,162.5	3,825.9	16,644.6	15,243.7
48	60	Loews Corp.	135,115.1	103,266.8	108,115.1	80,266.8	27,000.0	23,000.0	22,533.3	22,645.4	45,249.9	28,955.4
49	39	ITT Corp.	134,229.0	159,131.8	54,890.7	64,721.8	79,338.3	94,410.0	3,161.9	3,038.1	11,663.6	10,492.8
50	53	Beecham Group p.l.c.	134,126.8	120,700.0	90,516.8	80,466.6	43,610.0	40,233.4	14.3	54.0	3,378.1	7,783.9
51	—	Texas Instruments	129,042.0	70,720.0	67,878.9	18,991.7	61,163.1	51,728.3	16,871.6	3,319.1	11,695.2	2,196.6
52	52	Campbell Soup Co.	126,000.0	103,800.0	112,729.5	80,613.1	13,270.5	23,186.9	4,640.8	3,322.3	12,412.8	7,182.8
53	56	Revlon Inc.	123,968.9	112,952.1	82,080.1	66,499.3	41,888.8	46,452.8	710.9	488.2	16,401.7	14,229.2
54	55	Nissan Motor Corp. in U.S.A.	122,848.0	117,566.7	106,228.9	91,066.7	16,619.1	26,500.0	9,443.6	9,742.8	13,351.9	12,750.6
55	54	Mars Inc.	120,350.5	120,007.6	102,234.5	100,907.6	18,116.0	19,100.0	1,864.3	1,355.5	2,811.5	2,533.2
56	49	Time Inc.	119,785.0	130,124.0	84,779.8	94,323.1	35,005.2	35,801.9	11,427.8	20,186.7	35,338.2	30,206.7
57	44	Jos. E. Seagram & Sons	119,604.4	153,000.0	87,924.3	110,189.0	31,680.1	42,811.0	8,476.6	9,851.3	45,643.3	62,024.0
58	74	International Business Machine Corp.	119,222.5	74,972.2	102,698.2	64,319.5	16,524.3	10,652.7	11,719.6	9,488.4	27,172.0	16,404.5
59	51	Schering-Plough Corp.	117,914.2	123,932.7	69,361.3	72,632.7	48,552.9	51,300.0	94.1	259.2	18,926.0	16,860.7
60	64	American Honda Motor Co.	115,182.3	94,891.8	97,182.3	76,891.8	18,000.0	18,000.0	8,059.4	6,957.3	19,850.4	15,446.0
61	57	Nestle Enterprises	114,957.0	112,500.0	94,956.6	93,382.2	20,000.4	19,117.8	1,933.2	3,598.7	11,637.9	8,468.8
62	58	Toyota Motor Sales U.S.A.	113,649.0	111,342.3	95,992.4	98,533.3	17,656.6	12,809.0	12,570.7	15,611.1	12,416.4	10,890.8
63	61	Volkswagen of America	112,500.0	103,000.0	89,937.9	86,967.1	22,562.1	16,032.9	9,947.4	16,025.3	37,902.2	28,599.5
64	—	IC Industries	112,100.0	79,113.3	50,346.5	35,601.0	61,753.5	43,512.3	1,175.5	718.7	3,689.1	1,511.4
65	71	Xerox Corp.	110,101.8	80,000.0	58,696.3	43,157.8	51,405.5	36,842.2	13,824.3	5,7[illegible]9.3	15,650.1	18,062.7
66	63	American Express Co.	107,571.0	95,458.0	71,840.1	66,289.3	35,730.9	29,168.7	12,336.7	11,840.3	15,651.5	12,088.6
67	65	DuPont	102,637.0	92,912.0	50,192.9	44,668.4	52,444.1	48,243.6	1,531.6	1,980.2	26,147.1	21,578.9
68	66	Trans World Corp.	101,503.3	91,614.9	60,503.3	54,362.7	41,000.0	37,252.2	21,925.3	19,857.3	6,817.1	4,354.3
69	79	American Motors Corp.	100,800.7	78,587.0	82,446.1	63,458.2	18,354.6	15,128.8	8,314.5	6,058.8	15,644.5	15,667.2
70	—	Sony Corp. of America	97,283.2	57,158.2	39,283.2	23,158.2	58,000.0	34,000.0	11,619.7	5,041.5	9,497.0	8,414.3
71	62	CPC International	96,627.3	96,700.0	46,212.9	47,597.7	50,414.4	49,102.3	965.7	854.2	7,906.5	9,191.2
72	77	Miles Laboratories	89,063.8	73,200.0	53,986.8	44,168.8	35,077.0	29,031.2	94.8	86.2	2,878.3	4,225.5
73	69	Union Carbide Corp.	88,000.0	83,699.8	51,801.5	52,425.4	36,198.5	31,274.4	1,802.5	1,167.7	714.9	754.1
74	75	S. C. Johnson & Son	86,970.3	74,616.3	64,087.6	55,066.3	22,882.7	19,550.0	2,340.3	1,577.0	11,967.2	9,458.4
75	73	Greyhound Corp.	83,564.0	85,252.0	49,527.9	54,039.4	34,036.1	31,212.6	8,926.3	2,888.0	3,636.8	5,022.0
76	87	AHR Corp.	80,000.0	61,641.4	51,662.8	51,367.8	28,337.2	10,273.6	12,789.6	18,813.0	405.0	891.2
77	83	Kimberly-Clark Corp.	77,460.0	69,303.9	58,023.3	51,438.0	19,436.7	17,865.9	3,869.4	1,669.9	11,138.7	10,062.5
78	81	UAL Inc.	77,200.0	78,749.7	57,625.4	64,218.9	19,574.6	14,530.8	5,431.9	5,996.7	4,704.0	3,855.6
79	78	American Brands	75,590.1	72,272.0	65,481.4	62,077.4	10,108.7	10,194.6	5,815.4	8,903.4	35,472.9	32,279.5
80	70	MCA Inc.	74,543.6	80,100.0	40,793.6	42,213.3	33,750.0	37,886.7	7,223.4	4,593.5	2,563.0	1,426.9
81	82	Mazda Motors of America	74,500.0	70,531.4	45,951.5	57,931.4	28,548.5	12,600.0	1,970.6	1,991.4	14,550.5	12,360.7
82	90	Stroh Brewery Co.	73,532.4	55,548.8	65,781.3	45,548.0	7,751.1	10,000.0	767.3	412.4	264.6	551.4
83	85	Pfizer Inc.	72,084.3	65,687.5	51,135.5	43,791.7	20,948.8	21,895.8	1,322.9	420.0	10,855.4	7,487.9
84	76	Brown-Forman Distillers	70,500.0	74,000.0	39,821.8	42,050.0	30,678.2	31,950.0	3,840.5	4,571.9	20,875.8	18,536.3
85	—	GTE Corp.	70,179.9	25,183.6	60,179.9	22,183.6	10,000.0	3,000.0	12,414.0	1,620.9	6,744.1	3,871.5
86	89	Eastern Air Lines	70,000.0	57,363.1	61,621.3	52,148.3	8,378.7	5,214.8	22,460.8	21,625.4	5,838.4	4,657.9
87	—	Cosmair Inc.	69,955.0	47,659.0	43,721.7	29,786.7	26,233.3	17,872.3	665.1	103.1	15,264.7	8,155.7
88	72	Clorox Co.	69,429.0	76,285.6	59,869.7	63,495.2	9,559.3	12,790.4	396.7	373.7	6,269.8	7,930.5
89	88	Hershey Foods Corp.	68,257.4	60,000.0	53,965.4	46,235.2	14,292.0	13,764.0	1,539.8	1,540.6	7,272.4	4,686.8
90	97	Wendy's International	64,445.0	44,875.0	52,422.9	33,535.8	12,022.1	11,339.2	—	—	467.2	—
91	84	Wm. Wrigley Jr. Co.	63,948.2	67,028.2	63,148.2	66,228.2	800.0	800.0	—	—	—	15.1
92	94	Delta Air Lines	63,944.3	[illegible]9,328.0	60,793.6	46,042.6	3,150.7	3,285.4	31,810.0	24,664.6	1,077.2	798.2
93	—	Adolph Coors Co.	63,621.3	38,640.5	53,021.3	32,200.6	10,600.6	6,439.9	1,028.2	1,154.5	28.5	305.6
94	93	Noxell Corp.	58,264.4	49,594.0	56,682.9	48,251.6	1,581.5	1,342.8	10.5	5.5	9,878.5	12,538.5
95	96	Canon U.S.A.	58,032.9	47,045.8	52,573.6	42,763.0	5,459.3	4,282.8	609.4	949.6	16,310.2	11,683.4
96	—	Goodyear Tire & Rubber Co.	57,831.7	44,905.4	40,831.7	29,905.4	17,000.0	15,000.0	—	—	4,999.1	2,098.5
97	91	GrandMet U.S.A.	55,566.2	54,000.0	51,566.2	50,154.1	4,000.0	3,845.9	4,375.1	4,278.3	26,179.5	25,205.7
98	—	Coleco Industries	55,216.4	31,658.7	45,872.4	26,698.1	9,344.0	4,960.7	272.5	340.1	1,773.9	1,246.3
99	—	Carnation Co.	54,284.6	43,753.4	39,338.0	31,685.4	14,946.6	12,068.0	3,191.4	3,631.6	5,194.6	2,867.6
100	100	American Broadcasting Cos.	49,167.5	42,860.7	41,170.5	35,883.7	7,997.0	6,977.0	10,303.7	10,299.3	23,826.8	17,863.3
Totals††			18,877,699.7	17,100,000.0	11,673,439.1	10,571,600.0	7,204,230.6	6,528,400.0	984,099.5	962,000.0	1,951,714.9	1,718,300.0

*1983 Beatrice figures include Esmark advertising expenditures which include four months of Norton Simon; 1982 figures include all of Esmark and Norton Simon ad spending.

**Source: U.S. Government agencies and their advertising agencies

***Total Measured U.S. Government ad expenditures include cable spending of $495,100 in 1983 and $316,000 in 1982

Leading National Advertisers ($000)

Farm publications		Spot tv		Network tv		Spot radio		Network radio		Outdoor	
1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
$ —	$ —	$229,244.8	$178,882.2	$366,663.1	$390,495.4	$2,796.4	$1,320.6	$1,504.2	$166.2	$190.8	$33.3
—	257.1	29,315.5	17,529.4	145,006.8	102,563.8	5,496.6	5,577.4	10,628.5	11,073.8	339.0	5.1
516.9	—	45,955.0	44,385.0	97,605.4	90,212.2	5,258.8	2,685.5	487.8	1,185.8	4,421.5	5,710.2
1,740.9	1,596.4	25,678.4	27,244.2	201,350.4	164,261.5	29,079.4	29,079.4	9,410.7	7,983.1	4,183.3	5,009.0
—	—	39,642.0	47,738.1	69,907.2	56,862.7	3,851.2	2,776.9	—	—	88,919.6	77,233.2
—	—	50,431.5	34,446.0	128,266.1	110,845.0	22,482.8	22,677.6	—	—	55,210.5	50,538.0
3,431.3	3,398.8	37,857.4	20,750.7	172,308.1	126,739.6	12,993.1	23,100.1	7,185.6	6,462.4	1,805.9	1,185.7
—	—	41,341.0	65,654.1	146,603.8	95,086.2	27,949.3	18,869.0	9,511.6	7,391.3	388.4	1,300.6
—	—	10,050.8	8,176.1	23,539.3	32,469.8	4,867.0	5,638.2	—	760.5	204.2	158.9
—	—	73,019.9	70,799.1	170,064.5	232,349.4	2,333.2	4,744.5	1,711.0	7,002.2	68.8	—
—	—	22,126.5	20,086.2	82,018.0	66,578.8	984.7	1,167.8	4,695.9	8,878.8	363.9	495.6
—	—	121,847.1	87,728.2	73,955.2	75,857.8	14,204.9	16,544.2	916.3	2,781.7	1,923.5	1,133.5
—	—	39,438.7	32,907.2	74,638.9	81,015.4	1,660.5	1,853.1	7,822.8	6,558.4	—	—
605.0	513.2	32,063.4	36,733.6	161,435.0	160,767.2	1,908.0	1,841.4	3,888.1	1,725.2	—	—
—	—	55,789.2	43,765.0	110,302.6	111,811.7	335.7	152.7	683.3	766.8	45.8	65.3
—	—	105,024.8	94,156.0	80,930.9	59,875.9	2,077.3	2,138.4	780.6	1,717.5	4,295.0	4,142.0
431.6	268.4	9,212.5	7,196.7	131,265.9	121,845.3	318.8	953.7	1,594.3	1,706.2	—	—
822.8	—	20,824.7	20,497.5	7,170.4	9,808.0	2,432.5	3,695.2	—	—	52.6	40.3
—	—	18,150.9	16,530.9	31,857.7	23,790.5	197.7	737.7	—	2,203.1	236.8	163.7
—	—	59,370.0	46,954.4	116,515.2	95,676.5	40,675.5	36,801.0	6,913.6	6,326.9	4,053.3	4,820.1
1,654.3	864.0	35,744.8	23,535.8	94,438.5	82,570.7	8,829.5	5,756.9	—	—	287.3	135.7
—	—	70,672.6	59,311.3	95,888.7	87,208.5	8,048.4	14,185.3	—	124.6	3,284.4	3,189.4
—	—	112,982.1	107,121.5	100,279.1	93,628.5	6,197.6	5,632.8	2,364.2	1,723.8	197.4	216.0
226.0	216.3	-29,596.0	23,919.9	59,915.1	59,653.9	3,925.8	4,300.9	—	—	—	6.6
—	—	27,444.7	27,154.8	84,243.6	75,533.0	2,248.7	820.3	485.8	1,178.0	300.2	59.5
211.9	190.3	10,065.9	12,609.9	120,974.3	105,717.0	1,903.9	5,436.4	1,544.4	1,600.1	—	125.4
716.6	733.5	18,626.0	23,533.9	84,193.7	68,219.5	16,651.1	11,997.2	2,858.0	2,919.3	679.3	874.7
—	—	16,257.9	18,246.9	30,063.0	27,139.6	5,679.2	7,342.5	9,293.2	9,213.0	1,474.3	871.9
—	—	10,430.9	8,776.7	24,273.2	19,126.5	3,512.0	3,331.4	3,303.9	1,205.9	385.9	298.7
—	—	42,525.2	64,277.0	87,414.8	61,743.6	1,813.9	3,426.7	3,161.1	977.0	31.5	59.3
—	—	17,636.2	22,634.3	47,863.7	45,916.0	260.7	429.8	—	—	62.6	4.1
—	—	4,501.9	3,241.9	39,158.0	28,966.6	506.6	399.7	—	177.4	243.3	352.2
—	—	17,076.6	17,898.5	56,149.7	55,107.9	1,982.6	2,353.2	2,551.6	1,224.4	251.1	232.8
—	—	60,781.0	46,122.8	74,336.9	72,942.0	9,639.6	6,120.3	810.3	—	988.4	736.9
—	—	11,394.4	8,642.3	75,285.5	74,025.4	1,455.8	—	2,691.6	—	—	—
—	—	18,520.2	19,956.4	52,074.7	60,984.6	417.6	156.1	131.4	1,486.2	223.6	76.6
—	—	34,130.2	30,054.3	73,006.3	61,010.2	459.8	794.0	—	—	7.9	254.0
—	—	24,375.2	15,941.7	82,660.0	66,383.7	820.4	235.9	—	2,142.6	70.7	39.1
—	—	12,761.3	15,818.5	10,585.4	2,851.4	133.1	801.3	133.2	484.8	934.8	775.0
322.7	258.2	4,237.7	3,390.2	27,715.8	22,172.6	3,496.9	1,719.6	—	—	0.2	0.2
—	—	20,928.0	13,778.4	59,139.1	48,475.6	812.9	168.0	919.0	726.1	—	—
—	—	21,468.3	21,217.3	47,980.3	34,541.7	2,213.0	159.9	—	—	387.8	45.9
—	—	14,234.5	15,905.4	—	—	37.3	218.1	—	—	22,420.4	42,537.1
—	—	20,897.4	21,063.4	23,345.5	24,322.2	3,683.1	615.2	1,265.9	822.1	261.8	288.0
3,449.1	—	8,743.7	9,141.5	35,257.9	36,839.8	1,088.9	1,749.4	—	—	2.6	2.6
—	—	10,647.4	5,105.5	42,994.8	46,051.1	324.5	448.5	—	—	80.5	4.5
—	—	8,649.1	5,843.8	56,453.8	63,267.0	987.7	1,818.0	726.4	1,609.0	1,719.4	593.3
—	—	1,277.1	3,692.0	1,795.1	1,796.2	156.0	136.0	—	—	37,103.7	23,611.8
—	—	25,894.5	30,951.0	9,875.0	16,659.1	3,235.1	2,447.8	314.1	342.5	746.5	790.5
728.6	599.5	7,151.4	5,203.9	78,806.6	66,725.1	26.8	100.2	410.6	—	—	—
—	—	18,080.0	13,283.2	17,808.4	—	3,423.6	192.8	—	—	—	—
—	—	21,510.4	17,436.8	63,057.9	40,733.8	3,607.2	2,156.5	7,429.3	9,738.7	71.1	42.7
—	—	15,601.9	15,760.9	47,100.8	33,913.2	851.1	398.5	1,413.7	1,709.3	—	—
231.2	—	37,723.6	32,671.1	33,602.9	23,548.1	10,880.6	11,382.6	—	—	995.1	971.5
—	—	44,332.5	46,508.6	52,101.5	49,661.3	350.5	849.0	774.2	—	—	—
—	—	31,327.6	30,339.9	5,012.8	10,861.9	624.6	2,286.5	925.9	123.5	122.9	317.9
—	—	7,233.1	8,410.3	10,739.9	13,754.6	64.6	84.6	—	—	15,766.8	16,064.2
398.0	—	5,006.0	4,343.1	52,408.5	29,700.2	5,474.0	2,775.2	507.2	1,540.2	12.9	67.9
432.5	514.1	5,497.0	5,293.8	37,878.8	42,947.9	2,094.1	1,246.0	2,829.8	3,603.7	1,609.0	1,907.3
813.7	—	10,806.9	8,864.9	41,529.3	29,887.4	11,035.8	11,866.2	2,636.1	1,238.9	2,450.7	2,631.1
—	—	32,793.1	28,712.9	47,259.2	49,105.1	428.0	1,108.9	747.5	2,225.0	157.7	162.8
—	—	42,505.9	44,792.1	22,852.5	21,244.0	3,342.8	3,633.9	20.0	249.6	2,284.1	2,111.8
—	—	16,921.8	17,156.5	22,177.6	23,028.2	2,984.6	2,104.4	—	2.4	4.3	53.2
—	—	20,971.3	15,071.8	17,697.8	11,998.6	6,162.8	5,270.6	599.2	983.6	50.8	46.3
—	—	2,997.4	865.8	22,732.4	15,804.4	2,613.3	974.6	874.8	1,657.9	4.0	13.1
—	—	13,650.9	15,190.1	22,417.1	24,253.4	4,685.6	2,899.4	3,031.2	—	67.1	17.5
4,119.0	3,383.2	2,553.6	2,949.7	13,435.0	12,423.0	1,632.9	1,482.1	771.1	851.6	2.6	20.7
—	—	13,034.5	13,392.7	9,991.1	8,057.6	7,160.3	7,971.7	723.2	185.2	851.8	543.9
84.1	—	6,221.7	15,414.0	50,972.3	26,024.3	120.7	147.3	—	—	1,088.3	146.6
—	—	9,775.5	1,565.1	8,087.7	7,137.3	290.6	594.8	—	374.5	12.7	30.7
—	—	15,544.8	13,541.5	21,668.6	23,468.5	126.2	81.8	—	—	1.1	460.5
3,768.9	—	5,504.6	4,629.1	39,003.2	35,219.7	63.8	—	2,660.3	—	12.9	8.3
1,722.8	1,614.9	4,419.5	4,017.0	39,994.4	40,914.3	2,847.4	3,838.9	300.0	104.4	—	14.1
—	—	6,020.3	8,890.1	40,716.5	34,266.5	517.3	395.5	2,526.0	478.8	—	—
—	—	6,639.7	6,290.3	19,750.3	30,587.8	8,918.6	7,044.0	1,366.1	2,168.9	290.1	38.4
—	—	12,325.9	10,759.4	17,707.1	12,288.8	8,300.5	8,429.2	—	—	134.7	186.2
—	—	12,308.4	10,831.7	30,682.5	28,787.5	24.3	86.4	—	—	—	—
—	—	23,539.3	25,825.1	8,175.0	13,792.8	14,635.6	14,135.9	846.6	495.2	293.0	117.6
—	—	2,500.8	1,539.8	8,607.8	6,980.6	30.1	59.7	104.5	—	12,949.9	12,314.4
—	—	13,034.6	8,950.3	16,067.7	20,467.0	1,300.0	6,400.0	253.6	83.2	351.3	292.4
—	—	2,270.7	16,373.5	27,159.7	26,709.7	—	45.7	—	—	—	86.4
—	—	14,303.9	20,735.9	37,774.2	9,403.9	10,532.4	12,667.4	825.7	20.0	1,313.2	1,757.8
1,522.3	1,672.0	2,860.0	1,499.8	34,009.0	32,486.6	84.3	151.0	444.4	75.0	7.2	—
—	—	4,667.2	3,851.2	2,835.1	7,167.8	1,421.1	1,242.7	—	—	6,182.1	7,680.1
—	—	32,443.2	5,925.1	6,081.6	5,339.7	2,457.9	1,548.2	—	—	39.1	6.7
—	—	12,237.1	7,924.9	9,398.0	5,202.5	9,218.2	10,238.2	—	—	2,468.8	2,499.4
—	—	4,707.3	4,097.9	23,084.6	17,430.0	—	—	—	—	—	—
—	—	10,153.8	7,930.5	41,383.5	47,359.4	528.7	—	1,137.2	470.0	—	36.3
—	—	15,518.5	13,536.6	28,678.8	25,536.2	557.4	870.9	396.2	—	2.3	64.1
—	—	31,224.2	17,916.3	18,683.4	13,817.3	899.6	1,119.9	—	6.3	1,148.5	676.0
—	—	17,873.7	16,854.9	42,342.7	47,515.3	23.8	94.1	2,908.0	1,733.2	—	15.6
—	—	8,226.7	6,978.9	2,602.5	—	15,309.1	11,746.5	—	—	1,768.1	1,854.4
—	—	20,024.4	14,321.2	9,746.3	7,069.4	21,578.0	8,898.8	—	—	615.9	451.1
—	—	2,934.5	3,931.7	42,791.1	31,527.6	200.0	—	868.3	248.3	—	—
—	—	7,439.5	6,103.6	26,295.0	21,618.1	3.0	2.5	1,507.0	2,104.4	409.5	301.4
407.3	—	11,653.0	11,680.8	22,632.7	15,290.7	261.7	10.3	655.0	608.6	222.9	216.5
—	—	6,940.9	7,873.7	9,083.1	7,873.7	54.5	323.2	—	—	4,933.1	4,652.0
—	—	14,331.3	14,181.8	29,488.5	10,920.5	6.2	9.5	—	—	—	—
265.9	—	6,402.8	8,991.9	23,991.7	15,746.8	53.4	349.1	—	—	238.2	98.6
—	—	5,519.7	5,718.2	—	—	574.1	485.0	408.9	415.2	537.3	1,102.7
28,623.4	23,700.0	2,478,151.3	2,178,100.0	5,346,870.7	4,841,100.0	440,806.8	418,000.0	141,190.0	131,400.0	298,319.6	299,000.0

†Total Measured Tandy ad expenditures include business publication spending of $3,155,600 in 1982 and $2,524,400 in 1982

††1982 totals reflect the ad spending of the 1982 100 Leading National Advertisers.

Source: From AA's Usual Sources (See Page 3).

$20 million in measured media ($14.1 million in network tv), according to Leading National Advertisers, on Alliance during its introductory quarter, more than it ever had spent on a new vehicle. The remainder of AMC's products, including cars, Jeeps and other Renaults, received 40% of the total fall budget.

In January, 1983, AMC coupled a new 11.9% financing plan with a Motor Trend "Car of the Year" award for the Alliance, and sales jumped from 829 units to 1,022 units the week after the *Motor Trend* endorsement.

In 1983, AMC "reintroduced" the sporty Renault Fuego coupe with a heavier media schedule than in 1982 —$10 million vs. $6.2 million in 1982. New commercials concentrated on the turbocharged version, linking it with Renault's Formula One race cars. Ads broke in March, 1983. Fuego was off the airwaves, except in Sunbelt spots, for most of the 1983 model year because AMC ran out of cars after surpassing sales projections of 10,000 to 12,000.

AMC continued the auto racing theme with the 1984 Fuego sporty coupe. Fuego was supported with commercials that cut quickly between films of races and studio shots of the car. The line, "The new Renault Fuego. Racier," refers to Renault's Formula One racing ties and a larger new 2.2-liter engine that "cranks out 40% more torque for 1984." Fuego is also available with a 1.6 liter turbocharged engine.

Meanwhile, Jeep division of AMC kept its ad theme, "Why drive a car when you can drive a Jeep?" through the introduction of the compact XJ model in the fall of 1983. The ad spending for Jeep products 1983 was $21.9 million in measured media, up from $11.7 million spent on the line in 1982. The XJ—a new down-size version of the Cherokee and Wagoneer—soaked up much of the increase, but other Jeeps saw more ad money.

Jeep's "Why drive a car?" theme was continued with the aim of attracting customers who don't usually consider buying a 4wd product.

Print ads for the smaller Jeep Cherokee and Wagoneer stressed the "leaner and meaner" theme, with direct comparisons to the competition.

Despite heavy new Jeep advertising, AMC continued to struggle with the marketing problem of convincing buyers that less is more. The problem especially applied to the new Cherokee and Wagoneer, the first down-sizing in 20 years.

"The core of our marketing strategy is to explain we have retained Jeep's rugged characteristics . . . in a more efficient packaging size. That's really the trick," said David Van Peursem, who left AMC as general marketing manager to become senior vp of the AMC account at Compton Advertising.

Jeep wanted to broaden the appeal of 4wd vehicles and expected to move toward carlike qualities in doing so.

Grey Advertising beat Compton Advertising for the introductory campaign of AMC's new Jeeps. Grey handled creative for the new XJ models, while Compton, the regular Jeep agency, placed media.

Grey also handled the new Renault Encore advertising. The typical Encore buyer is a "trendy, image-conscious individual, young, well educated, and white collar," Mr. Van Peursem said. The typical Alliance buyer is a more conservative, practical and family-minded buyer, he said.

Measured spending for the Encore was $10.6 million. Media was 75% tv, with the rest in newspaper, radio and magazines.

On an international level, in May, 1983, AMC formed a joint venture with Beijing Automotive Works. The venture, named Beijing Corp. Ltd., will build Jeep vehicles in the People's Republic of China.

AMC's $16 million China investment was necessary because that is where growth is, said Tod O. Clare, vp-international operations. With operations beginning in January, Beijing Corp. was involved in the production of light duty vehicles and trucks. The venture establishes a base for future competition in the markets of the Asia-Pacific region, specifically India and Indonesia. Egypt and Mexico, according to Mr. Clare, are other markets with good potential.

On Sept. 19, 1983, AMC sold the company's special government vehicles segment to AM General Corp. a subsidiary of LVT Corp. for $170 million, to focus on autos.

And in focusing on autos, AMC wanted to reduce its dependence on the Alliance, which had been very successful. W. Paul Tippett, chairman and ceo, said a major AMC problem is its habit of stressing one product line at a time. "There was nothing to keep the momentum going," he said. The company sold more cars in 1983 than in 1982, yet continued to post losses.

Because AMC needs more new products, the company "will concentrate on product areas where we or Renault have special expertise—4wd passenger cars and 4wd vehicles," Mr. Tippett said. "We plan to move from a product lineup that covers 25% of the U.S. car market to one with over 50% coverage within the next five years. We also plan to expand our coverage of the light-truck market from the current [August, 1983] level of 12% to 41%. The key to the strategy is consistent new-product development."

To attain profitability, AMC believes it must capture the passenger car market and an 18% share in 4wd. In total, AMC wants to get 5% of the vehicle market.

AMC continues to develop front-wheel-drive passenger cars, through its affiliation with Renault, and new 4wd vehicles. From 1984 to 1988, AMC expects to expand offerings to include specialty models in the 1985 and 1986 model years, and compact and intermediate models later in an attempt to increase coverage in the U.S. passenger car market from 20% to more than 50%.

American Motors also scheduled an Alliance convertible for 1985 model year introduction. It will be based on the two-door model and positioned as the lowest-price U.S.-made convertible.

New Jeep vehicles will be introduced from 1984 to 1988, including a compact pickup truck in both two-wheel-drive and 4wd models, derived from the Jeep Cherokee platform. This will be AMC's first venture in 2wd trucks.

AMC also is eyeing the minivan market. Mr. Tippett said a minivan could be on sale within 18 months after initial go ahead is given. The AMC minivan effort will come atop plans for a light truck that have solidified for the 1986 model year. The truck will be based on the Cherokee, while the minivan most likely will come from the newly down-size Jeep Cherokee chassis.

AMC will spend about $2 billion between 1982 and 1987 to design and launch new vehicles. Cars will be derived largely from European versions of Renault, which owns 46% of AMC.

For the 1984 model year, AMC tried to establish a common look, especially in print advertising, as have other car companies. Joseph Cappy, vp-marketing group, said, "We haven't had that look, but we will have it. There will be an umbrella close to all our tv commercials—four seconds on the end that will tie the spot into the brand. We've also done some smart things with media-buying—we got ourselves good spots on 'The Thorn Birds' [an ABC miniseries]."

AMC currently forecasts a profit for 1984, although quarterly losses may occur. This is the first full year of sales of both Renault Alliance and Encore and the new line of Jeep vehicles.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$8,314,500	$6,058,800
Magazines	15,644,500	15,667,200
Farm publications	84,118	—
Spot tv	6,221,700	15,414,000
Network tv	50,972,300	26,024,300
Spot radio	120,700	147,300
Outdoor	1,088,300	146,600
Total measured	82,446,118	63,458,200
Unmeasured	18,354,582	15,128,800
Estimated total	100,800,700	78,587,000

Marketing Personnel

Joseph E. Cappy, group vp-sales/mktg
Peter G. Guptill, genl mgr-U.S. sales
David L. Kerr, director-adv/mktg planning
Robert F. Donovan, director-merch and sales promo
James L. Cherfoli, mktg service mgr
Thomas L. Draur, adv mgr-Jeep
Marvin H. Klein, adv mgr-Renault
Robert G. Wildberger, mgr-media/budgets
James D. Rader, mgr-dealer adv

Advertising Agencies

Grey Advertising, New York—Renault—Lou Maloof, exec vp, New York; Bruce McRitchie, senior vp-genl mgr, Southfield; Bob Borgan, vp-mgmt super, Renault, New York; John Miley, vp-super, Detroit; Bill Brussow, vp-acct super, Detroit; Tom Donaldson, vp-acct super, Detroit.

Saatchi & Saatchi Compton, New York—Richard Rasor, exec vp-mng director. Detroit—David J. Van Peursem, senior vp; Kenneth Campbell, Robert Reed, Lynn H. Vernon, vp-mgmt supers; Mark Liska, Edward Pietilla, vp-acct supers.

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American Telephone & Telegraph Co.

	1983	1982
Sales*	$69,848,000,000	$65,757,000,000
Earnings*	248,700,000	7,279,000,000
U.S. Advertising	463,095,477	373,585,000

*Worldwide

American Telephone & Telegraph Co., New York, which divested its 22 wholly owned local telephone companies Jan. 1, 1984, spent an estimated $463.1 million in domestic advertising in 1983, a 24% increase from the previous year, to become the eighth largest advertiser in the U.S.

Of the total ad expenditures, measured spending in seven media consisted of $359.1 million, or 78% of total advertising expenditures.

The divestiture and events leading to the reorganization of a company employing nearly 1 million workers had a strong impact on AT&T's financial and operating expenditures, including advertising spending and revenues for 1983. About 75% of AT&T's total assets of $149.5 billion was assigned to the divested companies.

Also affecting the company's financial results was a charge recorded Dec. 31 against income of $5.5 billion, net of taxes resulting from a restatement of its assets to reflect their value in a more competitive, less regulated environment. In large part, this accounted for the company's net income declining to $249 million. Revenues increased 6.2%, to $69.8 billion in 1983. A total of $30.3 billion, or 56% of these revenues, came from the company's local service, while $34.5 billion, or 50.6% of total revenues, came from toll services.

Earnings also were affected in 1983 by a reduced sales volume as a result of construction expenditures by Bell System companies and a three-week strike in August, 1983. The company's over-all volume of business (with adjustments for rate increases) increased by 9% during the year.

While earnings diminished, local and toll service revenues increased 4.1% in 1983, partly because of growth in business and partly because of rate increases. Various service categories fluctuated. Growth was strong in network access lines, Wide Area Telecommunications Service and international toll messages. However, growth in domestic toll messages decreased.

The Bell System's operating companies added 2 million network access lines in 1983, compared with 1.1 million in 1982, but less than the 2.1 million installed in 1981.

Total toll messages (domestic and international) increased by 2.1% in 1983 compared with 3.6% in 1982, while WATS messages were up by 23%. Revenues from international calling reached $2 billion in 1983 compared with $1.8 billion in both 1982 and 1981.

Higher intrastate rates contributed $2.1 billion to the increase in revenues in 1983, compared with $3.5 billion in 1982 and $2.1 billion in 1981. Western Electric's net income declined 84.9% in 1983, compared with a decrease of 52.7% in 1982, partly due to a decision to phase out or reduce the activities of certain Western Electric manufactur-

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LNA

ing facilities. Another factor was the reduced demand for products and services.

The divestiture marked the end of one tradition for AT&T and signaled the beginning of a new one as it separated its 22 wholly owned telephone companies and organized itself into one smaller, more compact information service company ready to pursue areas that previously had been off limits under government regulation. AT&T's long-distance service is currently its only business sector under supervision of the Federal Communications Commission.

The seven holding companies, formed by the breakup of AT&T, have beefed up their advertising efforts. They are:

- Pacific Telesis: Pacific Telephone and Nevada Bell.
- U.S. West: Northwestern Bell, Mountain Bell and Pacific Northwest Bell.
- Southwestern Bell: Southwestern Bell.
- Ameritech: Illinois Bell, Indiana Bell, Michigan Bell, Ohio Bell and Wisconsin Telephone.
- BellSouth: South Central Bell and Southern Bell.
- Bell Atlantic: Bell of Pennsylvania, Diamond State Telephone Co., Chesapeake & Potomac Cos. and New Jersey Bell.
- Nynex: New England Telephone and New York Telephone.

AT&T entered 1984 as a new organization structured around a sound line of business organizations, with each line of business a separate entity responsible for its own profitability and contribution to AT&T's total revenues.

Breaking up was hard to do for AT&T as the divestiture resulted in extra advertising strategies, including a refocus of the entire corporate strategy, according to Dave Shaver, AT&T division manager of advertising.

The whole positioning of American Bell, which was to be a major subsidiary, was abandoned on the premise of a court order that forbade AT&T from using the Bell name or logo. A new corporate theme was developed, "Reaching out in new directions," and a long-distance theme as well, "The more you hear the better we sound."

AT&T officials said one of the biggest problems since the breakup has been alleviating customer confusion.

"There is much confusion when you create a new brand name," Mr. Shaver said. "We've been known only as a blue-chip stock until now."

Although the major repositioning of the company was launched in the fall of 1983, a total change in focus has been established since then.

"Our corporate campaign is more definitional in nature," Mr. Shaver said. "We're trying to explain what the new AT&T consists of and what we stand for."

Although smaller in size, AT&T continues to be a leading participant in a marketplace marked by heavy competition in toll calling and equipment.

The reorganized AT&T consists of two divisions: AT&T Communications, the regulated portion of the AT&T business, which provides telecommunications and information transport services thoughout the U.S. and to points overseas, and AT&T Technologies, which includes five lines of business, with the manufacturing capability of Western Electric integrated into each line of business.

Those segments of AT&T Technologies include:

- AT&T Network Systems, which offers switching equipment, transmission systems, cable and wire, including optical fiber to AT&T Communications, the divested Bell companies, independent telephone companies, businesses, government agencies, etc.
- AT&T Technology Systems, which has three separate business groups—Components and Electronic Systems (designs and produces silicon chip products and other electronic components), Federal Systems (designs products and services for the U.S. Department of Defense agencies), and Computer Systems (makes and markets computers for use in communications systems).
- AT&T International, whose function is to market AT&T in the international marketplace.
- AT&T Consumer Products, which involves the production of home telephone sets to multifunctional home systems such as the Genesis telesystem in which a programable phone uses cartridges to activate various functions.
- AT&T Information Systems (formerly American Bell), which handles information management systems, enhanced services to business customers and operates AT&T's nationwide chain of PhoneCenters.

All these lines of business are integrated into AT&T Technologies Inc. except for AT&T Information Systems, which must maintain a degree of separation required by the FCC.

Under the FCC's Second Computer Inquiry, which governs the actions of AT&T Information Systems, the operation must provide its own marketing, sales and billings. In addition, it is not permitted to own any transmission facilities.

Although AT&T no longer is engaged in providing local exchange service, competition is fierce in the long-distance market, an area subject to growing competition, with more than 400 long-distance suppliers.

While AT&T continues to be regulated by the FCC in the area of long-distance service, the divestiture has enabled the company to branch into other areas such as computers. In March, AT&T introduced six different computer models, ranging from a powerful superminicomputer now used in the telephone network to a desktop supermicrocomputer, which can support as many as 18 terminals. In June, it added a personal computer, a local area network to tie electronic office machines into a single system and new software applications. AT&T is expected to introduce 30 new products for business customers in 1984.

AT&T also was the official telecommunications sponsor for the 1984 Los Angeles Olympic Games and provided, along with Pacific Bell, its communications systems for the games.

AT&T International and the Dutch electronics company, N.V. Philips, have created a joint venture to develop, manufacture and market sophisticated telecommunications equipment outside the U.S. The joint venture has been established in the Netherlands and is staffed by Bell System and Philips employes.

In May, the FCC reduced AT&T's cost for connections to local telephone company networks. This enabled AT&T to reduce its long distance rates.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$71,995,400	$34,467,200
Magazines	61,306,000	40,858,300
Spot tv	41,341,000	65,654,100
Network tv	146,603,800	95,086,200
Spot radio	27,949,277	18,869,000
Network radio	9,511,600	7,391,300
Outdoor	388,400	1,300,600
Total measured	359,095,477	263,554,700
Unmeasured	104,000,000	100,030,300
Estimated total	463,095,477	373,585,000

Corporate Personnel

J.L. Brunson, corp vp
D.J. Shaver, adv mgr

Advertising Agencies

N W Ayer, New York—Tom Maxey, exec vp; Hap Stoner, senior vp; Jack Quigley, vp-acct super; Ted Kolota, Austin Patrick, senior acct execs; Nancy Ryan, acct exec.

UniWorld Group Inc., New York—corp advertising directed to minorities—Alvin M. Winters, district mgr corp adv; Linda Dukette, vp-acct super.

AT&T COMMUNICATIONS

Marketing Personnel

Phil Shyposh, adv mgr

Advertising Agencies

McCann Erickson, New York—business services—Tom Driscoll, senior vp.

N W Ayer, New York—residence, AT&T long distance certificates, residential calling, Fred McClafferty, senior vp.

Young & Rubicam, New York—international business and residence, public sector card caller and calling card—Mort Lowenstein, senior vp.

AT&T TECHNOLOGIES

Marketing Personnel

R.J. Martin, adv mgr

Advertising Agencies

Ogilvy & Mather, New York—computer systems prods—Kelly O'Dea, senior vp; Gary Gigot, vp-mgmt super; McKelden Smith, acct super.

Foote, Cone & Belding, New York—network systems, electronic components, federal assistance—Jack Young, president; Gary Bahl, vp; Kathyrn O'Rourke, acct exec.

AT&T INFORMATION SYSTEMS

Marketing Personnel

Richard Draper, adv director

Advertising Agency

Ogilvy & Mather, New York—Kelly O'Dea, senior vp; Irene Frary, Gary Gigot, vps-mgmt supers; Jeff Bertrand, Bruce Nathanson, Kathy Moriarty, Mary Gael Senko, Audrey Shuman, acct supers.

AT&T CONSUMER PRODUCTS

Marketing Personnel

Lee Blitch, adv mgr

Advertising Agency

N W Ayer, New York—Vicki Gundell, senior acct exec; Gerald C. Coleman, senior vp; Henry H. Hartwell III, Howard E. Tobias, vps-acct supers; Mary Emich, Nancy Stoll and Greg Piturro, all acct execs; Warren Beckman, acct coordinator.

AT&T CONSUMER SALES AND SERVICES

Marketing Personnel

V. Dugan, adv mgr
Bill Rosenthal, exec vp-intl client services
Karen Benson, Wendy Kessler and Barbara Krakower, acct execs

Advertising Agency

D'Arcy MacManus Masius, New York—Erica Mann, acct super.

AMR Corp.

	1983	1982
Sales*	$4,763,307,000	$4,176,974,000
Earnings*	227,867,000	(19,613,000)
U.S. Advertising	80,000,000	61,641,400

*Worldwide

AMR Corp., Dallas, is the nation's 76th largest advertiser with estimated expenditures of $80 million in 1983, a 30% increase over 1982.

Battered in 1982 by intense competition from smaller low-cost airlines and major carriers as well, AMR's principal subsidiary, American Airlines, returned to profitability in 1983 through a concerted effort to increase productivity and reduce costs.

AMR's net earnings of $227.8 million in 1983 contrasted sharply with a net loss of $19.6 million the year earlier and set the stage for a major expansion effort in 1984.

For the six months ended June 30, 1984, AMR reported net earnings of $131.7 million on sales of $2.6 billion compared with first-half 1983 net earnings of $11.5 million on sales of $2.2 billion.

American Airlines, the nation's second largest airline (United Air Lines is the largest), represents 16.8% of the revenue passenger miles flown in the 50 states plus San Juan and the Virgin Islands.

At the airline's largest hub, Dallas-Fort Worth Airport, American has about 57.8% of the boardings in any given month, representing 48.7% of the seats available.

The gap indicates American is filling a higher percentage of its seats than its competitors.

At Chicago's O'Hare where American operates 205 flights daily (in contrast to 280 at DFW), the airline accounts for about 24% of departing passengers.

American's traffic in July rose 6.2% over the same month a year ago, ranking July 1984 as the second best month in the company's history.

In early 1984, American Airlines ordered 67 new McDonnell Douglas MD-80 jets and purchased an option on 100 additional aircraft, a move that will enable American to expand its Chicago and Dallas hubs throughout 1985 and 1986 and to develop Denver as its third major hub. By 1987, American's installed seats will have increased 33%, to 53,471, up from the current 40,430.

American's expansion plans are based on lower-cost labor contracts that the airline negotiated with its unions during 1982 and 1983, permitting American to hire new employes at lower wages. The new contracts and the acquisition of new, cost-efficient aircraft will enable American to grow at unit costs equal to those of new, low-cost carriers.

As part of its productivity study, American evaluated new marketing opportunities that could produce additional revenue with existing systems. That effort resulted in the formation of a new subsidiary to perform ground handling activities for other airlines on a contract basis and creation of a new direct marketing subsidiary using excess capacity in its own reservations computer system.

American officials also are striving to establish a difference between American and its competitors through service standards, through advertising of competitive prices and schedules, and by taking a leading role in the restoration of the Statue of Liberty (a project that American expects to accentuate the airline's name).

In 1983, American suspended its service between Dallas-Fort Worth and Brazil, bowing to weakness of the Brazilian economy, which adversely affected passenger traffic of all airlines operating to Brazil.

On May 1, 1984, American introduced daily Super 80 service between Dallas-Fort Worth and Santa Barbara, Cal., and added flights to its service between Texas and Calgary in Alberta, Canada. Also during 1984, American was to have inaugurated nonstop service between Dallas/Fort Worth and Maui and made plans for starting nonstop service between DFW and both Frankfurt, Germany and Paris, in April, 1985.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$12,789,600	$18,813,000
Magazines	405,000	891,200
Spot tv	12,325,900	10,759,400
Network tv	17,707,100	12,268,800
Spot radio	8,300,500	8,429,200
Outdoor	134,700	186,200
Total measured	51,662,800	51,367,800
Unmeasured	28,337,200	10,273,600
Estimated total	80,000,000	61,641,400

Marketing Personnel

Robert L. Crandall, president
Thomas G. Plaskett, senior vp-mktg
William P. Shannon, senior vp-field sales/service
Michael W. Gunn, vp-passenger sales and adv
Lowell C. Duncan Jr., vp-corp communications
William E. Crosby, vp-passenger services
M.E. Olsen, vp-capacity and traffic planning
Martin F. Brueckner, vp-freight mktg
Carney W. Wenrich, senior director-freight sales/adv
Ann S. Smits, senior director-adv
Bruce S. Goodyear, Judith A. Kirvan, mgrs-adv
Andrea Spica, mgr-adv
Frank J. DiNuzzo III, senior director-sales promo
Willard J. Dreslin, director-sales promo

Advertising Agency

Bozell & Jacobs/Southwest, Dallas—passenger & freight—Paul Gold, senior vp-group acct director; Tom Hooke, vp-mgmt super; Keith Galus, George Landis, acct supers; Molly Walker, acct super-sales promo; Leslie Brown, Jeanette Everitt, Yvonne Lelko, Peter Murphy, Chris Proctor, acct execs.

Anheuser-Busch Cos.

	1983	1982
Sales*	$6,658,500,000	$5,185,700,000
Earnings*	348,000,000	274,000,000
U.S. Advertising	290,616,400	243,355,700

*Worldwide

Anheuser-Busch Cos., St. Louis, the nation's 20th largest advertiser, increased ad spending 19% to an estimated $290.6 million in 1983. Such spending made A-B the largest advertiser in the U.S. beer industry, a rank befitting the largest brewer.

Last year was the 27th consecutive year in which A-B claimed the title as the nation's largest brewer. The company produced 60.5 million bbls. in 1983, compared with 59.1 million bbls. the previous year. The 1983 production total represented only a 2% increase for A-B, but it came during a year when the industry as a whole showed even less growth. Total domestic production was 177.9 million bbls., up less than 1% from the previous year.

More importantly for A-B, it increased its production lead over the nation's No. 2 brewer, Philip Morris' Miller Brewing unit. Miller's 1983 production was 37.5 million bbls., a 4.5% drop from 1982. A-B thus increased the barrelage gap between itself and Miller to 23 million bbls.

A-B also increased its share of the over-all beer market to 34% in 1983, compared with 33.5% in the previous year. Miller was second with 21%, Stroh Brewery was third (13.7%); G. Heileman was fourth (10%), and Adolph Coors was fifth (8%). That left less than 14% of the domestic market for all other breweries.

The beer industry's stagnant growth performance brought a variety of responses from A-B and other domestic brewers. A common reaction was to increase advertising spending for existing brands to increase or at least maintain their market shares. This is a course that A-B took.

But it also has utilized other tactics to boost sales. Its most notable move came in January, 1984, when it announced plans to introduce a low-alcohol beer. Low-alcohol means less than 2% alcohol, compared with 4% in regular beers. Cincinnati-based Hudepohl Brewing had introduced low-alcohol Pace beer in September, 1983, and C. Schmidt Brewing, Philadelphia, had debuted low-alcohol Break Special Lager in December, but A-B became the first national brewer to test the waters in the new category. Its brand, named LA, entered test markets in April. A-B further surprised the industry by beginning a national rollout of the brand barely a month later.

Other brewers responded quickly to LA's debut. Stroh Brewery introduced Schaefer L.A. Then Heileman produced low-alcohol extensions of its Blatz and Old Style brands (later adding Lone Star L.A. and Rainier L.A.). Miller held back initially, but in August it entered its low-alcohol Sharp's L.A. into test.

None of the brewers could say with certainty that there was a market for low-alcohol beers, but all feared a repeat of Miller's coup in the 1970s when it introduced low-calorie Lite beer. There was a market for such a beer, and Miller, by marketing the first low-calorie brand, grabbed a huge share of that market and remains the dominant player.

Miller had sought—unsuccessfully—to prevent other brewers from using "light" to designate the low-calorie beers that followed Lite's debut, and a similar legal controversy accompanied A-B's introduction of LA. The brewer maintained that LA was a trademark brand name unusable by others.

It won a suit against Stroh Brewing over Schaefer L.A., a brand subsequently renamed Schaefer Low-Alcohol. Suits and countersuits over whether L.A. was a generic term also were filed by A-B, Heileman and Miller.

D'Arcy MacManus Masius, St. Louis, won the advertising assignment for LA after competition with Needham, Harper & Steers, Chicago, and TBWA, New York. A-B appeared committed to spend at least $20 million to introduce the brand. The LA campaign DMM created promoted the brand as a complement to consumers' changing tastes and life styles, using the theme "For the way you live today . . . LA."

A-B also has begun limited testing of a new malt liquor. In some markets, it is packaged under the King Cobra name; in others A-B is trying the Jaguar name.

Budweiser continued to be A-B's flagship brand and the nation's largest selling beer with a 23.1% share of market, according to A.G. Becker Paribas analyst John Maxwell. Miller's High Life and Miller Lite tied for a distant second place with 9.7% shares.

The straightforward "This Bud's for you" campaign has continued, backed in 1983 by $59 million for Budweiser, a hefty 30% increase over 1982.

But the biggest spending increase came for Budweiser Light, a brand introduced in 1982. A-B shortened the beer's name to Bud Light (explaining that is what customers called it anyway) and expanded the beer's ad budget 39%, spending $49.4 million for Bud Light in 1983.

In addition to changing the name, A-B and NH&S have changed advertising for Bud Light. The initial "Bring out your best" campaign concentrating on sports figures going all out and being rewarded with a Bud Light has been replaced by commercials stressing the brand's name. Patrons who tell bartenders, "Gimme a light" receive almost anything but a light beer. Instead they are given lamps, sparklers or neon lights, but no beer. The message is to ask for Bud Light by name.

A-B's superpremium Michelob and Michelob Light brands were hurt by the industry's slump. Michelob production dropped from 7.4 million bbls. in 1982 to 7 million in 1983. Its light version dipped from 2.9 million bbls. to 2.7 million. With the strong U.S. dollar keeping down the price of imported beers, many consumers traded up from domestic superpremiums to imports. New entries at the low end of the beer price spectrum (such as Miller's Meister Brau and Milwaukee's Best) encouraged other drinkers to trade down. Other consumers left the market altogether in favor of wine and wine coolers.

In an effort to halt the sales erosion, A-B also increased ad spending for the two superpremiums. Michelob was backed by $33.6 million for advertising in 1983, a 29% increase. Spending for Michelob Light increased to $24.1 million, up 13%.

The spending increase alone could not reverse the slide. A-B became increasingly dissatisfied with the campaigns DMM had developed for Michelob ("Some things speak for themselves") and Michelob Light ("Michelob Light for the winners"). A-B initially began a review of the Michelob account, but it soon expanded to include both assignments. In July, responsibility for Michelob advertising was moved from DMM to Ted Bates Advertising/New York. The Michelob Light assignment was given to NH&S, agency for Bud Light and Busch.

Popularly priced Busch continued to receive comparatively little advertising spending: $6.9 million in measured media last year, the same as in 1982. But industry observers speculate that A-B may devote more attention to the brand as the popular (discount) category grows. Miller's Meister Brau and Milwaukee's Best brands have entered the category, joining Heileman's Blatz brand, Stroh's Schaefer, Pabst's Hamm's and others.

The A-B brand that saw the greatest advertising de-emphasis was Natural Light beer. Bud Light now is the brewer's primary light brand, and ad dollars have been shifted to it accordingly. Ad spending for Natural Light dropped from $16 million in 1982 to only $5.6 million in 1983.

Wurzburger Hofbrau, the beer A-B imports from Germany and bottles in the U.S., received token advertising support in 1983—only $300,000 (vs. $101,000 in 1982).

In line with parent Anheuser-Busch Cos.' ownership of baseball's St. Louis Cardinals, A-B has tied its beer brands to local and national sporting events through advertising, sponsorships and promotions. In addition to the Cardinals, A-B sponsored 19 other major league teams. Michelob sponsors golf tournaments on the men's and women's tours. Michelob Light sponsors tennis tournaments (including the U.S. Open).

Exclusive network tv sponsorships of sporting events, primarily by A-B and Miller, came under fire last year by Stroh Brewery. The Detroit brewer threatened restraint-of-trade litigation against the network over the longstanding practice of granting advertiser exclusivity. That practice since has begun to lessen, giving Stroh and other brewers an opportunity to buy unsold time during broadcasts that already have brewer sponsors.

A-B has made moves to expand its network tv advertising presence beyond sporting events. It reportedly made a $16 million upfront primetime tv buy on a variety of nonsports network tv series for the 1984-85 season.

A-B last year also moved into cable tv through the joint-venture development of a regional pay tv cable network called Sports Time. The network carries St. Louis Cardinals, Kansas City Royals and Cincinnati Reds baseball games. In fact, A-B is the nation's No. 1 advertiser on cable with 1983 expenditures of $15.8 million, up 71%, according to the BAR Cable TV Network Report.

One of the more important news events about A-B's involvement in sports came in 1984, when the company signed a consent decree with the Bureau of Alcohol, Tobacco and Firearms, and paid the agency $2 million, settling a charge that it has exercised a monopoly on beer sales (including instances of predatory pricing) at ballparks, race tracks and stadiums. Industry observers saw the signing of the consent decree as the most important aspect of the agreement, because it means that the bureau can accuse the company and its execs of criminal contempt if future violations are discovered.

A-B's 1982 purchase of Campbell Taggart has given the company a larger presence in the food-products business. CT is the second largest commercial bakery in the U.S., with 58 wholesale bakeries in the Sunbelt and Midwest.

CT's Merico subsidiary, a major manufacturer of private label refrigerated dough products, last year introduced a line of Sun Maid brand products, including cookies, raisin cinnamon rolls and raisin English muffins.

Also new last year was the El Charrito Classic Cuisine line of gourmet Mexican frozen entrees, backed by $514,600 in ad spending.

A-B backed CT's Earth Grains bread line with $4.2 million in measured media support. Advertising carried the theme, "The promise of Earth Grains . . . Bread at its best."

Another $2.3 million was spent advertising CT's Rainbo, Colonial and Kilpatrick's lines of white breads. The campaign was themed "We've got the best right here."

In 1984, A-B moved the advertising assignment for Campbell Taggart's operations to D'Arcy MacManus Masius, St. Louis.

The company's Busch Entertainment Corp. subsidiary had mixed results in 1983. Attendance at Busch Gardens Tampa (The Dark Continent) fell 6%, to 2.9 million, hurt by the opening of Disney World's EPCOT Center in Orlando. The Adventure Island water park in Tampa, which opened a five-story water slide called "The Gulf Scream," had its best year ever, with attendance up 16%.

Busch Gardens Williamsburg (the Old Country) saw attendance rise 2%, to 1.95 million visitors. Attendance figures were not released for the two Sesame Place children's parks the company owns.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$4,157,700	$3,290,700
Magazines	10,931,100	10,486,100
Spot tv	59,370,000	46,954,400
Network tv	116,515,200	95,676,500
Spot radio	40,675,500	36,801,000
Network radio	6,913,600	6,326,900
Outdoor	4,053,300	4,820,100
Total measured	242,616,400	204,355,700
Unmeasured	48,000,000	39,000,000
Estimated total	290,616,400	243,355,700

Marketing Personnel

Dennis Long, president
Michael Roarty, exec vp
Michael LaMonica, vp-mktg staff
Joseph Martino, vp-sales
Jack MacDonough, vp-brand mgmt
Thomas Sharbaugh, group mktg mgr, Budweiser and Budweiser Light
Charles Fruit, vp-natl media
David Drew, group mktg mgr, Michelob, Michelob Light and Michelob Classic Dark
David Morris, group mktg mgr, Busch and Natural Light
Mark Lamping, product mgr, LA
John Lodge, director-sales promo
William Thurman, vp-genl mgr, Busch Entertainment Corp.
Brian Smith, vp-mktg, Busch Entertainment Corp.
Thomas Burnett, vp-mktg and operations, Campbell Taggart

Advertising Agencies

D'Arcy MacManus Masius, St. Louis—Jack Breummer, mgmt super, A-B worldwide; Jerry Solomon, exec vp-broadcast group, A-B; Larry Stillman, vp-creative director; Tim Arnold, senior vp-mgmt super, A-B beer brands.

Needham, Harper & Steers/USA, Chicago—Ronald Bess, group mgt rep; John Greening, acct super, Bud Light; Mike Kearns, acct super, Busch; John Greening, acct super, Michelob Light.

Pat Martin, acct director, Busch Entertainment Corp.

TBWA, New York—Barrie Hedge, acct super, Eagle Snacks.

Ted Bates Advertising/New York—Michelob—Steve McCloskey, acct super.

Castor Spanish International, New York—Hispanic marketing—Carlos Delgado, director.

JP Martin Associates, New York—malt liquors—Joel Martin, president-creative director.

Batus Inc.

	1983	1982
Sales*	$6,064,000,000	$5,507,000,000
Earnings*	259,000,000	214,000,000
U.S. Advertising	146,076,900	235,010,200

*U.S. results

Batus Inc., Louisville, Ky., the nation's 43rd largest advertiser, slashed its ad spending to $146.1 million in 1983, a sharp drop of 37.8% from the previous year.

The steep decline resulted from the company's decision to hack away at ad budgets for its cigaret brands as their market shares continued to slip. The cut also comes in the context of lesser marketing support for Barclay, the brand introduced in 1981 with an unprecedented $150 million in advertising and promotional support.

The reduced investment in advertising, however, didn't result in lower sales levels. Batus, the U.S. subsidiary of London-based BAT Industries p.l.c., recorded U.S. sales of $6.06 billion in 1983, up 10% from the previous year. Net income reached $259 million, representing an increase of 21%.

In 1983, Brown & Williamson Tobacco Corp., the company's cigaret-marketing subsidiary, racked up $2.13 billion in sales, or 35% of the corporate total. But at the same time, retail operations, bolstered by the addition of Marshall Field & Co. to the company's holdings, brought in $3.15 billion, or more than half the total.

By contrast, just two years earlier, tobacco sales exceeded those of retail by more than $300 million.

Yet B&W—the nation's third largest tobacco marketer, after Philip Morris USA and R.J. Reynolds Tobacco Co.—continues to be the Batus subsidiary that wins most of the marketing attention. And in 1983, once again, controversy swirled around Barclay.

At issue has been advertising contending that the brand has 1mg tar and is 99% tar free, claims disputed by the Federal Trade Commission and B&W's competitors.

The dispute came to a head in the fall as federal Judge Gerhard Gesell ordered B&W to drop the 1mg claim but refused to grant an FTC request that the 99% tar-free claim be prohibited.

B&W has appealed the decision, while the FTC stopped pursuing the 99% issue.

Though Barclay was at the eye of the storm, the ruling could have larger implications because the judge's decision, in effect, questioned the validity of the FTC standardized system of testing cigaret tar levels. A primary issue involved in the litigation was that Barclay's Actron filter "fooled" testing machines. Some contentions placed the cigaret's actual tar level as high as 5mg.

Amid the head-knocking, Barclay's market share began to lose steam. The brand, introduced with $150 million in advertising and promotion, reached a 1.3% share in 1982. But the latest figures from John Maxwell, managing partner of A.G. Becker Paribas, put the share at 0.7%.

Advertising for the brand—still featuring a sleek, urban look—has dipped considerably since the introductory year, though by most standards support remains heavy. In 1983, B&W spent $23.2 million in measured media advertising for Barclay, down from $52 million in 1982.

Barclay is not the only B&W product to be embroiled in a legal battle. Following in the path of Liggett & Myers Tobacco Co., B&W this year introduced generic cigarets, a market segment that has drawn considerable attention.

Almost immediately, L&M charged in a suit that the packaging for B&W's generic came too close to copying the "Gold Q" quality seal trademark L&M affixes on its pack. B&W's generics carry a black-and-gold "C" seal across the top of their packs.

Later, L&M amended the suit with allegations that B&W was practicing predatory pricing.

For its part, B&W has responded by saying the company intends to "vigorously defend our right to compete."

Whatever the outcome of the suit, industry observers believe that there is room for growth in generics. Although there are signs that the segment is stuck at a market share of about 4%, some projections believe the category eventually will exceed 10%.

Generics probably don't mean as much to B&W as they do to L&M, the smallest of the six major cigaret marketers in the country.

B&W's six brands have combined to give the company 10.8% of the market, a figure that has been declining for at least five years. No. 1 Philip Morris and No. 2 R.J. Reynolds each have shares in the 30 percentile range.

As with other marketers, B&W has sought to energize its shares by segmenting its marketing effort. Richland, a 25-per-pack cigaret B&W introduced in 1983, is a prime element of this segmentation strategy.

Among B&W's established brands, Kool is the only one among the top 10 domestic best sellers. The second ranking menthol brand, next to Reynolds' Salem, Kool has a 6.9% share, a figure that has been dropping steadily in recent years.

Much of Kool's marketing support rests on sponsorship of the Kool Jazz Festival, held in different cities across the U.S. B&W spent $2.7 million in measured media support for the festivals in 1983. Over-all measured media outlays for the brand reached $36 million, down from $55.1 million in 1982.

Raleigh and Viceroy shares dropped too, to 1.2% and 1.1% respectively. As with its other brands, B&W substantially cut measured media support for each of the brands in 1983, as together they received $19.4 million. In 1982, the total for the two brands was $29.3 million.

In its retail group division, Batus bathed in the glow provided by heavy consumer spending. With Marshall Field in tow, the division's operating income rose 31% from 1982, reaching $218 million in 1983 on sales of $3.1 billion, also up a hefty 27%.

The Marshall Field acquisition,

People weekly performs

"People's a hot property...
It helps keep
Campbell contemporary."

—Paul N. Mulcahy
President—CSC Advertising Inc.
Campbell Soup Co.

GM
YOU LOOK
GREAT IN
OUTDOOR
IOA
INSTITUTE OF OUTDOOR ADVERTISING

which came in 1982, has provided horsepower to the division's income capacity. Batus said that in 1983, Field's operating income rose 31% from 1982. In addition, furthering its expansion into the Texas market, Field's opened its second store in Houston in 1983.

Saks Fifth Avenue, a shining star among the retail units, joined the expansion kick characteristic of upper-end retailers. In 1983, the New York-based retailer opened four new stores, in Houston, New Orleans, San Diego and Stamford, Conn. Not all Batus retail holdings, however, have worked out. In 1983, the retail group sold Kohl's Food Stores, located primarily in Wisconsin and Illinois, to the Great Atlantic & Pacific Tea Co., leaving only department and fashion stores in the company's roster.

As with most retail operations, measured national media advertising is limited. Local advertising, which ADVERTISING AGE does not monitor in this issue, tends to grab the major ad dollars. The heaviest national support—$4.6 million—went to Gimbels, followed by Marshall Field, $3.2 million; Frederick & Nelson, $3.1 million, and Saks Fifth Avenue, $2.2 million.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$27,803,200	$42,893,600
Magazines	44,290,300	73,461,500
Spot tv	14,234,500	15,905,400
Spot radio	37,300	218,100
Outdoor	22,420,400	42,537,100
Total measured	108,785,700	175,015,700
Unmeasured	37,291,200	59,994,500
Estimated total	146,076,900	235,010,200

BATUS TOBACCO GROUP
BROWN & WILLIAMSON
Louisville, Ky.
Marketing Personnel

R.A. Blott, senior vp-corp mktg

Marketing Operations

D. Keeney, creative services mgr
C. Lomicka, creative services associate
S. Moss, creative services asst
T.P. McAlevey, media director
R.J. Miller, mgr-special events
D. Sharp, promo director
C.M. Smith, mgr-special promos
L.L Greenwell, super-promo fulfillment
N.A. Spriggs, super-promo couponing
G.P. Ward, promo mgr
M. Steele, promo mgr
J. Hendricks, merch mgr
M. Novak, materials mgr
F. Criss, promo super
J.S. Griffith, S.T.P. mgr

Marketing Planning

D.S. Johnston, vp-mktg planning
G.T. Reid, planning director
A. Forsythe, planning mgr
N. Steinschulte, planning associate
R. Kopp, forecasting mgr
G. Pyndus, senior analyst
J. Curtis, analyst
H. Hughes, special projects mgr
A.J. Mellman, M.R.D. director
B. Sproule, research mgr-established brands
J. Woods, R. Medicus, B. Pellett, analysts
L. Gravely, research opinions mgr
D. Beatty, J. Wilhelm, testing coordinators
T. Albert, T. Sommers, senior analysts

New Products

E.T. Parrack, vp-new products
L.R. Lewis, B.L. McCafferty, E.A. Willets, new prod director
P.S. Wessel, M.A. Schreiber, S.M. Finley, new prod mgrs

Sales

S.D. Zolper, new prod associate
L.W. Butler, vp-sales
B.V. Gawley, F.J. Schoenheiter, G.A. Korfhage, H.E. Higgins, H.C Howells, area sales directors
D.P. Christensen, director-natl sales devel
A.E. Rozek, director-special mkts
T.E. Dlwgosh, I.E. Otte, zone mgrs
W.C. Montgomery, admin-special mkts
D.J. Bores. director-trade devel
G.A. Greenier, natl accts mgr
S.E. Kronk, mgr-wholesale accts
P.R. Buckthal, analysis super
L.V. Rush, associate analyst
W.D. O'Brien, mgr-trade adv and conventions
W.G. Lampert, trade relations coordinator
J.K. Tharaldson, mgr-sales planning
J.A Hinder, senior project mgr
S.R. Smith, super-project devel

Advertising Agencies

Geer, DuBois; New York—Richland—Brian Sherwood, senior vp-acct mgr; Bob Rosegarden, vp-group acct mgr; Mike Garcia, acct exec.

Cunningham & Walsh, Chicago—Kool, Raleigh, Belair—M. Mayers, senior vp-mgmt super (domestic); R. Parker, senior vp-mgmt super (intl); R. Vail, senior vp-mgmt super, Kool; E. Hannum, vp-group super, Raleigh, Belair.

Ogilvy & Mather, New York—Barclay—C. Newbrand, senior vp-mgmt super; A. Sunderland, acct exec; W. Gray, acct super.

McKinney, Silver & Rockett, Raleigh, N.C.—noncigaret prods—L. Jacobs, exec acct mgr; T. Horner, acct exec; F. Schmidt, acct super.

Grey Advertising, New York—Viceroy—R. Schoenfein, exec vp-mgmt rep; S. Dammers, vp-acct mgmt; R. Hendricks, vp-acct super; M. Garcia, acct exec.

BATUS RETAIL GROUP
Marketing Personnel

Robert Gottlieb, senior vp-mktg, Gimbels-east
D. Oscarson, senior vp-sales promo, Gimbels-Pittsburgh
Roy Boutiller, senior vp-mktg, Gimbels-midwest
Curtis Natvig, vp-sales promo, Kohl's department stores
Jay Baker, president, Thimbles
George Love, senior vp-sales promo, Marshall Field
Marilyn Levey, vp-mktg and sales promo, Frederick & Nelson
Bartley Durant, president-Crescent
Gerald Ferree, vp-sales promo, Breuners
Kirby Smith, senior vp-sales promo, Ivey's Carolinas
Mason Allen, senior vp-merch, Ivey's Florida
Paul Le Blang, senior vp and director-mktg, Saks Fifth Ave
Wm. Berta, vp-sales promo, Saks Fifth Ave

BATUS PAPER GROUP
APPLETON PAPERS
Marketing Personnel

J.W. Turner, senior vp-mktg
D.W. McIntosh, director-sales
R.P. Sherrer, director-mktg
S.W. Garratt, director-intl mktg

Beatrice Cos.

	1983*	1982*
Sales	$13,442,885,000	$12,528,000,000
Earnings	550,000,000	151,000,000
U.S. Advertising	602,775,400	659,964,400

*1983 totals pulled from Beatrice fiscal year ending Feb. 29, 1984, and Esmark (includes 4 months of Norton Simon) fiscal year ending Oct. 27, 1983; 1982 totals are composites of full year results of Beatrice, Esmark and Norton Simon as independent companies.

With a host of new brands coming aboard under the recent acquisition of Esmark Inc., Beatrice is likely to become the nation's largest food and consumer products company and certainly one of its biggest advertising spenders.

Ad spending last year, on a pro forma basis for the combined companies, totaled an estimated $602.8 million, which made Beatrice the third largest advertiser in the country.

Beatrice alone spent $293 million on advertising, and Esmark—which only last year acquired Norton Simon Inc. —spent $309.8 million, which included about four months of Norton Simon advertising expenditures. New York-based Norton Simon spent $191.2 million on advertising in 1982 when it recorded almost $3 billion in sales.

Beatrice and Esmark ad expenditures are treated as one for the purpose of this issue even though the merger did not occur until August, 1984. Beatrice acquired control of Esmark in a $2.8 billion deal.

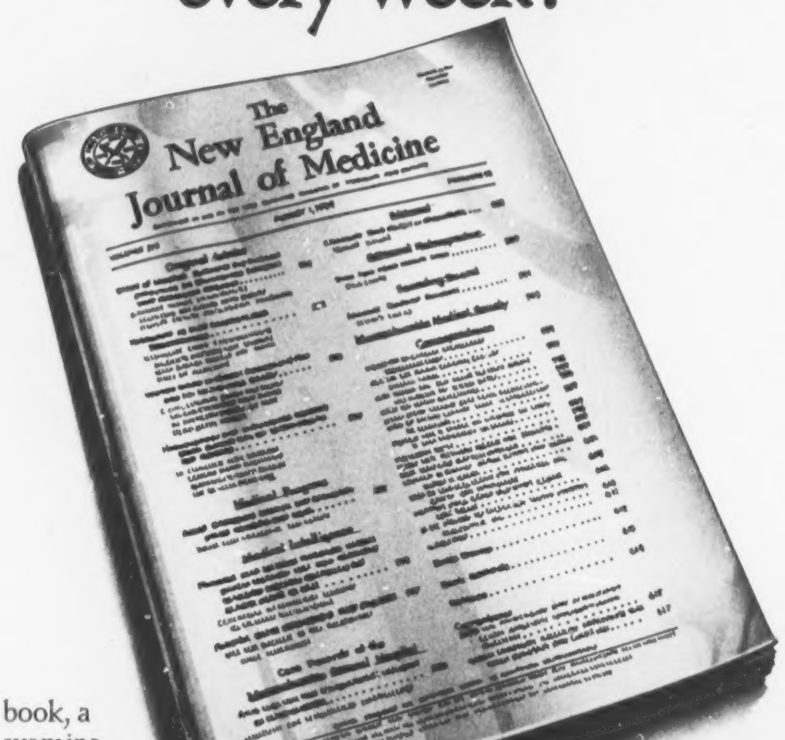
In 1982, ad expenditures for Beatrice, Esmark and Norton Simon were $271.1 million, $197.8 million and $191.8 million, respectively, totalling $660.7 million in combined ad spending. Beatrice 1983 ad expenditures account for only four months of Norton Simon spending in the three-company total of $602.8 million—leaving eight months of N-S ad spending unaccounted for and making a year-to-year comparison meaningless.

The combined companies are estimated to have sales in excess of $15 billion this year, although that likely will be reduced through expected divestitures.

Beatrice announced at the end of July that it would put up for sale five units—its chemical unit and Esmark's Estech unit, its bakery and cookie operations, Buckingham Corp. liquor business and its food-equipment operations. The units have combined annual sales of $1.3 billion.

The acquisition of Esmark came in the midst of a two-year effort by Beatrice to shed dozens of marginally performing units, centralize its operations and establish a clear-cut corporate identity. Known until a few months ago as Beatrice Foods Co., the company

What's 173 years old and gets a thorough examination every week?



In our book, a thorough examination doesn't mean a few seconds skimming the table of contents. Over 70% of all doctors spend a half hour each week with the New England Journal of Medicine.* Reading it more often and more thoroughly, according to Media-Chek, than any other clinical book.** They read everything. Our editorial. Our classifieds. Our ads. That's why an ad as small as a classified can generate over 2000 responses.*** Given this unique relationship between doctor and publication, it's not surprising to find that NEJM ranks #1 in high prescribers.

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*Based on 1984 in-house universe study of U.S. physicians **Healthcare Communications, Inc., January 1984, Core Group Physicians
***Based on in-house study of box number replies only.

changed its name earlier this year to reflect its longstanding, broad diversification into other well-known products such as Samsonite luggage and Culligan water treatment systems, as well as Mr. Dutt's belief that the word "Foods" identified the multinational company in international eyes as a U.S.-based concern.

Beatrice launched a $29 million Winter and Summer Olympics ad campaign under a "You've known us all along" theme, its first major corporate identity effort aimed at spreading the strength of national Beatrice brands such as Tropicana orange juice to regional items such as Eckrich meats that the company wants to sell nationwide. The summer version of the ads were revised to include several Esmark brands.

The new identity will be reinforced by redesigned packaging to unify the look of major Beatrice brands such as La Choy. The new packaging will start appearing in December. It is not known yet whether the packaging of Esmark brands will be redesigned.

The merger presents a formidable challenge in the melding of the two huge operations, as well as an opportunity to capitalize on Esmark's national distribution and marketing strengths.

These tasks will be particularly challenging to executives like Anthony Luiso, new head of the U.S. Food segment and a veteran Beatrice manager who was previously in charge of the international food area. He will be working with many new staffers due to restructuring and the attendant losses from a merger. Beatrice, for example, lost a key Esmark executive in the merger: Frederick Rentschler, the highly regarded head of the combined Hunt-Wesson and Swift & Co. operation.

One of the key attractions for Beatrice was Esmark's Hunt-Wesson Foods operation, which was formerly under the aegis of Norton Simon. The California-based unit has a strong West Coast distribution system that will help regional Beatrice brands go national.

With nearly $1.7 billion in revenues, Swift/Hunt-Wesson will be a major addition to Beatrice's domestic food sales, which totaled about $2.3 billion last year.

Swift's Brown 'n Serve sausage products maintained their market leadership in the precooked sausage area with record sales last year, the company said, while Peter Pan peanut butter maintained its third-place market share of about 14% under increased competition and heavier ad spending by existing brands, such as Procter & Gamble's Jif.

Hunt-Wesson introduced a thicker catsup to compete more aggressively against market leader H.J. Heinz Co., and an All Natural barbecue sauce was introduced nationally and achieved the second highest share of that market, after Kraft, according to the company.

Intensified marketing and line extensions also are planned to maintain Hunt-Wesson's No. 1 position in tomato sauce, tomato paste, popcorn, packaged pudding and sloppy Joe sauce.

Beatrice's La Choy maintained its lead over archrival Chun King in the oriental food category, according to Beatrice, with an increase in volume backed by more than $3 million in measured ad spending—making it one of Beatrice's most heavily advertised brands.

But the most ad dollars were put behind Tropicana juice products, which faced strong new competition in the $1.2 billion ready-to-serve orange juice market last year from Procter & Gamble's Citrus Hill. Beatrice spent nearly $9 million in measured advertising to maintain Tropicana's No. 1 position—an estimated 28% market share in the ready-to-serve category—against a reputed $100 million campaign to roll out Citrus Hill, which achieved an estimated 9% market share behind Coca-Cola's Minute Maid at 18%.

Beatrice reportedly plans a 35% increase in Tropicana ad spending to more than $15 million this year, with a "Squeeze me a glass of Tropicana" campaign designed by the new agency on the account, Benton & Bowles, New York.

Sales and earnings for Samsonite luggage were flat compared with the previous year despite about $4 million in measured ad spending, Beatrice's second largest measured outlay for a single brand. The company blamed the strong dollar for reducing overseas results and changes in consumer demand.

In other consumer products, Esmark's International Playtex unit achieved record sales and earnings, while Danskin suffered lower profits due to increased competition and changing consumer tastes, which it plans to counteract by developing new products, the company said.

Last year also saw a major realignment of Beatrice's advertising agency roster, with about $120 million in billings at about 100 shops reduced to eight advertising agencies, although that number was expected to increase with the acquisition of Esmark.

A Beatrice marketing source said there seemed to be no account conflict problems, so no realignment of the Esmark ad agencies apparently was expected.

The big loser was Cunningham & Walsh, which wound up with no business after previously handling two major brands—La Choy and Aunt Nellie's canned vegetables.

Leo Burnett USA, which advised Beatrice on the agency selection process, came out with the most new business, about $14 million in billings, including Eckrich Meats, Fisher Nut and Samsonite.

J. Walter Thompson USA's New York office lost the Samsonite account, but its Chicago office gained ethnic foods and Aunt Nellie's vegetables.

ADVERTISING EXPENDITURES

	1983*	1982**
Newspapers	$17,232,700	$11,475,800
Magazines	50,249,800	46,999,900
Farm publications	516,900	—
Spot tv	45,955,000	44,385,000
Network tv	97,605,000	90,212,200
Spot radio	5,258,800	2,685,500
Network radio	487,800	1,185,800
Outdoor	4,421,500	5,710,200
Total measured	221,727,500	202,654,400
Unmeasured	381,047,900	457,310,000
Estimated total	602,775,400	659,964,400

***Includes Beatrice and Esmark totals, and four months of Norton Simon Inc. expenditures after the July, 1983, acquisition.**

****Includes full year of Norton Simon Inc. expenditures.**

BEATRICE COS. INC.
Chicago
Marketing Personnel

James L. Dutt, chairman

U.S. Food

Anthony Luiso, exec vp-president
Fred M. Adamany, senior vp and president-refrigerated grocery group
Thomas P. Kemp, senior vp and president-dry grocery group
John R. Attwood, senior vp and president-beverage group
Harold J. Handley, senior vp-mktg services
J.J. McRobbie, senior vp-sales and trade relations
Barbara M. Knuckles, vp-director, mktg rsch
Patrick Kane, director-adv
Lee F. Reiser Jr., director-trade relations
Keith Landau, mgr-media planning and buying

Consumer Goods

Joel E. Smilow, exec vp and president-consumer prod segment
Nolan D. Archibald, senior vp and president, household prod group
Walter E. Bregman, senior vp and president, International Playtex Inc.

International Food

William S. Mowry, exec vp

Beatrice Chemical*

Harry C. Wechsler, senior vp

Avis Inc.*

J. Patrick Barrett, chairman-ceo

Estech Inc.*

Edward R. Vrablik, president-ceo

Estronics Inc.*

James M. Snodgrass, president-ceo

***May be divested**

Advertising Agencies

Benton & Bowles, New York—Tropicana prods—Steve Davis, mgmt super; Wendy Greenfield, acct super; Karen Kappelman, acct exec.

Bozell & Jacobs, Minneapolis—Sanna, Swiss Miss—Steve Chase, senior vp and mgmt super; Steff Gumingo, acct exec; Martha White—Ron Harvieux, acct super. Chicago—Mountain High Yogurt, Earl Arnold, acct super.

Leo Burnett USA, Chicago—Marv Polack, acct super. Eckrich meats—Rick Brenner, acct exec; Fisher Nut, Lowrey's snack foods—Catherine Galusza, acct exec; Samsonite—Ray Pokorny, acct exec.

D'Arcy MacManus Masius, Chicago—County Line cheese—Jeff Guerrant, acct super; New York—Buckingham Corp.—Dan Cole, vp-mgmt super; Helen Runsdorf, acct super; Brian Kardon, acct exec.

Flair Communications, Chicago—corporate sales promo—Judy Coffou, acct exec.

J. Walter Thompson Co., Chicago—ethnic foods—Peggy Pilas, vp-acct director; La Choy—Alan Rose, acct super; Doug Rothrock, acct rep; Rosarita, Aunt Nellie's—Conchita Lockhart, acct super; Kathy Valdiserri, acct rep; Los Angeles—Arrowhead and Great Bear bottled water—Mark Lehman, acct super.

Mandabach & Simms, Chicago—food service/technology products—Lee Lippman, exec vp.

Marsteller Inc., Chicago—Culligan water treatment—Jay Rowell, vp and mgmt super; Tracey Stoll, acct exec. Stiffel lamps—Dave Hamel, mgmt super. Meadow Gold, Viva and Louis Sherry dairy products—Dennis Mergen, Bob Ball, acct supers. Beatrice corp advertising—Greg Carrott, vp-mgmt super; Chris Svoboda, acct super. Los Angeles—LouverDrape and Del Mar window coverings—Beverly Blake, mgmt super; Jack Bernstein, acct super; Meredith Felton Miller, senior acct exec; Fran Sussman, acct coordinator.

McCann-Erickson, Los Angeles—Coca-Cola of Los Angeles—Dennis McLaughlin, vp-mgmt rep; Kim Dunn, senior acct exec; Ken Kimmel, acct exec. New York—Bonkers cat treats—Jenny Ogsbury, acct exec.

Esmark Advertising Agencies

Compton Advertising, New York—international bras, girdles—John LaCroix, acct super.

Dailey & Associates, Los Angeles—Peter Pan peanut butter, Sunlite Oil, Snack Pack pudding, Reddi-Whip—Steve Chabre, exec vp-mgmt super; Brian Morris, vp-acct super; Nancy Poor, senior acct exec. Hunt's All Natural barbecue sauce and new products—James Helin, exec vp-mgmt super; Jane Fox, vp-acct super; Arlene Spector, acct exec.

Don Costello & Co., Chicago—International Entrees-Scott Schiaze, acct exec.

Grey Advertising, New York—Swift—Jeff Stein, mgmt super. Playtex—Robert Schoenfein, exec vp. STP—William Lucas, mgmt super.

Ketchum Advertising, San Francisco—Robert Kroyer, exec vp. Soup Starter, Stew Starter, tomato prod, new prod—Michael Goefft, mgmt super. Wesson Oil—Diane Snedaker, mgmt super. Convenience foods—Ann Fisher, mgmt super.

Rosenfeld, Sirowitz & Lawson, New York—Jhirmack hair care products and Givenchy hosiery—Linda Srere, senior vp-mgmt super.

Beecham Group p.l.c.

	1983	1982
Sales*	$2,800,000,000	$2,519,600,000
Earnings*	385,000,000	399,400,000
U.S. Advertising	134,126,800	120,700,000

***Worldwide**

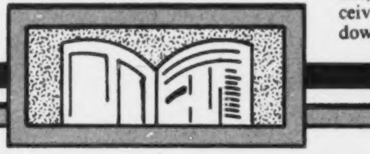
Beecham Group p.l.c., a British chemical and consumer company, spent an estimated $134.1 million in U.S. advertising in 1983, an 11% increase, to become the 50th largest national advertiser.

Beecham in the U.S. is comprised of three divisions: Beecham Products, Pittsburgh; Beecham Cosmetics, Chicago, and Beecham Laboratories, Bristol, Tenn.

Of the total advertising budget in 1983, Beecham spent $90.5 million in measured media, paced by $78.8 million in network tv, $7.2 million in spot tv and $3.4 million in magazines. This compares with measured media spending of $80.5 million in 1982, some $66.7 million in network tv, $5.2 million in spot tv and $7.8 million in magazines.

Products from J.B. Williams Co. are now among the leading Beecham advertised products. Williams, purchased from Nabisco Brands in 1982, drew maintenance level ad support in 1983 for Geritol products, $7.9 million (up 6.8% from 1982), Aqua Velva aftershave lotion, $3.5 million (up 6%), and Sominex products, $3 million (down 6%), and Vivarin stimulant tablets, $1.2 million (up 18%). Williams Lectric Shave got a boost in media spending from $803,400 in 1982 to $1.8 million in 1983.

Beecham's leading advertised product, Aqua-fresh toothpaste/gel, received $24.5 million in ad spending, down 10.3%.



The top 25 newspaper advertisers

Rank	Advertiser	Expenditures ($000)			
		1983	1982	1983 as % of total advertising exp.	1982 as % of total advertising exp.
1	R.J. Reynolds Industries*	$112,343.0	$123,174.8	18.9	23.2
2	General Motors Corp.*	88,578.5	86,965.2	14.9	15.8
3	American Telephone & Telegraph Co.*	71,995.4	34,467.2	15.5	9.2
4	Philip Morris Inc.*	65,271.9	83,793.8	12.4	9.1
5	Ford Motor Co.*	49,602.6	45,582.6	10.4	14.5
6	Chrysler Corp.*	31,845.7	29,597.5	13.8	17.1
7	Delta Air Lines*	31,810.0	24,664.6	49.7	50.0
8	RCA Corp.*	31,716.3	28,273.3	14.9	17.7
9	Batus Inc.*	27,803.2	42,893.6	19.0	18.3
10	Loews Corp.*	22,533.3	22,645.4	16.9	21.9
11	Eastern Air Lines*	22,460.8	21,625.4	32.1	37.7
12	Trans World Corp.*	21,925.3	19,857.3	21.6	21.7
13	Pan American World Airways	19,202.2	24,077.7	N/A	N/A
14	Texas Instruments*	16,871.6	3,319.1	13.1	4.7
15	CBS Inc.*	15,829.3	15,917.7	9.4	10.0
16	Warner Communications*	15,717.9	18,875.6	6.3	8.1
17	Xerox Corp.*	13,824.3	5,779.3	12.6	7.2
18	AMR Corp.*	12,789.6	18,813.0	16.0	30.5
19	Toyota Motor Sales U.S.A.*	12,570.7	15,611.1	11.1	14.0
20	GTE Corp.*	12,414.0	1,620.9	17.7	6.4
21	Texas Air Corp.	12,390.4	10,574.9	N/A	N/A
22	American Express Co.*	12,336.7	11,840.3	11.5	12.4
23	General Electric Co.*	12,219.8	6,054.1	6.2	3.8
24	International Business Machine Corp.*	11,719.6	9,488.4	9.8	12.8
25	Republic Airlines	11,659.9	9,585.1	N/A	N/A

Source: Media Records
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Beecham put the greatest year-to-year ad increase into Calgon multiproduct advertising and water softeners, raising measured spending on the products from $4.5 million in 1982 to $12.6 million. Calgon introduced a new moisturizing bath foam near the end of 1983, and continued promoting the water softener and dry bath products marketed under the Calgon trademark. Along with the increased spending, Beecham pulled the Calgon business from advertising agency Cunningham & Walsh, New York, and placed it with Avrett, Free & Ginsberg, which has been handling Brylcreem and Lectric Shave among Beecham products. C&W retained several other products, including big spenders, Sominex and Cling Free, the latter receiving measured media support of $5.4 million, up 14.9%.

In another agency switch, Beecham's Jovan cosmetics and perfumes agency, Zwiren & Wagner, Chicago, got the Yardley of London business from Bozell & Jacobs, Minneapolis, in the first quarter of 1984.

Massengill disposable douche and N'Ice Sugarless cough lozenges drew $7.2 million (up 31%) and $6.4 million (up 2%), respectively, in measured media spending.

In February, Beecham Cosmetics introduced Jovan Whisper of Musk with a $4 million tv, radio and print advertising campaign and is supporting the fragrance with a 31 million-piece sampling program through magazines and stores.

The campaign gave a shot in the arm to spending for the Jovan branded line, which in 1983 was down to $1.4 million (down 37% from 1982) for all products. Beecham's other scents, new products Gambler, a men's cologne, and Lady, a women's perfume, drew $1.7 million and $1.3 million, respectively.

An infusion of ad dollars boosted media spending for Sucrets lozenges 38% to $5.8 million.

The Beecham laboratories division experienced favorable growth with its prescription drug, amoxil, which became the second most widely prescribed new prescription drug in 1983, according to *American Druggist* magazine.

The division hoped to begin marketing Agmentin, an oral antibiotic, this August.

In legal action, a $92.9 million suit filed last year by Oleg Cassini Inc. against the company and its principals is still pending. Cassini alleges that Jovan and defendants failed to promote and develop Cassini products in the fragrance field.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers........	$14,300	$54,000
Magazines........	3,378,100	7,783,900
Farm publications..	728,600	599,500
Spot tv...........	7,151,400	5,203,900
Network tv........	78,806,600	66,725,100
Spot radio........	26,800	100,200
Network radio.....	410,600	—
Total measured..	90,516,800	80,466,600
Unmeasured....	43,610,000	40,233,400
Estimated total..	134,126,800	120,700,000

BEECHAM PRODUCTS DIVISION
Marketing Personnel
R.A. Snell, vp-mktg
M.L. Kelley, vp-mktg
R.F. Creighton, vp-mktg services
R.M. Lancaster, vp-sales
BEECHAM COSMETICS USA
R.E. Meyer, president-ceo
B.E. Shipp, exec vp
Bruce Cowgil, director-mktg services
JOVAN INC.
Albert Bistany, senior vp-coo
Neil Rocklin, vp-sales
OMNI COSMETICS/-
YARDLEY OF LONDON
John Small, senior vp-coo
John Southern, vp-sales
BEECHAM BEAUTE'
Diane von Furstenberg
Cosmetics
Gary Savage, coo
Steve Nisenholz, vp-sales
Vitabath/Zizanie
Don Deegan, vp-genl mgr
William Gould, natl field sales mgr
Lancaster Cosmetics/-
Parfums Hermes
Alex Kessler, vp-genl mgr
INTERNATIONAL
John Chen, vp-admin
Rodman Heckman, vp-mktg
BEECHAM LABORATORIES
DIVISION
M.M. Jones, president
T.G. Wood, vp-sales and mktg
G. Cowell, veterinarian sales and mktg mgr
Jack Johnson, mktg dir
John Battel, natl sales mgr
Advertising Agencies

Frank J. Corbett Inc., Chicago—ethical pharmaceuticals—Don Courtney, senior vp.

Charles Tombras & Associates, Knoxville, Tenn.—veterinary pharmaceuticals—Guy Seymour, acct exec; Robert Widerkehr, vp animal health division; Ed Ruane, vp hospital sales and customer relations.

Cunningham & Walsh, Chicago—Vitabath, Zizanie men's fragrances, Lancaster Cosmetics, Hermes fragrances, Diane Von Furstenberg cosmetics—Eve Hannum, senior vp acct mgmt; Diane Kucera, asst. acct exec.

Zwiren & Wagner, Chicago—Jovan cosmetics and perfumes, Yardley of London,—Kathy Warner, acct super; Jim Hickey, media director.

Avrett, Free & Ginsberg, New York—Brylcreem, Lectric Shave, Calgon Water Softener and new prods—Sheldon Holzer, senior vp, mgmt service director.

Cunningham & Walsh, New York—Cling Free, Fruit-Fresh, N'Ice, Sominex, new prods—Dana Tower, mgmt super; Lisa Baker and Vaune Davis, acct execs.

Grey Advertising, New York—Ace combs, Aqua-fresh, Aqua Velva aftershave, Calgon bath products, Geritol, Massengill, Sucrets, Vivarin, new prods—Robert Burruss, senior vp.

Bristol-Myers Co.

	1983	1982
Sales*........	$3,917,000,000	$3,599,900,000
Earnings*.....	408,000,000	348,700,000
U.S. Advertising	235,000,000	205,000,000

*Worldwide

Bristol-Myers Co., New York, the nation's 26th leading advertiser, is estimated to have spent $235 million on advertising in 1983, a 15% increase over 1982.

The company registered sales of $3.9 billion in 1983, a 9% jump over the previous year. Net earnings totaled $408 million this past year, a 17% climb over 1982.

The company reported its worldwide expenditures on advertising and product promotion grew 15%, to $651 million this past year. Advertising and product promotion expenses increased as a percentage of sales worldwide to 16.6%, up from 15.8% in 1982.

Bristol-Myers is divided into four segments: Pharmaceutical and medical products, nonprescription health products, toiletries and beauty aids, and household products. Continuing the momentum set in recent years, the medical product segments outpaced the toiletries and household product segments.

On the strength of an 11% sales increase, the pharmaceutical and medical product segment generated an income of $1.5 billion last year, accounting for 38% of the corporation's sales and 43% of its operating profit. Its growth came on increased sales of anticancer drugs (up 14%) and orthopedic and surgical products (up 20%). Also, sales of the antidepressant Dyserel, a drug introduced in 1982, doubled in 1983.

The nonprescription health products segment generated a volume of $1.4 billion on a 13% sales increase. Profits were $227.2 million, a 31% expansion over the previous year. Nutritional products accounted for 47% of the volume in this product segment, or $65 million, up 10% over the previous year. The company's analgesic products registered a 1% sales increase over 1982, and its cough and cold remedies were up 10%.

Toiletries and beauty aids, which had suffered a slight decline in volume last year, posted an increase of 2.4%, to $986.4 million. That figure was aided by a turnaround in sales of antiperspirants, a weak area in 1982. Also helping was the company's emphasis on advertising and promotion efforts supporting the introduction of Clairol Color Renewal System, aimed at first-time hair-color users.

The household products segment brought in a $387 million volume this year, scoring sales and operating profit gains of 6%.

For the upcoming year, Bristol-Myers has been revving up for what some observers predict to be one of the most hotly contested marketing battles—the competition for market share in the new ibuprofen analgesics category.

Ibuprofen, a pain reliever approved for over-the-counter sale by the Food & Drug Administration a few months ago, is expected to account for a large chunk—perhaps up to $300 million to $400 million—of the $1.3 billion a year analgesics business.

Bristol-Myers, which markets Bufferin, Excedrin and Datril, is entering the ibuprofen battle with a brand called Nyprin, which will go head to head with American Home Product's Advil.

With the stakes so high, both companies are expected to spend generously for advertising support of their new product. Some observers believe media expenditures could go as high as $60 million. As part of its support, Bristol-Myers took an educational approach. It ran page ads in key newspapers across the nation with informative text about the drug. Consumers who wanted more information were urged to send in a coupon good for a free booklet about ibuprofen.

Nobody knows what impact the new analgesic will have on Bristol-Myers' Bufferin, Excedrin or Datril. The three, which hold a market share of 20%, all recorded sales gains last year. The company continues to build on the extensive support for Datril begun two years ago with the poisonings that hurt competitor Tylenol from Johnson & Johnson. It pumped up the marketing budget for Datril for the second year in a row. In 1983, the brand got almost $13 million in measured media, most of it in network tv.

Bufferin and Excedrin received a combined total of about $28 million in measured media, up slightly from last year's $26.5 million. Of that figure, Bufferin got $15.5 million and Excedrin got $12.3 million of the advertising support.

In its deodorant line, Ban got about $9.9 million in measured media last year, up from the previous year's expenditure of $7.3 million. The line holds about a 7% market share.

Measured spending for Comtrex cold remedies was about $10.3 million in 1983, down significantly from the $17 million budget of 1982.

In Clairol hair colorings and conditioners, where Bristol-Myers is a dominant force in the market, the company continued its heavy advertising support.

Major recipients of measured media budgets included Clairol Color Renewal System (about $8.5 million), Clairol Loving Care Color—Lotion and Color Foam ($7.5 million), Final Net Invisible Hair Net ($5.5 million), Clairol Kindness home permanent ($3 million), Clairol Light Effects hair color ($2.7 million), the Carecurler and Carebrush ($1.3 million) and the Clairol Hairsetter ($1.1 million).

In Bristol-Myers' Drackett household product division, $4.5 million was spent to introduce the new Renuzit Fresh N Dry air and fabric deodorizer.

Other major expenditures went to Vanish crystal bowl cleaner ($6.7 million) and Windex glass cleaner ($5.1 million).

Early this year, Wayne A. Davison, formerly president of the Mead Johnson division, was named president of the newly formed U.S. pharmaceutical and nutritional division. Randall J. Wall was promoted to president of the Pelton & Crane division from the executive vp position.

Steven B. Ratoff, controller, was selected corporate vp. John W. Melton, senior vp, was named head of planning and development, reporting to Richard L. Gelb, chairman. Mr. Melton was president of the Clairol division and replaces Charles A. Heimbold Jr., who will become president of the healthcare group. Robert M. Phillips was promoted to president of Clairol.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers........	$1,380,300	$2,045,500
Magazines........	28,472,200	25,244,000
Farm publications..	211,900	190,300
Spot tv...........	10,065,900	12,609,900
Network tv........	120,974,300	105,717,000
Spot radio........	1,903,900	5,436,400
Network radio.....	1,544,400	1,600,100
Outdoors.........	—	125,400
Total measured..	164,552,900	152,968,600
Unmeasured....	70,447,100	52,031,400
Estimated total..	235,000,000	205,000,000

CORPORATE
Marketing Personnel
Marvin Koslow, senior vp-mktg services
Harry Levine, vp-corp communications
Peter J. Spengler, vp-adv services
BRISTOL-MEYERS
PRODUCTS DIVISION
Marketing Personnel
Poley H. Disney, president
Charles E. LaRosa, senior vp-mktg sales
Advertising Agencies

Grey Advertising, New York—Nuprin, Ban antiperspirants, 4-Way Nasal Spray—Clark Montgomery, exec vp; Herb Lieberman, senior vp.

Doyle Dane Bernbach, New York—Excedrin, Tickle antiperspirant—[illegible], exec vp.

Laurence, Charles & Free, New York—Comtrex, Bufferin, Congespirin—Charlie Goldschmidt, chairman; Martin Smith, exec vp.

Kenyon & Eckhardt, New York—Datril, Vitalis haircare products—Mary Lou Pritchitt, senior vp.

CLAIROL
Marketing Personnel
Robert M. Phillips, president
G. Max Oakes, vp-mktg
Robert Oppenheim, chairman-professional prods div
Michael E. DeGennaro, president-professional prods div
Advertising Agencies

Chiat Day, New York—Beauty Pack, Hot Oil Treatment, Condition Line—Bob Wolfe, exec vp-genl mgr; Steve Bayer, senior vp.

Doyle Dane Bernbach, New York—Light Effects, Nice 'n Easy, Sea Breeze, Final Net—Milt Harkrader, senior vp.

Foote, Cone & Belding, New York—Loving Care, Frost & Tip, Summer Blonde, Miss Clairol, Essence—Dany Khosrovani, vp.

Grey Advertising, New York—Color Renewal System, Clairesse—Harvi Robinson, vp.

CLAIROL APPLIANCES
Marketing Personnel
C. Benjamin Brook Jr., president
Thomas C. Comella, senior vp-sales
F. Peter Cuneo, senior vp
Advertising Agencies

Foote, Cone & Belding, New York—Hairsetters—Charles R. Evans, senior vp-group mgmt director; Nancy Beck, vp-mgmt director.

Calet, Hirsch & Spector, New York—curling irons & brushes, mirrors, hair brushes, health care—Colin Probert, exec vp-acct services.

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BRISTOL LABORATORIES
Marketing Personnel
Julius L. Pericola, president
Gary P. Gibson, vp-mktg
Marvin C. Lemons, vp-sales
Bruce R. Ross, genl mgr-Oncology div
Advertising Agencies

Sieber & McIntyre, Chicago (Education div)—Blenoxane, Mutamycin, Platinol, VePesid, Mexate—Steve Freeman, acct director.

Sieber & McIntyre, New Jersey—Stadol, Precef—Todd Mahony, acct director.

MED, New Jersey—Salytensin—Mike Bishop, acct super.

WESTWOOD PHARMACEUTICALS
Marketing Personnel
Wilfred J. Larson, president
Barry L. Burnside, vp-mktg
Jon W. McGarity, vp-sales
Advertising Agencies

Frank J. Corbett Inc., Chicago—Desquam-X, Eurax, Sebulex, Staticin, T-Stat, PreSun, Westcort, pharmaceuticals to physicians—John Burns, senior vp.

Laurence, Charles & Free, New York—Alpha Keri, Fostex, Keri Lotion—Al Evans, senior vp-acct super.

PELTON & CRANE
Marketing Personnel
Randall J. Wall, president
James W. Perkins, vp-mktg

UNITEK CORP.
Marketing Personnel
John E. Chester, president

ZIMMER
Marketing Personnel
Thomas H. Hughes, president
Ronald L. Davis, exec vp

BRISTOL-MYERS INTERNATIONAL GROUP
Marketing Personnel
Joseph E. Maroun, president

DRACKETT
Marketing Personnel
Nicholas M. Evans, president
W.F. Flatley, senior vp-sales/mktg
John C. Hassan, vp-mktg
R.J. Uhlmansiek, director-adv services
Advertising Agencies

Laurence, Charles & Free, New York—Mr. Muscle, Endust, Nutrament Line, new prods—Martin Smith, Al Evans, mgmt super.

Grey Advertising—Windex, Behold, Drano—Harvi Robinson, mgmt super.

Kenyon & Eckhardt—Vanish line, Vanish Bowl Brite, Renuzit line, Renuzit Fresh N Dry—Jack Couch, mgmt super.

Wilk/Brichta, Chicago—O-Cedar Line—Art Wilk, president; Rob Hasenstab, acct super.

MEAD JOHNSON & CO.
Marketing Personnel
R.C. Egan, president
W.W. Hamilton, president—nutritional div
D.G. Harris, president—pharmaceutical div
Advertising Agencies

Robert A. Becker Inc., New York—Pharmaceutical prods—Raymond A. Perry, acct super.

Frank J. Corbett Inc., Chicago—Nutritional prods—James Miller, senior vp.

Bozell & Jacobs, Chicago—Nutritional prods.

Brown-Forman Distillers Corp.

	1983	1982
Sales*........	$1,146,343,000	$885,089,000
Earnings*.....	73,554,000	95,176,000
U.S. Advertising	70,500,000	74,000,000

*Worldwide, fiscal years 1984 and 1983 ended April 30.

Brown-Forman Distillers Corp., under increasing pressure to maximize profits after several years of lackluster sales performance, decreased its advertising spending 4.7% to $70.5 million for calendar 1983, ranking the Louisville, Ky.-based company 84th largest among national advertisers.

In fiscal 1984 ended April 30, sales increased 29.5% to $1.15 billion while earnings declined 23% to $73.6 million.

Total measured advertising in calendar 1983 for Brown-Forman in newspapers, magazines, network and spot tv, spot radio and outdoor was $39.8 million, down 5.2% from $42 million in 1982. Of the measured total, some $12 million was devoted to three of the company's four leading brands—Canadian Mist, Early Times and Southern Comfort—all of which are currently without an advertising agency following the departure earlier this year of McCann-Erickson, New York.

The company's decrease in ad spending is in keeping with an across-the-board cut of 11% in advertising by leading liquor brand marketers, according to *Impact*, an industry newsletter that monitors the movement of alcoholic beverages. The cut in ad spending is tracking an estimated over-all 1.6% volume decline in distilled spirits in 1983, with gains coming only from liqueurs/cordials, U.S.-bottled Canadian, rum and some specialty items, according to John C. Maxwell, analyst with A.G. Becker/Paribas, New York.

At Brown-Forman, wine and spirits accounted for 8% of the year's decline in profit. The balance of the decline in earnings was attributed to financing costs of the company's July, 1983, acquisition of Lenox Inc.—a fine china, crystal, jewelry and luggage maker.

The $413 million investment in Lenox was Brown-Forman's first outside of the wine and spirits industry. In 1983, Lenox products were supported with $5 million in six-media total measured advertising.

Among Brown-Forman's leading liquor brands, Jack Daniel's Black Label slipped two notches in 1983, ranking No. 6 among largest-selling liquor brands in the U.S., according Mr. Maxwell. To achieve its ranking, Jack Daniel's sold 3.7 million nine-liter cases, down 4.3% from the previous year's total.

Brown-Forman figures, however, show Jack Daniel's—the company's largest selling brand—growing by 1% in worldwide sales, thus reflecting generally listless over-all industry behavior. Jack Daniel's attracted 1983 measured ad expenditures of $5 million—down 2% from 1982—with 81% of that in magazines.

B-F's Canadian whisky entry, Canadian Mist, was first in its category—surpassing Seagram's V.O. for the first time. Over-all, Canadian Mist moved up to rank No. 5 from last year's No. 8, with nine-liter case sales of 3.9 million, according to *Impact*.

Ad spending in 1983 for the whisky was $7.3 million, down 20% from 1982, compared with $7.8 million in ad spending for Seagram's V.O., also down 35% from the previous year. Canadian Mist is also 326,000 case sales ahead of Seagram's V.O.

Usher's Scotch grew 2% to 545,000 cases and increased market share, according to the company.

These positive results in fiscal 1984 were offset by declines in Early Times, down 4% in depletions, Southern Comfort, down 6.6%, and a slight slippage by Old Forester.

Cella wine brands, the largest of B-F's wine and specialty brands—it includes Lambrusco, Bianco, Rosato and Asti Spumante—were No. 2 in the 1983 annual ranking of the top 20 imported wines, according to *Impact*. Cella wine ranked far behind House of Banfi's Riunite, which had 1983 case sales of 11.07 million, up slightly from the previous year's total.

Bolla Italian wines, ranked No. 5 with 1983 case sales of 1.72 million (up 4% from 1982), received $4.9 million in measured spending in 1983, down 22% from the previous year. Cella wine saw its case total decline 5% to 2.68 million in 1983, compared with

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See page 137

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2.81 million cases in 1982.

Korbel California champagne—the company's fastest growing major brand—effervesced to a 17% increase for fiscal 1984 with depletions of 745,000 cases. It retained its position as the best selling premium California champagne in the U.S. and was supported with measured media spending of $1.1 million, up 38% from 1982.

Brown-Forman made ad headlines this year when it became the loser in an agency/client triangle. After 13 years, McCann-Erickson resigned the Brown-Forman spirits account so that it could pick up Heublein's Smirnoff business, which moved out of another Interpublic shop, Marschalk Co.

Although McCann reportedly assured Heublein that it would break with B-F if awarded Smirnoff, B-F execs were not informed until late June when Willard Mackey, McCann's chairman-ceo, flew to Louisville with the news. At that time, Daniel Schusterman, president of B-F Spirits, said the company would review its marketing strategy internally before beginning an agency search.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	3,840,500	4,571,900
Magazines	20,875,800	18,536,300
Spot tv	4,667,300	3,851,200
Network tv	2,835,100	7,167,800
Spot radio	1,421,100	242,700
Outdoor	6,182,100	7,680,100
Total measured	39,821,800	42,050,000
Unmeasured	30,678,200	31,950,000
Estimated total	70,500,000	74,000,000

BROWN-FORMAN CORPORATION
Corporate Office
W.L. Lyons Brown Jr., chairman-ceo
M.S. Brown, president-ceo, Jack Daniel Distillery, Lem Motlow, Prop.
W.M. Street, chairman-ceo, B-F Spirits Ltd.
Owsley Brown II, president
J.S. Moremen, vp-secretary
E.G. Bauer, vp

B-F Spirits Ltd.
Marketing Personnel
W.M. Street, chairman-ceo
D.E.M. Schusterman, president
C.J. (Jack) Davis, exec vp-exec director of sales
J.V.O.Kennard, senior vp-group director
T.D. Younkin, senior vp-group director

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M.S. Brown, chairman
A.L. Zimlich Jr., president

BROWN-FORMAN INTERNATIONAL LTD.
E.P. Rutledge, chairman-ceo
R.O. O'Brien, president
W.A. Blue, senior vp-mktg

CANADIAN MIST DISTILLERS, LIMITED
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W.M. Street, chairman
R.J. Ralph, president

EARLY TIMES DISTILLERS CO.
W.M. Street, chairman
R.J. Ralph, president

JACK DANIEL DISTILLERY, LEM MOTLOW, PROP., INC.
Lynchburg, Tenn.
M.S. Brown, president-ceo

LENOX, INC.
Lawrenceville, N.J.
J.S. Chamberlin, chairman-ceo
F.E. Grzelecki, president-coo
A.M. Bylin, group vp
E.L. LaForge Jr., group vp
S.F. Lichtenstein, vp-genl counsel and secretary
F.M. Gallagher, vp
G.A. Mays, vp
Stevan Simich, vp

SOUTHERN COMFORT CORP.
St. Louis, Mo.
W.M. Street, chairman
R.J. Ralph, president

THE JOS. GARNEAU CO.
S.B. Kauffman, president
Raymond Dryden, senior vp-director, brand mgmt

THOROUGHBRED PLASTICS CORP.
W.N. Lucas, chairman
W.M. Roof, president

Advertising Agencies

AC&R, New York—Keepsake—Constantine Pappas, Sheldon Marks, acct supers.

Advanswers, St. Louis—Jack Daniel's, Korbel champagne and brandy (media planning)—Don Stork.

Benton & Bowles, New York—Cella and Bolla Italian wines, Martell cognacs, Old Bushmills Irish whiskey—Tom Carey, acct director; Fred Sawabini, acct super (Bolla, Martell and Old Bushmills); Joe Goldstein, acct super (Cella).

BFV&L, St. Louis—Korbel California champagnes and brandy (creative)—Mark Lashley, mgmt super; Loring VanSlyck, acct super.

Burrell Advertising, Chicago—Canadian Mist, Cella imported wines, Martell cognacs, Southern Comfort—Gene Morris, senior vp-mgmt super; Julius Jones, acct super.

Gardner Advertising, St. Louis—Jack Daniel's (creative)—Charlie Haines, mgmt super; Michelle Shevitz, acct exec; Aly Johnsen (new products), acct exec.

Leber Katz Partners, New York—ArtCarved, Lenox China, Lenox Crystal, Hartmann Luggage Co.—Pat Price and Marie Maticka, acct supers.

Tatham-Laird & Kudner, Chicago—Bols liqueurs and flavored brandys—Dick Salyer, acct super.

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Campbell Soup Co.

	1983	1982
Sales*	$3,292,433,000	$2,955,649,000
Earnings*	250,000,000	211,000,000
U.S. Advertising	126,000,000	103,800,000

*Worldwide

Campbell Soup Co., Camden, N.J., the 52nd largest national advertiser, increased its advertising spending to $126 million in 1983, up 21.4% from the previous year.

Led by president-ceo R. Gordon McGovern, Campbell is pursuing in the 1980s a strategy emphasizing acquisitions and product introductions as the way to boost the annual earnings growth rate to the 12% to 15% range, up from the 7% rate that the company experienced in the 1970s.

Just as corporate-wide earnings met growth rates in 1983, up 18.5% from 1982, they are on track in fiscal 1984, rising 16.6% to $149.6 million for the first nine-month period compared with the corresponding period a year earlier. Sales during the nine months in fiscal 1984 were $2.82 million, up 11.6%.

The largest of the company's 15 divisions, Campbell U.S., markets more than 500 products. The division is divided into nine profit centers: Soups, beverages, pet foods, frozen foods, refrigerated foods, poultry, grocery, foodservice and fresh produce. Its Pepperidge Farm and Vlasic Foods subsidiaries operate as separate units.

Consolidated U.S. totals in 1983 were $2.76 billion, compared with $2.37 billion in 1982. Figures included $1.99 billion for Campbell U.S. division, up 12.4%; $433 million for Pepperidge Farm, up 10.5%; $168 million for Vlasic Foods, up 12.8%; $64 million from "other," up 14.3%, and $108 million for Mrs. Paul's Kitchen's (not part of Campbell in 1982).

Campbell commands an estimated 65% to 70% share of the $1.6 billion total prepared soup market in the U.S., and its soup sales accounted for 28% of the company's total 1983 sales. According to the company, its soups received $25.5 million in measured media spending last year.

The Swanson Le Menu line of frozen dinners completed national distribution in September, 1983. Its success has led the way in the overhauling of the original Swanson tv dinner line.

Backed with $7.2 million in measured media spending (the major expenditures being $4.7 million in network tv and $1.1 million in spot tv), the Le Menu line is one of Campbell's big recent success stories in the growing frozen dinner and entree market.

Four new dinner varieties are being added to the original eight in a phased national rollout. Recently, Le Menu entrees also have been added in selected test markets.

Helped in large measure by the success of Le Menu, Swanson's basic frozen dinner business reversed a six-year sales decline in 1983. Swanson also has been active with a product quality improvement program, a packaging face lift, and increased ad spending. Swanson's traditional frozen dinners have captured a 55% share of the market.

Measured media spending for the Swanson lineup, apart from Le Menu, totaled more than $10 million last year, with $6.3 million going to Swanson frozen dinners, $2.3 million to Swanson canned chicken and $1.7 million to Swanson frozen chicken.

Swanson also has repositioned its breakfast entree line under the brand name Great Starts. New packaging features a bright orange sunburst logo on a yellow background. The six-item line, which includes such varieties as pancakes with sausage, scrambled eggs with sausages and hashed brown potatoes and french toast with sausages, is now one of Swanson's fastest growing products.

Prego Plus spaghetti sauce, which is garnished with large chunks of meat and slices of vegetables, began rolling out nationally in the spring of 1984. The new line features three varieties: Italian sausage and green pepper chunks; veal and sliced mushrooms, and mushrooms and chunk tomatoes.

Introduced by Campbell less than three years ago, Prego spaghetti sauces now hold an estimated 27% share of the national market. Measured spending for the line totaled $9.7 million last year.

Newly added to the national line in 1983 is No Salt Added Prego spaghetti sauce.

The company is testing Comin' Home dry soups in several markets. A successful test could result in a national Campbell entry into dry soups. Prego also had been test marketing several light broth soups, but that test has been discontinued. Campbell also is experimenting with refrigerated salads, fruit-based yogurts, branded endives and soups in glass containers.

In honor of the Campbell Kids 80th birthday in 1984, the Kids were back in 1984 in tv spot and other promotions that tied in with the 1984 Olympics. They had been retired from tv for the previous five years.

Campbell's Pepperidge Farm subsidiary introduced a number of products last year, including Vegetables in Pastry, croissants, Distinctive croutons, Special Collection cookies and Deep Dish danish. It also completed national distribution of Fruit cookies.

Vegetables in Pastry drew the most supported and was backed with $4.8 million in measured spending.

Along with its new entries, Pepperidge has had some failures, including Star War cookies and Pepperidge Farm apple juice. The apple juice operation since has been consolidated under the Campbell beverage unit.

The test marketing of a Pepperidge line of premium frozen poultry products, meanwhile, has been discontinued, as has the testing of Pepperidge Farm Bake-at-Home bread.

Campbell continues to be extremely acquisition-minded, and its goal is to digest about $200 million in acquisitions every other year. During 1983, it acquired Juice Bowl Products, a producer of citrus fruits; Costa Apple Products, a producer of apple juices, and Triangle Mfg. Corp., a maker of physical fitness and sports medicine products.

The company also expanded its Campbell Hospitality operations by acquiring the Tuesday's restaurant chain (since renamed Annabelle's) in the Southwest. The Hospitality unit also includes the upscale H.T. McDoogal's in the Northeast and the 50 Pietro's family restaurants in the West.

In May, 1984, Campbell acquired Mendelson-Zeller Inc., a San Francisco-based international broker and distributor of fresh fruits and vegetables.

Campbell's expects that its beverage business will be its major growth area in fiscal 1984-85. Toward that end, it has divided the business into two segments: Natural fruit juices and tomato-based juices.

The fruit juice group includes Juice Bowl, plus the Pepperidge Farm juice line. One of the first items on the marketing agenda will be the national launching of JuiceWorks, a line of blended natural juices aimed at the children's market.

The tomato-based juice group, meanwhile, will continue to concentrate on the traditional beverage business, V-8 and Campbell's tomato juices. V-8 is the unit's flagship brand with a 50% share of the $310 million red juice market.

Marketing support for the beverages business is being doubled. Primarily, the new support will go to JuiceWorks' national launching and to a "significantly heightened" ad campaign for V-8.

The Vlasic Foods subsidiary is Campbell's third largest division. It is the market leader in pickles, with a 28% share of the market. Vlasic hiked its marketing spending 20% over 1983 and increased its ad spending 53%.

New products test marketed during the year included Bread & Butter Chunks, Half the Salt pickles, and new varieties of Win Schuler cheese products and La Especial Picante sauce.

Mrs. Paul's Kitchens Inc. subsidiary strengthened its position as the leading U.S. marketer of frozen seafood. It owns a 26% share of the frozen prepared seafood market.

In the past year, Mrs. Paul's introduced nationally Light and Natural fish fillets and placed into test a seven-item entree line under the same Light and Natural banner.

It contemplates more regional offerings of seafood products as well as a stronger presence in the frozen specialty vegetable category, which currently accounts for 12% of the volume.

Mrs. Paul's also has the retail marketing responsibility for another Campbell subsidiary, Snow King Frozen Foods, a regional producer of sandwich steaks acquired in 1982. The Mrs. Paul's line was backed by $7 million in measured media spending last year.

The company's Fresh Produce division expanded its distribution of Campbell's farm fresh mushrooms into the Southeast with the opening of a mushroom-producing facility at Dublin, Ga.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$4,640,800	$3,322,300
Magazines	12,412,800	7,182,300
Spot tv	21,510,400	17,436,800
Network tv	63,057,900	40,733,800
Spot radio	3,607,200	2,156,500
Network radio	7,429,300	9,738,700
Outdoor	71,100	42,700
Total measured	112,729,500	80,613,100
Unmeasured	13,270,500	23,186,900
Estimated total	126,000,000	103,800,000

Marketing Personnel

H.M. Baum, vp-mktg
Zoe Coulson, vp-consumer services
A.J. Adams, director-mktg rsch
D.F. Macaulay, director-design
G.D. Mahrlig, director-media services
W.C. Culp II, director-special projects

U.S. MARKETING
SOUP GROUP

Marketing Personnel

H.M. Baum, group genl mgr
J.W. Dodd Jr., business director, condensed soups
D.E. Goerke, director-mktg, ready-to-serve soups
H.P. Pelouze III, director-mktg, special soup projects and Soup-for-One
D.E. Bair, P.W. Comisky, Larry Carpenter, Charles Battista, Robert Steenrod, mktg mgrs
Jill Skaler, Dawn Muller asst mktg mgrs

Advertising Agencies

Backer & Spielvogel, New York—red and white label condensed soups—Robert Holmen, exec vp-chief operating officer; Joseph Prior, senior vp-mgmt super; Allan Stone, vp-acct director; Charles Nemetz, acct super.

BBDO, New York—Chunky soup, Home Cookin—Richard Swanson, mgmt super; Robert McGreevy, acct super.

Conill Advertising, New York—(Hispanic adv)—Rafael Conill, president; Alicia Conill, exec vp.

GROCERY

Marketing Personnel

Jack Horn, genl mgr
P.P. Masarcchio, mktg director
Kathleen MacDonnell, Arthur Ferrara, John Haring, mktg mgrs
Terry Cruikshank, William McLaughlin, asst mktg mgrs

Advertising Agencies

Needham, Harper & Steers/USA, New York—Franco American pasta; Campbell's bean products, Swanson chunk chicken, Casa Bravo, Fresh Chef, new prods—Philip Wallace, senior vp-acct group director; Richard Murray, senior vp-mgmt rep; Leo Mamorsky, acct super.

Leber Katz Partners—Prego, Prego Plus, new prods—Jon Adams, exec vp; Maureen Sage, vp-acct super.

Conill Advertising, New York—(Hispanic adv)—Rafael Conill, president; Alicia Conill, exec vp.

BEVERAGES

Marketing Personnel

J.R. Emshoff, group genl mgr
M.B. Buchalski, business director-fruit juices
C.K. Price, mktg director-red juices
P.F. Goodman, J.P. Grady, C.W. Crompton mktg mgrs
P.A. Giannone, program coordinator
J.M. Grady, exec vp-sales/mktg, juice bowl
Terry Simmers, president, juice bowl

Advertising Agencies

Backer & Spielvogel, New York—V-8 juice, new prods—Robert Holmen, exec vp-coo; Alice Bond, vp-mgmt super.

Leber Katz Partners—JuiceBowl, new prods—Laurel Cutler, exec vp; Carol Haas, vp-acct super; Roz Chernoff, acct super.

Conill Advertising, New York—(Hispanic adv)—Rafael Conill, president; Alicia Conill, exec vp.

FROZEN FOOD

Marketing Personnel

S.A. McNeil, group genl mgr
G.L. Hess, director-mktg
Tom Noto, mktg director
D.E. Lynn, C.A. Chang, mktg mgrs
Sharon Trainor-Smith, B.G. Krepliak, asst mktg mgrs
A.D. VanBeuren, Gillian Smith, asst mktg mgrs

Advertising Agency

Ogilvy & Mather, New York—Swanson LeMenu, Plump & Juicy Chicken, Plump & Juicy Extra Chrispy Chicken, Great Starts Breakfast (entrees and sandwiches), new prods—Graham Phillips, exec vp-super; Cliff Andrews, senior vp-acct group director; Stephanie Becker, Fred Lamparter, vps-mgmt supers; Sally Luce, Phil Juliano, acct supers.

Ogilvy & Mather, San Francisco—Swanson Hungry-Man, basic dinners—Geoff Meredith, senior vp, mgmt super; Patricia Hader, vpl-acct super; Margaret Lane, acct exec.

FRESH FOODS

Marketing Personnel

Daniel Santangelo, genl mgr-refrigerated

FOODSERVICE

Marketing Personnel

A.N. Calabrese, genl mgr
G.W. Thompson, director-mktg

Advertising Agencies

Lewis & Gilman, Philadelphia—R.G. Wilder, president; T.P. Ferguson, vp-acct super.

Conill Advertising Associates, New York—(Spanish-speaking market)—Rafael Conill, president, Alicia Conill, exec vp.

PET FOODS

Marketing Personnel

R.W. Inpyn, genl mgr
S.M. Regan, mktg director
Janet Dagrossa, mktg mgr

Advertising Agency

CSC Advertising (inhouse)—P.N. Mulcahy, managing director.

RESTAURANT DIVISION

Marketing Personnel

Jack George, president

Advertising Agency

Reichenstein Co., Rancocus, N.J.—Jonathan Grief, acct super.

PEPPERIDGE FARM

Marketing Personnel

R.A. Shea, president
E.W. Sweeney, vp-bakery
B. Falck, vp-mktg and genl mgr, frozen
R.S. Wilson, genl mgr, biscuit
R.L. Schmalz, president-genl mgr, mail-

The top 25 magazine advertisers

Rank	Advertiser	Expenditures ($000) 1983	1982	1983 as % of total advertising exp.	1982 as % of total advertising exp.
1	R.J. Reynolds Industries*	$155,062.8	$111,102.6	26.1	21.0
2	Philip Morris Inc.*	140,366.6	130,094.3	26.6	25.9
3	General Motors Corp.*	89,020.0	86,079.7	15.0	15.7
4	Ford Motor Co.*	80,346.3	58,735.2	16.8	18.7
5	American Telephone & Telegraph Co.*	61,306.0	40,858.3	13.2	10.9
6	Jos. E. Seagram & Sons*	45,643.3	62,024.0	38.2	40.5
7	Loews Corp.*	45,249.9	28,955.4	33.5	28.0
8	Chrysler Corp.*	44,845.2	25,582.2	19.5	14.8
9	Batus Inc.*	44,290.3	73,461.5	30.3	31.3
10	Beatrice Cos.*	43,829.9	N/A	7.3	N/A
11	Procter & Gamble Co.*	40,184.9	29,969.4	5.2	4.1
12	U.S. Government*	40,151.8	25,631.1	17.5	12.5
13	Volkswagen of America*	37,902.2	28,599.5	33.7	29.2
14	American Brands*	35,477.9	32,279.5	46.9	75.3
15	Time Inc.*	35,338.2	30,206.7	29.5	23.2
16	RCA Corp.*	35,301.5	23,362.1	16.6	14.6
17	Sears, Roebuck & Co.*	33,629.9	51,179.4	4.6	8.1
18	General Foods Corp.*	33,373.2	29,746.5	8.6	6.9
19	Dart & Kraft*	33,219.4	26,110.3	15.8	13.1
20	CBS Inc.*	30,737.1	28,248.0	18.3	17.8
21	Bristol-Myers Co.*	28,472.2	25,244.0	12.1	12.3
22	International Business Machine Corp.*	27,172.0	16,404.5	22.8	22.1
23	GrandMet U.S.A.*	26,179.5	25,205.7	47.1	46.7
24	Du Pont*	26,147.1	21,578.9	25.5	23.2
25	Warner Communications*	25,608.7	24,929.6	10.2	10.7

Source: Leading National Advertisers, farm publications not included.
*Indicates a 100 Leading National Advertiser

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INSIDE CALIFORNIA 1-800-345-CARS
FOR AIRPORT PICK-UP CALL:
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Seagram
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IOA
INSTITUTE OF OUTDOOR ADVERTISING

order div
C.M. Reagle, C.W. Rydin, mktg directors
C.A. Platt, mktg director
J.E. Tierney, vp-corp relations
B.A. Hasting, director-mktg rsch

Advertising Agency

Ogilvy & Mather, New York—Graham Phillips, exec vp-genl mgr; Mary Ellen Kiselick, vp-acct super.

VLASIC

Marketing Personnel

J.R. Scales, president
T.L. Bitterman, vp-sales
J.M. Dorsch, vp-mktg

Advertising Agency

W.B. Doner & Co., Southfield, Mich.—William Case, senior vp; Richard Friday, vp; Trish Doyle, acct exec.

MRS. PAUL'S KITCHENS

Marketing Personnel

R.J. Baker, president
G.W. Piszek, senior vp-sales and mktg
L.M. Martineau, vp-consumer services and quality assurance
D.E. Herr, senior director-mktg

Advertising Agency

Scali, McCabe, Sloves, New York—Philip Cohen, mgmt super; J.E. Wright, acct super.

SNOW KING FROZEN FOODS

Marketing Personnel

Tom Naegele, ceo
Robert A. Spatola, vp-sales and mktg
Mary Beth Riemondy, director-mktg
Marianne Huffman, natl sales coordinator

Advertising Agency

Adventure Communications, Valley Forge, Pa.—Frank Kaplan, acct exec.

Canon U.S.A.

	1983	1982
Sales*........	$966,448,000	$834,293,000
Earnings.....	N/A	N/A
U.S. Advertising	58,032,900	47,045,800

*In North America

Canon U.S.A., Lake Success, N.Y., a division of the Tokyo-based company, ranked 95th among the nation's advertisers with total estimated ad expenditures of $58 million in 1983, up 24% from 1982.

The company, taking aim at an ever larger share of the U.S. photography market and branching into new lines of business, boosted North American sales 16%, to $966 million in 1983. Worldwide sales of $2.8 billion represented a 13% increase from 1982. Within the worldwide total, the 20% increase in sales for copiers and 44% for other business machines underline their growing importance to the company.

Sales of photo products decreased 2% in 1983. But the company continues on its drive to dominate both the amateur and professional camera market. Taking all its cameras into account, the company claims to hold a 50% share of the lens shutter market. Canon has concentrated its efforts in the compact camera area, a faster growing segment than that of single lens reflex (SLR) cameras.

Sales of compact cameras grew 15% last year. Much of that growth was attributable to the introduction in 1982 of the Snappy instamatic camera. Last year, the Snappy sold 850,000 units worldwide, nipping on the heels of Kodak's popular disk camera. This year, as an Olympic tie-in, the company introduced a Canon Snappy '84, in red, white and blue colors with symbols of the 1984 Olympic Games. Canon is expected to spend $40 million in advertising the Snappy from its launch last year through 1985.

To further attract proponents of the point-and-shoot market, which the company has pinpointed as women, teen agers and beginners, Canon this spring introduced the Canon MC. Terming it the "smallest 35mm around," the MC boasts automatic everything, including focus, film rewind and flash, which can be removed. The MC, which is smaller than the popular Sure Shot, can be carried in consumers' shirt pockets. The suggested price of the MC is $295.

In a move to bridge the gap between the healthy compact market and drooping SLR sales, Canon introduced the first in a line of "T" series cameras early in 1983. The T50 has programed shooting and an automatic winder. It can be purchased with a lightweight 35-70mm zoom lens as standard equipment.

The Canon T70 was introduced at the same time as the MC this spring. A miniature screen on the top of the camera is able to process 250 pieces of information. The camera has six automatic exposure modes and a safety shift to prevent over or underexposure, plus automatic loading, film advance and power rewind. Suggested list for the T70 is $470.

Sources estimate that Canon will spend up to $20 million advertising the introductions of both the T70 and the MC. Print ads for the MC stress its convenience, while the T70 is heralded as the most advanced Canon automatic SLR.

As the official 35mm camera of the 1984 Olympic Games, Canon was expected to spend $15 million in advertising during the games. That blitz is expected to help boost sales in the U.S. by almost 15%, to more than $1 billion. The company's tv shots used the tag line "Canon captures the glory again." Last year, $15.2 million was spent on advertising for cameras, down 15% from 1982.

Capitalizing on consumer acceptance of its cameras, Canon is branching into the video product market. Sales of video cameras and recorders were healthy in 1983, as the company introduced its second-generation of equipment. In 1983, Canon spent $1.9 million to advertise its ACC-Vision portable videocassette recorder, up from $438,000 in 1982.

In 1983, Canon formed Business Machines Operations to handle copiers, electronic typewriters and other growing office and home equipment. Business machines accounted for 59% of total corporate revenues, making them Canon's largest product group.

The company now has a full line of copier products, from the PC (personal cartridge) copiers, which were introduced in 1982, to the world's fastest plain paper copier. The company introduced the NP-270, which copies in three colors, has automatic exposure control and reduction and enlargement. Canon expects interest in such features as color copying, zoom reduction and enlargement and high speed to keep the maturing copier market from becoming stagnant. Advertising for copiers jumped 61% in 1983, to $24.6 million. Canon advertised its copiers during the Olympics using Jack Klugman as presenter and the tag line: "I love picking a winner."

Electronic typewriters became Canon's second-largest business machine category in 1983. The company moved beyond office models into the home market with its Typestar series. The Typestar 5 operates on heat-transference, can print character by character or line by line, fits into a briefcase and can be operated by batteries. The model retails for about $250. Canon spent $1.5 million to advertise this growing segment, up from $604,000 in 1982.

In the development stage are Canon microcomputers, laser beam printers and printers. The company spent $123 million on research and development in 1983, a 21% rise fcm 1982.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$609,400	$949,600
Magazines........	16,310,200	11,683,400
Spot tv...........	7,439,500	6,103,600
Network tv........	26,295,000	21,618,100
Spot radio........	3,000	2,500
Network radio.....	1,507,000	2,104,400
Outdoor..........	409,500	301,400
Total measured..	52,573,600	42,763,000
Unmeasured....	5,459,300	4,282,800
Estimated total..	58,032,900	47,045,800

Marketing Personnel

Cameras

E. Yoshinari, adv-sales promo mgr
T. Hirasawa, adv-sales promo mgr

Copiers

H. Hirai, adv-sales promo mgr
T. Kikuchi, adv-sales promo mgr

Calculators

H. Iwanami, adv-sales promo mgr
J. Sharp, mktg planning and admin mgr

Micrographics

M. Iwasaki, director-genl mgr

Optical products

T. Sakurai, director-industrial prods div

Advertising Agencies

DYR. New York—print/sales promos for cameras, calculators, copiers, medical prods, micrographics, facsimile machines, tv lenses—H. Koriyama, senior vp-creative; Frank Savarese, vp; Bill Barrett, vp-media director; Payton Pellegrini, Madelene Mazur-Waldner, asst acct execs.

Grey Advertising, New York—typewriters, personal computers video equipment, tv ads for cameras—William Overend, exec vp-mgmt rep; Hank Greer, vp-senior mgmt super; Larry Geiger, Ray Halowski, George Miller, vps-mgmt supers.

Carnation Co.

	1983	1982
Sales*........	$3,365,275,000	$3,382,212,000
Earnings*.....	194,759,000	183,353,000
U.S. Advertising	54,284,600	43,753,400

*Worldwide

Carnation Co., Los Angeles, the 99th largest national advertiser, increased its ad spending in 1983 by 24.1%, to an estimated $54.3 million.

The increase returns the $3.4 billion food products giant to the top 100 list for the first time since 1981.

Over-all, Carnation had positive results in 1983, with sales and earnings gains for its instant and tomato products. Pet foods performed well, but earnings declined, primarily because of heavy marketing expenditures for new products.

Pet foods are among Carnation's leading advertised products. In 1983, Carnation spent 83% of its corporate media buy on pet food advertising. Of the $30.4 million spent on pet foods, Leading National Advertisers shows Come 'N Get It dry dog food got $3.1 million, Come 'N Get It puppy formula, $1.9 million; Fancy Feast canned cat food, $3.9 million; Chefs Blend dry cat food, $2 million; Friskies canned and dry cat food products, $7.3 million, and Mighty Dog canned dog food, $3.9 million.

Particularly costly was its introduction of New Breed, a soft-dry dog food that failed in the marketplace, despite a hefty initial commitment (in the early phases, the company promised the trade New Breed would receive $35 million in annual advertising and

KNOW THY COMPETITION

See page 52

LNA

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Al Cerrar la Edición
Indice

promotional support). The sum, heavy by industry standards, was particularly heavy for Carnation, which is noted for a cautious and conservative style. The media buy for New Breed was $7.6 million, according to LNA.

While Carnation is noted for its love of the status quo—a tone set by its 77-year-old accountant chairman H.E. Orvices—lately it has taken steps that may indicate the company is moving in a more progressive direction.

In the fall of 1983, Carnation opened the first of its Carnation Health & Nutrition Centers, retail outlets offering personalized weight loss services extending to nutritional and weight loss counseling, plus a separate retail outlet selling health foods, vitamins and low-calorie foods. It was the company's first new food division in 15 years. Carnation's aim is to capitalize on the public's growing concern with health and nutrition; industry analysts estimate that retail sales of dietetic, low-calorie foods in supermarkets will grow about 15% annually during the decade.

Initially, Carnation's plans for the centers were extremely ambitious. The division's general manager, Kenneth Chane, a retailing industry veteran, predicted it would open between 75 and 100 locations within the next year. Other sources said Carnation was considering opening as many as 300 outlets coast to coast in the next few years.

But so far, the centers haven't lived up to expectations. As of August, 1984, the chain has only 54 locations in four western states. And the company is de-emphasizing the retail aspects of the operation, instead choosing to concentrate its efforts on the weight-loss business. While the centers may not be living up to expectations, Carnation is continuing to test new products related to the health and fitness boom—with varying results.

In 1982, it put a four-item line of refrigerated, bottled yogurt-based salad dressings in test market. The line later was pulled, apparently failing to reach respectable sales results.

In October, 1983, Carnation was among the major competitors in the $180 million hot cocoa mix category to come out with a low-calorie hot cocoa mix sweetened with the sugar substitute aspartame. Carnation is the market leader in the category. It spent less than $1 million in measured media on its hot cocoa mixes.

Carnation's instant products division came out with a new Do-It-Yourself Diet Plan, a diet meal it describes as an "easy and sensible way to lose weight fast" in supporting tv, radio, newspaper and magazine ads. The product's target: 70% of all dieters who want to lose 10 to 20 lbs. Carnation estimates there are 28 million of the 40 million dieting public in the U.S. that will fit the bill.

Earlier in 1984, the company introduced a four-item Carnation Fruit & Nut Mix line on the West Coast with multi-media ad support.

In the pet foods business, in which Carnation competes in all the major segments, the company enjoys the strongest position in dry cat food and gourmet canned products. Over all, in 1982 its market share increased to 10.9% from the previous year's levels of 10.1%. It held the second position nationally, behind market leader Ralston Purina. Other major competitors behind Carnation (in order of market position) are: General Foods, Quaker Oats and the Liggett Group.

In November, 1983, Carnation international division president Timm Crull became president of Carnation Co., succeeding Dwight Stuart, a member of Carnation's founding family. Mr. Crull joined Carnation's sales department in 1955, rising to senior vp before leaving in 1977 to join Norton Simon Inc. as president. Mr. Crull rejoined Carnation in 1980 as exec vp and director. A year later, he became president of the company's international division.

Carnation watchers believe the outgoing and marketing-wise Mr. Crull may influence the company's character for the better. Analysts speculate that he may speed Carnation's growth by acquisition and will help move the company into growth-inclined product areas.

Mr. Crull's influence is said to have figured into the company's decision in the first quarter of 1984 to shift between 20% and 25% of its estimated $50 million to $60 millon ad budget to Foote, Cone & Belding—the company's first major commitment to a second agency in almost 70 years.

The switch marked the first time Carnation products have gone outside the Interpublic Group of Cos., and fueled speculation that principal agency SSC&B may be losing its hold on the Carnation business. FCB received products from three separate Carnation divisions: Bon Bons, an ice cream specialty product from its dairy division (now being tested in retail markets); the Do-It-Yourself Diet Plan, and Fancy Feast, its premium canned cat food from its pet foods division.

Rumors that Carnation may be taken over by a major company (Nestle is one rumored buyer) or taken private by a leveraged buyout continue to circulate—a fact that has sent Carnation's stock to near its all-time high.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$3,191,400	$3,631,600
Magazines	5,194,600	2,867,600
Farm publications	265,900	—
Spot tv	6,402,800	8,991,900
Network tv	23,991,700	15,746,800
Spot radio	53,400	349,100
Outdoor	238,200	98,600
Total measured	39,338,000	31,685,400
Unmeasured	14,946,600	12,068,000
Estimated total	54,284,600	43,753,400

CARNATION CO.

Marketing Personnel

R.B. Funkhouser, vp-adv and pr
A.W. Fox, mgr-corp media
L. Dickinson, adv controller
R.E. Mott, promo materials mgr
J.R. Richards, associate prod mgr
P. Amstutz, associate prod mgr
J. Davidson, Q. Trujillo, art directors, promo materials

Grocery Products Division

Pet Foods

Dwight Stuart, Jr., vp-div mgr
L. Mark Reiser, asst mgr-finance
Miguel Osborne, group prod mgr-canned foods
H.R. Chamberlin, mgr-new prod
John Harris, group prod mgr-dry food

Instant/Evaporated Milk

John Darcy, div mgr
Greg Mazares, group prod mgr
Dave Hull, group prod mgr

Contadina

Dick Sieminski, vp-div mgr
Gene Boykins, group prod mgr

Food Service

Jim Dintaman, vp-div mgr
Carl Dienst, director
Bob Miller, associate director

Industrial Vending

Wallace Houde, div mgr
Duncan Shaw, prod mgr

Specialty Foods

Glynn Morris, div mgr
Lew Paine, group prod mgr

Market Research Division

Doss Struse, director

Advertising Agencies

SSC&B, New York—dog and cat food, Coffee Mate, Instant Breakfast and Breakfast Bars, Slender Diet Line, hot cocoa mix, Contadina—all products.

Dailey & Associates, Los Angeles—Health & Nutrition Centers, promo adv, Evaporated Milk—Bob Brownson, acct super.

Foote, Cone & Belding, Los Angeles—Fancy Feast canned cat food, Do-It-Yourself Diet, Bon Bons—Bill Callejas, senior acct exec.

Lew Lesser & Associates—Milling Division.

The Merchandising Factory, San Francisco—Foodservice—John Weatherwax, acct super.

Baker Lovick Ltd., Toronto—Canadian advertising—Terry Greenwood, acct super.

CBS Inc.

	1983	1982
Sales*	$4,540,184,000	$4,122,782,000
Earnings*	187,198,000	110,831,000
U.S. Advertising	167,711,000	158,987,000

*Worldwide

CBS Inc., New York, the country's 39th largest advertiser, raised its advertising expenditures 5.5% in 1983, to an estimated $167.7 million.

Measured media spending figures reported by CBS rose in eight categories: Magazines, 13.9%; business publications, 30.1%; spot tv, 17.1%; network tv, 4.9%; point of purchase, 0.9%; direct mail, 18.3%; outdoor/transit, 28.2%, and broadcast and print production, 20%.

Advertising declined substantially in newspapers—down 20.9%—as well as spot radio, which dropped 3.8%, and network radio, down 4.2%.

Among leading advertised products and service, CBS spent $15.2 million in measured media advertising on CBS Television Network, up 1%; $22.5 million on Columbia Record and Tape Club, up 9.2%, and $9.4 million on Ideal toy products, down 7.9%, according to Leading National Advertisers, which monitors six advertising media.

In 1983, CBS world revenues rose 10%, to $4.54 billion, and net income rose 69%, to $187.2 million, reflecting an outstanding year in both the broadcast group and records group. Domestic revenues increased 13%, to $3.9 billion, on earnings of $340.8 million, up 39%.

In the first quarter of 1984, the strong gains continued. Earnings increased 119%, to $38.9 million, partly because of a poor 1983 first quarter and partly because of record profits in the broadcast and record groups. The company notes that an extensive companywide cost management system also was instrumental in its strong first-quarter showing. Revenues in the first three months of 1984 increased for every group except publishing.

In 1983, the broadcast group's revenues increased 10.2%, to $2.4 billion. Operating profits increased 7%, to $291.5 million. The profit gains in the group were seen to be a result of continuing dominant positions in tv and radio and careful attention to costs. Helping all this was a strong market for network advertising.

The CBS Television Network maintained its prime-time leadership for the fourth straight year and showed significant increases in its audience levels for daytime and news programing. However, the broadcast group decided to pull back from its announced direct broadcast satellite joint venture with Communications Satellite Corp., a pullback from its attempts to pursue new technological directions.

In sports programing, the division extended its long-term agreement with the National Collegiate Athletic Assn. through 1987 to broadcast the NCAA basketball championship tournament and renewed its agreement to broadcast segments of the Professional Golfers' Assn. tour. CBS attracted its second highest audience ever for its National Football League broadcast season, culminating with the broadcast of the Super Bowl in January, 1984.

"The CBS Evening News with Dan Rather" led its competition for all 52 weeks in 1983 and continued as the top-rated early news program. "The CBS Morning News" continued to trail both ABC and NBC. However, it registered a 21% ratings gain, while the other two experienced declines.

Significantly, each of the five CBS-owned tv stations achieved record revenues and profits in 1983. They also showed impressive audience gains in key time periods.

Amid all this, the specter of the $120 million libel suit by Gen. William Westmoreland hangs over CBS. The suit springs from a CBS documentary on Vietnam that alleges that Westmoreland manipulated war information. At the same time, CBS itself engaged in a counterattack against the book "A Matter of Honor," by Don Kowet, charging that the book was "reckless and malicious."

The CBS Radio Division's profits rebounded sharply in 1983. It dominated the top 20 network sponsored programs for the 19th consecutive rating period, and again its programs were heard by more listeners each week than any other radio network. The year also marked the successful conversion of delivery systems for radio—from landlines to satellite.

The CBS theatrical films division plans to produce a number of feature films slated for release in 1984. These include "Finders Keepers," a comedy adventure starring Michael O'Keefe, Lou Gossett Jr. and Beverly D'Angelo; "Grandview, U.S.A." with Jamie Lee Curtis, C. Robert Howell and Patrick Swayze; "Windy City," starring John Shea, Kate Capshaw and Josh Mostel, and "American Dreamer" with JoBeth Williams, Tom Conti and Giancarlo Giannini.

Revenues for CBS/Records Group increased 8.5%, to $1.16 billion, while operating profits rose a record 393%, to $109.4 million. Most of the remarkable showing was due to the phenomenal success of the Michael Jackson "Thriller" album, which has sold more than 32 million copies through the summer of 1984. However, the group also featured such artists as Billy Joel, Culture Club, Cyndy Lauper and Wynton Marsalis, the first artist to win the Grammy award in both jazz and classical categories. The gains for the records group came at a time when other electronic media, ranging from compact discs to videocassettes, have been scoring record gains as well.

The records group has ventured into compact discs and in 1983 began distribution of CDs. Under an agreement reached in 1983 between CBS and Sony Corp., CDs will be manufactured by Digital Audio Disc Corp., a U.S. subsidiary of CBS/Sony Inc. Production of discs will begin in 1984 in Terre Haute, Ind.

After a lean period, record new member enrollments and yearend membership in the Columbia Record and Tape Clubs gave Columbia House near-record operating profits.

In contrast, the CBS/Columbia Group posted an operating loss for 1983. The disappointing results, according to the company, were a result of a poor performance by CBS Toys' videogame software line of products. Significantly, the preschool toy market segment of the group saw substantial growth.

The CBS/Publishing Group achieved record profits on record revenues in 1983. The group's educational and professional publishing division posted a moderate increase in sales and continued to improve over 1982's record performance. CBS consumer publishing changed its name to CBS magazines division to identify more accurately with its core businesses. It also underwent a full-scale reorganization of its operations.

There were some spectacular performers among the magazines published by the division. *Woman's Day* experienced dramatic gains in revenues as well as in advertising market position. Similarly, *Audio, American Photographer, Camera Arts, Cuisine, Mechanix Illustrated* and *World Tennis* all posted substantial gains in revenues and advertising pages.

Road & Track continued to grab the largest share of advertising devoted to automotive magazines while *Field & Stream* set a record in its 87-year history for revenues and ad pages.

In February, CBS announced it would join hands with IBM and Sears, Roebuck & Co. to begin development of Trintex, a commercial videotex service directed at households with home and personal computers.

ADVERTISING EXPENDITURES*

	1983	1982
Newspapers	$30,763,000	$38,896,000
Magazines	25,067,000	22,008,000
Business pubs	5,636,000	4,331,000
Spot tv	24,123,000	20,605,000
Network tv	2,454,000	2,339,000
Spot radio	11,244,000	11,671,000
Network radio	1,898,000	1,982,000
Point of purchase	6,687,000	6,628,000
Direct mail	21,353,000	18,051,000
Outdoor/transit	3,260,000	2,543,000
Other	1,787,000	2,076,000
Bdcst/print prod	33,439,000	27,857,000
Total	167,711,000	158,987,000

*Reported by CBS

ADVERTISING EXPENDITURES†

	1983	1982
Newspapers	$15,829,300	$15,917,700
Magazines	30,737,100	28,248,000
Spot tv	12,761,300	15,818,500
Network tv	10,585,400	2,851,400
Spot radio	133,100	801,300
Network radio	133,200	484,800
Outdoor	934,800	775,000
Total measured	71,114,200	64,896,700
Unmeasured	96,596,800	94,100,300
Estimated total	167,711,000	158,997,000

†From AA's usual sources

People weekly performs

"The playback we're getting from manufacturers is: 'People is extremely powerful.'"

— Sue Brady
Director of Marketing Communications
Celanese

CBS INC.

Marketing Personnel

Louis Dorfsman, vp-creative director, adv & design
Warren Spellman, vp-media services
James Shumaker, director-operations admin
Maureen O'Donnell, director-media services
Ted Andresakes, senior art director
Ira Teichber, director-design services
Naomi Andrews, copy chief
Robert Bolton, Toby Muller, mgrs, adv operations

Advertising Agencies

Deutsch, Shea & Evans, New York—CBS Recruitment Advertising—Kay Winterhalter.

Doyle Dane Bernbach, New York—CBS Corporate Media Services—Lawrence J. Iannuzzelli, exec vp; Jack Cohen, vp-director of print/outdoor media buying; Anne Oliver, vp-acct super.

Equity Advertising, New York—CBS Recruitment Advertising—Julia Jacobs.

CBS/BROADCAST GROUP

David F. Poltrack, vp-rsch
George F. Scheitzer, vp-communications

CBS Broadcast International

John M. Eger, vp-general mgr
Joseph Bellon, vp-managing director for mktg & devel
Joseph J. DiCerto, director-communications

CBS Black Hawk Cable Communications

Robert Herbst, vp

Extravision Service

Albert H. Crane III, vp

CBS Television Network

William G. Cecil, vp-sales planning
Jerome H. Dominus, vp-sales
Richard A.R. Pinkham Jr., vp-mktg services

CBS Entertainment

Herman Aronson, vp-operations & creative services
Ann Kalman, vp-media services (West Coast)
John Kander, vp-on-air promotion
Morton J. Pollack, vp-adv & promotion
David November, director, creative services
Jerry Taylor, asst director, admin (West Coast)

CBS Sports

James M McKenna, vp-general mgr
Robert V. Tassie, vp-communications
Keith Johnson, mgr-adv & media services

CBS News

Robert Chandler, senior vp-admin
Joseph R. Passarella, director-adv & on-air promo
Ronald Beck, mgr-program services

CBS Television Stations

Rod Perth, vp-genl mgr, natl sales
Eglon Simon, vp-sales
Carl Wenhold, vp-finance
Michael Dainard, director-mktg
Paula McCorkle, director-adv, WCBS-TV, New York
Yvonne Forston, director-communications, WCAU-TV, Philadelphia
Michael G. Mischler, director-communications KCBS-TV, Los Angeles
Lillie Eide, director-communications WBBM-TV, Chicago
Scott Hunker, mgr, adv and promotion, KMOX-TV, St. Louis

CBS Radio

Michael R. Ewing, vp-genl mgr, CBS radio network
Robert Hyland III, vp-CBS owned fm stations
Eli W. Kaufman, vp-genl mgr, CBS-FM natl sales
Edward Kiernan, vp-genl mgr, CBS radio spot sales
Robert Kipperman, vp-genl mgr, RADIO—RADIO
Eugene Lothery, vp-CBS owned am stations
Terry Drucker, director-rsch CBS radio spot sales
Norman S. Ginsburg, director-affiliate programs/promo
Judith A. Harper, director-information services, CBS radio spot sales
Suzanne M. Sack-Dowden, director-sales promo, CBS radio network
Kathleen T. Seipp, director-mktg, CBS owned fm stations
Lee Stacey, director-natl sales, RADIO—RADIO
Stephen J. Youlios, director-natl sales, CBS radio network
Louise Hallahan, mgr, promo, CBS-FM natl sales
Marguerite Hauck, mgr-rsch/mktg, CBS-FM natl sales
Ronald S. Weener, NY sales mgr, CBS-FM natl sales
Wini Mullen, director-information services, WCBS, New York
Betsy Bucken, director-adv & promo, WCBS-FM, New York
Linda Dartnell, director-information services, WCAU, Philadelphia
Vincent Benedict Jr., vp-mgr WCAU-FM, Philadelphia
Barbara DiGuido, mgr, information services, WBBM, Chicago
Brian Pussilano, vp-genl mgr, WBBM-FM, Chicago
Aline Surmeyer, mgr, adv & promo, KMOX and KHTR, St. Louis
Fred Bergendorff, promo director KNX, Los Angeles
Robert L. Nelson, vp-genl mgr, KKHR, Los Angeles
Deborah Reno, director-information services, KCBS, San Francisco
George L. Sosson, vp-genl mgr, KRQR, San Francisco
Rick Peters, director-programing and promo WHTT, Boston

CBS Theatrical Films

Ian Jessel, vp-intl distribution & mktg
Gary J. McCarthy, vp-finance & business affairs

Advertising Agencies

Brand Advertising, Chicago—WBBM-FM-Pam Stahl, media director.

Cunningham & Walsh, Chicago—WBBM-TV—Brad Wyatt, senior vp.

Della Femina, Travisano & Partners, New York—WCAU-TV and WCBS-TV—Bob Sherman, president; John Gorde, acct super.

Doyle Dane Bernbach, New York—CBS/Broadcast Group, CBS Broadcast International, CBS Extravision, CBS Sports Div, CBS Television Stations Div, CBS Radio Network, RADIORADIO Network, CBS-Owned am Stations, CBS-Owned fm Stations, WCB, WCBS-fm—Lawrence J. Iannuzzelli, exec vp; Jack Cohen, vp-director of print/outdoor media buying; Anne Oliver, vp-acct super.

English & English, St. Louis—KMOX and KHTR—Alice English, partner.

McAdams & Ong, Philadelphia—WCAU—Brian McAdams, president.

Ogilvy & Mather, Los Angeles—CBS Entertainment Div—Marilyn Fidler, vp-mgmt super.

Ogilvy & Mather, New York—CBS News Div—Linda Cornelius, vp-acct super.

Poindexter/Osaki, Los Angeles, KKHR—Larry Poindexter, president.

Serali Advertising, Los Angeles—KNX—Jack Seery, president.

Spencer Granville, San Francisco—KCBS—John Leonard, creative director.

CBS/RECORDS GROUP

Cornelius F. Keating, senior vp-mktg
Robert J. Campbell, vp-mktg, CBS Masterworks
Robert Altshuler, vp-press & public affairs

CBS Records

Donald A. Demsey, senior vp-genl mgr, Epic/Portrait/Associated Labels
Calvin Roberts, senior vp-operations mktg
Albert E. Shulman, senior vp-genl mgr, CBS special prods
Paul Smith, senior vp-genl mgr, mktg
Linda Barton, vp-adv & design
John Berg, vp-packaging art & design
Roselind D. Blanch, vp-mktg services
Larry Douglas, vp-mktg, West Coast, Epic/Portrait/Associated Labels
Joan Griewank, vp-mktg planning
John Kotecki, vp-sales
Michael B. Martinovich, vp-merch
Ronald K. McCarrell, vp-mktg, Epic/Portrait/Associated Labels
Thomas McGuiness, vp-mktg, branch distribution
Robert Sherwood, vp-mktg, Columbia Records
Robert Willcox, vp-prod mktg, West Coast, Columbia Records
Roy Wunsch, vp-mktg, Nashville
Thomas S. Asalone, director-creative services, CBS special prods
Yvonne Ericson, director-print media
Ann McLaughlin, mgr-order services/-Inventory control, Columbia Magnetics

CBS Records International

Bernice Freidus, vp-creative operations
Mauri Lathowers, vp-creative operations, West Coast

Columbia House

Thomas Allen, vp-vista mktg
Richard Archer, vp-creative services
Diane Aronow, vp-clubs mktg
Leon N. Graham, vp-mktg
Brian Wood, director-video club mktg

CBS Songs

Rich Riccobono, vp-creative services
Harvey J. Shapiro, vp-genl mgr

Advertising Agencies

Wunderman, Ricotta & Kline, New York—Columbia/Epic (broadcast advertising), Columbia Record & Tape Club, Columbia Video Games Club and CBS Video Club/CBS Video Library—Morris Baumstein; Peter Rabar, senior vp; Ralph Siegler, senior vp.

CBS/COLUMBIA GROUP

CBS Musical Instruments

Fender/Rogers/Rhodes/Squier

William Schultz, president
Roger Balmer, vp-mktg and R&D
James Cruickshank, adv mgr

Lyon & Healy

M. Ross Brown, president
Robert Storm, director-sales & mktg

Gemeinhardt

Glenn E. Holtz, vp-genl mgr

Steinway & Sons

Lloyd Meyer, president
David W. Rubin, senior vp
Robert F. Dove, vp-sales & mktg
Omer G. Inman, vp-director, Steinway Hall

Rodgers Organs

Allen L. Harrah, vp-genl mgr
James A. Walls, director, sales & mktg

Gulbransen

David W. Rubin, senior vp
Robert F. Dove, vp-sales & mktg
Pat Searcy, mktg mgr

CBS Toys

Division Staff

Richard Baumbusch, vp-mktg
Judith Sussman, director-pr

Ideal Toys, Dolls, & Games

Lonny Fryberger, vp-genl mgr
Jim Camilleri, vp-sales
Duane D'Agostino, director-sales
Pat Hanlon, director, mktg services

CBS Preschool

Waymon Wittman, vp
Allan Blum, director-mktg
Stan Pollack, director-sales

Advertising Agencies

Beber, Silverstein & Partners, New York—Steinway & Sons (retail advertising)—Tad Dissler, acct exec.

Lord, Geller, Federico, Einstein, New York—Steinway & Sons—Regis Albrecht, acct exec.

Phelps & Associates, Burbank, Cal.—CBS

KNOW THY COMPETITION

See page 137

LNA

ON FEBRUARY 23 AND 24, 1985, BISCAYNE BOULEVARD WILL AGAIN BE TURNED INTO A RACE COURSE...

MOVE YOUR PRODUCT AT 160 M.P.H.!!!

Now is the time for your company to become involved in Miami Grand Prix III and RACE WEEK. Community support and 100,000 spectators can be yours when you become a part of this exciting event.

Whether your company is one of the corporate giants of America or a one-man operation, make this your Grand Prix.

A variety of packages are available to you in order to meet your corporate marketing and entertainment objectives as follows:

CORPORATE SPONSORSHIP. Your company can be one of the few that make the Grand Prix happen. By becoming a full sponsor, you become the Grand Prix of Miami. A corporate sponsorship package can be tailor made for your corporate objectives and marketing strategies.

OFFICIAL RACE PROGRAM. A slick four-color magazine will be a long time keepsake of our many fans. Your company should be able to take advantage of this long-term exposure of your product and/or message.

ON-TRACK SIGNAGE. As the public watches the cars whiz by, they will also see your advertising message if you select one or many of the four types of signage available on the track.

EXHIBITION AREA. This is the place for you to present and demonstrate your products to the racing public. We can accommodate your space and budget needs with four types of areas.

HOSPITALITY. Whether you invite your friends, key customers, clients or sales personnel, we have an entertainment facility that will meet your needs. Four types of hospitality areas are available to accommodate groups from 10 to 500 people.

INTERAMERICAN CHAMPIONSHIP RACE. One of the most unique races during the weekend! Your company can sponsor one of the most famous drivers in the Western Hemisphere. There will only be 15 available drivers to sponsor. Here's your chance to let your company ride with Sneva, Andretti, Ribbs, Foyt or Fittipaldi.

Be part of the excitement! More importantly, take advantage of the valuable marketing and sales opportunity available at the 1985 Grand Prix of Miami.

Last year, we sold out of our advertising and entertainment packages. If you want to be a part of the Grand Prix tradition, call us now.

For more information
Call Bob Wild or
Karen Meister Hodson
Miami Motorsports
(305) 595-RACE.
10300 Sunset Dr., Suite 150
Miami, Florida 33173

NOTE: Certain restrictions will apply to signage and display area business.

TRADEMARK & COPYRIGHT SEARCHES

TRADEMARK—Supply word and/or design plus goods or services. FEES: TRADEMARK OFFICE Files—WORDMARK—$50. 2 or more—$45 each. COMMON LAW—$25 additional. EXPANDED COMMON LAW—$70 additional. DESIGN—$60 per class, copies extra.

COPYRIGHT—Supply title/author/Regs FEE: $80. 2 or more—$75 each.

GOV'T LIAISON—All agencies—SEC (10K's), ICC, FTC, Court Records, Congress, Records, etc. Fees on request.

APPROVED—Our services meet standards set for us by a D.C. Court of Appeals Committee.

Over 60 years successful experience — Not connected with the Federal Government

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Suite 209, 3030 N. Fairfax Dr. • P.O. Box 10648
Arlington, VA • Arlington, VA 22210
Phone: (703) 524-8200

Musical Instruments Division, Fender Guitars, Rhodes Electric Pianos, Rogers Drums, V.C. Squier Strings, Gemeinhardt Flutes & Piccolos—Joe Phelps, president.

Sive Advertising, Cincinnati—Ideal Toys, Dolls & Games and CBS Preschool—Dave Siegel, acct super; Marcia Cann, vp-media director.

Towne, Silverstein, Rotter, New York—Ideal Toys & Games—Amy Weltman, vp-acct super.

CBS/PUBLISHING GROUP

CBS Educational & Professional Publishing

Division Staff

Linda Bayard, vp-sales & mktg
Debra Karpak, director-direct response mktg

General Book

Jane Pasanen, vp-mktg & subsidiary rights
Karen Mender, director-adv promo and publicity
Leslie Rowe, natl sales mgr

College

John W. Wood, vp-mktg & sales
Barbara Kimball, director-mktg
Fred Velardi, mgr-adv and prod information

School

Joseph M. Krassner, vp-mktg & sales
Sally Owen, adv mgr

Winston Press

Jan Johnson, mgr-direct mktg

Professional Publishing (W.B. Saunders)

William L. Gibson, vp-sales & mktg
Joan Spaulder, director-mktg
William Moritz, natl sales mgr, subscriptions
James Walker, media mgr

Praeger

Virginia McElroy, director-mktg
Bob Ryan, direct mail coordinator

International Publishing

Millard F. Engleka, vp-intl operations
Marsha Feltinghoff, director-intl operations

Transmedica

George Rohr, ceo

CBS MAGAZINES

Division Personnel

Michael J. O'Neill, senior vp-adv
Robert Alexander, president
Carl Kopf, vp-genl mgr
Robert F. Spillane, vp and director-circulation
Glenda Bradshaw, director-rsch, *Cuisine, American Photographer, Audio*
Robert Checkanover, creative director, comms
Phyllis G. Crawley, director, comms
Robert Fitzpatrick, director-rsch, *Mechanix Illustrated, World Tennis, Cycle World, Road & Track*
Theodore C. Giletti, director—CBS magazines rsch
Perry R. Grayson, director, rsch, *Woman's Day*
Roslyn Schachter, director-mkt rsch
Lester Abberbock, rsch mgr
Alvin I. Edwards, syndicated rsch mgr
Meryl Shinder, mkt rsch mgr, *Field & Stream*

Woman's Day

Thomas W. Kenney vp-group publisher
Gordon R. Burkhard, vp-special prods & publisher, special interest magazines
Robert Mate, vp-adv director
Bonnie Geller, adv mktg services director
James J. Hessel, adv director, special interest magazines

Monthly Magazines

Richard Bartkus, vp-publisher, *Road & Track, Cycle World*
Eugene Bay, vp-publisher, *Field & Stream*
Francis X. Dealy Jr, vp-publisher, *World Tennis*
H. Clifford Parris, vp-adv director, *Road & Track*
Anne Sutherland, vp-publisher, *Cuisine*
Peter Veronis, vp-CBS Magazine Network
Roman Beyer, publisher, *Audio*
Jim Hansen, publisher, *Cycle World*
John Miller, publisher, *American Photographer*
Marlene Jensen, publisher, *Mechanix Illustrated*
Patricia R. de C. Jellicoe, associate publisher, mktg, *American Photographer*
James S. Berrien, adv director, *Field & Stream*
Todd L. Boersma, adv director, *World Tennis*
John E. Brown, adv mktg director, *Mechanix Illustrated*
Peter F. Clancey, adv sales director, *Cuisine*
Jim Frahm, adv director, *Cycle World*
Arnold Gluskin, mktg director, *Road & Track, Cycle World*
Stephen L. Goldberg, adv director, *Audio*
Edward P. Keil, promo director, CBS Magazine Network
David Lott, mktg director, *World Tennis*
Susan T. McNamee, promo director, *Cuisine*
Jeffrey Roberts, adv director, *American Photographer*
Jack Counihan, promo director, *Field & Stream*
Richard L. Walter, mktg mgr, *Field & Stream*

Family Weekly

Morton Frank, chairman emeritus
Patrick M. Linskey, president-publisher
Joseph Frazer, vp-associate adv director (Chicago)
Stanley Rosenfeld, vp-mktg director
Jonathan A. Thompson, vp-genl mgr
James Walsh, vp-adv director
Gerald S. Wroe, vp-associate publisher
Patricia S. Kyle, promotion director

Popular Magazines

Carol Klapper, publisher
Michael McCarthy, newsstand mktg director

CBS Software

Henry A. Kaplan, exec vp
Arthur Barnett, vp-mktg services

Advertising Agencies

Atlantis, Hazlet, NJ—Holt, Rinehart & Winston—Bob Mallm, president.

Cunningham & Walsh, New York—CBS Software—Nat Allen, vp.

Doyle Dane Bernbach, New York—CEPP Div Marketing and Holt, Rinehart and Winston (College/Dryden Press/Sanders)—Lawrence J. Iannuzzelli, exec vp; Jack Cohen, vp-director of print/outdoor media buying; Anne Oliver, vp-acct super.

Jameson Advertising, New York—Holt, Rinehart & Winston (General Book)—Margi Berry, acct exec.

Levy, Flaxman & Associates, New York—*Mechanix Illustrated*—William Ryker, vp.

Lois, Pitts, Gershon, New York—*Cuisine* and the CBS Magazine Network—Jim Feigenbaum, acct super; Patrick Dolan, acct super.

March Advertising and Direct Marketing, New York—CBS Magazine Marketing—George Lynaugh, acct exec.

The Marketing Department, New York—Praeger—Richard Thorn.

Nadler & Larimer, New York—CBS Magazine Marketing, *Woman's Day* and *World Tennis*—Howard Berg, senior vp.

J.R. Navarro, Los Angeles—*Cycle World* and *Road & Track*—Mike Navarro, president.

Rumrill-Hoyt Inc., New York—*Family Weekly*, Bernie Long, acct super.

Warren/Kremer, New York—*Field & Stream*—Peter Warren.

CBS/Fox

David B. Brown, vp-mktg
Bob DeLellis, vp-sales
Len White, senior vp-sales/mktg
Bart Morrison, director-rsch & planning

Advertising Agency

Doyle Dane Bernbach, New York—CBS/Fox—Lawrence J. Iannuzzelli, exec vp; Jack Cohen, vp-director of print/outdoor media buying; Anne Oliver, vp-acct super; Bo Stern, acct super.

Chesebrough-Pond's

	1983	1982
Sales*........	$1,685,417,000	$1,623,190,000
Earnings*.....	127,878,000	125,265,000
U.S. Advertising	141,324,500	131,006,800

*Worldwide

Chesebrough-Pond's, Greenwich, Conn., which encountered a flat year in 1983, increased its advertising 7.8%, to $141.3 million, to become the nation's 46th largest advertiser.

The increased investment in advertising and promotion amounted to 8% of sales in both 1983 and 1982. Such aggressive posturing is believed to be in response to the company's downward trend in sales and earnings growth.

Sales and earnings rose for the 28th consecutive year, but the increase was slight. Sales edged up 3.8% over 1982, to $1.685 billion, and earnings showed a 2.1% rise, to $127.9 million.

The company cited poor performance in the Bass division, a hefty increase in marketing investment and weakened foreign currencies against the U.S. dollar in explaining 1983's slow growth.

C-P, whose long-term strategy is to maintain strong advertising and marketing activities, spent $73 7 million on advertising and promotion in the first quarter of the 1984 fiscal year, $11.7 million over the corresponding period the year earlier.

C-P's packaged foods division chalked up $330.9 million in sales in 1983, up 4.3% from 1982, but not as spectacular as the 19.3% rise of 1982. Over-all, marketing expenditures for packaged foods rose 11% in 1983.

Measured spending for Ragu sauces amounted to about $19 million in 1983, up from $16 million in the previous year. In September, the division launched a new spaghetti sauce, Ragu Chunky Garden Style, planning to back it with a $22 million ad campaign. The company anticipates $100 million in sales for Chunky Garden Style during its first year.

It appears to have replaced the Clas-

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sic Combinations line, which no longer appears on the roster of Ragu sauces. All the Ragu sauces together account for more than 50% of the prepared sauces market. Campbell's Prego, the nearest competitor, has a 20% to 22% share, according to analysts tracking the company.

The division also introduced Ragu Pizza Quick Kit in 1983, but so far, sales are not reported to be impressive. The sauce and crust mix/sauce was backed with tv network and spot tv budgets of $2.7 million and $2.9 million, respectively.

C-P's strategy has been to go after small markets aggressively, especially in ethnic and specialty foods.

The health and beauty products division gained 6.1% in sales in 1983 after recording only a meager 0.7% rise from 1981 to 1982. The increase came mainly from improved performances by Vaseline petroleum jelly, Vaseline Intensive Care lotions, Q-tip cotton swabs and Cutex nail products.

The division spent 17% more on marketing in 1983 than in 1982. Once again, the Vaseline Intensive Care lotion took the lion's share of advertising dollars, with $9 million in measured media. About $8.1 million of that was spent on network tv.

In 1983, two new products were added to the hand and body lotion category, Herbal & Aloe Vaseline Intensive Care lotion and Pond's Cream & Collagen lotion.

Advertising for VIC lotion ($9 million measured in 1983), the No. 1 selling brand with about 25% in market share, was challenged earlier this year when Procter & Gamble filed suit, asking for an injunction to stop C-P's ads, which it claimed were false and deceptive. C-P responded with a countersuit, filed the same day, Jan. 5.

The judge issued a ruling that the issue was not within his province, refusing to decide the case. C-P has filed an appeal and still is running the campaign in question.

This year, the division introduced Rave spot perm, designed to fill the niche between complete permanent treatments and spot styling treatments that don't last.

For the Prince Matchabelli division, 1983 marked a turnaround. Sales rose 7.9%, to $118.2 million, but still fell below 1981's $130 million.

Fragrances, which account for half of the division's sales, added three new products in 1983: Cachet Noir and Aviance Night Musk introduced in the first and second quarters, respectively, and Beret, announced late in 1983 and brought to market early this year. Company officials report that the three are selling well, particularly Aviance Night Musk.

C-P plans to further buff its image in the fragrance market with the introduction of a limited distribution prestige fragrance, probably sometime in 1985.

Measured spending came to about $10 million, up from last year's $7.5 million. The payoff is apparent in 1984's first-quarter report, which shows sales rose 21%, to $23 million, up from $19.7 million in the similar period last year.

Bass division scored a marginal 2.5% increase in sales, mainly because of the acquisition of the Shoe Box chain of shoe stores in Dallas and the sales of men's and children's footwear. Poor performance in women's footwear was cited as the main cause of disappointing results.

Measured spending for the division totaled $1.5 million, down slightly from 1982's $1.8 million.

To shore up performance in the division, C-P is concentrating on expanding its retail interests and reducing manufacturing costs by going overseas for products. Acquisition of the Shoe Box chain came in late 1983, and C-P now operates six G.H. Bass stores, which are full-line, full-price Bass outlets. C-P plans to open as many as 20 in 1984. Bass also operates several factory outlet stores. The move into retail is expected to give the company more control, help smooth sales patterns and bring a better return on investment.

Health-tex, which accounts for 18% of company sales, again ranked as one of the company's most successful divisions. It gained a 7% increase in sales, especially strong in the larger sizes of children's clothing. In 1983, the division tested a new line of sleepwear, which is rolling out nationally this year. The division also is introducing Sound Waves, a new line of children's clothing this year. The line is priced above the Health-tex line.

The Prince division, manufacturer of tennis rackets, gained 12.8% in 1983 sales over 1982, but this was down considerably from the dramatic increases during the previous seven years. The average annual growth rate over the past 10 years has been 65%. Nevertheless, in the face of increased competition, the division continues to increase its share of the market. Prince introduced three new rackets, including a $500 model.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers........	$2,170,700	$2,374,700
Magazines.........	16,686,700	16,850,300
Spot tv............	10,647,400	5,105,500
Network tv.........	42,994,800	46,051,100
Spot radio.........	324,500	448,500
Outdoor...........	80,500	4,500
Total measured..	72,904,600	70,834,600
Unmeasured....	68,419,900	60,172,200
Estimated total..	141,324,500	131,006,800

Marketing Personnel

Robert A. Breakstone, group vp
Charles J. Chapman, group vp
K.R. Lightcap, vp-investor relations & public affairs
J.A. Russo, creative services director
R.S. Ziemba, director-corp communications
J.E. Campion, media director.

HEALTH & BEAUTY PRODUCTS DIVISION

Marketing Personnel

Robert Rosenthal, president
William Barker, vp-mktg

Advertising Agencies

William Esty Co., New York—Vaseline brand products, Pond's products—Dean Van Nest, senior vp-mgmt super; Peyton Sise, Liz Kimball, acct supers.

Ogilvy & Mather, New York—Q-tips, Rave, new products in health & beauty aids —David Weiss, exec vp-group director; Jean Fitzgerald, mgmt super; Catherine Buckley, acct super.

Waring & LaRosa, New York—Cutex—Larry Weisberg, acct director; Gloria Appel, acct super.

PRINCE MATCHABELLI DIVISION

Marketing Personnel

Edward I. Rabin, president
Michael Horowitz, vp-mktg, fragrances
Terry Augenbraun, vp-mktg, shaded cosmetics

Advertising Agencies

William Esty Co., New York—Aviance, Wind Song, Cachet, Chimere, Matchabelli for Men—Liz Kimball, acct super; Dean Van Nest, senior vp-group director.

Waring & LaRosa, New York—Aziza—Gloria Appel, acct super.

HOSPITAL PRODUCTS DIVISION

Marketing Personnel

Robert E. Karlson, president

Advertising Agency

Klemtner Advertising, New York—Lee Rosenberg, acct super.

ERNO LASZLO INSTITUTE

Marketing Personnel

C. Crawford Mills Jr., vp-genl mgr

Advertising Agency

Waring & LaRosa, New York—Gloria Appel, acct super.

PACKAGED FOODS DIVISION

Marketing Personnel

Charles R. Perrin, president
Michael Jeans, vp-mktg

Advertising Agency

Waring & LaRosa, New York—Ragu, Adolph's—John McCrosky, senior vp-mgmt super; Irwin Levy, senior vp-acct super; Clark Olver, acct super.

HEALTH-TEX DIVISION

Marketing Personnel

H.S. Miller, president

Advertising Agency

AC&R, New York—Alvin Chereskin, president-mgmt super; Joyce Kayhar, vp-acct super; Helen Hedges, acct exec.

G.H. BASS DIVISION

Marketing Personnel

Richard Bourret, president
Cheryl Anderson, mktg director

Advertising Agency

Geers Gross, New York—Chris Hansen, mgmt super.

PRINCE DIVISION

Marketing Personnel

Michael Borkowski, president
Ed Volkwein, vp-mktg

Advertising Agency

Waring & LaRosa, New York—Louise Erdman, acct super.

Chrysler Corp.

	1983	1982
Sales*.........	$13,240,400,000	$10,044,900,000
Earnings*......	700,900,000	170,100,000
U.S. Advertising	230,020,100	**214,000,000

*Worldwide **Revised

Chrysler Corp., Highland Park, Mich., the 27th largest national advertiser, increased its ad spending 7.5%, to $230 million, in 1983 on higher sales and record profits.

Chrysler financial returns came on unit sales 37% below the record year of 1976. The company also paid all $1.2 billion in federally backed loans, $100 million in loans from Peugeot and $48 million in loans from states.

The loans were caused by massive losses from 1979 to 1981 with a deficit of $1.7 billion in 1980 as the low point in the company's fortunes. The 1983 figures mean "our turnaround is now complete," said chairman Lee Iacocca, architect of the revival.

Chrysler earned $700.9 million in 1983, up from $170.1 million in 1982, as sales increased to $13.2 billion, up from $10.1 billion. U.S. car unit sales increased to 969,000 from 737,000, and truck sales rose to 294,000, from 232,000. Its market share for all vehicles sold in the U.S. rose to 10.3%, from 9.9% the year before. Dollar sales in the U.S. market of $11.6 billion represented 88% of worldwide sales. U.S. dollar sales were up 37% from the previous year.

Ad spending was spurred by the fall introduction of the sporty coupes, Dodge Daytona ($6.8 million in measured media, according to Leading National Advertisers), Chrysler Laser ($9.6 million), and the larger K-car, the Dodge 600 ($7.5 million).

Chrysler-Plymouth and Dodge divisions almost split the vehicle ad budget with the rest of the ad budget going to corporate and imports.

Magazine advertising increased to $44.8 million, from $25.5 million. For part of 1983, Dodge exchanged rate, position and circulation guarantees for guaranteed buys. Dodge also used merchandising allowances from the magazines for a special trade campaign.

The campaign was aimed at telling dealers which magazines were getting advertising. No magazines were cut from the list if they didn't measure up, but most complied, Dodge said.

New products helped key Chrysler's 1983 improvement as the corporation pledged $8 billion for new products over a five-year span. That includes $650 million for the H cars due in the winter of 1984-85. The sporty four-door hatchback sedans are aimed at younger drivers.

The only financial cloud was the loss of $34.2 million by Chrysler de Mexico. The loss was down from a deficit of $69.3 million in 1982. Operations in Canada saw Chrysler ranked second in sales among car makers.

Chrysler also sued to stop the proposed General Motors-Toyota joint venture in California. It signed an extended contract with Mitsubishi Motors of Japan to sell Mitsubishi-made small cars in the U.S. through 1995. Chrysler and Mitsubishi also jointly will develop a new V-6 engine.

Chrysler U.S. retail car sales, including imports, approached 969,000 units for 1983, a 10.3% share of the industry's 9.1 million total retail sales. In 1982, Chrysler reached only a 10% market share, selling about 794,000 units. Chrysler van and truck sales rose to 294,000, although the corresponding market share dropped to 8.7% from 9.5% in 1982 when unit sales were 246,000.

Total Plymouth unit sales rose 5.6%, Chrysler, 47.9%, and Dodge, 20.3%.

Among new products especially successful were those with K-car bodies. Total U.S. Plymouth Reliant sales increased to 119,400, up 5.6%. These, along with other K-car derivatives, including the Chrysler LeBaron K and the 1982-introduced Chrysler E-Class and Dodge 600, were the backbone of Chrysler sales. The E-Class sold 35,283, up from 9,122 units in the introductory fall of 1982. The new Dodge 600 sold 33,882 cars, up from 5,624 in its introductory period of 1982.

The 1983 New Yorker E sales rose to 50,091, from 119 during its fall 1982 debut. Chrysler subcompacts, the L-bodies, did well with an average increase of 12.6%. Dodge Omni unit sales of 50,451 were up 26.1%, while the Plymouth Horizon increased 21%, to 56,763 in 1983.

Other successes included the September, 1983, introductions of the new 1984 sport coupes, the Chrysler Laser and Dodge Daytona. In 1983, the Laser sold 11,097 units; its Dodge companion, 8,761 units.

Sales were good for the 1984 T-wagons, introduced in the fall of 1983. Plymouth Voyager sales hit 3,914 units and Dodge Caravan, 4,260. During 1984, the minivans were so successful that Chrysler sold out the vehicles by spring. Chrysler was unable to fill a number of backlog orders because it couldn't make the vehicles quickly enough.

Chrysler launched into another flood of rebates in 1983, along with interest-rate ceilings and other promotions. The rebate ad theme, "Buy a car, get a check" reappeared on the scene, with the "If you can find a better car, buy it" theme line.

The company extended its 11.9% interest rate/rebate program through April 10, from March 31. Another program in May offered a 9.8% interest rate or up to $400 rebate on cars/$750 on trucks. This was followed by a cut-rate June offer of 8.7%, or a $300 rebate on K-cars, $400 on small cars, or $500 to $700 on trucks.

On the heels of rebate programs was a Chrysler "car payment guarantee program" for buyers of 1982-83 U.S. or Canadian-built Plymouth/Dodge cars or trucks. The program insured that Chrysler would take over car payments of up to $300 a month for one year, or $3,600 maximum if after 30 days following delivery, the buyer lost his job.

In February, Chrysler chairman Lee Iacocca began breaking in a tag line on corporate tv spots. The pitch for the five-year, 50,000-mile warranty featured Mr. Iacocca saying, "You can go with Chrysler. Or you can go with somebody else and take your chances." To support its rebate programs, the company aired ads in April with the theme line, "Nobody gives you more help than Chrysler."

Chrysler's Direct Connection performance parts marketing arm expanded its race strategy with an ad budget doubled to about $600,000. Ads were aimed at drag racing, off-road, sports car racing and rallying and autocross

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(pylon racing) markets.

With Chrysler wanting to split Chrysler-Plymouth and Dodge into separate marketing units, Dodge began ad campaigns to change its image. First ads included star presenters and "America's Driving Machine." They stressed emotion (the "American dream") and price.

Dodge aimed its appeal at the traditional family market and young buyers, while Plymouth aimed for "values in a practical package." Chrysler continued as a luxury division.

In February, Dodge added its name to the roster of automotive sponsors for the United States Football League telecasts, splitting advertising rights on the telecasts with Buick. Dodge added several promotions to its ad package. It was named the "official car" and "official truck" of the football league, giving Dodge exclusive use of league and team logos.

The Dodge agreement with USFL included "pet projects" of Mr. Iacocca. Some 30-second charitable tv spots supporting the Statue of Liberty and the Ellis Island Foundation were cosponsored by Dodge and the USFL. Mr. Iacocca is chairman of the foundation, formed to restore the landmarks.

In August, Dodge began a full marketing strategy to create an identity for Dodge. Dodge products had the common theme: "We are Dodge. An American revolution." Mr. Iacocca kicked things off Sept. 9 with 64 network spots about America regaining the lead in technology. "You don't just need a lot up here," he said in the spot, pointing to his head. "You need a little something in here," he added, pointing to his midsection.

The only star spokesman for Dodge and C-P ads was actor Ricardo Montalban. He concentrated on the Chrysler New Yorker. Mr. Iacocca continued to appear in corporate tv ads, although his presence was not as extensive as in the dark years.

Dodge advertising also went after new demographics. Dodge ads for the minivan, as well as the Daytona, were aimed at younger, more affluent customers who had previously shunned Chrysler.

The Dodge Caravan T-wagon advertising had a sporty, aggressive approach that scorned wood-grain exteriors for two-tone paint, fat tires and road wheels, and bore the "American revolution" theme. Women were a prime target of the 1984 Chrysler T-wagons as well. The company began building awareness for the vans during the yearend holiday season by hold test-drive programs in shopping malls and staging a Kellogg's cereal sweepstakes. A "Caravan of Caravans" promotion stopped in at shopping malls enroute from the Rose Bowl to the Statue of Liberty to let people test drive the cars without salesman pressure.

Chrysler-Plymouth added leather seats and electronic instrumentation to upscaled models and made comparisons in ads with the Porsche 944: "We know the competition was good. We had to be better. The new Chrysler Laser challenges the gold standard Porsche 944," ran one of the spots as the Laser outmaneuvered the 944.

To attract a larger market segment, Chrysler plans several new vehicles. These include the H-car, planned for the 1985 model year and aimed at younger buyers; a redesigned K-car with a notchback that will handle the family trade; small two and four-wheel-drive pickup trucks, designed to meet entries from Ford and GM, scheduled for the fall of 1985, and a modern-day Pantera, a midengine all-out sports car. Chrysler, working with sports car builder Carrol Shelby, hopes to build a car to compete with the Ferrari and other sports cars. No definite schedule has been planned for the Pantera.

Chrysler also is planning a convertible resembling the Mercedes SL model, to be built in limited quantities, possibly in Europe. Again, no definite schedule has been planned.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$31,845,700	$29,600,000
Magazines	44,845,200	25,582,200
Farm publications	716,600	733,453
Spot tv	18,626,000	23,533,900
Network tv	84,193,700	68,219,500
Spot radio	16,651,100	*11,997,173
Network radio	2,858,000	2,919,300
Outdoor	679,300	874,700
Total measured	200,415,600	*163,460,226
Unmeasured	29,604,500	50,539,774
Estimated total	230,020,100	214,000,000

*Revised

U.S. AUTOMOTIVE SALES GROUP

Marketing Personnel

B.E. Bidwell, exec vp-sales and mktg
E.T. Pappert, vp-U.S. auto sales
J.A. Campana, vp-mktg
T.R. Cunningham, genl sales mgr
G.J. Giocondi, genl mgr-services and parts
D.L. Davis, genl mgr-import/export operations
P.J. Keegan, genl mgr-truck operations
H.L. Barton, genl mgr-fleet operations
J.N. Caddell, genl mktg mgr-Dodge
A.C. Liebler, genl mktg mgr-Chrysler/-Plymouth
J.J. Cronin, natl adv mgr-Dodge car and truck
A.C. Kesteloot, natl adv mgr-Chrysler/-Plymouth
J.L. Hickey, corp adv mgr
L.F. Farrell, adv mgr-Dodge car
J.D. Sandesak, adv mgr-Dodge truck
C.J. Stickford, import adv mgr
W.R. Coley, corp merch mgr
J.B. Damoose, natl merch mgr-Dodge
E.J. Fleming, natl merch mgr-Chrysler/-Plymouth
B.F. Mullins, director-sales and mktg pr
J.F. Kelly, dealer assn and retail adv mgr-Dodge
J.M. Reilly, forward planning mgr-Dodge

Advertising Agencies

Kenyon & Eckhardt, Inc.—Leo-Arthur Kelmenson, President, chairman and ceo; Ron Deluca, vice chairman; Steve Frankfort, vice chairman.

Detroit—Peter S. P. Dimsey, exec vp-genl mgr; Bruce P. Andrews, senior vp-admin genl mgr; James R. Heekin, senior vp-group mgmt super Chrysler-Plymouth; Chrysler-Plymouth Dealer Assn; John P. Hickey, senior vp-mgmt super Chrysler-Plymouth Dealer Assn.; Jeffrey Jacobs, vp-acct super, Chrysler; Douglas Symons, vp-acct super, Plymouth; William J. Shea, senior vp-mgmt super, corp; James Else, acct super, corp; Philip Matz, senior vp-media director; Elton Kruger, senior vp-director of media planning; Dwight Davis, senior vp-creative director; Brian E. Palmer, senior vp-forward planning.

New York—Ken Duskin, exec vp-creative director; Bruce Montgomery, senior vp-associate creative director; William Tenebruso, senior vp-director corp media services; Arnold Kusnetz, senior vp-director of rsch.

Los Angeles—John Adams, senior vp-genl mgr; Mark Curran, senior vp-mgmt super, Chrysler Imports; Hy Yablonka, senior vp-creative director; Nelda Chambers, senior vp-media director; Renee Frasen, vp-director of rsch and strategic planning.

BBDO—A. Rosenshine, chairman-ceo; P. Dusenberry, vice-chairman and exec creative director; T. Clark, president-coo.

Detroit—J. Berline, exec vp-genl mgr; R. Schneider, senior vp-finance & admin; P. Swiecicki, vp-finance; D. Goschka, vp-legal counsel. Dodge Car—W. Oswald, senior vp-mgmt super-Car; B. Williams, vp-acct super-car; G. Berg, vp-acct super-car; D. Williams, vp-acct super, forward planning. Dodge Truck—K. Steadman, senior vp-mgmt super-truck; M. Graham, vp-acct super-truck. Research—T. Neman, senior vp-director rsch/Planning; T. Townsend, vp-associate rsch director. California/Imports/Direct Connection—H. Grusche, senior vp-mgmt super media; E. McCarthy, senior vp-exec media director; T. Zahrfeld, vp-media director, car; K. Ritchie, vp-media director-truck; S. Stoll, vp-broadcast media director. Creative—R. Howting, creative director-Car; J. Gahagan, creative director-truck; R. Folster, vp-associate creative director. Dodge Dealer Assoc—A.D. Jones, senior vp-mgmt super, Dodge Dealer Adv Assn.; D. Robinson, natl super-DAA.

Los Angeles—D. Christopher, acct super; G. Campbell, pr.

Ross Roy Inc., Detroit—Glen W. Fortinberry, chairman-ceo; Richard C. Ward, exec vp; Don Scheich, vp-group acct super, Chrysler Learning Centers, Marine; Service & Paris; Donald Baldwin, vp-group acct super, Fleet & Lease; Robert Steiger, exec vp-creative director; Gerald Moody, senior vp-director of mktg services; Tom Maynard, vp-media super; Dave Garfield, vp-director of rsch and planning.

Clorox Co.

	1983	1982
Sales*	$974,566,000	$913,807,000
Earnings*	79,709,000	65,507,000
U.S. Advertising	69,429,000	76,285,600

*Worldwide, fiscal years 1984 and 1983, ended June 30.

Clorox Co., Oakland, Cal., the 88th largest advertiser, decreased ad spending 9% in 1983, to an estimated $69.4 million, primarily through reductions in network tv and magazines. The company did increase spending in spot tv, network radio and newspapers.

The company's earnings for the fiscal year ended June 30, 1984, rose 22%, to $79.7 million. Sales of $974.6 million were up 7% from the previous year.

Clorox continued to pursue its aim of transforming itself from a company dependent on a single product into a broad-base consumer products marketer similar to its former parent, Procter & Gamble.

Clorox liquid bleach was the company's only product until 1969 when the Federal Trade Commission forced P&G to divest itself of the Oakland, Cal., company.

Since then, Clorox has diversified through acquisition and in-house research and the development of new products. Although the company's name is still synonymous with bleach, liquid and dry bleach sales account for less than 50% of total earnings from established brands.

Clorox continued to strengthen its core household products business—which still represents 70% of its total sales—while building its strength in other areas.

Sales of Olympic paints and stains—sales the company didn't have two years ago—made up 10% of Clorox's total revenues in 1983. Olympic branded paints and stains also attracted $6.8 million in media spending, according to Leading National Advertisers, an increase of 47% over 1982, and one of the few increases in product advertising at Clorox.

In 1983, Clorox increased its stake in the $4 billion (wholesale) architectural coatings business by acquiring U.S. marketing rights to Du Pont's Lucite consumer paints, expanding its line of interior coating and gaining entry to the interior paint market.

When sales of Lucite are added to those of Olympic and Carver Tripp paints and stains (brands Clorox acquired when it bought Comerco Inc., Tacoma, Wash. in 1981), 16% of the company's 1983 sales would have come from its architectural coatings business.

Declining interest rates improved the housing market in 1983, brightening business prospects for Clorox's Olympic Stain Division as well. Although interest rates recently have begun to inch up again, the division had a profitable fiscal 1984 and expects the projected growth of new households will continue to spur demand in this category.

Clorox household grocery products sales were ahead for the 12th consecutive year and achieved a record in fiscal 1983. Figures for fiscal 1984 are not finalized, but indicators show it was another good year. Several brands had record shipments in fiscal 1984, including Clorox liquid bleach, Clorox 2 dry bleach, Formula 409 and Soft Scrub—all among Clorox's biggest advertised products.

Clorox had healthy earnings in 1983 and 1984, a reflection of increased shipments, plus price increases in several brands, lower interest rates and the relatively flat cost of packaging materials.

Clorox introduced two new products nationally in fiscal 1984, continued to test at least one other, as well as updating established brands through innovative packaging and product reformulations during fiscal 1984.

The Oakland-based bleach company, making a major push into the $260 million cat box filler market, introduced Fresh Step, an odor-controlling cat litter, nationally in April, 1984. Spending was less than $400,000 in media. The clay-based product, which features a microencapsulated fragrance that's released whenever a cat steps on or scratches the litter, had been in various test markets since the fall of 1981. Tv, newspaper and magazine advertising plays up Fresh Step's patented technology and its "cat-activated odor control."

Clorox places high hopes on what some are referring to as its "high-tech cat litter" entry into one of the fastest growing pet products categories. Fresh Step, introduced in partnership with Oil-Dri, Chicago, is Clorox's second entry into the category. Its first, Litter Green, an alfalfa-based cat litter introduced in 1971, has lost share because of rejection by cats, sources say. Clorox denies speculation it may consider dumping the brand. It spent less than $200,000 in measured media on the brand in 1983, however.

Clorox, capitalizing on the success of its Hidden Valley Ranch salad dressing mixes, introduced the new bottled version of the product nationally in the spring of 1984. The product first appeared in June, 1983, in three test markets. Already dominant in the dry mix salad dressing market, Clorox hopes its Hidden Valley name will translate to the rapidly growing $570 million pourable dressing category. Tv, newspaper and magazine ads stress thickness and taste.

The Hidden Valley salad dressing mixes received $5.3 million in measured spending in 1983, down 9.2%.

Clorox withdrew Wave, a heavy-duty dry bleach, from four test markets after a disappointing performance, but since has reintroduced it in Phoenix and another market. Earlier, when asked about the pullout, group vp John Collins said, "It didn't live up to our expectations," but didn't rule out the possibility of reintroduction.

Wave competes against Vibrant, a dry bleach that P&G has been testing since 1981. Like Vibrant, Wave also is positioned as a heavy-duty bleach able to provide the whitening power of chlorine liquid with the safety of a dry.

Clorox, aiming to maintain its leadership position in the $500 million bleach business (at retail) and to add some sparkle to a relatively stagnant bleach market, introduced to test market Fresh Scent, a sweeter smelling version of its well-known Clorox liquid bleach. The product began testing in Memphis and Dallas in 1983 and added Oklahoma City, Kansas City and Wichita in April, 1984. Despite sluggish 2% annual growth, the company still believes there is a sizable untapped potential market for Clorox liquid among the 75% of the U.S. population that doesn't use chlorine bleach.

In its quest to further expand the bleach market, Clorox also began testing two different versions of Clorox 2 dry bleach, one formulated for improved whitening, one for improved cleaning in Phoenix, Atlanta and Milwaukee. It introduced the "advanced whitening formula" nationally last spring. Ads supporting the launch

People weekly performs

"To compete against the big guys, you need a magazine with the exposure and importance of People."

—Bonnie J. Baruch
Senior Vice President
Director of Client Services
Carlson, Liebowitz & Olshever, Inc.
Agency for Merle Norman

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LNA

claim it "whitens like a liquid bleach, but is safe on all colors."

Clorox spent $8.9 million advertising liquid bleach, down 16.3% from 1982, and $9.1 million on Clorox 2 bleach powder, down 10%.

Tilex mildew stain remover, a product the company introduced in 1981, is now the leader in its category. Last year, the company reformulated it to improve its scent and add a second cleaning property—it now removes soap scum from bathroom tiles. Tv ads emphasize these improvements. Measured spending was $2.5 million, down from $4.9 million.

In addition to new products, the bleach company is updating old ones. It added a new, "smooth flow" pouring feature to its Liquid-plumr drain opener in 1983, a move designed to reverse a volume decline in 1982. Clorox is introducing a new easy-to-open bag for its Kingsford and Matchlight brands. This apparently small detail is "an exclusive" that keeps the brand in front of competitors, said Clorox chairman-chief operating officer Charles R. Weaver at the company's 1983 annual meeting. Measured media spending for both Kingsford and Matchlight brands increased in 1983, respectively, to $3.4 million, up 13.9%, and $2.5 million, up 6.8%.

Clorox's Emil Villa's Original Hick'ry Pit restaurants opened two facilities in Seattle late last year, its first expansion outside the San Francisco Bay Area. Mr. Weaver described the Seattle openings as a test to determine whether the Emil Villa name can be exported successfully. The company now has 11 restaurants.

As part of an attempt to expand its food service products operations, Clorox in July, 1983, sought to acquire Rotanelli Foods Inc., a New Rochelle, N.Y., marketer of premium quality frozen Italian specialty foods. The two parties could not reach an agreement, however. Clorox still is shopping for a food company, or other acquisitions that would be a good fit with any part of its business, a spokesman said.

As it continued to grow in various areas, Clorox also pursued its strategy of divesting businesses that didn't fit into its plans. In 1983, it sold three food brands—BinB canned mushrooms to Pillsbury Co.; Cream of Rice cereal to Nabisco Brands, and Prime Choice steak sauce to the House of Herbs, Passaic, N.J.

There were several management changes in the spring of 1984. Among them: Anthony W. Biebl was promoted to general manager-food service products division, replacing G. Craig Sullivan, who had been vp of that division. Mr. Sullivan followed Michael R. Gallagher as vp-household products division. Dennis Rice succeeded W. Mahoney as marketing manager of the Olympic Stain Division in April. Both Mr. Gallagher and Mr. Mahoney left the company.

Clorox made few agency changes during the year. It assigned its Emil Villa restaurants to Scroggin & Fischer, San Francisco, in late 1983, succeeding Ogilvy & Mather. New radio and newspaper ads broke this spring in the Bay Area and Seattle. N W Ayer, New York, continues to handle Lucite paints, its account before Clorox bought the marketing rights to the brand.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$396,700	$373,700
Magazines	6,269,800	7,930,500
Spot tv	10,153,800	7,325,300
Network tv	41,383,500	47,359,400
Spot radio	528,700	—
Network radio	1,137,200	470,000
Outdoor	—	36,300
Total measured	59,869,700	63,495,200
Unmeasured	9,559,300	12,790,400
Estimated total	69,429,000	76,285,600

Marketing Personnel

Calvin S. Hatch, chairman-ceo
C.R. Weaver, president-coo
John W. Collins, group vp
R.C. Richter, vp-Olympic Stain div
W.E. Lynn, vp-Kingsford div
G.C. Sullivan, vp-household prods div
A.W. Biebl, genl mgr-foodservice prods div
David L. Goodman, vp-public affairs and mktg services
R.P. Johnson, adv mgr-household prods div
M.A. Perry, adv mgr-Kingsford div
K.S. Koelman, director-mktg, Clorox foodservice prods div
D. Rice, mktg mgr-Olympic stain div
R.H. Bolte, director-media operations

Advertising Agencies

Foote, Cone & Belding/Honig, San Francisco—Clorox bleach, Clorox 2, Formula 409, Soft Scrub, Twice As Fresh, Tilex—J.B. Balousek, mgmt super.

Needham, Harper & Steers/USA, Chicago—Clorox Pre-Wash, Liquid-plumr and Kingsford charcoal—S. Sharpe, mgmt super.

Young & Rubicam, San Francisco—Matchlight, Salad Crispins, Kitchen Bouquet, Fresh Step, Hidden Valley Ranch dry salad dressing, Litter Green, Olympic paints and Carver Tripp interior stains—Craig Branigan, mgmt super.

Scroggin & Fischer, San Francisco—Emil Villa Barbecue restaurant—Pam Becker, acct exec.

Foote, Cone & Belding/Honig, San Francisco—all Clorox foodservice prods except Moore's frozen foods—R.E. Blomquist, mgmt super.

Scott Inc., Milwaukee—Moore's frozen foods—Charles E. Reynolds, mgmt super.

N W Ayer, New York—Lucite paints—Janet B. Keeler, mgmt super.

ASK Joan Collins

• and Robert Mitchum • and Orson Welles • and Lauren Bacall • and Ricardo Montalban • and George Peppard • and Morgan Fairchild • and Mr. T • and Heather Lockleer • and Chevy Chase • and James Brolin • and Jimmy Stewart • and Barbara Eden • and Buddy Ebsen • and Mohammed Ali • and Sarah Purcell • and Eddie Albert • and Lloyd Bridges • and Ernest Borgnine and Shirley Jones • and Dick Van Patten • and Marcus Allen • and Phyllis Diller • and Rodney Dangerfield • and Burgess Meredith • and Juliet Prowse • and Jill St. John • and Julius Irving • and Lindsay Wagner • and Rita Moreno • and Mickey Rooney • and Jack Palance • and Jennifer O'Neill • and Diane Von Furstenberg • and Leonard Nimoy • and Scott Carpenter • and Elke Sommer • and Mel Tillis • and Doc Severinsen • and Audrey Landers • and Tony Randall • and Mclean Stevenson • and Joyce Brothers • and Arnold Schwarzenegger • and James Whitmore • and Mary Ann Mobley • and Howard Cosell • and Melvin Belli • and Ester Rolle • and Jayne Meadows • and Robert Conrad • and Don Knotts • and Toni Tennille • and Martin Mull • and Carl Reiner • and Ruth Buzzi • and David Steinberg • and Hope Lange • and Herschel Walker • and Tina Louise • and Ava Gabor • and The Smothers Brothers • and Rick Monday • and Helen Reddy • and Alan Carr • and Steve Allen • and Jo Anne Foxx • and Red Skelton • and Billy Carter • and Paul Williams • and Newton • and Peter Price • and E.G. Marshall • and Gary Burghoff • and Milton Berle • and Tony Martin • and Jerry Dennis • and Cesar Newman • and Ginger • and Trini Lopez • and • and Macdonald Carey • and Henny Youngman and Rosey Grier • and and Roddy McDowell • Richard Roundtree • and Avery Schreiber • and Nipsey Russell • and Bobby Riggs • and Rudy • and Roger Miller Worley • and Redd • and Joey Heatherton Billie Jean King • and Sid Ceasar • and Wayne Lawford • and Vincent • and Dorothy Lamour and Barry Sullivan • Dan Haggerty • and Lee Lewis • and Sandy Romero • and Barry Rogers • and June Allyson Aldo Ray • and Louie Nye • and George Plimpton • and Roger Williams • Linda Day George • and Bobby Morse • and John Newcombe • and Arte Johnson • and Martin Milner • and Vallee • and Arthur Hill • and George Jessell • and Kaye Ballard • and Morey Amsterdam • and Kevin McCarthy • and Cyd Charisse • and Bert Parks • and Gordon MacRae • and Rex Reed • and Buddy Greco • and Meadowlark Lemon • and Scatman Crothers • and Jackie Vernon • and Ed Byrnes • and John Cappalletti • and Buster Crabbe • and Tracy Austin • and Sheila MacRae • and Dorothy Malone • and Paul Burke • and Julia Meade • and Ann Miller • and Xavier Cugat • and Andrew Sisters • and Dennis Day • and Gisele MacKenzie • and Mickey Dolen • and Chubby Checker • and Ted Bessell • and Fats Domino • and Roger Miller • and Cliff Gorman • and Barnstable Twins • and Lyle Waggoner • and Martin Landau • and Don Adams • and Marty Allen • and Shaun Cassidy • and Steve Lawrence • and Eydie Gorme • and Della Reese • and Ron Palillo • and Rossano Brazzi • and Kevin Dobson • and James Earl Jones • and Merl Haggard • and Red Auerbach • and Marty Ingels Mothers

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Coca-Cola Co.

	1983	1982
Sales*	6,829,000,000	6,021,000,000
Earnings*	558,800,000	512,232,000
U.S. Advertising	282,150,000	255,325,600

*Worldwide

Coca-Cola Co., Atlanta, the nation's 22nd largest advertiser, boosted its ad spending 10.5% in 1983, to $282.2 million.

Net U.S. sales increased 11%, to $4.07 billion, 60% of worldwide sales of $6.83 billion. Worldwide earnings of $558.8 million were up 9.1%.

Coca-Cola USA, the company's North American soft-drink division, set a highly profitable course for Coca-Cola in 1983 when it rolled out diet Coke with NutraSweet, garnering a 4.1% market share in its first year of national sales, surpassing sister brand TAB as the leading U.S. diet soft drink.

By early 1984, the company began to claim that diet Coke—acknowledged as the nation's fourth leading soft drink brand behind sister brand Coke (24.1% market share in 1983), Pepsi (18.1%) and 7Up (5.4%)—actually had moved ahead of 7Up.

Beverage industry analyst Emmanuel Goldman of Montgomery Securities, San Francisco, estimated that diet Coke will end 1984 with a 5.8% market share, while 7Up will stay even at 5.4%.

In large part, the company credits diet Coke's success to its positioning to both males and females. TAB had earned a reputation, through everything from its pink packaging to its slim-figure marketing, as a woman's drink. A 1984 tv spot featuring male military trainees serenading diet Coke during a workout epitomizes the soft drink's positioning to men—a unisex positioning that the company is echoing in current spots for diet Sprite.

Coca-Cola backed diet Coke's debut with $21 million in measured 1983 advertising, up from $3.3 million in test year 1982.

Handled by SSC&B, New York, the diet Coke campaign tagged "Just for the taste of it" featured celebrities welcoming the new soft drink.

In 1984, SSC&B has altered the tag line slightly for each of its new spokespeople: Singer Kim Carnes, actor James Coco, singer Shari Belafonte, singer "Weird Al" Yankovic, model Christie Brinkley, baseball's Tommy Lasorda and pilot Chuck Yeager among others.

The company thought enough of SSC&B's diet Coke work to move its regular and caffeine-free TAB account there in mid-1984 from McCann-Erickson, Atlanta and New York, agency for the company's flagship brand.

In 1983, Coca-Cola spent nearly $25 million in measured ad spending for TAB, up 29.2% from the previous year. Most of the additional ad spending—about $4.6 million—was devoted to spots featuring caffeine-free TAB.

McCann-Erickson replaced the short-lived "You're my TAB!" campaign (introduced in August, 1983) with "Let's taste new TAB," which appeared as the soft drink was reintroduced in early 1984 with an aspartame/saccharin sweetening blend and slightly modified, darker packaging.

Although diet Coke took over TAB's spot as the leading U.S. diet cola, Coca-Cola has played down the rivalry between its leading diet drinks. Although TAB's market share has slipped from 3.8% in 1982 to 2.7%, together with diet Coke it holds a 45% share of low-calorie soft-drink sales in U.S. food stores.

Coca-Cola moved to boost Sprite's market share from the current 2.8% by increasing measured ad spending to $21 million in 1983, up 62.8% from the previous year.

Agency Marschalk Co. in October introduced a new, aggressive ad campaign for Sprite that for the first time directly took aim at its top rival, 7Up. Tagged "It's only Sprite for you," the initial ads featured consumer taste test results; the secondary wave used slice-of-life scenes in which the two lemon-lime drinks were compared.

Sugar-free Sprite benefited from nationwide reintroduction with a new name (diet Sprite), an aspartame/saccharin sweetening blend and new packaging. To reinforce the ties between the regular and diet versions, Marschalk used the tag line "It's only diet Sprite for you" in new high-profile spots for the low-calorie drink. At $4.7 million, measured ad spending was 51.6% higher in 1983 than in the previous year.

Coca-Cola devoted a portion of its $20 million Summer Olympics buy to Sprite and diet Sprite. In 1982, by comparison, the company did not buy any network tv time for diet Sprite.

Measured spending for the company's flanker brands—Mello Yello, Fresca, Mr. PiBB, Ramblin' root beer and Fanta—totaled only $1.1 million in 1983, representing a drop even from 1982's minimal spending.

At press time, rumors that Coca-Cola was contemplating moving Fresca and Mello Yello from Atlanta-based McDonald & Little to parent Ted Bates Advertising were unconfirmed.

Measured spending for the flagship Coca-Cola brand also fell slightly in 1983, but on a much different level: From 1982's $45 million to $42.8 million in 1983.

The company's success with diet Coke led McDonald's Corp. to make the latter one of two authorized diet soft drinks available to operators of its 6,200 U.S. outlets. Sprite beat out 7Up as the company's authorized lemon-lime fountain drink. But as soon as Coke had won one, it lost two: Both Burger King and Wendy's International moved their company-owned stores' fountain business to PepsiCo from Coca-Cola, resulting in a loss of some 5,000 restaurant outlets. Fountain sales account for about 33% of Coca-Cola's U.S. soft-drink sales.

Cola-Cola's Houston-based foods division experienced another profitable year with sales up more than 10%. Minute Maid orange juice maintained its leader's share of the orange juice market, with sales volume up 10% in 1983, despite the debut of Procter & Gamble's Citrus Hill and stronger marketing of other refrigerated and frozen juice brands such as Tree Fresh and Beatrice Cos.' Tropicana.

Minute Maid's market position was strengthened by several line extensions, including the debut of an extra pulp juice and a reduced acid juice introduced in January, 1983.

Measured ad spending for Minute Maid products was down slightly, from $14 million in 1982 to $13.6 million in 1983.

The Foods Division aggressively extended the Minute Maid name on a new line of frozen juice bars (available in selected markets) and 10-oz. juice cartons (now national). Hi-C frozen fruit bars and Minute Maid orange soda remain in test. The company plans to introduce Minute Maid and sister brand Five Alive, in aseptic packages this year.

The company reported that its Columbia Pictures subsidiary did not meet profitability expectations in 1983, its first full year under Coca-Cola's umbrella, despite the critical and financial success of "The Big Chill." However 1984 releases, led by the summer blockbuster "Ghostbusters" and including "The Karate Kid" and "Moscow on the Hudson," bode well for a move into profitability. In addition, Tri-Star Pictures, Columbia's joint venture with CBS, scored well with its initial venture, "The Natural."

Columbia's measured ad spending rose about 25%, to $40.6 million, in 1983.

Coca-Cola Co. sold its Wine Spectrum unit to Joseph A. Seagram & Sons for more than $200 million in 1983, then signed an agreement with Seagram to handle its line of mixers.

Major 1983 personnel changes included the departure of Frank Price, Columbia Pictures chairman-ceo, and the appointment of Sergio Zyman to the new post of senior vp-marketing for Coca-Cola USA.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers........	$6,037,000	$4,424,500
Magazines........	8,582,100	5,762,700
Spot tv...........	70,672,600	59,311,300
Network tv........	95,888,700	87,208,500
Spot radio........	8,048,400	14,185,300
Network radio.....	—	124,600
Outdoor..........	3,284,400	3,189,400
Total measured..	192,513,200	174,206,300
Unmeasured....	89,636,800	81,119,300
Estimated total..	282,150,000	255,325,600

COCA-COLA USA
Marketing Personnel

Brian G. Dyson, senior vp, The Coca-Cola Co. and president, North American Soft Drink Business Sector
Sergio Zyman, senior vp-mktg operations,
Albert E. Davis, vp-mktg, Coca-Cola USA
Clare Bisceglia, director-adv and production services
Charlotte Weissenberger, director-media services
William L. Schermerhorn, group brand director-cola brands
C. Patrick Garner, group brand director-allied brands
Mike Beindorff, group brand director-diet brands
Daniel O. Haas, director-promo services

Advertising Agencies

Burrell Advertising, Chicago—Black consumer advertising—Tom Burrell, president; Sarah Burroughs, senior vp; Freida Curry, acct super; Raynard Hall, asst acct exec.

Castor Spanish International Inc., New York—Hispanic consumer advertising—Castor Fernandez, president; Arturo Andrade, exec vp.

Kenyon & Eckhardt, New York—Ramblin' root beer, Sugar-Free Ramblin' root beer—Tom McDonough, acct mgr; Lois Homma, acct super; Susan Popper, acct exec.

Marschalk Co., New York—Sprite, diet Sprite, Mr. PiBB, Sugar-Free Mr. PiBB new prods—Eric Einhorn, exec vp; Peg Jump, vp; Rob Petersen, acct super; Frank Tow, acct exec; Cary Raffle, acct super-new prods.

McCann-Erickson, Atlanta and New York—Coca-Cola, Caffeine-Free Coca-Cola, Fanta—(Atlanta) Ronald E. Sugarman, exec vp, worldwide mgmt rep; John Dooner, senior vp; David Clapp, senior vp; Terry Fagan, vp; Linda Torossian, acct super; Bruce Hoster, senior acct exec; Cheryl Dunn, senior acct exec; (New York) William C. Thompson, exec vp, McCann-Erickson Worldwide; John F. Bergin, vice chairman, McCann-Erickson Worldwide; Joseph McNeill, senior vp-creative director; Lawrence Clucs, vp-acct exec; Walter Trueman, senior vp; Nancy Hanau, acct exec.

McDonald & Little, Atlanta—Fresca and Mello Yello—Michael McDonald, president; Joseph Lonsdorf, mgmt super; George Dick, acct super.

SSC&B, New York—diet Coke, Caffeine-Free diet Coke—Steve Norcia, vp-senior mgmt officer; Rudy Bechtel, senior vp-mgmt super; John Fraser, acct super; Becky Broers, acct exec; Matt Lake, asst acct exec. TAB and Caffeine-Free TAB—Spencer Plavoukos, vice chairman-senior mgmt officer; Don Lenehan, vp-mgmt super; Neal Wilkins, acct super; Sheila Dailey, acct exec.

COLUMBIA PICTURES INDUSTRIES INC.
Marketing Personnel

Francis T. Vincent, senior vp-The Coca-Cola Co. and president-Entertainment Business Sector and chairman-ceo-Columbia Pictures Industries
Richard C. Gallop, president, coo and chairman
Ashley Boone, president-Columbia Pictures domestic distribution and marketing group
Steven Kasloff, senior vp-creative director adv
Paula Garrett Kelley, senior vp-media adv
Katherine Orloff, senior vp-domestic publicity and promotion
Randy Wicks, senior vp-director, adv
Lenore Cantor, vp-research
Todd Martin, vp-a/v production, adv/-publicity
Mark Urman, exec director-East Coast publicity
Diane Charbanic, senior director-media and coop adv
Charles W. Bigbee, director-adv production
John C. Flinn, director-industry relations
Jack Friend, director-coop adv
Judi Schwamm, director-natl promotion and field operations
Richard Scott, director-natl publicity
Miriam Alexander, assoc director-rsch

COLUMBIA PICTURES TELEVISION GROUP

Herman Rush, president
Barbara Corday, president-Columbia Pictures Television
Joseph Indelli, senior vp-domestic distribution
Steve Astor, vp-adv and promo, domestic distribution
Kay Dangard, vp-promotion and publicity

COLUMBIA PICTURES MERCHANDISING

Lester J. Borden, vp-general mgr

COLUMBIA PICTURES PUBLICATIONS

Frank J. Hackinson, president

MYLSTAR ELECTRONICS

Boyd W. Browne, president

Advertising Agencies

Ogilvy & Mather, Los Angeles—Mary Ellen Stoetzel, vp-mgmt super; Jules Fine, exec vp-director, mtkg services.

Diener/Hauser/Bates, New York—Norman Trell, exec vp-exec media director; Eugene B. Cofsky, president-West Coast div.

FOODS DIVISION
Marketing Personnel

Ira Herbert, exec vp, The Coca-Cola Co. and president, Foods Business Sector
Eugene V. Amoroso, president and ceo, Coca-Cola Foods
Clinton E. Owens, senior vp-mktg and genl sales
Thomas C. Cleveland, senior vp-coffee and foodservice
Timothy J. Haas, vp-consumer sales
Jay M. Mower, vp-beverage mktg
Frank E. Blod, vp-orange juice mktg
Dan W. Valentine, director-mktg services

Advertising Agency

Marschalk Co., New York and Houston—Dick Villante, exec vp; John Oliver, senior vp-mgmt services director; Robert Shea, vp-acct super; Ken Roffe, senior vp-director, new prod group; Eric Einhorn, vp-mgmt super; Samuel Smith, acct super.

Coleco Industries

	1983	1982
Sales*........	$596,498,000	$510,300,000
Earnings*......	(7,433,000)	44,896,000
U.S. Advertising	55,216,373	31,518,703

*Worldwide

Coleco Industries, West Hartford, Conn., the 98th largest national advertiser, posted a 75% increase in advertising in 1983 as the company suffered a net loss in earnings on sales that increased 17% for its computers, games software and toys business.

Coleco, which logged total advertising expenditures of $55.2 million for 1983, spent $45.6 million of that amount in measured media—the largest share, or $14.3 million, on computer videogames, according to Leading National Advertisers, which monitors media ad spending.

Game systems and cartridges attracted $11.5 million in media, including videogame cartridges, $8.1 million, and Adam computer, nearly $4.5 million in measured ad spending. The advertising emphasis on videogames chased the biggest sector at Coleco, the consumer electronics segment. Consumer electronics accounted for $403.9 million, or 68% of total sales, but produced an operating loss of $22.3 million.

The company's other segment, toys and games, generated an operating profit of $17 million on sales of $192.6 million.

Coleco was affected adversely by the flurry of cartridges and producers in the videogames industry, a glut not expected to ease until the end of 1984 if

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LNA

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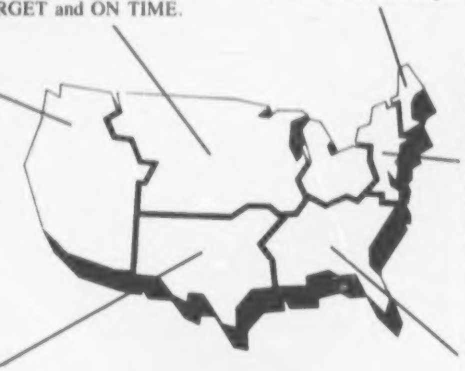

MARKET ANALYSIS
A SOLUTION to the transshipment quandry. Tells you what percent of an account's business is in or out of your market, based upon the ACV of each of the account's stores.

RETAIL DATA BASE
A STORE BY STORE view of the forces and factors influencing distribution of your product—UPDATED DAILY for accuracy.

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Index your sales by account to each account's TRUE POTENTIAL in any market—highlights genuine strengths and weaknesses.

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Chicago, IL 60604
(312) 663-5560

even then, according to industry analysts. Coleco sales of 8 million cartridges in 1983 out of a total unit sales of 80 million for the industry, gave it a 10% market share behind Atari (39%), Mattel (15%) and Activision (14%), according to Goldman, Sachs & Co.

Contributing to the losses in 1983 was the marketing delay of Coleco's new Adam computer. Initial delivery date for the Adam was midyear, but engineering and production problems kept delaying delivery. Coleco ultimately had only 95,000 out of a predicted 500,000 on the market by year's end.

Coleco subsequently postponed $4 million in advertising for the unit from the last quarter of 1983 to the first quarter of 1984. The aborted Adam campaign was tagged "Command the Powers of Adam." The four spots appeared only briefly on the air before they were pulled, said Al Kahn, exec vp-marketing.

Previously, the company had said it planned to spend between $20 million and $25 million in total advertising in 1983 on the Adam system, which retails for about $600. The delay reduced the 1983 Adam advertising to between $16 million and $20 million in both measured and unmeasured advertising.

Coleco's first-quarter results ended March 31, 1984, indicate the company is not out of the trough, yet. While sales increased 3.3%, earnings dropped to $4.4 million from $16.2 million in the first quarter of fiscal 1983.

Coleco invigorated its Adam computer ad budget in mid-August, 1984, with a new $15 million advertising campaign, largely on tv, targeted at families with school-age children. The pitch, conceived by Ketchum Advertising, bears the slogan, "The smartest gift you can give your family." The 60-second commercials created for the Adam, and which will coincide with first back-to-school and then Christmas advertising, point out that children can do better homework with the aid of a computer.

The company, which says its problems with Adam are now solved, continues to record smart sales for the Cabbage Patch Kids.

Coleco set the children's world, and consequently the adult one, on its ear with the introduction of the dolls at the end of 1983, selling more than 3.2 million dolls for the year. It spent $3.5 million advertising toys, dolls and accessories in 1983, but received untold editorial support during the Christmas period for the Cabbage Patch Kids.

Worldwide demand for the Kids continued to accelerate into the new year. In the first six months, sales more than doubled for the dolls from last year's totals. In the first quarter alone, about 2.5 million of the dolls were shipped, and the unshipped order backlog for the Kids at quarter's end was worth $200 million. Coleco is taking care of the backlog by signing additional contractors to manufacture the dolls.

Riding the crest of the Cabbage Patch phenomenon, Coleco is lending the popular name to a number of other toy products and videogames.

The company in the spring introduced the infant Cabbage Patch Kids Preemies, the 'Koosas or pets, 5-in. collectible Cabbage Patch Kids Pin-Ups and a variety of doll clothing and accessories.

Cabbage Patch Kids also is the name of a new videogame introduced by ColecoVision in 1984. Six additional video titles were introduced in the second quarter of 1984.

Coleco and a unit of American Telephone & Telegraph Co. have agreed to develop a joint venture to distribute videogames and entertainment software by telephone.

The venture promises to give Coleco access to millions of videogame and home-computer buyers who have purchased systems from competitors. The access was expected to expand Coleco's ability to buy marketing rights for software.

Coleco is confident it has solved the production problems that plagued the Adam. The company laid off nearly 2,000 employes at various production facilities.

Marketing geared back up for the Adam in late summer of 1984, as Coleco unveiled a new campaign—mostly through seven spots on national tv. Mr. Kahn said the campaign would be similar to the previous one, but also would accentuate price, value, completeness and ease of purchase.

ADVERTISING EXPENDITURES*

	1983	1982
Newspapers	$194,284	$262,219
Magazines	1,766,845	1,257,405
Television**	53,255,244	29,950,946
Radio	—	48,052
Total measured	55,216,373	31,518,703

***Provided by Coleco.**
****Coleco refuses to break out spot and network tv or rádio for proprietary reasons.**

ADVERTISING EXPENDITURES†

	1983	1982
Newspapers	$272,500	$340,050
Magazines	1,773,900	1,246,300
Spot tv	14,331,300	14,181,800
Network tv	29,488,500	10,920,560
Spot radio	6,200	9,453
Total measured	45,872,400	26,698,053
Unmeasured	9,343,973	4,960,650
Estimated total	55,216,373	31,658,703

†From AA's usual sources

COLECO INDUSTRIES INC.
Marketing Personnel

Al Kahn, exec vp-mktg
Jerry Wood, vp-mktg toys/games
Harvey Zelman, director-mktg dolls/toys
Harvey Johnson, director-mktg services
Bob Wanke, mgr-mktg entertainment software
Cheryl Stoebenau, director-licensing

Advertising Agency

Ketchum Advertising, Pittsburgh—electronics (Adam)—Gregory W. Faust, acct super.

Richard & Edward's Inc., New York—toys and electronics (media placement)—Dick Schwarzchild, president; Ed Mandell, exec vp-creative director; Lloyd Fink, vp-creative director; Jay Wolf, vp-art director; Shelly Hirsch, senior vp-media director.

Colgate-Palmolive Co.

	1983	1982
Sales*	$4,865,000,000	$4,888,000,000
Earnings*	381,000,000	394,000,000
U.S. Advertising	268,000,000	268,000,000

*Worldwide

Colgate-Palmolive Co., New York, the nation's 24th largest advertiser, maintained advertising spending at $268 million in 1983, a year marked by a dramatic agency shift.

The company used much of its advertising budget to support product introductions and relaunches. It especially has focused on rebuilding market share, often with reformulated products, for its core group of household brands.

Worldwide sales were $4.87 billion in 1983, down 0.5% from 1982. Net income dropped 3.3%, to $381 million. U.S. sales of $2.2 billion, 45% of total sales, were up 10% from 1982.

In May of this year, Reuben Mark, president of the company, succeeded Keith Crane as ceo. Mr. Crane, 63, who had held that position for five years, will remain chairman. Mr. Mark will continue as president, a position he was elected to a year and a half ago.

Also in May, William S. Shanahan and J. Dale Sherratt, exec vps, were named to the new positions of senior exec vps-chiefs of operations. Mr. Shanahan is responsible for worldwide Colgate and other operations. Mr. Sherratt heads Kendall and other related hospital, industrial and fiber businesses.

The executive reorganization is seen as a positive sign in the investment community. "I personally think Reuben Mark is going to make a major, major difference," said Hercules Segalas, analyst with Becker Paribas Inc.

In the past two years, Mr. Segalas said, Colgate has gone through a period of "profitless prosperity." The company has expanded unit sales and domestic market shares in the cycle, but has seen its net income blunted by a strong U.S. dollar and investment spending.

Colgate's U.S. market share gains have been "pretty much across the board," Mr. Segalas said, "but have been especially significant in toothpaste. Of all the companies, they did the best job in gels."

Colgate made waves last year by engineering sweeping agency reassignments. It dropped Kenyon & Eckhardt in the U.S. and D'Arcy McManus Masius overseas and assigned $120 million in worldwide business to Young & Rubicam.

So far, the impact of the agency realignment hasn't been seen, but the company plans to continue to spotlight selected household and healthcare brands, including Fab with fabric softener, Dynamo Action Plus, Ajax all-purpose cleaner and Curad flexible bandages.

Last year, the company introduced 162 new and revitalized products in 44 countries.

Adding muscle to Colgate's campaign to win market share in the U.S. toothpaste market was its expenditure of $33.6 million in measured media on its toothpaste brands in 1983. That compares with $32.4 million a year earlier.

Of the total media buy for toothpastes, Colgate gel got $17.6 million, and Colgate regular and gel as a combined promotion got $12.2 million, and Ultrabrite got $3.5 million, down from $4.5 million a year earlier. Minor ad spending went to Dentagard and Peak toothpaste with baking soda.

The company recently introduced a new pump dispenser for Colgate toothpaste and gel in the U.S. after a successful launch in Europe. Colgate toothpaste is the No. 2 brand in the U.S., holding about 22% of the category. Ultrabrite and Peak hold a 2% market share together.

In its laundry detergent category, Colgate curtailed ad support for Fresh Start, a concentrated laundry detergent with a market share of 4%. The detergent got $11.6 million in measured media this year, a drop from $16.7 million a year earlier.

It beefed up its media backing for Fab with fabric softener. Fab, which holds a 3% market share, got $5.3 million in measured media, a big increase over the $1.4 million in advertising it received last year.

Dynamo Action Plus, the liquid laundry detergent with just over a 3% market share, got $5.1 million, about on par with the $5.8 million spent by the company on the product last year.

Palmolive dishwashing detergent, with a 12% market share, was backed with $9.9 million in measured media, a slight decrease from the $10.7 million it received last year.

Ajax dishwashing detergent got about $3.8 million in media backing last year, off slightly from the $4.4 million it received in 1982. Ajax has a 3% market share. The leading Ajax product receiving ad support was the new liquid cleaner, which received $7.1 million, up from $400,000.

The measured media budget for Curad flexible bandages was $3.9 million. That expenditure was the backup support for a fanfare year in 1982 when the company introduced the flexible bandages with $5.9 million in media backing.

The deodorant soap Irish Spring, which has a 4.6% share of the toilet soap market, got $6.6 million in measured media. The soap received about $7.5 million in ad dollars in 1982.

Among the new products, Splendor shampoo received $2.3 million in measured support during 1983.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,664,300	$2,582,500
Magazines	8,477,800	7,208,900
Farm publications	226,000	216,300
Spot tv	29,596,000	23,919,900
Network tv	59,915,100	59,653,900
Spot radio	3,925,800	4,300,900
Outdoor	—	6,600
Total measured	103,805,000	97,889,000
Unmeasured	164,195,000	170,111,000
Estimated total	268,000,000	268,000,000

COLGATE-PALMOLIVE CO.
Corporate Personnel

Keith Crane, chairman
Reuben Mark, president-ceo
William W. Powell, senior exec vp-chief devel officer
William S. Shanahan, senior exec vp-coo C-P worldwide
J. Dale Sherratt, senior exec vp-C-P; coo-ceo, Kendall Co.
John M. Watkins, senior exec vp-chief strategy and business devel officer

U.S. MARKETING
Marketing Personnel

A. Courtenay Shepard, vp-genl mgr
A. Allen, vp-creative services
R.E. Blanchard, director-mktg, regular prods
A.X. DeNisco, director-devel and planning
K. Thornhill, J. Benfield, L. Deming, M. Jennings, category mgrs
P. Amershadian, G. Baratta, T. Holton, J. Uzzolina, group mgrs

Advertising Agencies

Ted Bates Advertising/New York—Colgate toothpaste, Palmolive dishwashing liquid, Palmolive soap, Colgate toothbrushes, Palmolive Rapid Shave—Roger Pisani, exec vp; Geoffrey L. Clarkson, Ila Feld, senior vps-mgmt reps; Don Byer, David Watson, Jane Suslavich, vp-acct supers; Paul McCormick, Steve McDonald, Ted Powell, Mary Atwater, Bonnie Perkel, acct execs; Ron James, asst acct exec.

Foote, Cone & Belding, New York—Dynamo detergent, Fab detergent, Curad bandages, Ultra Brite toothpaste, Fluorigard dental rinse, new prods—Charles Taney, senior vp-group mgmt director; James Bonner, vp-mgmt director; Warren Dobbs, acct director; Charles Ballard, acct exec; John Seidl, asst acct exec.

Young & Rubicam, New York—Fresh Start detergent, Irish Spring soap, Ajax all purpose cleaner, Ajax dishwashing liquid, new prods—James McCoubrey, exec vp; Tim Pollak, senior vp-mgmt super; John Foote, vp-mgmt super; Phil Asche, Ken Robinson, vp-acct supers; John Leonard, Mary Ellen Kenny, acct supers; Paul Lorant, Jeff Salguero, Jeff Frankum, acct execs.

Siboney, New York—Hispanic advertising for Colgate toothpaste, Fresh Start, Fab, Palmolive dishwashing liquid, Palmolive

The top 25 farm publication advertisers

Rank	Advertiser	Expenditures ($000) 1983	Expenditures ($000) 1982
1	Monsanto Agricultural Products	$8,288.2	6,870.9
2	Ciba-Geigy Corp.	5,587.4	6,560.8
3	Elanco Products Co.	4,859.8	6,793.1
4	Stauffer Chemical Co.	4,317.6	5,272.6
5	John Deere & Co.	4,254.7	4,410.5
6	Du Pont*	4,119.0	3,383.2
7	International Harvester Co.	3,906.3	4,248.8
8	Mobay Chemical Corp.	3,768.9	2,603.6
9	American Cyanamid Co.*	3,449.1	4,636.1
10	Ford Motor Co.*	3,431.3	3,390.8
11	U.S. Government*	2,904.7	2,271.4
12	Dow Chemical Co.	2,437.1	2,656.0
13	Upjohn Inc.	2,283.0	1,800.2
14	Pioneer Hi-Bred International	2,132.1	2,039.1
15	J.I. Case Co.	2,105.5	1,482.5
16	Sperry Rand Corp.	2,085.0	2,254.5
17	Shell Oil Co.	2,036.1	1,905.0
18	BASF Wyandotte Corp.	2,007.9	1,913.7
19	DeKalb Agresearch	1,744.4	1,679.0
20	General Motors Corp.*	1,740.9	1,596.4
21	Union Carbide Corp.*	1,722.8	1,614.9
22	SDS Biotech	1,717.9	1,347.6
23	Ralston Purina Co.*	1,654.3	846.0
24	Allis Chalmers	1,592.8	1,295.1
25	Pfizer Inc.*	1,552.3	1,672.0

Source: Agricultural Marketing Information Service (AGRICOM).
*Indicates a 100 Leading National Advertiser

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IOA
INSTITUTE OF OUTDOOR ADVERTISING

soap, Irish Spring, Ajax dishwashing liquid, Ajax all purpose cleaner, Ajax cleanser—Alexander Berger, vp-genl mgr; Gary McBride, director-client services; Lynnette Guzzino, acct super, Carla Trum, acct exec.

SPORTS & RECREATION DIVISION

Marketing Personnel

J.E. Grimm III, vp-genl mgr

Bike Athletic

Marketing Personnel

J.M. Axford, president
J. Corbett, mktg mgr

Etonic Inc.

Marketing Personnel

S.D. Tannen, president
J.R. Larsen, vp-mktg

Advertising Agencies

Lavidge & Associates, Knoxville, Tenn.—Bike Athletic—Hal Ernst, acct exec.

Creamer Inc., Providence, R.I.—Etonic—Guy Corcoran, vp.

KENDALL CO.

Marketing Personnel

J.D. Sherratt, president

Hospital Division

T.E. Tierney, group vp
M.B. Cogbill, vp
K. Wester, senior adv mgr
J. Dawson, adv mgr

Advertising Agency

Rizzo, Simons & Cohn Inc.—Phil Mathews, acct exec.

Industrial Division

F.J. Zeitvogel, group vp
D. Arena, vp-industrial
J.H. Jacobsmeyer, vp-fabrics
R.C. Gockelman, director-Special Ventures Group
D. Battelle, senior adv mgr
B. Holt, adv mgr

Advertising Agency

Ingalls Associates—Linda McDonald, acct exec.

Consumer Division

E.E. Hinds, vp
D. Battelle, senior adv mgr
B. Holt, adv mgr

Advertising Agency

Humphrey Browning, MacDougall, Boston—Curity diapers, baby clothing—Ann Manning, acct mgr.

International Division

C.P. Bruen, vp

PRINCESS HOUSE

Marketing Personnel

Robert J. Haig, president
John Galazin, vp-sales and mktg

Advertising Agency

Leonard Monahan & Saabye—Cathy Ottaviano, acct super.

RIVIANA FOODS INC.

Marketing Personnel

Frank A. Godchaux III, ceo
Joseph A. Hafner Jr., president
Charles R. Godchaux, president, Riviana Rice USA
Elliot H. Wallin, senior vp-sales and mktg, Riviana Rice USA
Christopher L. Haines, vp-mktg, Riviana Rice USA
Thomas M. Forshee, natl sales mgr, Riviana Rice USA
Richard L. Carte, D.V.M., vp-mktg and sales, Hill's Pet Products
David Geier, director-food mktg, Hill's Pet Products
Tim Phillips, D.V.M., prescription diets product mgr, Hill's Pet Products
James C. Humphrey, vp-Pet Chemicals
James L. Means, director-mktg, Pet Chemicals
Robert L. Davison, professional prods mgr, Pet Chemicals

Advertising Agencies

Bloom Agency, Dallas—Riviana rice—Stan Hansen, senior vp; Nancy Rehling, acct exec.

Harmon Smith Advertising, Kansas City—Hill's Pet Products—Marc Ford, acct exec.

ASSOCIATED PRODUCTS

Marketing Personnel

L. Karl Hollering, vp-genl mgr
A.P. Chadourne, director-Sterno Maxwell-Phillip business entity
W.R. Voorhees, director-industrial and institutional business entity
P.F. Manzione, director-military business entity

Advertising Agencies

Stern Walters/Earle Ludgin, Chicago—industrial, institutional, Sterno—M. Friend, senior vp-acct super.

Albert J. Rosenthal & Co.—military—A. Becker, acct super.

Consolidated Foods Corp.

	1983	1982
Sales*........	$7,000,310,000	$6,572,298,000
Earnings*.....	188,441,000	171,255,000
U.S. Advertising	195,858,000	178,006,900

*Worldwide for fiscal 1984 ended June 30, fiscal 1983 ended July 2.

Consolidated Foods Corp., Chicago, the nation's 33th largest advertiser, spent an estimated $195.9 million on advertising in 1983, representing a 10% increase over the previous year.

Companywide sales for fiscal 1984, ended June 30, rose 6.5%, to $7 billion. Earnings, likewise, increased 10%, to $188.4 million.

The diversified food and personal products manufacturer consolidated operations by selling its struggling L'Erin cosmetics line last August. The sale represented a companywide trend toward divesting smaller, less-profitable subsidiaries in favor of traditional "core businesses."

To further focus on those businesses, Consolidated has divided its 21 operating units into five areas: Consumer foods (representing about 27% of sales), beverages (20%), consumer personal products (20%), foodservice distribution (19%) and consumer direct sales (14%).

Within those groups, Consolidated scored a number of marketing successes in 1983—among them the continuing sales growth and line extension of Sara Lee croissants, Capri Sun fruit drinks, Hanes Underalls and Shasta soft drinks.

Consolidated's consumer foods segment is led by the Chicago-based Kitchens of Sara Lee, which, after several sluggish years, again has begun adding aggressively to its frozen baked goods lineup—and marketing to ensure success of those new products.

In the late 1970s, Sara Lee virtually ceased advertising. However, the division's over-all ad budget, estimated Richard Sharoff, senior vp-retail division, has more than doubled since fiscal 1982.

About $1.9 million of Sara Lee's $5.7 million in 1983 measured media spending supported the company's frozen croissant line. The croissants, which debuted with an initial three flavors in February, 1983, were "an instant success," Mr. Sharoff said. Measured ad spending on croissants was divided almost equally between spot tv and magazines.

"Croissants don't just represent a single product for us," Mr. Sharoff said. "They are a whole new category of baked goods." In April, 1984, Sara Lee introduced a line of frozen croissants filled with chocolate, strawberry, apple and cinnamon nut raisin.

In 1983, Sara Lee added three premium cheesecakes called Elegant Endings and two new pound cakes (raisin walnut and chocolate chip). The company continues testing Creative Cake Layers, its ready-to-assemble baked cakes, in various markets around the country.

Cake Layers is being supported by advertising tagged "Sara Lee bakes. You create" and "We do the hard part, she does the creative part," said Mr. Sharoff, who noted the product "looks very promising" for national rollout.

The company also continues its test of Sara Lee Super Premium ice cream, introduced in late 1982. About $280,000 was spent on advertising in 1983.

Each of these new products is part of what Mr. Sharoff terms Sara Lee's efforts "to bring our product line more in sync with the consumer's sophistication while moving into new product areas."

In addition to Sara Lee, Consolidated's consumer foods segment includes Popsicle Industries, which joined with Nabisco Brands to introduce Oreo Cookies n' cream in half gallons, ice-cream sandwiches and chocolate-covered ice-cream bars.

During late 1983 tests, the Cookies n' cream products were backed by an estimated $6 million national advertising and promotion campaign and received instant consumer acceptance when rolled out nationally in early 1984.

Consolidated's other consumer foods divisions kept ad spending near 1982 levels. The five processed meat brands—Hillshire Farm, Bryan Kahn's, Rudy's Farm, Gallo Salame and Smoky Hollow—account for about half of the consumer food segment's sales and about $6.8 million in 1983 measured media spending.

The frozen pies group, which markets Chef Pierre and Lloyd J. Harris brands, resumed advertising with 1983 spending of about $504,000.

A substantial percentage of Consolidated's over-all ad spending supports its California-based Shasta Beverages division. In 1983, estimated Shasta executive vp James Fletcher, ad spending for Shasta and C&C soft drinks and Capri Sun fruit juices totaled about $20 million—the division's highest-ever spending level.

Mr. Fletcher said he expects ad spending to rise another 15% in 1984.

Shasta's "I wanna pop" campaign for its regular canned soft drinks will continue through 1985, he said, with two or three new executions this year. "Consumer recall has been just spectacular," he said of the spots created by Needham, Harper & Steers, Chicago. The company spent more than $5 million on Shasta measured network and local tv buys in 1983.

One of the division's key 1984-85 goals is improving its diet soft drinks. In January, Diet Shasta will be reintroduced with an aspartame/saccharin sweetening blend. Meanwhile, 100% d'Lite, a soft drink sweetened with 100% aspartame, has just moved into test in Kansas City, Omaha and Minneapolis.

The company's 100% d'Lite is not the only 100% aspartame soft drink on the market, Mr. Fletcher said, but the only multiflavored one available. (Flavors include cola, root beer, lemon/lime, orange, ginger ale and grapefruit.) Unlike the lower-priced Shasta brand, 100% d'Lite is sold at mainstream soft drink prices.

Advertising touts, "The end of the age of saccharin aftertaste." The tv, outdoor and newspaper campaign is being handled by Doyle Dane Bernbach.

Although Mr. Fletcher said national rollout of 100% d'Lite is "tentative as of yet," he said the company "will roll it out eventually."

In addition to 100% d'Lite, Shasta early this year introduced a seven-flavor line of all-natural soft drinks, Spree. Now in test in northern California, Ohio and Florida, low-sodium Spree is caffeine, preservative and artificial color-free. Advertising by Needham is tagged "Hit me with a Spree."

Targeted to adults 18 to 39, Spree's primarily citrus flavors offer "a more adult taste," Mr. Fletcher said.

He described these test products as supplements to the company's Shasta brands, which hold about a 2% share of the U.S. soft drink market. "There are enough positioning opportunities in the soft drink category," he said, "to hold these products, too."

Shasta's Capri Sun single-serving, foil-pack fruit juices still lead the market with a 33% share despite the rush of competitors. To reflect the market's growth and competitiveness, Capri Sun's measured ad spending jumped from about $2 million in 1982 to $5.6 million in 1983. Nearly 60% of the latter figure was spent on network tv buys, with about 27% going to spot tv and 14% to magazines.

Mr. Fletcher said that Capri Sun's primary audience is children 8 to 14. The company currently is working with Needham on three new Saturday morning tv advertising approaches to better appeal to that group of what he terms " 'tweens."

Capri Sun has just begun testing a three-liter pouch in a box positioned as a direct competitor to the fruit juice category's 46-oz. cans.

Despite the excitement within its food and beverage segments, the bulk of Consolidated Foods' ad budget is devoted to its lines of women's hosiery and men's underwear.

During 1983, the Hanes Hosiery division extended its Underalls line with Coloralls, rolled out nationally last fall. Although Hanes vp-marketing Bob Simms said Coloralls received only about $1.5 million in separate advertising dollars, the brand was supported in spots for the complete line of Underalls, Slenderalls and Winteralls. Hanes spent almost $4 million in measured media buys for Underalls in 1983.

Mr. Simms estimated that, over-all, Hanes will spend about $43 million in advertising and promotion in 1984. Some $10 million of that will support this fall's national rollout of Fitting Pretty, a hosiery line designed for hard-to-fit sizes.

Scheduled to move into test this fall are: Papillon, a premium price flanker brand positioned to compete with designer hosiery, which will receive tv and print support; Casuales, a line of Hanes women's socks advertised in print only, and Light Tights, which Mr. Simms said "will straddle the active/leisurewear category."

Hanes Knitwear, still No. 2 in the male underwear market, continued its successful "Inspector 12" print and tv ad campaign. The Knitwear division's ad budget, the company reported, doubled in fiscal 1984. Measured spending for the men's line was $5.7 million in calendar 1983.

Consolidated's other major hosiery division, L'eggs, spent more than $30 million in measured media in 1983. About 20% of this was spent on the national introduction of Active Support pantyhose.

L'eggs boosted media spending for Just My Size big and tall women's pantyhose to $1.3 million in 1983 as it prepared to introduce the product nationally.

Measured media spending for the L'eggs flagship brand totaled nearly $25 million during 1983—making it Consolidated Foods' largest single advertised brand.

Consolidated Food's Bali intimate apparel line has shown substantial sales growth, spurred by its continued introduction of successful new products.

In addition, through the acquisition of the Flexnit Co., Bali has been marketing for the past year Something Else Panties, a control panty; A-OK bras a line of specially designed bras for smaller busted women; Ce Soir, a line of sensual, European-inspired intimate apparel, and Something Smooth, a line of lycra daywear panties.

ADVERTISING EXPENDITURES*

	1983	1982
Newspapers**......	$17,245,000	$9,035,000
Magazines.........	13,510,000	13,518,000
Spot tv............	20,734,000	24,929,000
Network tv.........	54,806,000	59,275,000
Spot radio.........	4,050,000	3,223,000
Network radio......	2,198,000	53,000
Outdoor...........	890,000	849,000
Total measured..	113,433,000	110,882,000
Unmeasured....	113,082,000	97,895,000
Estimated total..	226,515,000	208,777,000

*Provided by Consolidated Foods for fiscal years years, ending in June.
**Includes preprinted inserts.

ADVERTISING EXPENDITURES†

	1983	1982
Newspaper........	$2,833,600	$2,263,000
Magazines.........	16,671,700	13,412,900
Spot tv............	17,076,600	17,898,500
Network tv.........	56,149,700	55,107,900
Spot radio.........	1,982,600	2,353,200
Network radio.....	2,551,600	1,224,400
Outdoor...........	251,100	232,800
Total measured..	97,516,900	92,492,700
Unmeasured....	98,341,100	85,514,200
Estimated total..	195,858,000	178,006,900

†Calendar years from AA's usual sources

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CONSOLIDATED FOODS

Marketing Personnel

Charles Ostrander, vp-mktg, Aris Isotoner
Al Dold, vp-mktg, Bali Co.
John Lox, vp-mktg, Bryan Foods
Jack Thomas, senior vp-sales and mktg, Chef Pierre
Patrick W. Tolbert, group vp-growth and business devel, Electrolux Corp.
Robert McGurkin, director-household mktg, Fuller Brush
Ron Dix, director-mktg, Gallo Sale
Robert E. Simms, vp-mktg, Hanes Hosiery
David L. Bryant, vp-mktg, Hanes Knitwear
Kirk Beaudin, vp-mktg, Hanes Printables
Walter Pabst, vp-mktg, Hillshire Farm Co.
James H. Stokes, vp-sales & key business devel, Idaho Frozen Foods
Richard W. Dedden, mktg mgr-Kahn's prods, Kahn's & Co.
Richard J. Sharoff, senior vp-genl mgr-retail, Kitchens of Sara Lee
Charles F. Marcy, vp-mktg, Kitchens of Sara Lee
Gerard Coelsch, vp-mktg, The Lawson Co.
John Piazza, vp-mktg, L'eggs Products
Robert Fraser, vp-mktg, Lyon's Restaurants
William R. Breakey, vp-director of mktg, Popsicle Industries
David Llewellyn, vp-mktg, Rudy's Farm
James F. Fletcher, exec vp-operations, Shasta Beverages
Arnold Seckler, president-ceo, Sirena Inc.

Advertising Agencies

Dancer Fitzgerald Sample, New York—Hanes, Hanes Too!, Papillon, Light Tights, Casuales—Harley Griffith, acct super; Sue McClellin, acct super; Mary Lander, Catherine Streich, acct execs. Bali—Tom Bohan, exec vp-acct director; Dennis Keane, senior vp; Jacquleen Ferrell, acct exec, Bali Brand; John Grant, acct exec, Something Else; Marianne Bess, acct exec, Bali, A-OK, Ce-Soir; Barbara McKale, acct exec, Something Else, A-OK, CeSoir. Popsicle—Mike Jeary, vp-mgmt super; Marc Luchansky, vp-acct super; Carey Field, acct exec. L'eggs—Michael Donahue, exec vp-acct director; Michael Leahy, senior vp-mgmt super.

Doyle Dane Bernbach, New York—100% d'Lite—Michael Perkins, acct super.

Foote, Cone & Belding, Chicago—Sara Lee (retail)—Dan Fox, senior vp; Scottie Perry, acct super; Helen Johnson, Marilyn Vender, acct reps.

Ketchum Advertising, New York—Today's Girl—Don Burkett, acct super; Caroline Moore, acct exec.

Ketchum Advertising, San Francisco—Lyon's Restaurants—Steve Pickford, vp-acct super.

Long, Haymes & Carr, Winston-Salem, N.C.—Fitting Pretty—Don Van Erden, acct super; Patrick O'Sullivan, acct exec.

Mandabach & Simms, Chicago—Sara Lee (foodservice)—Lee Lippman, senior acct super; Jim Flurry, acct super; Joy Mizell, acct exec.

Needham, Harper & Steers, Chicago—Shasta, C&C, Capri Sun and Spree—Ron Bess, group acct director; Mary Conrad, acct super—Shasta; Madeline Gryll, acct super—Capri Sun; Martin Sherrod, acct exec—Capri Sun; Susan Graham, acct exec—Shasta; Brian Goodall, mgmt rep—Shasta and Capri Sun; Mark Holtzer, mgmt rep—Shasta.

Specht, Gilbert & Partners, New York—Underalls, Slenderalls, Winteralls and Coloralls—Don Gilbert, president; Anne Kirkwood, acct super; Katie Ryan, acct exec.

Ally & Gargano, New York—Bryan (processed meats)—Amil Gargano, president/ceo/creative director; Bob Hume, senior vp-mgmt super.

Maris West & Baker, Jackson, Miss.—Bryan (canned meats)—Gerrit Maris, president; Henry B. Ford, vp-mktg.

The Richards Group, Dallas—Smoky Hollow—Brad Todd, principal.

H.B.M. Creamer, Pittsburgh—Chef Pierre—William E. Sprague, exec vp; Howard Gittins, vp; Gary Ramey, acct exec.

W.B. Doner & Co., Baltimore—Bali corp co-op advertising—David Sackey, senior vp-acct director; Ellen Gordon, acct super; Deborah Goetz, acct services.

Young & Rubicam, San Francisco—Gallo Salame—Skye Hallberg, vp-mgr; Andrea Alfano, acct exec.

Cooper Jenner Stafford, Waterloo, Ia.—Hillshire Farm—Jim Stafford, vp.

Sive Associates (div of Young & Rubicam) Cincinnati—Kahn's—Phil Mandel, vp-mktg planning; Susie Perkins, acct exec.

Long Haymes & Carr, Winston-Salem, N.C.—Hanes Knitwear—Loren Chamberlain, exec vp.

Henderson Advertising, Greenville, S.C.—Hanes Printables—Ralph Callahan, president-acct services director; Hayward Whetsall, vp-mgmt super.

Holt Enterprises, Greensboro, N.C.—Hanes Printables— Jim Houghtaling, president; Leta Pittman, graphics designer.

Bill Hudson & Associates, Nashville—Rudy's Farm—Nick Damico, acct exec; Bill Hudson, acct exec.

Brooks-Pollard, Little Rock, Ark.—Rudy's Farm (foodservice)—Hugh Pollard, president.

Woods Creative Group, Kansas City—R.B. Rice—Nancy Pope Krull, vp.

Adolph Coors Co.

	1983	1982
Sales*........	$1,110,406,000	$915,258,000
Earnings*.....	89,261,000	40,148,000
U.S.Advertising	63,021,300	38,639,700

*Worldwide

Adolph Coors Co., Golden, Colo., the 93rd largest national advertiser with advertising expenditures estimated by ADVERTISING AGE at $63.6 million in 1983, continues an aggressive expansion program in its efforts to become a national brand by the end of the decade.

Expansion was the central focus of Coors and Coors Light throughout 1983, as the company stretched into six southeastern states—Alabama, Georgia, Florida North and South Carolina, Virginia—and the District of Columbia. By the end of 1983, Coors' distribution encompassed 28 states.

The company's income in 1983 mushroomed a staggering 122%, to $89.3 million, on sales of $1.11 billion, up 21%. Over-all production for the company was 13.7 million bbls., 15% higher than in 1982, a year in which total bbls. dropped 10.5% below 1981.

"These expansion efforts are the result of being able to run this place full out," said Rob Klugman, vp-marketing.

The expansion helped bolster sales that had dropped in 1982 because of a significant loss of market share in Texas and California.

During the Coors' heyday of the mid-1970s, it boasted a 40% share of market in California and a 29% share in Texas.

Currently, Mr. Klugman said, the company has only a 15% to 20% share of market in both states. The company said it believes its market share has stopped eroding.

Over-all advertising at Coors during 1983 increased about 30%, as did measured advertising for Coors beer, climbing from $13 million to $16.9 million, according to LNA.

Advertising spending for Coors Light beer nearly doubled, to $10.1 million from $5.8 million.

Golden Lager was allotted $395,000 for its introduction into selected markets, and Herman Joseph's 1868 increased marginally to $809,600, from $803,000.

George Killian's Irish Red Ale, which received $2.1 million in measured media in 1982, got only $556,800 in 1983. Coors, however, in mid-August, 1984, unveiled a multi-million-dollar ad campaign for Irish Red aimed at the "yuppy" consumer (young, upwardly mobile college-educated audience) in Coor's 20-western-state primary market.

Irish Red beer will be distributed in Alaska, Virginia, North Carolina and South Carolina for the first time and expanded into areas of Florida and Tennessee.

"The best of the Rockies is here" has heralded the introduction of Coors and Coors Light into its new markets over the past two years. Subsequently, Coors was promoted under the "best of the Rockies is yours" throughout the company's entire marketing area. Coors Light was promoted under "Turn it loose."

After moving its Coors Light account from Ted Bates Advertising/New York to Foote, Cone & Belding, Chicago, in 1982, the company moved its Coors, George Killian's and Herman Joseph's from Ted Bates to FCB in 1983.

Herman Joseph's was moved in 1983 to J. Walter Thompson USA, Chicago, where the "We make the best of time" campaign will continue.

Initially, FCB handled only the eastern rollout for the Coors beers as a special project, but then won the national business because the company liked the introductory "Best of the Rockies."

In 1984, Coors already has expanded into Alaska, North and South Dakota, Wisconsin, Ohio, Maryland and West Virginia—for a total of 35 states.

Such rapid growth over the past two years has been "taxing," Mr. Klugman said. Despite the widespread acceptance of Coors and Coors Light, the entries of the company's other products into the market have not been so stellar.

Nevertheless, the three brands continue in test markets, albeit with "mixed results," Mr. Klugman said.

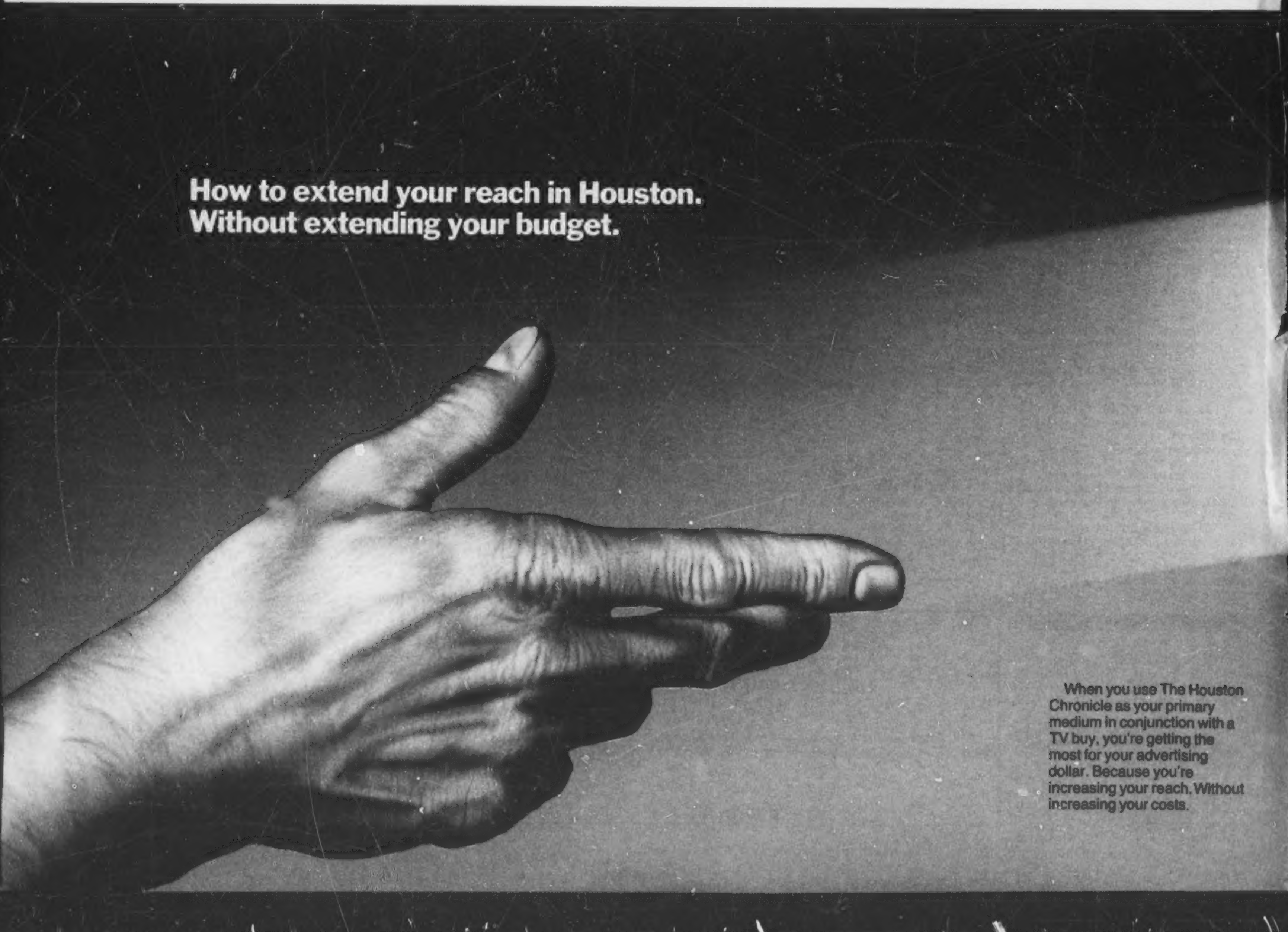
The company's domestic George Killian Irish Red Ale, which has been on the market since 1981, is being repositioned this year to compete more directly with the import beers. Its current campaign, by FCB, proposes "Kil-lian's Red, Instead . . ." of gre [illegible] tled beers from abroad.

Coors is hoping that its new premium-price brew, Golden Lager—introduced into the market in 1983 with a campaign tagged "The Fresh Competition" by Tatham-Laird & Kudner, Chicago—will attract drinkers who don't buy Coors Premium and Coors Light, both lighter-tasting beers. Golden Lager has a much heavier taste and is priced directly against Anheuser-Busch's Budweiser.

Despite the disappointing reception of Coors new beer products, other new products are to follow.

Coors hints it is considering a low-alcohol beer, but hedges on details. "Everybody has worked or is working on a low alcohol beer, but it is just not yet clear that it will be profitable," Mr. Klugman said. "It's had good distribution and good trial, but it has not shown strong repeat."

However, he said, "Everyone is



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aware that it is a possibly strong emerging segment."

As Coors continues its expansion, industry observers contend it has yet to face a decided disadvantage over the majors. Coors has only one brewery—in Colorado—while the other beer majors operate a brewery in the Sunbelt.

Analysts estimate that costs of shipping from Colorado into the Southwest is $7 to $8 per barrel, compared with a normal $3-per-barrel cost. While Coors officials dispute those figures, they say that, for the moment, shipping by rail is satisfactory. In the event it decides to build a second brewery, Coors continues to hold an option on land aptly located in Rocky Mountain, Va.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,028,200	$1,154,500
Magazines	28,500	305,600
Spot tv	20,024,400	14,321,200
Network tv	9,746,300	7,069,400
Spot radio	21,578,000	8,898,800
Outdoor	615,900	451,100
Total measured	53,021,300	32,200,600
Unmeasured	10,600,000	6,439,900
Estimated total	63,621,300	38,640,500

ADOLPH COORS CO.
Marketing Personnel

Peter Coors, div president of sales, mktg and admin
Bob Rechholtz, exec vp-sales and mktg
Rob Klugman, vp-mktg
Gary Truitt, director-mktg devel
Tom Siefkes, director-mktg services
Gary Naif n, Coors brand director
Bob Fox, Coors Light brand director
Bob McBride, Golden Lager brand mgr
Mark Stankovic, Herman Joseph's brand mgr
Jon Runge, George Killian's brand mgr
Karen Jess-Lindsley, mktg devel mgr
Mark Reiss, director of corp media
Bob Joanis, director of mktg rsch

Advertising Agencies

Foote, Cone & Belding, Chicago—Coors, Coors Light, George Killian's, and expansion—Bill Melzer, senior vp-group mgmt super; Dale Smith, vp-mgmt super, Coors; Jim Gregg, vp-mgmt super, Coors Light; Lisa Baum, vp-mgmt super, George Killian's; Kent Vlautin, vp-associate media director; Mike Rogers, senior vp-exec creative director.

J. Walter Thompson USA, Chicago—Herman Joseph's and new prods—Will Howard, vp-acct director; Mike Kalasunas, senior vp-director of rsch and planning; Tom Hall, senior vp-group creative director; Dan Roman, vp-senior acct super.

Tatham-Laird & Kudner, Chicago—Golden Lager and new prods—John Wells, senior partner-group acct director; Bill Ross, chief operating officer-mgr partner; Kirk Vorland, senior partner.

GSD&M, Austin, Tex.—Hispanic markets—Steve Gurasich, president; Kim Gaynor, exec vp; Chuck Grady, senior vp.

Cosmair Inc.

	1983	1982
Sales*	$600,000,000	**$480,000,000
Earnings*	N/A	N/A
U.S. Advertising	69,955,000	47,659,000

*Worldwide **Estimated combined sales of Cosmair and Warner

Cosmair Inc., New York, which plans to double its advertising in 1984, increased ad expenditures 46.8%, to $70 million, in 1983 to rank as the 87th largest national advertiser.

In business and marketing news, 1983 was the year of the merger and the year of the mousse, and Cosmair scored banner headlines on both counts.

The privately held U.S. agent and distributor for L'Oreal and Lancome cosmetics dramatically broadened its reach across the domestic cosmetic counter with the purchase of Warner Cosmetics, a subsidiary of Warner Communications. And Cosmair was first to introduce a mass market hairstyling mousse to domestic consumers, getting a lead in that new category that competitors continue to run hard to beat.

Cosmair purchased Warner Cosmetics in January, 1984, for $146 million and in doing so bought a significant and ready-cut niche in the U.S. cosmetic marketplace.

In 1983, Cosmair's sales reached $330 million in the U.S. Warner sales grew to about $150 million for the year. Combined, the two present a formidable challenge to 1983 industry leaders Avon, with an estimated $850 million in sales; Revlon, with about $800 million in domestic sales, and Estee Lauder, with about $550 million.

The Cosmair-Warner combination is expected to draw as much as $600 million in sales for 1984, much of the growth attributed to three major product thrusts in the past year supported by record ad budgets for the company.

In L'Oreal brand activity, the bulk of advertising and marketing money was placed behind L'Oreal eye, lip and nail color cosmetics, $17.2 million, up from $7.7 million in 1982, and Preference hair color products, $7.9 million, the same as 1982.

Projected advertising for those two products and sizable outlays for L'Oreal's new Free Hold styling mousse introduced in February will generate over-all media ad spending of $45 million in 1984, compared with the $30 million in measured media in 1983 as monitored by Leading National Advertisers. L'Oreal also is spending heavily in tv on lipstick and eyeshadow in 1984, a pace to continue into 1985 when L'Oreal will add a new mascara commercial.

Cosmair expects to increase the $45 million expenditure "substantially" in 1985 as well, though not by the same 50%, the source said.

In the past year, the two-year-old L'Oreal color cosmetics line was repackaged and restaged with a cohesive department store-style packaging and advertising look as opposed to the previous drugstore line appearance.

Free Hold styling mousse, the first mass market mousse in the U.S., was introduced originally in one formula but quickly was expanded to two styles —regular and extra hold—to remain competitive in a market suddenly flooded by entries from aggressive competitors such as Alberto-Culver and Helene Curtis.

The Lancome brand of color cosmetics will spend more than $20 million on advertising in 1984, a company spokesman said. The measured media buy for the brand in 1983 was $7.5 million, an increase of 60% over 1982. That budget is expected to increase at least 25% and include tv advertising for Nutribel, Progres Plus, Forte-Vital (launching this fall) through 1985.

Lancome also will spend an undisclosed amount on the scheduled March, 1985, introduction of a new Biotherm brand of treatments for body and face.

Biotherm has been marketed in Europe for several years and will be positioned in the department store-style packaging in the U.S., Cosmair said. Kenyon & Eckhardt of New York will handle the new product introduction.

From Warner in 1984 came the introduction of the Paloma Picasso fragrance bearing the name of the daughter of the Spanish artist. Warner anticipated spending at least $1.3 million in 1984 advertising the new product, which sells for as much as $160 an ounce.

Further activity in fragrances are expected to include introduction of a new Ralph Lauren men's fragrance. Total advertising on Ralph Lauren, Polo and Vanderbilt brand cosmetics and fragrances topped $9.5 million in 1983.

As a result of the Warner acquisition and other developments, a major corporate staff reorganization by Cosmair was scheduled to be announced in early September.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$665,100	$103,100
Magazines	15,264,700	8,155,700
Spot tv	4,707,300	4,097,900
Network tv	23,084,600	17,430,00
Total measured	43,721,700	29,786,700
Unmeasured	26,233,300	17,872,300
Estimated total	69,955,000	47,659,000

Advertising Agencies

Intermarko New York—Lancome color cosmestics—Tim Sullivan, mgmt super.

McCann-Erickson, New York—L'Oreal —Fred Rhines, senior vp-mgmt rep.

Kenyon & Eckhardt, New York—Biotherm—Cari Stiber, acct super.

CPC International

	1983	1982
Sales*	$4,010,900,000	$4,091,500,000
Earnings*	136,200,000	231,609,000
U.S. Advertising	96,627,300	96,700,000

*Worldwide.

Although CPC International's earnings plunged during 1983, advertising expenditures remained fairly constant at the Englewood, N.J.-based conglomerate, which spent an estimated $96.6 million on advertising in 1983. That made it the 71st largest national advertiser. Worldwide advertising was $181.5 million.

Worldwide sales dipped slightly to $4.011 billion from $4.092 billion in 1982, a decrease of 2%. CPC attributed the decline to a strong dollar. Sales outside the U.S. are $2.486 billion, or 62% of total sales.

Earnings, which plummeted 41% from $231.6 million in 1982, to $136.2 million, also were hurt by the currency exchange rates. But CPC's decision to rebuild two of its major manufacturing facilities, a corn wet milling plant in Argo, Ill., and a mayonnaise and other oil-based product plant in Bayonne, N.J., resulted in a $55 million after-tax charge. This was the major factor in the company's drastically reduced earnings. CPC's sales and earnings were affected less dramatically by dollar losses in corn wet milling, one of its major business lines.

The grocery products area, which includes soups, sauces and bouillons, mayonnaise and corn oil, bread spreads and starches, syrups, desserts, cheese, baking and other goods, accounted for 58% of the company's

Houston Chronicle
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Morning and Evening

As an example, your one-week, $25,000 local affiliate spot TV buy reaches 64% of men 25–54 in $35,000+ households. Now take that same $25,000, put half into The Chronicle, half into television.

You've just increased your reach to these affluent men to 77%. You've also increased your frequency by 15%. You've gained 65 GRPs—an increase of almost 40%. And you haven't spent one penny more.

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Source: Belden Multi-Media Study, 1983. Based on 26 30-second spots on local network affiliates, BAR estimates, versus three SAU 12 1,000-line Chronicle ads at 25,000-line national contract rate plus 15 30-second spots. Represented by Sawyer Ferguson Walker.

sales and 77% of operating income. Keeping with the trend of past years, sales growth of foodservice products for restaurants, hotels, schools and other establishments outpaced sales of products for home use.

CPC is the largest corn miller in the world, producing a wide range of products used by paper, corrugating, confection, processed foods, chemical and pharmaceutical, baking, brewing and soft drink industries.

While dollar sales from CPC's corn wet milling business dropped to $1.5 billion in 1983, a decrease of 1% from 1982, the unit sales increased. Worldwide income from this segment of the business dipped to $90 million, one-third lower than the previous year.

As part of its effort to rebound after 1983's difficult year, CPC is upgrading its production facilities, broadening its two major lines of business through acquisitions and restructuring the company, forming eight new divisions, including a worldwide division for corn wet milling, a diversified unit that includes U.S. businesses in chemicals, foundry products and contract packaging, and six divisions for grocery products—set up according to geographic regions.

In 1983, CPC made four acquisitions, including one that will have an impact on its grocery products area and its U.S. marketing and advertising expenditures. CPC acquired C.F. Mueller Co. (pasta products) last fall from Foremost McKesson Corp. for $122 million. CPC hopes to take Mueller from its East Coast base into the national market.

The other acquisitions included one in the corn wet milling area, a grocery business in Denmark and one in Colombia.

CPC's products aimed at the home market garner the major share of the company's ad dollars. CPC's Best Foods business features many strong branded products, including Skippy peanut butter, Mazola corn oil, Karo corn syrup and Hellmann's and Best Foods mayonnaise. These products, in competitive areas, carry heavy ad expenditures.

Mazola oil was backed by slightly more than $10 million in measured advertising, with more than $7 million spent on network tv. Hellmann's and Best Foods mayonnaise were backed with nearly $8 million in measured spending, with nearly three-fourths of that figure going to network tv. The ads for Hellmann's sought to reinforce the product's value and quality as well as explain its multiple uses. This message also was carried in print advertising for the mayonnaise, which carried photos of different potential uses of the product and recipes.

Sales of Skippy peanut butter held with 1982's levels and ad expenditures were similar with 1982 levels, as well. CPC spent about $6.9 million advertising Skippy, stressing its nutritional value and its low sugar content.

CPC's specialty baking business in the U.S, S.B. Thomas Inc., experienced a 5% increase in sales as it continued to expand distribution and production of its English muffins. Ad expenditures for Thomas' remained flat, at 1982's level of $7 million. However, $10 million has been budgeted for 1984.

In 1983, CPC ran tv spots using the slogan "the original one and only funny looking, tasty cooking Thomas' English muffins" in spot tv as the distribution of Thomas' expanded from 53% of the U.S. to 70%. New markets were in the Northwest, Midwest and Florida.

During the year, CPC increased its use of spot tv, newspapers and outdoor media, but expenditures on network tv and magazines decreased.

Measured expenditures on spot tv rose 15%, to $15.5 million, and newspapers rose 13%, to $965,700. Both these increases are seen as part of CPC's efforts to be more responsive to local markets.

People weekly performs

"People helped make Stetson the big success of the '80s."

—Joseph M. DiPietro
Group Marketing Director
Coty Division/Pfizer Inc.

Expenditures on outdoor advertising soared to $1.1 million in 1983, more than twice the amount spent the previous year; magazine spending dropped 22.8%, to $7.9 million.

CPC changed agencies for several of its major products, moving the Hellmann's/Best Foods mayonnaise account from Dancer Fitzgerald Sample to Ogilvy & Mather, and switching the Mazola corn oil account to DFS from D'Arcy McManus Masius.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$965,700	$854,200
Magazines	7,906,500	9,191,200
Spot tv	15,544,800	13,541,500
Network tv	21,668,600	23,468,500
Spot radio	126,200	81,800
Outdoor	1,100	460,500
Total measured	46,212,900	47,597,700
Unmeasured	50,414,400	49,102,300
Estimated total	96,627,300	96,700,000

BEST FOODS
Marketing Personnel

David R. Newstadt, president
Richard Miller, vp-prod mgmt
Robert O. Herman, vp-sales
Jean Burtis, consumer service director
Dennis C. Beaumont, director-adv and promo
Aaron Strauss, director-mktg rsch

Advertising Agencies

Dancer Fitzgerald Sample, New York—Mazola corn oil, Skippy peanut butter, Mazola margarine, Golden Griddle syrup, Karo syrups, Argo corn starch, and Mazola No Stick—George Dean, mgmt director; John Kaiser, mgmt super; Oliver Payne, Bill Champion, Peter Mitchell, acct supers; Orson Munn, Andy Bonaparte, Mona Kornfield, acct execs.

Ogilvy & Mather, New York—Hellmann's/Best Foods mayonnaise, Mueller's pasta products and new products—David Weiss, senior vp-group director; John Fitzgerald, vp-mgmt super; Natasha Kavanagh, acct super; Connie O'Brien, acct exec.

S.B. THOMAS INC.
Marketing Personnel

Michael W. Hogarty, president
Nina Henderson, vp-prod mgmt
Octavian S. Pechar, group prod director
Michael Lebo, senior prod director
Robert Anderson, vp-sales

Advertising Agencies

Young & Rubicam, New York—Thomas' English muffins, Toast-r-Cakes and Protein bread—John Glorieux, mgmt super; Richard Kahn, acct super.

Dancer Fitzgerald Sample, New York—Sahara bread—Richard Pounder, acct super; Andy Mockler, acct mgr.

SPECIAL PRODUCTS
Marketing Personnel

Albert A. Witz, president
J.F. Marino, director-sales
K.A. Pirnat, natl accts mgr
B.D. Hillenbrand, mktg mgr

Advertising Agency

Warwick Advertising, New York—Kyle Felt, acct super.

BEST FOODS CARIBBEAN

Plinio Gonzales, president
Jaime Pericas, vp-mktg
J.F. Tonarely, vp-sales

Advertising Agency

Premier Maldonado, San Juan, P.R.

CORN PRODUCTS
Marketing Personnel

Fred C. Meendsen, president
R.W. Spaeth, vp-sales, mktg business mgmt
Rosemarie A. Burns, mgr-adv and sales promo

Advertising Agency

Gianettino & Meredith, Mountainside, N.J.—Marc Grossberg, acct exec.

Dart & Kraft

	1983	1982
Sales*	$9,714,000,000	$9,974,000,000
Earnings*	435,100,000	350,300,000
U.S. Advertising	210,279,360	199,195,000

*Worldwide

Dart & Kraft, the nation's 30th largest advertiser in 1983, increased ad spending to $210.3 million, up 5.6% from 1982.

The company had 1983 net earnings of $435.1 million, up 24.2%, on sales of $9.714 billion, a decline of 2.6%. D&K again was dominated by its food products segment, which accounted for 69% of Dart & Kraft sales and 58% of operating profit.

For the second year in a row, Kraft's most heavily advertised food brand was Velveeta cheese. The processed cheese line, promoted in ad campaigns as having superior cooking qualities, received $15 million in measured ad support in 1983, less than a 1% increase over 1982.

The U.S. government's free cheese distribution program cut into Kraft cheese sales by reducing consumer purchases, the company said. The program, which gave away more than 550 million lbs. of cheese during the year, reduced total industry tonnage by more than 3%.

Kraft extended its cheese lines with the acquisition of Churny Co., an importer and producer of specialty cheeses with annual sales of $20 million. The acquisition signaled Kraft's entrance into the specialty cheese business, a high-growth market segment.

The company continued to expand its line of Philadelphia Brand pourable dressings, which were introduced nationally in early 1983. Philadelphia Brand cream cheese salad dressings received $5.6 million in measured ad spending, up from $560,400 in 1982, with the largest amount of ad dollars going to spot tv.

Kraft also increased its ad spending 18% for regular Kraft pourable dressings, to $10 million. The dressings hold an estimated 70% market share, said analyst Leonard Teitelbaum at Merrill Lynch.

After consumer research showed a preference for bacon-flavored dressings, Kraft expanded its line in early 1983 with Creamy Bacon, Buttermilk & Bacon and Reduced-Calorie Bacon & Tomato dressings. The latest introductions to the pourable dressings line are Kraft Thousand Island & Bacon and Taco salad dressings, introduced in early 1984.

Advertising for Kraft real mayonnaise spread the word about the "creaminess" of the product, which was supported by $8.5 million in ad spending, up 2.7% from 1982. Market share for 1983 was about 60%.

The company boosted ad spending for Miracle Whip salad dressing 39.4%, to $12.2 million. "A sandwich just isn't a sandwich without the tangy zip of Miracle Whip salad dressing" was the theme of the advertising, which was concentrated in network and spot tv. The company also supported the product with a Miracle Whip salad dressing contest and a mail order promotion.

A 1984 addition to the fast-growing Kraft barbecue sauce line was Thick 'n Spicy barbecue sauce, in original and hickory-smoked flavors, which is "spicy right out of the bottle and thick, both before and after cooking," the company said. Ad spending for Kraft barbecue sauce rose from $113,400 in 1982, to $1.8 million in 1983.

Kraft introduced its Light n' Lively low-fat yogurt in a convenient six-pack in 1983. The entire Light n' Lively yogurt line was supported by $1.4 million, up 27%, in measured ad spending, all of which went to spot tv. The new six-pack yogurt line continues the dairy group's emphasis on value-added products. Breyer's yogurt, playing on the strong Breyer's quality image, received $1.4 million in media spending, the same as in 1982.

Kraft dairy group also continued market expansion for ice cream and cultured products. Breyer's ice cream, a premium brand, attracted $3.4 million in media spending, up 10% from 1982. Sealtest ice cream also is being elevated to premium status, and received $3.5 million in media backing in 1983, up 21%.

In the first quarter of 1984, Kraft entered into an agreement to acquire Celestial Seasonings of Boulder, Colo., the largest U.S. manufacturer and marketer of herb teas. Kraft said the product quality and brand strength of the Celestial Seasonings line fits Kraft's strategy to acquire companies with expansion potential. Purchase price was not disclosed. Kraft said it will operate the tea company as a free-standing unit of its retail food group.

Early 1984 saw the loss of Justin Dart, executive committee chairman of Dart & Kraft. He died Jan. 26 at the age of 76. Mr. Dart was chairman of Dart Industries when that company merged with Kraft in 1980. He had served the company as a director for more than 40 years.

A leader in innovative media use, Kraft this spring tested the first interactive tv commercials in a network show, using Warner Amex Cable Communications' Qube cable system in Columbus, O. Homes subscribing to Qube received four 90-second test commercials for Kraft recipes, carrying a superimposed message instructing viewers to "touch in" for a copy of the recipes.

Dart & Kraft's consumer and commercial products group, made up of Duracell Inc., Hobart Corp. and West Bend Co., posted a sales increase of 16% and an operating profit increase of 43% for fiscal 1983.

Duracell Inc., the leading producer of high-performance consumer batteries worldwide, continued strong ad spending support for the Duracell batteries line, which received $20.6 million in ad dollars, $17.5 million of which was in network tv. Duracell holds a 60% share of the U.S. alkaline battery market. It is in constant battle for market share with Union Carbide's Eveready batteries. D&K's $20.6 million in measured media for Duracell in 1983 was the same as in 1982. The Eveready line was being backed by $22.4 million in measured spending at Union Carbide.

Duracell's Durabeam line of portable lighting products, introduced in early 1983, was supported by $2.3 million in ad spending, mostly in network tv.

Hobart's KitchenAid segment accounted for 23% of total 1983 Hobart sales. Ad spending for KitchenAid dishwashers was $4 million in 1983, a 5.3% increase over 1982. KitchenAid food mixers were supported by $273,000 in ad spending in 1983, all of which was in magazines, and ad support for KitchenAid food processors was boosted 209%, to $645,800. KitchenAid introduced in 1983 its first solid-state dishwasher, the KDSS-20 Selectra, targeted at the upscale segment of the market.

West Bend Co., widening its focus to include physical fitness, acquired the Total Gym line of home physical fitness equipment in 1983. West Bend also announced an agreement to acquire Precor Inc., a manufacturer of premium line rowing machines, exercise bicycles and running machines.

West Bend's sales and operating profits declined, due in part to withdrawal from the retail cookware and humidifier business, the company said. A new cordless iron is being introduced by West Bend and is expected to be available in retail outlets in the fourth quarter of 1984.

Tupperware International, Dart & Kraft's direct-selling unit, reported a decline in both sales and operating profit in 1983, results affected by exchange rate translations and a reduction in U.S. dealers. Ad spending for Tupperware housewares increased 62.1%, to $3.9 million, mostly in magazines.

The Tupperware Modular Mates line of compact, stackable containers, introduced in 1983, became Tupperware's largest-selling line. New products included Big Wonders and Little Wonders storage containers, Flavor Saver container and Velveeta Keeper. In the spring of 1984, Tupperware launched a consumer sweepstakes contest designed to boost Tupperware party attendance.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$7,066,900	$6,976,300
Magazines	33,219,400	26,110,300
Spot tv	42,525,200	64,277,000
Network tv	87,414,800	61,743,600
Spot radio	1,813,900	3,426,700
Network radio	3,161,100	977,000
Outdoor	31,500	59,300
Total measured	175,232,800	163,570,200
Unmeasured	35,046,560	35,625,600
Estimated total	210,279,360	199,195,800

DURACELL INC.
Marketing Personnel

William S. Saint, vp-mktg and devel
Kevin J. Kelley, group prod mgr
Mark E. Lucas, prod mgr-US brands
Leonard Black, mkt & planning mgr, intl

Advertising Agencies

Ogilvy & Mather, New York—Duracell batteries—Rick Estabrook, acct super.

Jordan, Case, McGrath-Durabeam lighting prods, Breakfree lubricant., Rob Moorman, acct super.

HOBART CORP.
Commercial Equipment Division

Charles F. Farrell, vp-mktg
John C. Heithaus, director-mktg services
William F. Lohrer, mgr-adv

Advertising Agency

Willis, Case, Harwood-Dayton, O.—Lewis Bonadies, acct super.

KITCHENAID DIVISION

Charles R. Evans, vp-mktg
Walter C. Layton, mgr-adv
Ray D. Frey, mgr-sales promo

Advertising Agency

N W Ayer, New York—Mark Bollman, senior vp-mgmt super; Anita Stewart, vp-acct exec; Peter Morris, account exec.

TUPPERWARE

Jon Nelson, vp-mktg
Jack Linn, vp-adv and pr
David Haan, director-adv and mktg strategy
Bill Clark, director-adv
Jerry Lake, vp-sales promo
Mayee Leung, director-sales promo

Advertising Agency

Young & Rubicam, Chicago—Bill Flynn, vp, director-mktg.

WEST BEND CO.

Ron Carson, director-adv
G.H. Miller, vp-mktg

KRAFT DAIRY GROUP

Marketing Personnel

Thomas Herskovits, group vp-president
Robert Creighton, vp and director-mktg

Advertising Agencies

N W Ayer, New York—Sealtest ice cream, sherbet, and Polar B'ar ice cream squares, Breyers yogurt—Ruth Salevouris, senior vp-exec acct director.

Geers, Gross, New York—Breakstone cottage cheese, sour cream, dip; Light n' Lively yogurt, cottage cheese and ice milk—Joseph Carlucci, vp.

Hispania Advertising, New York, subsidiary of J. Walter Thompson USA—Hispanic and multi-product adv—Caroline Demy, senior vp-genl mgr.

Young & Rubicam New York—Breyers ice cream—William Green, senior vp-mgmt super.

KRAFT RETAIL FOOD GROUP

Marketing Personnel

H.K. Ridgway, group vp and president—Retail Food Group
J.P. Durvett, exec vp-mktg
J.L. Barfoot, vp-director, broker and headquarters sales
J.R. Blocki, vp-director, adv/mktg services
L.P. Stanek, vp-director, mktg decision support services
H.H. Roberts, J.S. Craig, vps-mktg grocery prods
R.S. Morrison, vp-director, refrigerated prods
D.W. Blue, vp-mktg, refrigerated prods

Advertising Agencies

N W Ayer, Chicago—A la Carte main dishes, La Creme whipped topping—Leslie Carothers, vp-group acct super.

N W Ayer, New York—agency of record Kraft Inc. Spot tv pool—George Borrows, vp.

Foote, Cone & Belding, Chicago—confections, marshmallows, marshmallow creme, sauces and toppings, packaged dinners, youth program; agency of record for fringe/children's network tv; new prods—James Cerasani, group mgmt super; Terri Shapiro, account super.

Hispania Advertising (JWT USA subsidiary), New York—Hispanic and multi-prod adv—Caroline Demy, senior vp-genl mgr.

Leo Burnett Co.—Velveeta loaf/slices—William Smith, exec vp-client service; Brian Williams, vp-acct super.

Needham, Harper & Steers/USA, Chicago—margarines, jellies and preserves, mustard, Philadelphia brand pourable dressings; agency of record for daytime network—Jack Cypher, group acct director; Kathie McKirdy, mgmt rep.

Proctor & Gardner, Chicago—black consumer mktg, multi-prod adv—Rolfe Kolconay, vp-account super.

J. Walter Thompson USA, Chicago—cheese, viscous and pourable dressings, food service advertising; agency of record for prime time/specials network—Richard McCullough, senior vp-acct advisor; Bruce Beach, senior vp-group acct director.

Delta Air Lines

	1983*	1982*
Sales*	$3,616,413,000	$3,617,523,000
Earnings*	(86,700,000)	20,814,000
U.S. Advertising	63,944,300	49,328,000

*Worldwide, fiscal years ended June 30.

Delta Air Lines, Atlanta, the 92nd largest national advertiser, increased its ad spending 29.6% in 1983, to an estimated $63.9 million.

Sales for the carrier were down slightly in 1983, to $3.6 billion, while earnings tumbled deep into the red, showing the first loss for the airline in its 36-year history. Long known for its ability to best archrivals in financial performance, the carrier finally succumbed to the effects of unfriendly skies.

Although passenger traffic in fiscal 1983 was up 7%, stiffened competition, a soft economy in the first half of that fiscal year, and severe discounting took a serious toll on the carrier's balance sheets.

For fiscal 1984, however, the company showed signs of returning to its historichealth.

Last October, to fend off further losses attributed to the poor economy, deeply discounted fares and increased competition, Delta sought to reposition itself in the marketplace with a major new advertising campaign by BDA/BBDO.

Delta has come under increasing competitive pressure in the West from Continental Airlines and the rebirth of Braniff Inc. To some observers, it seemed the design of the campaign partially was to play off the instability of archrival Eastern Air Lines, based in Miami.

The effort, which marks Delta's first extensive use of network tv, emphasizes its financial health, excellent maintenance record and uninterrupted systemwide flight operations. Although Delta's marketing venture has led industry observers to label the airline a conservative carrier—the new campaign is hard-hitting. And in addition to addressing newly reorganized competitors, it also takes on expanding regional airlines, such as Southwest Airlines.

In route improvements, Delta stepped up flight schedules from Dallas/Fort Worth and D/FW feeder markets, adding service to such cities as Portland, Ore.; El Paso, Tex.; Ontario, Cal.; Richmond, Va.; Albuquerque, N.M., and Norfolk/Virginia Beach/Williamsburg.

Additionally, it continued to add nonstop flights to 15 existing markets. From the Dallas/Fort Worth area, Delta increased its flights to a number of cities, including New York's LaGuardia, Austin, San Antonio, Kansas City, Oklahoma City and wide-body service to Houston. Additionally, the company introduced nonstop flights to Frankfurt, West Germany, from D/FW four times a week.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$31,810,000	$24,664,600
Magazines	1,077,200	798,200
Network tv	2,602,500	—
Spot tv	8,226,700	6,978,900
Spot radio	15,309,100	11,746,500
Outdoor	1,768,100	1,854,400
Total measured	60,793,600	46,042,600
Unmeasured	3,150,700	3,285,400
Estimated total	63,944,300	49,328,000

Marketing Personnel

J.A. Cooper, senior vp-mktg
R.A. McKinnon, vp-mktg
W.W. Hawkins, asst vp-mktg
J.N. Porter, director-adv and sales promo
W.M. Soph, mgr-adv

Advertising Agency

BDA/BBDO, Atlanta—Glenn Verrill, president, mgmt super; Jack Walz, vp-acct super; Al Boam and Jody Brown, vps-acct execs; Gail Waldrop, acct exec.

Du Pont

	1983	1982
Sales*	$35,378,000,000	$33,331,000,000
Earnings*	1,127,000,000	894,000,000
U.S. Advertising	102,637,000	92,912,000

*Worldwide

E.I. du Pont de Nemours & Co., Wilmington, Del., which posted $1.13 billion in net income in 1983, up 26% from 1982, was the nation's 67th largest advertiser with total estimated advertising expenditures of $102.6 million, a 10.4% increase over 1982.

Du Pont returns came from sales of $35.4 billion worldwide, 73%, or $25.8 billion of which, is in U.S. business. Total sales increased 6% over 1982, while U.S. sales were up 10%.

For the year, five of the company's eight industry segments experienced an increase in sales: Marketing and transportation rose 11.3%, to $16.8 billion; fibers jumped 15.2%, to $4.7 billion; industrial and consumer products rose 2%, to $2.54 billion; polymer products rose 11.5%, to $3.4 billion, and biomedical products rose 2%, to $1.05 billion.

Three divisions had sales declines: Agricultural and industrial chemicals, down 5.4%, to $3.5 billion; petroleum exploration and production, down 12.2%, to $1.8 billion, and coal, down 12.5%, to $1.4 billion.

Du Pont's measured advertising spending in 1983 increased 8.5%, to $50.2 million.

Du Pont fibers attracted much of the advertising dollars. Du Pont Antron carpet fibers drew $7.3 million in measured spending, 95% of which was in magazines and 5% in newspaper supplements. Dacron fibers drew $4.6 million, Du Pont Lycra, $5.3 million, and a general Du Pont fiber category (aerobic wear, Speedo, Jantzen) drew $1.5 million.

Last fall, the company began a series of marketing promotions to boost sales of carpeting woven with Antron. The company gave away some 50,000 home computers to consumers who bought carpeting containing Antron. This spring, it launched a pre-sale rebate program where customers could get coupons for as much as $200 off on Antron-woven carpeting.

This fall, carpet buyers will be given coupons for $100 off on the purchase of an AT&T telephone, said Bill Spencer, carpet division marketing manager.

Direct, consumer-oriented marketing promotions such as this represent a new direction for Du Pont but, "our marketing research has shown we're making a contribution to the carpet industry in this area," Mr. Spencer said. "As long as it shows we contribute, we'll continue the activity."

Other fiber division marketing included sponsorship of a tennis tournament at Hilton Head Island, S.C., to market Du Pont's line of sports apparel fibers.

This year, denim blue jeans containing Du Pont's stretch polyester cotton blend, "Denimotion," has been the subject of a tv ad campaign.

Spending continued strong for Silverstone and Teflon products. Silverstone, the stick-free coating for cookware, drew $7.5 million in measured advertising, and Teflon attracted $4.1 million for its coating, carpet protector and stain repellent products.

The polymer products division continued to hammer away at new and developing markets in the auto and packaging industries. Two engineering resins, Delrin and Rynite, were introduced in 1983 in the automotive and appliance finishes industries, and Selar, another resin, was introduced in 1983 as a replacement for metal and glass in blow-molded containers.

A continuing trend toward the use of plastic rather than metals in packaging is creating substantial new markets, a Du Pont spokesman said.

Also hitting the market last year was the acetal resin, Delrin ST, for use in durable gears, bearings and exterior hardware.

Last fall, Du Pont announced a major breakthrough in polymer design called group transfer polymerization. The process could lead to development of new, stronger, more scratch-resistant acrylic plastic, but a commercial product is still "three to five years away," the spokesman said.

Agricultural and industrial product sales sagged 6% last year from 1982 despite a turn to profitability for the weed-control herbicide, Oust. Glean, introduced in 1982 along with Oust, is expected to turn a profit this year. Ally and Londax, two new herbicides, are scheduled to make their debuts this year for use on overseas cereal crops and rice.

Major developments in industrial and consumer products included initial construction of a new development and manufacturing facility for electronic products at Research Triangle Park, N.C.; high-speed coating facilities for graphic arts films at Parlin, N.J., and expanded capacity for chromium dioxide at Newport, Del. In 1983, Du Pont also entered into a joint development agreement with Storage Technology Corp. of Louisville, Colo., for development of an optical disk.

A new laboratory for biomedical product and instrument systems was opened at Glasgow, Del., and a new pharmaceuticals process development facility was opened at Jackson Laboratory, Deepwater, N.J. Also, the company has allocated a significant portion of its $173 million in capital expenditures over the past two years for construction of a new life sciences facility near Wilmington, Del., scheduled for completion this year.

In petroleum, Du Pont trimmed its debt by $600 million with the sale of chemical assets stemming from the $6.8 billion acquisition of Conoco Inc. Measured ad spending was only $859,800 for Conoco.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	1,531,600	1,980,200
Magazines	26,147,100	21,578,900
Farm publications	4,119,000	3,383,200
Spot tv	2,553,600	2,949,700
Network tv	13,435,000	12,423,000
Spot radio	1,632,900	1,482,100
Network radio	771,100	851,600
Outdoor	2,600	20,700
Total measured	50,192,903	44,668,400
Unmeasured	52,444,100	48,243,600
Estimated total	102,637,000	92,912,000

Marketing Personnel

C.E. Crowley, vp
A.W. Ballentine, div director
J.B. Boyer, textile fibers dept, industrial fibers & spunbound prod
J.B. Brett Jr., textile fibers dept, carpet fibers & fiberfill
M.R. Tyler, textile fibers dept, apparel & home fabrics publicity
H.E. Davis, div director
E.J. O'Brien, polymer prod dept, elastomers
P.G. Byers, polymer prods dept, engineer ing plastic materials, corp automotive communications
C.M. Ferrero, polymer prod dept, ethylene polymers
E.S. Weber, polymer prod dept, flexible packaging
J.H. McDivit, polymer prod dept, fluoropolymers & industrial films
J.M. Murray II, div director
R.H. Stewart, biomedical prod dept, diagnostic & bioresearch systems
T.E. Minnich, biomedical prod dept, pharmaceuticals operations
J.C. Maneval, photosystems & electronic prod dept, Berg electronics, electronic specialities
J.G. Heidelberg, photosystems & electronic prod dept, photosystems
R.W. Nightengale Jr., div director
G.W. Hale, agricultural chemicals dept
J.P. Swan, chemicals & pigments/petro chemicals depts
R.A. Hotchkiss, intl dept
R.E. Williams, div director
D.E. Motz, finishes & fabricated prods
D.E. Weiss, finishes & fabricated prod Corian/prod instruments systems, specialty services, methacrylates, adhesives
N. Kwick, finishes & fabricated prods, Stren, Remington Arms Co.
J.S. Swajeski, finishes & fabricated prods, SilverStone, cookware, Teflon industrial, Teflon lubes, heat exchangers, maintenance & transportation finishes, Aldyl pipe, Crofon fiber optics, Tynex filaments new business devel
H.P. Root, div director-mktgrsch
A.B. Baker, comptroller
J.P. Doherty, personnel mgr
R.J. Alfano, corp adv
J.R. Murphy, publications section
F.G. Smith, accounti[illegible]
T.J. Niemk[illegible] [illegible]hics, exhibits, audio/visu[illegible]
P.J. Trainor, media/pro[illegible]
F.G. Oswald, adv mgr, te[illegible] fibers dept, apparel and home fabrics

Advertising Agencies

N W Ayer Inc., New York—fabricated products and finishes, polymer products, biomedical products (except pharmaceuticals), photosystems, chemicals & pigments, petrochemicals, staff depts, and textile fibers' industrial and spunbound prod—George H. Eversman, exec acct director.

BBDO, New York—textile fibers' apparel, carpets, home furnishings and fiberfill prod and corporate ad programs—Bernard Gross, senior vp-mgmt super; Joseph Crowley, senior vp-mgmt super.

Rumrill-Hoyt, Rochester, N Y—agricultural chemicals and Remington Arms—R.D. Thomson, exec vp-director, client services.

Kelly Advertising, Lancaster, Pa.—Berg electronics and electronic specialties—R.L. Kelly, president.

Barnum Communications, New York—pharmaceutical prod—Marvin Amster, vp-acct super.

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Sudler & Hennessey, New York—pharmaceutical prod—Leon Gamza, senior vp-mgmt super.

Eastern Air Lines

	1983	1982
Sales*........	$3,942,134,000	$3,769,237,000
Earnings*.....	(183,667,000)	(74,927,000)
U.S. Advertising	$70,000,000	57,363,100

*Worldwide

Eastern Air Lines, Miami, which emerged from a difficult 1983 as the 86th largest national advertiser, increased its ad budget 22% to an estimated $70 million in an effort to counter increased competition.

The airline slipped from No. 1 to No. 2 in terms of passengers carried in 1983, according to company sources. This contributed to losses of $183.7 million, compared with losses of $74.9 million the previous year. Revenues increased nearly 4.6%, to $3.9 billion.

The carrier, overburdened financially when it entered the fierce competition of a deregulated industry, has not shown a profit since 1979. Yet, despite threats of filing for Chapter 11 under the Federal Bankruptcy Act that surfaced late in 1983, Eastern has taken steps toward regaining its health, largely due to new labor programs.

Through the first half of fiscal 1984, Eastern had accumulated losses of $59.7 million, compared to a first half loss of $94.4 million a year earlier. Revenues for the six-month period were $2.16 billion, compared to $1.96 billion in 1983. Air traffic control-related delays cost the airline $15 million in extra expenses in the second quarter of 1984 when losses totaled $24.1 million, according to chairman Frank Borman. Delays were primarily in the northeast, but the costs were spread out because the delays affected the entire system.

The much-publicized labor disputes in 1983 were countered by Eastern's $70 million ad campaign, launched in January. Themed "Wc earn our wings everyday," the effort replaced the four-year-old "America's favorite way to fly," featuring Mr. Borman as spokesman. The new ads feature various Eastern employes, and that employe involvement also reflects new ownership structures at the airline. Some of the new ads continue to feature Mr. Borman.

Under an agreement with its employes, which Eastern said it needed if it were to avert bankruptcy, most employes gave up 18% of their pay in exchange for 25% of Eastern's common stock. Employes also received 3 million shares of junior convertible preferred stock and representation on the board of directors.

Improved employe relations also are being credited with Eastern's successful establishment of its new Kansas City hub. Set in place last December, the hub is said to exemplify new flexibility among Eastern workers.

The Kansas City hub, which was expected to become profitable this summer, provides the airline with a strong midwestern base. Its prime competitor in the market is Trans World Airlines, whose midwest base is St. Louis.

The company is so pleased with its operation there that recently it introduced ads in feeder markets, inviting travelers to compare its Kansas City service to other areas, according to William Dowse, vp-advertising.

Other developments at Eastern include the addition of a San Jose/Costa Rica route in May of this year, strengthening its presence in South and Central America, which it entered two years ago. Additionally, in April it introduced a $2.5 million Hispanic ad push themed "Wings of America."

Cable spending for the carrier was about $3.1 million in 1983, according to Mr. Dowse, and will remain at about that level through this year, largely through the company's sponsorship of the Atlanta Braves on WTBS, the Turner Broadcasting System superstation.

ADVERTISING EXPENDITURES*

	1983	1982
Newspapers.......	$15,235,000	$21,625,400
Magazines........	7,205,000	4,657,900
Spot tv...........	12,265,000	7,924,900
Network tv........	9,735,000	5,202,500
Spot radio........	5,995,000	10,238,200
Outdoor..........	4,565,000	2,499,400
Total measured..	55,000,000	52,148,300
Unmeasured....	11,800,000	5,214,800
Estimated total..	66,800,000	57,363,100

*Provided by Eastern

ADVERTISING EXPENDITURES†

	1983	1982
Newspapers.......	$22,460,800	$21,625,400
Magazines........	5,838,400	4,657,900
Spot tv...........	12,237,100	7,924,900
Network tv........	9,398,000	5,202,500
Spot radio........	9,218,200	10,238,200
Outdoor..........	2,468,800	2,499,400
Total measured..	61,621,300	52,148,300
Unmeasured....	8,378,700	5,214,800
Estimated total..	70,000,000	57,363,100

†From AA's usual sources

EASTERN AIR LINES
Marketing Personnel

R.L. Ray Jr., senior vp-mktg
John W. Nelson, vp-sales
Paul C. Auger, vp-mktg programs
W.H. Dowse, vp-adv
Mike McPhillips, mgr-vacation adv
R.A. de Cespedes, mgr-intl adv
T. Ripps, mgr-consumer rsch
B.F. Walsh, mgr-business adv
R.A. Wolf, mgr-adv services
Robert J. Bauer, mgr-sales promo

Advertising Agency

Campbell-Ewald, Warren, Mich.—Joseph V. Karle Jr., group senior vp-mgmt super; Robert F. Henry, senior vp-associate mgmt super; David W. Roddy, vp-senior acct super; Jeffrey T. Seregny, Michael Rogers, vp-acct super; Steve Janicak, Patrick Kelly, acct execs. Miami, domestic—Gayle Boch, acct super; James Nelson, Michael Stewart, acct execs. Miami, Latin America—Gunther Saupe, senior vp-associate mgmt super; James Power, Maruja Roger, acct supers.

Eastman Kodak Co.

	1983	1982
Sales*........	$10,170,000,000	$10,815,000,000
Earnings*.....	565,000,000	1,162,000,000
U.S. Advertising	141,318,900	142,820,000

*Worldwide

Eastman Kodak Co., the 47th largest national advertiser, spent an estimated $141.3 million on advertising in 1983, a 1% decline from 1982.

Sales and earnings continued to be sluggish for Kodak. In 1983, sales were down 6%, to $10.17 billion. Earnings from operations declined 45%, to $1 billion. Net earnings showed the steepest decline—a 51% drop, to $565 million in 1983.

It was a year of recovery for Kodak, one that saw its entry into a number of new product arenas—from motion picture products and photography to 8mm video to floppy disks for personal computers. Concerning the latter analysts are concerned that Eastman Kodak may be straying too far from the company's field of dominance.

Kodak juggled its advertising media mix during the year, hiking spending in newspapers, magazines and spot tv, while reducing network tv by 11%. Spending in network radio also declined more than 50%.

Kodak film received the largest advertising expenditures—a little more than $40 million, up from $17.3 million. Most of this went to network tv. Similarly, the second biggest expenditure—$28 million—was spent on Kodak disc photography camera and film, mostly for network tv. Kodak photographic paper received $6.2 million in media advertising, $5.3 million went to network tv.

During 1983, sales of the company's photographic products declined 9%, to $8.09 billion. Significantly, record sales in the U.S of $4.78 billion—a 2% increase over 1982—were offset by a decline of 22% outside the U.S.

Within the U.S., retail sales of Kodak disc cameras increased, but total shipments from the company were lower when compared with the strong introductory and inventory-building year of 1982. Sales of the Kodacolor disc film also were up sharply. The company said the introduction of its line of Kodacolor VR films with speeds ranging from 150 to 1000 ASA was received with great enthusiasm.

In January, 1984, Kodak entered the world of video imaging with the announcement of its 8mm video-camera recorder and a complete line of videocassettes. Kodak marketing executives were quick to point out that the 8mm video recorder (called a camcorder) was not meant to compete with the traditional Beta and VHS video recorders in the market. It was in a market by itself, taking over from the 8mm film format generally used for the home. The 8 mm system will be available on the market by late summer.

Sales of Kodak instant cameras and films declined in 1983 although the Kodamatic Trimprint instant color film introduced at midyear performed better than the others. The company spent $2.7 million in media on Trimprint products, all in magazines.

For the professional and finishing markets, Kodak introduced a new professional video analyzing computer (PVAC) that accurately simulates color photographic prints by scanning negatives or transparencies and displaying the electronic picture on a high-resolution screen. The readings then are translated into digital data compared with optimum densities and color balances to help a photographic paper printer obtain consistent results.

In the graphics markets, worldwide sales were lower in 1983. However, the company was encouraged by its increased sales in the U.S. and Europe. In domestic markets, Kodak Ultratec products were introduced, providing the industry with an important breakthrough in prepress photographic technology.

Late in 1983, Kodak introduced two new medical X-ray films for the health sciences market. This year, it plans to make its Kodaflex products generally available.

The motion picture and audiovisual markets registered a slight decline in sales primarily because of poor sales to nonentertainment markets. Kodak is confident that the introduction of videocassettes for the consumer market as well as professional videotape will provide this segment of the company with increased revenues in the coming year.

In the business systems division, Kodak experienced strong revenue gains for its copy products as well as excellent growth of sales in its computer-output microfilm systems. The company was especially enthusiastic about sales of its Ektaprint 200 copier duplicator and Komstar microimage processor.

The chemicals division rebounded from its poor showing in 1982 to a 7% increase in sales of $1.84 billion. The encouraging results were attributable to a strong showing for acids and anhydrides and healthy increases in solvents sales, cellulose esters and health and nutrition products. Textile fibers also showed an improved sales performance.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$5,162,500	$3,825,900
Magazines........	16,644,600	15,243,700
Spot tv...........	8,649,100	5,843,800
Network tv........	56,453,800	63,267,000
Spot radio........	987,700	1,818,000
Network radio.....	726,400	1,609,000
Outdoor..........	1,719,400	593,300
Total measured..	90,343,500	92,200,700
Unmeasured....	50,975,400	50,619,300
Estimated total..	141,318,900	142,820,000

EASTMAN KODAK CO.
Rochester, N.Y.
Marketing Personnel

K.R. Whitmore, president
J.P. Samper, exec vp-genl mgr, photographic div
W.J. Prezzano, group vp-genl mgr
F.P. Strong, vp-genl mgr, U.S. mktg div
J.R. Robertson, vp-asst genl mgr, U.S. mktg div
R.G. VanDuyne, vp-genl mgr, customer equipment services div
J.R. Zeman, vp-genl mgr, health sciences mktg div
R.C. Sharp, vp-genl mgr, consumer/professional and finishing mkts
W.E. Sherman, vp-genl mgr, graphics mktg div
J.R. Sutcliffe, vp-genl mgr, business systems mktg div
J.J. Powers, vp-director, mktg communications
W.A. Koch, vp-genl mgr, motion picture/-audiovisual mkts div
W.K. Pedersen, asst vp-director, mktg communications services
R.C. Morrison, president, genl mgr, Kodak Canada
J.M. Guest, vp-genl mgr, distribution div

Advertising Agencies

Rumrill-Hoyt, Rochester—print trade, audiovisuals, some business, scientific and industrial—J.M. Valerio, president-ceo; D. Fisher, senior vp-group mgr.

Young & Rubicam, New York—instant photo prods—Roby Harrington, senior vp; Ed Comiskey, vp-mgmt super.

J. Walter Thompson USA, New York—traditional photo prods, some business, industrial and technical—John Maher, senior vp, Kodak Worldwide U.S.; Granger Tripp, senior vp, Kodak Intl.

Sieber & McIntyre, Chicago—health care prods—David McCarty, exec vp; Eric Edstrom, grop acct super.

Baker, Lovick Ltd, Toronto—Canadian commercial prods—G. Schich, vp-acct exec.

McCann-Erickson, Toronto—Canadian photographic and electronic prods—P. Finlayson, vp-group head; Thom Bodiker, vp-acct director, electronic (NYC).

EASTMAN CHEMICAL PRODUCTS
Kingsport, Tenn.
Marketing Personnel

R. Wiley Bourne Jr., president
T.F. Reid, exec vp-genl mgr
W.L. Terrill, senior vp
B.F. Roberts, vp-adv
G.O. Trabue Jr., vp-chemicals div and genl mgmt staff
R.C. Dubberly, vp-filter prods, intl div
L.B. Connelly, vp-plastics field mktg div
R.F. Matier, vp-technical service and devel, new prods
R.E. Hudson Jr., vp-textile fibers div
A. LaManna, director adv
T.L. Shealey JR., mktg director-textile fibers div
J.T. Moore, mktg director-plastics div
T.G. Fudge, mktg director-chemicals div
M.J. Mettetal, mktg director-H&N div
J.C. VanAudenhove, mktg director-filter prods div
C.B. Fox, mktg director-new prods div
B.E. Moore, mktg director, intl director
G.E. McGraw, director-technical service and devel div
W.T. Ambrogi Jr., director-chemicals field mktg div
N.M. Atkins, director-prod/mkt mgmt, chemicals div
P.J. Trent, director-plastics field mktg div

Advertising Personnel
(New York)

A. LaManna, director-adv
K.P. Lawless, mgr-fibers adv
V.V. Reisig, mgr-chemicals adv
T.W. Lyons, mgr-plastics adv
M. Hennessy, mgr-intl adv
J.F. Horne, mgr-promo
H.E. Reebel, mgr-adv services
R.E. Webb, mgr-editorial services (King sport)

Advertising Agency

Leber Katz Partners, New York—all products worldwide.

Ford Motor Co.

	1983	1982
Sales*........	$44,454,600,000	$37,067,200,000
Earnings*.....	1,866,900,000	(657,800,000)
U.S. Advertising	479,060,000	387,000,000

*Worldwide

Ford Motor Co., Dearborn, Mich., the seventh largest national advertiser, increased advertising 23.8% to an estimated $479.1 million in 1983, a year when profits replaced losses.

Ford posted worldwide earnings of $1.87 billion, compared with a loss of $657 million in 1982—the largest one-year turnaround from a loss position in U.S. corporate history. Worldwide sales rose 20%, to $44.4 billion in 1983.

The profit picture reversal was staged mainly in the U.S., where net income came to $1.5 billion, against a loss of $1.1 billion the preceding year.

Chairman Philip Caidwell said the strong U.S. performance was led by the new Thunderbird-Cougar and Tempo-Topaz cars. Both vehicles used aerodynamic styling in an effort to set the styling apart from competition.

Ford's U.S. market share continued to increase. Ford's U.S. sales of 1,671,837 autos gave the company a 17.2% market share, up from 16.9% a year earlier. Truck sales rose to 31.3%, from 30.6%, on sales of 993,874. Chevrolet beat Ford for the 1983 model year bragging rights on truck sales, but Ford regained the lead for the calendar year.

Ford bankrolled the sales with in-

Canon®
YOU LOOK GREAT IN OUTDOOR
IOA
INSTITUTE OF OUTDOOR ADVERTISING

$250,000,000 IN ONE YEAR!
RALEIGH DURHAM WINS BIG

Nation's 76th Metro gained more than a quarter of a billion dollars in new and expanded industry and research in one year!

Reach this *quality people– quality products* market with the largest daily newspaper buy in the Carolinas…

Durham Morning Herald
THE DURHAM SUN
The News and Observer
THE RALEIGH TIMES
With one rate one bill via
Branham
NEWSPAPER SALES

creased advertising expenditures that included $172 million in network tv, up from $126 million a year earlier. Magazines got $80 million, up from $58 million, as Ford, like Chrysler, imposed rate, location and circulation rules that in isolated cases resulted in less advertising in magazines that did not comply. Spot tv grew to nearly $38 million, from $20 million, as Ford tried for more regional impact. Ford corporate advertising was estimated at $53 million, up slightly from $51 million in 1982.

As usual, Ford divisions claimed the bulk of the total ad budget—$210.9 million, up 31% from 1982.

Among the company's two divisions, Ford division measured spending included $148 million on tv, up 38.3%. Magazine spending climbed to $43 million, from $31 million. Spot radio fell to $14.6 million, from $17.6 million in 1982.

Measured ad spending at the company's other division, Lincoln-Mercury, increased 34.5%, to $74.8 million, with the biggest increase in tv—$53 million, up 33.5%. Magazines rose 30.4%, to $18 million.

Lower earnings in Europe triggered rumors of agency shakeups—J. Walter Thompson USA was said to be vulnerable on the continent with its $45 million in Ford billings. But the movement came at executive levels of the client. James Capolongo, president-chief operating officer of Ford of Europe, resigned in June, 1984, in an apparent dispute with Robert A. Lutz, exec vp-international.

Ford division stepped up its aggressiveness in ad claims. It one-upped the corporate ad claim that "Quality is Job 1" by asking, "Have you driven America's best-built cars and trucks?"

The "best-built" claim was added for 1984 to the carry-over theme line, "Have you driven a Ford lately?" If the tag was long, the controversy was longer. Chryler Corp. challenged Ford's claim with the Federal Trade Commission and Better Business Bureaus in vain. Ford's claim was based on a study of reported flaws in new cars over the first three months of ownership.

Chrysler then replied with its own "best-built" claim, using the number of safety recalls as a measure. General Motors Corp. followed with a corporate ad citing insurance industry data on car crashes, showing seven of ten "best" models were GM's.

Ford pushed out in a number of new directions, in marketing, media and ad creativeness.

Marketing was directed more specifically toward the young, upwardly mobile professionals, who are the cream of the baby boom, especially on big-ticket items.

"We have products with qualities that happen to align with the prejudices of [yumps]—aerodynamics, comfortable interiors, higher quality and a European look," said Mark McNeely, manager of advertising strategy for contemporary markets.

Ford chose youthful spokesmen for Tempo tv commercials, skater Dorothy Hamill and football stars Joe Montana and John Riggins. The spots closed with "Tempo, the car designed to do everything a modern car should. It just looks better doing it."

Ford supplemented its traditional Bill Blass designer-editions models with more youthful and sporty looks, an Eddie Bauer Bronco II and a Thunderbird tied to Fila sportswear.

Like other domestic auto makers, Ford has a special marketing effort aimed at California, a traditional bellwether market where import penetration is close to 50%. Ford division took over in 1983 as the best-selling combined car and truck nameplate in the state, based on R.L. Polk registration data.

Ford captured a 23.5% share of the California truck market and 10.7% of passenger cars. Stephen C. Taylor, California marketing manager, set a 1984 goal of 26% truck and 11.5% to 12% car share. Ford division and its California car dealers association backed that with a $1.5 million to $2 million ad campaign designed for the state by the San Francisco office of J. Walter Thompson USA.

Ford division also added Burrell Advertising, Chicago, to its agency list after two years of minority-specialist work on a project basis. Ford targeted special ad efforts to blacks and Hispanics. The Hispanic effort ties Ford to Hispanic regard for tradition and family, with shots of an Escort as a graduation gift, closing, in Spanish, with "from one family to another."

Ford branched out in media also. One of the early experimenters with cable tv, Ford increased its cable spending to $3.8 million in the first nine months of the year, compared with $2.1 million for the similar period in 1982, making it the eighth largest spender on the BAR Cable TV Network Report tally.

Ford tried its first fiber-optic outdoor display with a Thunderbird shot with a caption that alternated between "Thunderbird" and "Wonderbird." The 75-by-25-ft. board is located at the intersection of two Detroit freeways, visually fronting GM headquarters. T-bird advertising was measured at $35.1 million.

While direct mail isn't new to Ford, the size of a "VIP Program," inviting 406,000 executives and professionals to test drive a Thunderbird for a day, was. Ford said results showed 10% of those who accepted said they'd buy a T-bird and 84% said they'd recommend it to a friend.

The tightest race for Ford division was an early-year challenge from GM's Oldsmobile. Olds crept up on Ford division's position as the No. 2 nameplate behind Chevrolet for the first five months of 1983, with Fairmont out of production and Tempo just introduced. But Ford rebounded to its accustomed second slot with the arrival of Tempo in normal volume. Measured ad support of about $28 million backed Tempo.

Lincoln-Mercury division continued to broaden its marketing image in 1983, showing more distinction between the two nameplates and preparing for the 1985 debut of a third line of Ford of Europe imports called Merkur.

Mercury's separate ad campaign for 1984 targeted younger, better educated and more affluent buyers, stressing functional performance and handling with long-copy ads and a cerebral theme line: "Mercury. A more enlightened approach."

The hot-selling aerodynamic-styled Cougar, which added a zippy XR7 turbo version for 1984, got the most measured advertising as the division's image leader—about $24 million. It was portrayed as a sophisticated performer rather than a muscle car. One print ad called it "One car that asks to be judged on more than merely its ability to accelerate."

After a splashy April, 1983, debut, Topaz got strong ad support for 1984, with a series of tv spots focusing on individual engineering features. Ad spending for Topaz for the year was $19.6 million. L-M also tagged tv with an invitation to call a special 800 telephone number for additional information, its first such effort. It was tested in five western states, then rolled out nationally.

Mercury advertising was aimed at import-intenders for 1984, but likely will swing more directly opposite Japanese imports this fall when the first Merkur (pronounced: MARE-koor, from the German word for the Roman god of trade, Mercury) models arrive to challenge upscale European imports.

L-M projects 1985 sales at 20,000 for its Sierra XR4Ti, a high-equipment version of a Ford of Europe car. It will be sold as a separate line in L-M dealerships. At least one more model will follow for 1986. L-M intends to build Merkur to 100,000 annual sales by 1990, more than any other European importer currently sells here.

Lincoln sticks to its traditional luxury market, but even it addresses competition from European luxury carmakers. A Euro-style version of the Lincoln Continental Mark VII introduced in November, 1983, was advertised heavily in car enthusiast magazines. The new Mark VII, borrowing heavily in styling and mechanics from the Thunderbird/Cougar, dominated Lincoln marque advertising for '84. Media ad spending for the Continental hit $7.4 million.

Lincoln got a full 30% of L-M ad spending because of the Mark VII and spent a fifth of it on a multiletter direct mail campaign designed to get potential buyers behind the wheel for test drives. The program followed a pilot in late 1982.

Lincoln media spending limited itself to upperdemographics magazines and business newspapers, all targeted at this high-income buyer pool.

Mercury media included tv with a heavy sports programing bent, but even there the long-copy theme was evident. Except for the Topaz engineering feature series, all tv was 60 seconds.

With both nameplates, the newer models were pushed and older models largely ignored, with varying results. Capri got slightly more than $1 million in media, and sales of the aging Mercury variant of Mustang fell sharply. The large Mercury Grand Marquis and Lincoln Town Car sold out with minimal advertising as gas shortage fears evaporated.

Ford Tractor operations tried tapping three new market segments as the division struggled to resume its place as a major profit center for the corporation.

Agricultural and construction categories continued to be depressed in an industry slump in 1983.

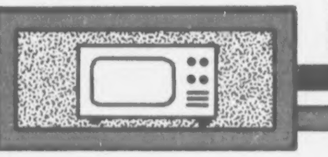
Ford Tractor fought back with a new lineup of redesigned large tractors in the spring of 1983 and followed in early 1984 with an ad campaign pitched at women.

Ford discovered women drove farm tractors more than previously thought—and made half the purchase decisions. Tractor controls and auxiliary power takeoffs were redesigned to appeal to women. And ads directly pitched to women as partners in farming followed instructions to dealers to treat women more as professionals.

Ford also pitched smaller tractors to parttime farmers, a fast-growing segment, with a $500,000 radio and print campaign via Fleishman-Hillard, Kansas City.

And in early 1984, suburbanites were targeted for an expanded line of lawn mowers, garden tractors and snow blowers with an ad campaign 2½ times bigger than the previous budget through regular agency Meldrum & Fewsmith, Southfield, Mich.

In personnel changes, Edsel B. Ford II, great-grandson of founder Henry Ford, moved to Ford division ad manager from marketing product plans manager in December. He replaced Douglas T. McClure, who became ad manager of the Ford corporate marketing staff, a vacant position.



The top 25 spot tv advertisers

Rank	Advertiser	Expenditures ($000) 1983	1982	1983 as % of total advertising exp.	1982 as % of total advertising exp.
1	Procter & Gamble Co.*	$229,244.8	$178,882.2	29.6	24.6
2	PepsiCo Inc.*	121,847.1	87,728.2	34.2	28.8
3	General Mills*	112,982.1	107,614.2	42.0	31.3
4	McDonald's Corp.*	105,024.8	94,156.0	33.7	35.5
5	General Foods Corp.*	73,019.9	70,799.1	18.9	16.5
6	Coca-Cola Co.*	70,672.6	59,311.3	25.0	23.2
7	Pillsbury Co.*	60,781.0	46,122.8	31.8	27.6
8	Anheuser-Busch Cos.*	59,370.0	46,954.4	20.4	19.3
9	Unilever U.S.*	55,789.2	43,765.5	17.2	14.4
10	Philip Morris Inc.*	50,431.5	34,446.0	9.6	6.9
11	Mars Inc.*	44,332.5	46,508.6	36.8	38.8
12	Dart & Kraft*	42,525.2	64,277.0	20.2	32.3
13	Toyota Motors Sales U.S.A.*	42,505.9	44,792.1	37.4	40.2
14	American Telephone & Telegraph Co.*	41,341.0	65,654.1	8.9	17.6
15	R. J. Reynolds Industries*	39,642.0	47,738.1	6.7	9.0
16	Warner-Lambert Co.*	39,438.7	32,907.2	11.5	11.2
17	Ford Motor Co.*	37,857.4	22,256.6	7.9	7.1
18	Nissan Motor Co.*	37,723.6	32,671.1	30.7	27.8
19	Ralston Purina Co.*	35,744.8	23,535.8	12.5	10.7
20	Kellogg Co.*	34,130.2	30,054.3	19.4	19.5
21	Nestle Enterprises*	32,793.1	28,712.9	28.5	25.5
22	GTE Corp.*	32,443.2	5,925.1	46.2	23.5
23	American Home Products Corp.*	32,063.4	36,733.6	9.6	11.3
24	Time Inc.*	31,327.6	30,339.9	26.2	23.3
25	Wendy's International*	31,224.2	17,916.3	48.5	39.9

Source: Net time figures Broadcast Advertisers Reports and supplied to Leading National Advertisers.
*Indicates a 100 Leading National Advertiser

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$49,602,600	$45,582,600
Magazines	80,346,300	58,735,200
Farm publications	3,431,300	3,398,800
Spot tv	37,857,400	20,750,700
Network tv	172,308,100	126,739,600
Spot radio	12,993,100	23,100,100
Network radio	7,185,600	6,462,400
Outdoor	1,805,900	1,185,700
Total measured	365,530,300	285,955,120
Unmeasured	113,529,700	101,044,880
Estimated total	479,060,000	387,000,000

FORD DIVISION

	1983	1982
Magazines	$43,005,139	$31,296,870
Spot tv	19,031,300	9,269,400
Network tv	129,406,800	98,436,700
Network radio	3,843,765	3,718,407
Spot radio	14,629,229	17,664,362
Outdoor	948,879	619,740
Total measured	210,865,112	161,005,479

LINCOLN-MERCURY DIVISION

	1983	1982
Magazines	$18,970,425	$13,895,690
Spot tv	17,983,200	11,481,300
Network tv	35,684,300	28,302,900
Spot radio	92,432	166,871
Network radio	1,695,561	1,640,280
Outdoor	425,664	273,380
Total measured	74,851,582	55,670,421

FORD MOTOR CO.

Corporate Marketing Personnel

William P. Benton, vp-mktg
D.T. McClure, director-adv office
R.C. Reynolds, mgr-corp adv
F.R. Wuellner, mgr-adv communications

Advertising Agency

Wells, Rich, Greene, New York—James B. Lawrence, senior vp-genl mgr/Detroit.

FORD DIVISION

Marketing Personnel

L.E. Lataif, vp-genl mgr
P.M. Novell, genl sales mgr
J.L. Pfeifer, exec asst-dealer affairs
T.J. Wagner, genl mktg mgr
J.G. Clissold, light truck sales mgr
E.B. Ford II, adv mgr
R.J. Gillooly, natl adv mgr
J.H. Deimel, field mktg mgr
W.D. Lancaster, merch mgr
D.M. Pohold, vehicle sales promo mgr
T.N. Hynes, training-communications mgr

Truck Operations

E.P. Williams, vp-genl mgr
K.F. Smith, genl sales mktg mgr-heavy trucks
Carver Wood, heavy truck sales mgr
T.C. Martin, heavy truck adv-merch mgr

Advertising Agency

J. Walter Thompson USA, Detroit, Mich.—J.G. Schulte, exec vp, Detroit genl mgr; Bill Lane, senior vp-exec creative director; Bill Williams, senior vp, Ford acct director; Larry Mastro, vp-truck mgmt super; Hugh Trenkamp, senior vp-Ford dealer adv; D.L. Sinclair, vp-mgmt super/car; W.A. Gelgota, vp-mgmt super/car; Tom Healy, senior vp-media director.

LINCOLN-MERCURY DIVISION

Marketing Personnel

Robert L. Rewey, vp-genl mgr
B.J. Coughlan, genl sales mgr
Ross H. Roberts, genl mktg mgr
J.B. Vanderzee, adv mgr
John T. Treter, merch mgr
Rick C. Baker, adv media coordinator
Hal G. Augustine, major market/dealer adv mgr

Advertising Agency

Young & Rubicam, Detroit, Mich.—William A. Power, exec vp-genl mgr; Roby Harrington, exec vp-regional director; John Sanders, exec vp, deputy mgr; Chuck Riley, senior vp-group director (L-M acct support services); Greg Stein, vp-director of client services/WRK; Ken Pool, vp-director media relations & planning; Warren Winstanley, vp-mgmt super (planning); George Bak, vp-acct super (XR4); Tim Hart, vp-acct super (Mercury); Tim Cooney, acct super (Lincoln-luxury); Conrad Welsing Jr., senior acct exec (luxury-adv); Sandy Rowland, acct exec (Mercury); Scott Thornton, acct exec (XR4), George Bak, acct exec (Merkur).

FORD PARTS & SERVICE DIVISION

Marketing Personnel

C.V. Barion, genl mgr
L.R. Miskowski, natl service devel
K.W. Myers, prod and mktg mgr
M.L. Jones, mktg mgr
T.P. King, adv & sales promo

Advertising Agency

Young & Rubicam, Detroit—Robert Colgan, senior vp-group acct director; Robert Sontag, vp-mgmt super; Tom J. Ryan, acct super-parts & service; Carol Canestraight, senior acct exec; Tom Moran, Jesse Lampkin, acct execs.

NORTH AMERICAN SALES OPERATIONS
FORDTRACTOR OPERATIONS

Marketing Personnel

M.H. Manning, vp-genl mgr
G.A. Cowl, asst genl mgr-sales/mktg
R.J. Nicolazzi, genl operations mgr
J.J.L. Johnson, genl sales mgr
J.N. Churchman, mktg mgr
A.H. Pridgeon, adv/sales promo mgr

Advertising Agency

Meldrum & Fewsmith, Southfield, Mich.—Dean Neill, exec vp; O. Leffler, senior acct exec; J. Bryan, M. Shencopp, acct execs.

FORD MOTOR CREDIT CO.
Marketing Personnel
J.W. Ford, chairman of the board
S.A. Seneker, president
S.M. Poth, vp-mktg and operations services
J.R. Gilker, mktg and business devel mgr
W.E. Beathardt, mktg and operations analysis mgr-consumer loan operations
C.B. Rosenberg, mktg and business devel mgr-commercial, industrial and real estate financing
Advertising Agency
Wells, Rich, Greene, New York East—J.D. McKay, exec vp-mgmt group head.

General Electric Co.

	1983	1982
Sales*........	$26,797,000,000	26,500,000,000
Earnings*.....	2,024,000,000	1,817,000,000
U.S. Advertising	196,506,600	159,000,000

*Worldwide

General Electric Co., Fairfield, Conn., the 32rd largest advertiser in the U.S., increased its over-all advertising spending 23.6%, to an estimated $196.5 million in 1983.

The substantial increase can be attributed, in part, to the economic recovery and a renewed increase in consumer spending.

Among measured media, GE dramatically increased its spending in newspapers, up more than 100% from 1982. The year saw increases of 21% in magazine spending, 28% in spot tv and 26% in network tv. The only decreases were in network radio and outdoor.

The increases, while substantial, follow on the heels of drastically reduced spending in measured media in 1982.

GE has shifted its advertising focus away from image-specific advertising and now is placing a greater emphasis on the value-added services of its products.

Richard A. Costello, manager-marketing communications programs, late last year estimated that the weight between product advertising and its then image campaign was 50-50. The split for the fourth quarter of 1983 was altered to better reflect its new focus—50% in product, 30% in services and 20% in image.

As part of its shift, GE has moved away from tv spots crammed with vignettes to individual commercials that are minidramas with a single story line. Later this year, GE will launch its first corporate-level, business-to-business ad campaign in nearly 30 years.The $5 million effort, handled by Chiat/Day, New York, is designed to serve all of the company's various operations.

Earnings in 1983 rose 11% to slightly more than $2 billion, while sales continued to be relatively flat—up 1%, to $26.797 billion.

Earnings for the first quarter of 1984 were $485 million, up 14% from the first quarter of 1983. Sales for the quarter increased 8%, to $6.58 billion, from the comparable quarter of 1983.

The past year marked a time of both consolidation and acquisition for GE. The company sold its natural resources subsidiary, Utah International, to the Broken Hill Proprietary Co. Ltd. of Australia for $2.4 billion—less the value of certain properties that GE retained.

It also sold its housewares business to Black & Decker for $300 million; its Family Financial Services, a second-mortgage subsidiary of General Electric Credit Corp. to the Philadelphia Savings Fund Society for $600 million, and sold for $81 million seven radio and tv stations, thereby divesting itself of all but one—its Denver tv franchise. The company continues to operate 12 cable systems.

The sale of these properties is consistent with GE's new strategy of paring down those operations that are not in keeping with the over-all business strategy, which is to become No. 1 or 2 in market share in each business in which it is involved.

This strategy has evolved to where the company now is focusing on being No. 1 or 2 in 15 businesses in three distinct areas: High technology, services and its six core businesses (major appliances, lighting, turbine, transportation, motor and tractor equipment).

With the extremely strong cash position that GE currently enjoys, there has been much speculation as to the company's desire to make a major acquisition. In response, GE publicly has said it is taking a wait-and-see attitude and that the cash has given GE the flexibility to provide added funds for internal development.

The company, however, is not sitting idly by. In 1983, it spent more than $500 million on 62 acquisitions, joint ventures and other investments. These include Calma, a West Coast maker of computer-aided design machines; 3M's ceramic business, and North American Cars, a tank car leasing business.

In the consumer products sector, GE's 1983 revenues increased 6.5%, to $6.4 billion. Net earnings increased 36%, to $326 million.

On the new-product front, GE introduced a line of telephones featuring cordless and combination clock/radio models, a 22-cubic-ft. refrigerator, the 2800 PermaTuf dishwasher with electronic controls and the Command Performance tv line.

GE also has entered into a three-way battle with Eastman Kodak Co. and RCA for the 8mm video camera market.

The system, which made its debut in January, includes an 8mm camera and playback system in a package. Both the GE and Kodak cameras are being manufactured by Matsushita Electric Industrial Co. Hitachi is making RCA's equipment. The GE system sells for about $1,500.

The RCA system is the only one that is compatible with standard videocassette recorders. Both the GE and Kodak systems can be adaptable with the purchase of accessories.

GE products that received $1 million-plus in measured advertising in 1983 included GE can openers, coffee makers, dishwashers, light bulbs, major appliances, rechargeable battery system, space-maker appliances and GECC Financial Services.

The most heavily advertised products, according to Leading National Advertisers, were light bulbs for home use with $10 million-plus in support; dishwashers, $6 million, and Toast-R-Oven, nearly $2 million.

Early this year, GE switched its estimated $3 million-plus major appliance business group to Symon & Hilliard, New York, from BBDO. The company named J. Walter Thompson de Mexico to handle its $900,000 appliance account there. GE has done no advertising in Mexico for the past two years.

The company also geared up to support its Summer Olympic buys. Last November, it assigned Howard/Marlboro Group to develop a multi-million-dollar sales promotion campaign that included a tv viewing guide.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$12,219,800	$6,054,100
Magazines........	13,129,100	10,313,800
Spot tv...........	4,501,900	3,241,900
Network tv........	39,158,000	28,966,600
Spot radio........	506,600	399,700
Network radio.....	——	177,400
Outdoor..........	243,300	352,200
Total measured..	69,758,700	49,505,700
Unmeasured....	126,747,900	109,494,300
Estimated total..	196,506,600	159,000,000

GENERAL ELECTRIC CO.
Marketing Personnel
Leonard Vickers, vp-corp mktg
Karl L. Koss, mgr-corp adv
H.M. Snider, project mgr
E.J. Clark, mgr-educational communications programs
A.C. Walker, media coordination
CONSUMER PRODUCTS SECTOR
Marketing Personnel
R.A. Costello, mgr-consumer mktg
W.D. Rayer, mgr-lamp prods
N.R. Huey, mgr-audio electronics
R. Richman, mgr-video prods
Advertising Agencies

BBDO, New York—corp, brand image, commercial and industrial lighting, video, consumer lighting, video, audio—F. Perkins, exec vp.

Lawler, Ballard Advertising, Norfolk—videotrade adv—Peter Wehmann, vp-mktg services director.

Hesselbart & Mitten, Akron, O.—intl lighting dept—Dennis Soltis, senior vp.

Symon & Hilliard, New York—major appliances—John Symon, chairman.

Chiat/Day, New York—corp mktg—Jay Chiat, president.

Dancer Fitzgerald Sample, New York—battery business dept—Robert Weekes, exec vp.

Dix & Eaton, Cleveland—lamp components—Edward F. Kelly, group vp.

Stuart Ford, Richmond, Va.—mobile communications—Stuart Ford, president.

General Foods Corp.

	1983	1982
Sales*........	$8,599,800,000	$8,256,400,000
Earnings*.....	317,100,000	288,500,000
U.S. Advertising	386,134,200	429,070,000

*Fiscal years 1984 and 1983 ended March 31.

General Foods Corp., White Plains, N.Y., the 10th largest national advertiser, reduced its ad spending 10%, to an estimated $386.1 million in 1983.

The decrease is attributed in part to a 50% decline in measured advertising for the company's pet food division (brands: Gaines, Gravy Train, Cycle, Top Choice) to $9.8 million, and a decline of 24% in ad spending on Post brand cereals to $44.6 million.

The continued cuts in the Gaines pet foods division's advertising was a prelude to the sale of the division in June, 1984, to Anderson, Clayton & Co., a Houston-based food company. For some time, industry analysts had rumored that GF would move out of the pet food business.

The company saw its worldwide sales rise 4% in fiscal 1984, ended March 31, to $8.6 billion. Earnings rose 10%, to $317 million, in the same period.

GF continued the aggressive stance in new product introductions and company acquisitions that it has been pursuing the past several years. The company expects that 15 products, now in various introduction stages, have the potential to add up to $600 million in net revenues once the products are rolled out nationally.

Early this year, GF acquired Ronzoni Corp., makers of pasta, spaghetti and seafood sauces, egg noodles, Italian frozen entrees and grated cheese. GF hopes to create a complete Italian food products business by expanding into other Italian food specialties using the established Ronzoni name.

In other main meal products, the Birds Eye line of vegetables received a new packaging look. The company is looking to tie together its many varieties with a cleaner look and more consistency, and to present the vegetables in a top quality light.

While advertising for Birds Eye frozen vegetables decreased 40% from 1982 to $2.5 million last year, spending for the Birds Eye line of International vegetables jumped to $1.3 million from $9,000 in 1982.

Spending for Birds Eye Cool Whip and its tie-in with Jell-O Pudding and Pie Filling decreased 8% to $8.9 million, although not nearly the decline of 42% registered in measured spending by the product's major category competitor, Dart & Kraft's La Creme Frozen Whipped Topping, whose measured spending in 1983 was $6.8 million.

In the beverage area, the big news continues to be aspartame-sweetened drinks. The over-all market for powdered soft drinks grew by 13% last year, and GF was firmly in the fray with Sugar Free Kool-Aid, Crystal Light and Country Time lemonade. The company expects the first two products to generate more than $300 million in sales.

The advertising support is present. Last year, GF spent $8.3 million on Kool-Aid presweetened mix and $8.8 million on Kool-Aid presweetened sugar-free drink mixes. Measured spending on all Kool-Aid brands was $26.4 million. The company says Kool-Aid has a 64% share of the powdered beverage business.

Crystal Light, which rolled national this spring, saw its advertising shoot up from $435,000 in 1982 to $6.7 million last year. Both Crystal Light and the sugar-free Kool-Aid are aimed at adults; Crystal Light's spokeswoman is Linda Evans, who with other fitness-conscious adults, reinforces the theme, "I believe in Crystal Light because I believe in me."

A restaged Country Time also rolled national this spring, as did a new sugar-free Country Time lemonade. The brand's advertising dropped from $2.8 million in 1982 to $19,000 last year.

GF is testing a sugar-free Tang, and an improved regular Tang is poised to make its debut. Young & Rubicam will handle the $25 million reintroduction. And under both the Tang and Kool-Aid names, the company is testing products packaged in aseptic containers. Some $6.7 million in measured advertising was spent on Tang brands.

In the dessert portion of packaged convenience foods, Jell-O gelatin pops have been rolled to 35% of the country. Swirl variations of the original have been added and Jell-O fruit & cream dessert bars are in test markets. Sugar-free Jell-O gelatin is now available in half the country.

Jell-O, a high ad budget brand, attracted $38.3 million in measured spending, with the big dollars going into Jell-O Frozen Pudding Pops ($12.4 million), Jell-O Gelatin Dessert ($11.1 million), and Jell-O Pudding and Pie Filling ($8.4 million).

The packaged grocery products segment was GF's healthiest in fiscal 1984. Net sales rose 12%, to $3.79 billion. Earnings grew 10%, to $470.7 million.

Coffee (Brim, Maxwell House, Maxim, Sanka and Yuban) is the leading product in this sector. Measured spending for all coffee products was $65 million, with Maxwell House garnering $29.8 million, Brim, $18 million, and Sanka, $13.6 million.

Early this year, GF's first new coffee entry in three years appeared on the West Coast. Consumers there now can sample Yuban decaffeinated coffee. The advertising, by Benton & Bowles, emphasizes the brand's "deep, dark and Colombian" taste.

On the heels of the Yuban introduction, the company unveiled a decaffeinated version of Maxwell House. The brand will be available nationally, except on the West Coast. Advertising, by Ogilvy & Mather, will concentrate on the Maxwell House heritage of "good taste."

GF already has two other decaffeinated products, Sanka and Brim. Analysts wonder whether the two new entries will cause some erosion in the sales of the existing brands, but GF says the Maxwell House entry will appeal to a younger consumer—30-plus, as opposed to a 40-plus market for Sanka.

The decaffeinated segment is the one that promises the most growth in the stagnant $4.5 billion coffee market. GF's actions are expected to goad competitor Procter & Gamble into speeding up its introduction of either a High Point vacuum ground version or a decaffeinated Folger's ground coffee.

In flavored coffees, GF introduced a new flavor, Cafe Irish Creme, to its line of International coffees. And early this year Le Cafe, a premium, ground roast coffee, was introduced to the West Coast. The product is available in cinnamon, mocha and amaretto flavors. According to trade estimates, the International coffee line has been growing at an annual rate of almost 45%.

Ron Morrow, an analyst with Smith Barney Harris Upham & Co., says GF is aiming for "higher margin and higher growth products; ones that offer consumers fresh, quality food with ease of preparation."

The company's acquisition trail also took it to the purchase of the western division of Oroweat Foods, owner of nine bakeries. This provides a line of bread and roll products and will enable GF's Entenmann's sweet goods to complete its expansion; at the end of fiscal 1984, Entenmann's was available in more than 40% of the U.S.

The one disappointing area was the company's breakfast food division. GF introduced several new Post cereals in fiscal 1983 and achieved growth both in volume and in market share. But in fiscal 1984 the brand's volume declined; the company attributed the decline to greater competitive advertising and promotional spending.

Post's cereals saw measured ad spending plummet in 1983, from $58.5 million to $44.6 million. Post Raisin Grape Nuts dropped from $10.6 million to $1.4 million; Post Grape Nuts dropped from $11.6 million to $7.4 million; Fruit & Fibre went from $10.9 million to $6.6 million; Honeycombs from $4.3 million to $2.5 million; Pebbles fell from $4.5 million to $2.9 million; Raisin Brand, however, increased from $5.8 million to $6.7 million. And new Honey Nut Crunch Raisin Bran got $6.3 million.

The company notes that in fiscal 1985, breakfast foods, "an important foundation business," will be strengthened by stronger marketing and prod-

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In prepared meats, GF's Louis Rich turkey product's line drew $5.2 million in measured spending, up 33%, but Oscar Mayer branded products dropped 12% in ad spending to $10.7 million.

Of the company's $284 million in measured ad spending, the largest share went to network tv—$170 million. But that was a 27% decrease from 1982. The spot tv ad spend remained relatively constant.

In the first nine months of 1983, figures available from the Cabletelevision Advertising Bureau had GF spending $8.6 million in wired tv, up from $6.9 million in 1982.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$4,201,000	$4,700,000
Magazines	33,373,200	29,746,500
Spot tv	73,019,900	70,799,100
Network tv	170,064,500	232,349,400
Spot radio	2,333,200	4,744,500
Network radio	1,711,000	7,002,200
Outdoor	68,800	—
Total measured	284,771,600	349,341,700
Unmeasured	101,362,600	79,728,300
Estimated total	386,134,[illegible]00	429,070,000

GENERAL FOODS CORP.

Marketing Personnel

James L. Ferguson, chairman-ceo
Philip L. Smith, president-coo
E.R. Shames, exec vp-president, GF intl operations
D.J. Keller, exec vp-coffee and foodservice
W.F Dordelman, group vp-planning and devel
J.M. Hiegel, exec vp-ceo, Oscar Mayer Foods Corp.
R.L. Seelert, group vp-president, package convenience foods
J.M. Keenan, corp group vp, president-GF Europe
F.K. Mitchel, vp-mktg staffs
T.E. Duesler, vp-sales
D.W. Johnson, vp-president, ceo-Entenmann's Inc.
R.E. Haynes, creative services director
D.K. Braun, media services director
W. Shaw, promo services director

BASIC FOODS & BAKED GOODS SECTOR

Marketing Personnel

J.C. Tappan, group vp

BREAKFAST FOODS DIVISION

Marketing Personnel

T.J. Herskovits, genl mgr
D.J. Gustin, mktg mgr-cereals
J.K. Kramer, devel mgr
G.W. Cook, natl sales mgr

Advertising Agencies

Ogilvy & Mather, New York—Alpha Bits, Pebbles, Super Crisp, Honey Nut Crunch Raisin Bran, Post Tens, Smurfberry Crunch new prods—Brendan Ryan, senior vp-group director.

Grey Advertising, New York—Post Raisin Bran, Grape-Nuts, Honeycomb, Grape-Nuts Flakes, Fruit & Fibre 40% Bran Flakes—Hunter Yager, exec vp-mgmt rep; Milt Weinstock, vp-mgmt super.

Ted Bates Advertising/New York—Log Cabin—Hal Pearson, senior vp-mgmt super and mgmt rep; Michael Passet, acct super.

ENTENMANN'S INC.

Marketing Personnel

D.W. Johnson, GF vp/president-ceo

COFFEE/FOODSERVICE SECTOR

D.J. Keller, exec vp-coffee/foodservice

MAXWELL HOUSE DIVISION

D.J. Keller, GF exec vp-president, coffee and foodservice
S.B. Morris, GF vp-genl mgr
C.R. Hummel, director-long range planning
J.W. Johnson, category mgr-Maxwell House
C.A. Phillips, category mgr-modified coffees
L.A. Nelson, natl sales mgr

Advertising Agencies

Young & Rubicam, New York—Sanka—Jane Brite, mgmt super; Ann Zopfi, acct super; GF International Coffees—Dave Cramoy, mgmt super; Barbara Jack, acct super.

Ogilvy & Mather, New York—Maxwell House brands—Mary Lou Pritchett, vp-mgmt super.

Benton & Bowles, New York—Brim, Yuban—Barry Webster, mgmt super.

Ted Bates Advertising/New York—Maxim, Mellow Roast—Hal Pearson, senior vp-mgmt super and mgmt rep; Lucy Kennedy, acct super.

FOODSERVICE DIVISION

Marketing Personnel

B.G. Laragh, GF vp-div president
E.S. Caso, operating and logistics director
A.R. Plassche, planning and devel director
S.D. Cole, natl sales mgr

Advertising Agencies

Ketchum Communications, New York—Walter Kaprielian, president; Thomas Miller, exec vp; Donald Burkett, acct super.

Young & Rubicam, New York—Larry Shapiro, group director.

PACKAGE CONVENIENCE FOODS SECTOR

Business Divisions

R.L. Seelert, group vp-package convenience foods business divs

BEVERAGE DIVISION

Marketing Personnel

R. Sansone, GF vp-genl mgr
G. Murphy, mktg mgr
J.M. Kilts, devel director
R. Wesolowski, sales mgr
A.E. Wamsley, natl sales mgr

Advertising Agencies

Young & Rubicam, New York—Tang, Orange Plus, Awake, Postum—William Green, mgmt super; Tim Pollak, acct super.

Ogilvy & Mather, New York—Country Time—Brendan Ryan, senior vp-group director; Ed Vick, vp-mgmt super.

Grey Advertising, New York—Kool-Aid—Hunter Yager, exec vp-mgmt rep; Malcolm Mace, Carol Herman, mgmt supers.

DESSERTS DIVISION

Marketing Personnel

K.E. Fulton, GF vp-group exec
R.E. Viault, asst genl mgr
E.H. Reynolds Jr., sales mgr
E.D. Thibeault, natl sales mgr

Advertising Agencies

Young & Rubicam, New York—Jell-O cheesecake mix, Jell-O Pudding Pops, Jell-O puddings and pie fillings, Jell-O Instant Pudding, Jell-O Americana desserts—Matthew Crisci, mgmt super; Jim Hood, Joe Tilly, Phil Asche, acct supers.

Benton & Bowles, New York—Cool Whip, Dover Farms—Norman Sherman, mgmt super.

Grey Advertising, New York—Baker's Chocolate, Baker's Coconut, D-Zerta, Dream Whip, Minute Tapioca, Calumet, Certo, Sure-Jell—Hunter Yager, exec vp-mgmt rep; Jack Frantz, senior vp-mgmt rep; Jerry Zaret, vp-mgmt super.

MEALS DIVISION

C.J. Bowen, vp-genl mgr, Meals Division

BIRDS EYE AGRICULTURAL UNIT

Marketing Personnel

N. Kelly, mgr
P. Gools, sales devel and planning mgr
A.E. Wamsley, natl sales mgr

Advertising Agency

Young & Rubicam, New York—Birds Eye vegetables, Quick Thaw fruits—Ed Comiskey, mgmt super; Richard Bodge, acct super.

DRY GROCERY PRODUCT UNIT

Marketing Personnel

L.D. Juliber, mgr
V.B. Elkind, devel mgr
E.T. Thibeault, natl sales mgr

Advertising Agencies

Ogilvy & Mather, New York—Shake n' Bake, Open Pit—John Blaney, vp-group director.

Grey Advertising, New York—Minute Rice, Minute Rice Mixes, Stove Top stuffing mix, Oven Fry coating—Hunter Yager, exec vp-mgmt rep; Jack Frantz, senior vp-mgmt rep; G. Thomas Ayderlotte, vp-mgmt super.

Ted Bates Advertising/New York—Good Seasons salad dressing mixes—Hal Pearson, senior vp-mgmt super & mgmt rep; Michael Passet, acct super.

RONZONI FOODS CORP.

R. Ronzoni, president
R.J. Pizzuti, mktg mgr

Advertising Agency

Young & Rubicam, New York—Edward Comiskey, group director; Ray Katz, acct exec.

OSCAR MAYER SECTOR

OSCAR MAYER FOODS CORP.

Marketing Personnel

J.M. Hiegel, GF exec vp, president/ceo
J.W. McVey, GF vp, exec vp
R.L. Tolleson, GF vp, exec vp

Advertising Agencies

J. Walter Thompson USA, Chicago—all lines except Louis Rich brands—John Furr, senior vp-group acct director; Tom Goettsche, vp-acct director; Rich Anderson, vp-senior acct super; Bill Minor, acct super; Jody Solomon, Steve Swanson, Steve Weiss, acct reps.

Tatham-Laird & Kudner, Chicago—Louis Rich Brands—Thomas Schafer, Linda Garrison, mgmt supers; Ed Steffes, Rawdon Parry, acct supers; Joe Dollens, Dick Salyer, acct execs.

LOUIS RICH

Marketing Personnel

Tom Smith, vp-consumer prod div
Bob Tuckis, vp-mktg mgr
Mike Trautschold, group prod mgr
Steve Lindbloom, John Martin, prod mgrs
Tom Brancky, Ken Witty, associate prod mgrs

Advertising Agency

Ted Bates, New York—Larry Epting, Mike Townsend, vps; Stu Upson, super acct mgr; Jay Hussey, acct mgr.

CHEESE DIVISION

Marketing Personnel

W.G. Harris, genl mgr
H.L. Brody, director of devel and business planning
Andre Jaeckle, exec vp-Otto Roth Co
F. Jaeckle, exec vp-Otto Roth Co.
A.M. Bond, sales mgr

General Mills

	1983	1982
Sales*	$5,600,000,000	$5,550,300,000
Earnings*	233,400,000	245,100,000
U.S. Advertising	268,690,200	244,363,700

*Worldwide, fiscal years 1984 and 1983 ended May 27

General Mills, the nation's 23rd largest advertiser in 1983, increased its ad spending 10%, to $268.7 million.

The company had net earnings of $233.4 million in fiscal 1984, down from the previous year's $245.1 million, on sales of $5.6 billion, up less than 1% from 1983.

During the year, General Mills increased its measured media advertising portion of its ad budget 9%, to $242.1 million, with major expenditures in spot tv ($113 million, up 5%), network tv ($100.3 million, up 7.2%), and magazines ($25.5 million, up 44%), according to Leading National Advertisers.

Leading the media expenditure list of products were Big G cereals on which $72.7 million was spent during 1983, down 2.8% from 1982.

The slight decline in measured media spending for cereals apparently did not hurt General Mills' position in the over-all market. The company currently holds about 23.4% of the $3.7 billion ready-to-eat cereal market, according to Drexel Burnham Lambert, up from about 23.1% last year.

During 1983 and the first seven months of 1984, General Mills concentrated its new cereal introductions on children, providing national distribution to Cinnamon Toast Crunch, Pac-Man and E.T. cereals in the highly competitive presweetened cereal category. Pac-Man, the only one of the trendy cereals to receive media spending in 1983, gleaned $5.1 million from the General Mills budget.

Last fall, General Mills briefly entered Orange Blossom cereal into Chicago and other limited markets on a single sell-in basis, the same trial marketing basis it used for Strawberry Shortcake cereal before it went national.

Meanwhile, the Big G division substantially dropped spending on some of its earlier cereals, including Donutz (only $2,400 in 1983) and Buc-Wheats ($270,400). Spending for Crispy Wheat 'n Raisins declined from more than $5 million in 1982 to about $3.3 million last year.

The company also entered limited test markets, including Eau Claire, Wis., and Pittsfield, Mass., with aspartame-sweetened Trix cereal, the third aspartame-sweetened cereal marketed in the U.S. (Quaker Oats Co. markets Halfsies; General Foods' Post unit is testing aspartame-sweetened Alpha Bits.) In Canada, General Mills launched Pro-Stars aspartame-sweetened cereal, using Edmonton Oilers hockey star Wayne Gretzky as its spokesman.

The company's Wheaties cereal basked in the warmth of consumer awareness as a result of its "Big Boys" campaign, which began in June, 1983. Measured media was $4.8 million.

Like other cake mix and flour marketers, General Mills late last year was hit by the controversy over the presence of ethylene dibromide (EDB) in some of its products and was forced to pull some cake and muffin mixes and Gold Medal flour and Bisquick from store shelves in various states.

The company said its research suggested there was some falloff in demand for its cake mixes and possibly Bisquick as a result of the EDB scare, but it could not prove a direct relationship between soft sales and the scare. General Mills said there was virtually no effect on sales of its Gold Medal flour, which it supported with a minimal $782,000 in media spending.

General Mills met rising competition from Procter & Gamble in the fast-growing, $130 million muffin mix category by entering nationally two new Betty Crocker muffin mix flavors—apple cinnamon and tart cherry—just as P&G moved cross-country with Duncan Hines banana nut and spicy apple.

The Betty Crocker baking mixes, including chocolate-chocolate chip cake mix introduced last year, maintained second place behind Procter & Gamble's Duncan Hines mixes.

In the face of new competition by Procter & Gamble's Duncan Hines ready-to-spread frosting, Betty Crocker Creamy Deluxe frostings were reformulated with butter last fall, at the same time No. 2 Pillsbury reformulated its product with all vegetable shortening.

But General Mills' share of the $220 million frosting market slumped to 43%, from about 47% before the Duncan Hines introduction, while the P&G brand picked up about 15% of the market.

Measured ad spending for Betty Crocker canned frosting declined from about $3.3 million in 1982 to $2.3 million in 1983.

The Golden Valley division this summer introduced nationally Chicken Helper sauces and side dishes, an extension of its Hamburger and Tuna Helper lines, in a campaign calling it "a new way to dress up your chicken." The company also entered a four-item line of Betty Crocker stuffing mixes, to be advertised this fall.

Last fall, General Mills formed a new "wholesome snacks" division to handle Nature Valley and Fruit Corners products. The unit is headed by Stephen Warhover, former vp-general manager for the Betty Crocker division.

The company continued its focus on health and nutrition with its national introduction late last year of Chewy Granola Bars, an extension of the Nature Valley line and a product competitive with the Quaker Oats product of the same name. For the first time since General Mills opened up the now $350 million cereal meal bar category, the Nature Valley line fell to second place in the over-all retail market during fiscal 1984, as a result of Quaker's success with Chewy and chocolate-covered Dipps.

Also in an apparent response to Quaker's success, General Mills in April rolled national with chocolate-flavored Granola Clusters, backed by free-standing newspaper inserts calling it "Granolas' answer to chocolate candy." Total spending on the Nature Valley line was $18.9 million.

In the $126 million dried fruit snacks segment, General Mills completed a national rollout of Fruit Corners Fruit Roll-Ups. The product, geared to children, now is being joined in national distribution by Fruit Corners Fruit Bars, a four-item line of candy-bar-style dried, pressed fruit, targeted to young adults. Fruit Bars was tested about a year in Eau Claire, Wis., and Midland, Tex., where a third Fruit Corners product, Snackin' Fruit, entered test market in late December or early January.

The company's Gorton's of Gloucester unit increased measured ad spending 56%, to more than $4.4 million during the year, to promote its new light seafood lines, including a new line of Light Recipe entrees, which extended the company's fish sticks and fillets line introduced last year, and Fish Marketfresh, individually packaged pieces of frozen fish fillet, apparently intended to meet market competition from category leader Van de Kamp, which last year introduced a similar product, Today's Catch.

Ad spending for Yoplait yogurt rose to $7.47 million, up from about $4.8 million last year, as General Mills, No. 2 in the market behind Gervais-Danone's Dannon line, moved Breakfast yogurt into national distribution beginning last summer. Breakfast yogurt alone was backed by an estimated $2 million in measured spending through the end of calendar 1983. General Mills also added new strawberry-banana and pina colada flavors to its line this summer.

The company had several management changes in its consumer foods unit last fall. In October, Steven

People weekly performs

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—Hugh Rickenbaker, Vice President, Corporate Affairs
Life Insurance Company of Georgia

Rothschild, formerly president of Yoplait USA, was named exec vp-consumer foods for Yoplait USA, Betty Crocker division and European food operations, succeeding Preston Townley, who resigned. Charles D. Weil, formerly vp-general manager of the marketing services division of consumer foods, succeeded Mr. Rothschild. Stephen Demeritt, formerly marketing director for the Golden Valley division, succeeded Mr. Weil.

Michael Cushmore, former vp-general manager of the Northstar division, was named to the same title in the Betty Crocker division, and Steven Sanger, former marketing director for the Big G division, succeeded Mr. Cushmore.

Last fall, General Mills sold its Memphis-based Donruss bubble gum unit, which marketed Super Bubble and Color Bubble single-piece bubble gums, to Huhtamaki Group's Leaf Inc.

Red Lobster Inns last year began implementing a new design concept intended to give customers a more casual and leisurely environment. About 25% to 30% of the chain's 370 units were set to be converted this year to the new design, which includes an oyster bar and open mesquite grills. Menu changes emphasizing fresh and healthy foods also are under way, with the addition of *a la carte* items and more grilled and lighter seafood entrees.

This spring, Red Lobster also rolled out seafood pasta entrees, which had been in Memphis and Milwaukee test markets since the beginning of 1984. In an effort to increase its share of the lunch business, Red Lobster late last year began advertising a "10-minute on-time" lunch guarantee.

Red Lobster moved its estimated $30 million ad account in January to Backer & Spielvogel, New York, from D'Arcy MacManus Masius, St. Louis, citing the need for "more aggressive marketing strategy" to compete with full-service restaurants. Sources said the move also was provoked by D'Arcy's strong concentration on another client, Anheuser-Busch.

Also in its restaurant group, General Mills promoted its Casa Gallardo Mexican restaurants with a tv, radio and print campaign, themed "Spice it up," that began last fall. Using the chain's founder, Ramon Gallardo, as spokesman, the campaign ran in the 34-unit chain's markets. D'Arcy MacManus Masius, St. Louis, resigned the Casa Gallardo account after losing Red Lobster, and the assignment moved to Grey Advertising, New York. Less than $1 million was spent on the Casa Gallardo account last year.

The company pared its York Steak House chain to 130 units during 1983, closing 20 "out-of-position and low-volume" units. Restaurant group president Joe Lee told securities analysts York will be repositioned from its current budget steakhouse niche to a "low price point, high-variety restaurant concept" that can better compete with Ponderosa, Sizzler and other chains that already have diversified menus. Advertising for York adopted the mouthful tag line "Bettermorebiggernicer."

The company also worked to upgrade its newer restaurant concepts—the 40-unit Good Earth healthy-foods chain and its 35-store Darryl's turn-of-the-century pub concept. This summer, a new Good Earth prototype design featuring more limited seating was unveiled.

In the toy group, Parker Bros. continued to concentrate on a limited line of strong game titles in its software unit. Three major titles—Frogger II, Montezuma's Revenge and Mr. Do!'s Castle—were introduced in June and will enter the market this fall, backed mainly by spot tv and some print in youth, computer and game magazines.

Those games follow the spring debuts of the company's Star Wars arcade game, Gyruss and James Bond 007 games.

Parker Bros. expanded its children's book publishing venture with Rose Petal and Cabbage Patch book lines, introduced nationally in February, and titles were added to the Strawberry Shortcake and Care Bears lines.

New lines, including Huddles, licensed from the National Football League, are expected in September, and other lines will be available next February.

The company introduced its first children's music album—Cabbage Patch Dreams—in February; the album received a gold record award from the Recording Industry Assn. of America in July. A Rose Petal Place album followed this summer. The recordings are available in records, tapes and cassette book combinations.

The Nerf line was expanded with Nerf pool, now being introduced nationally, and Nerf baseball items.

In January, Parker Bros. purchased Pente, an adult strategy game, from Pente Inc. and in February introduced People Weekly, a trivia game. Both a board and a card game with Cabbage Patch licenses were introduced during the year.

Body Boggle, a party game played on a mat, was introduced in February, backed by a $400,000 tv campaign, using the company's umbrella theme, "Parker Bros. kind of fun brings people together."

Also in the toy group, the company introduced in February a line of Rose Petal scented dolls with characters licensed by Kenner Products much like the company has done with the Strawberry Shortcake and Care Bears.

Kenner now is rolling out Flip Crashers, a line of toy racing cars that fall apart when they crash. Super Powers figures, based on "Superheroes," were introduced earlier this year.

The company's successful Star Wars toy line was expanded with new toys based on the "Return of the Jedi" movie.

The fashion group showed declines primarily from an earnings decline at Izod. General Mills is promising "aggressive marketing and merchandising programs supporting new and updated lines" to stabilize Izod, which commanded media spending in 1983 of $4.6 million.

Last fall, General Mills was sued by Toys "R" Us, Rochelle Park, N.J., which charged that the Izod sportswear division conspired with Federated Department Stores to prevent Izod apparel from being sold to Toys "R" Us' new Kids "R" Us discount clothing division.

Toys "R" Us eventually dropped the suit.

In the midst of declining earnings for Izod LaCoste during fiscal 1984, General Mills moved the estimated $2 million Izod ad account from Grey Advertising to Scali, McCabe, Sloves, New York.

The Izod line was expanded with accessory items and a broader line of emblem-bearing sportswear and an increased selection of clothing for women and children.

The specialty retailing unit, long a weak link in the company, is increasing the number of units in its Talbots, Eddie Bauer and Wallpapers To Go units and expanding the LeeWards concept to include a wider selection of merchandise.

The company improved results at Wallpapers To Go units by closing several "out-of-position and low-volume" stores, leaving the chain with 87 units.

After splitting with Foote, Cone & Belding, San Francisco, in the first quarter of the 1984, the long-ailing Wallpapers To Go chain named Ketchum Advertising, San Francisco, to its account, which dropped to less than $800,000 in measured media in 1983, from $2.2 million the year earlier.

According to Broadcast Advertisers Reports, General Mills spent $6.3 million in cable advertising during the first nine months of 1983, up from $2.3 million for all of 1982.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$5,620,700	$4,241,700
Magazines	25,451,500	17,585,900
Spot tv	112,982,100	107,121,500
Network tv	100,279,100	93,628,500
Spot radio	6,197,600	5,632,800
Network radio	2,364,200	1,723,800
Outdoor	197,400	216,000
Total measured	253,092,600	230,150,200
Unmeasured	15,597,600	14,231,500
Estimated total	268,690,200	244,363,700

GENERAL MILLS

Marketing personnel

Donald F. Swanson, vice-chairman, non-food operations
F. Caleb Blodgett, vice-chairman, consumer foods
Walter R. Barry, exec vp-consumer foods
Arthur Schulze, exec vp-consumer foods
Steven M. Rothschild, exec vp-consumer foods
Richard F. Kral, exec vp-fashion
James G. Fifield, exec vp-toy group
Joe R. Lee, exec vp-restaurant group
Robert J. Blake, director-adv services, consumer foods
Hal H. Nitch, director-media services, consumer foods
Michael Boyle, exec vp-specialty retailing and furniture
Carole MacGillvray, president-Marketing and Design Service, toy group
Richard Stearns, president-Parker Bros.
Brent Andrus, exec vp-Parker Bros. games and toys
Bruce Jones, vp-mktg, Parker Bros.
Doug Conant, director-mktg, new ventures Parker Bros.
Dave Evancich, director-mktg-games and toys, Parker Bros.
Dave Maur, exec vp-mktg and mktg services, Kenner Products
Dan Cooney, vp-mktg/sales, Fundimensions

Advertising Agencies

Altman, Stoller, Weiss, New York—Monet Jewelers.

Bozell & Jacobs, Minneapolis—grocery, military—Frank Miller, acct exec.

Campbell-Mithun, Minneapolis—Breakfast Squares, Big G cereals (Cinnamon Toast Crunch, Crispy Wheats 'n Raisins, Buc-Wheats, Golden Grahams), Nature Valley products, Betty Crocker potatoes, BC Coupon plan—Bruce Sutherland, director-client services, Madeleine Betsch, mgmt super.

Dancer Fitzgerald Sample, New York—Big G cereals (Cheerios, Honey Nut Cheerios, E.T., Total, Kix, Trix, Lucky Charms, Cocoa Puffs, Monster Cereals, Donutz, Strawberry Shortcake, Pac-Man, new prods), Gold Medal flour, Fundimensions, Yoplait yogurt, Parker Bros. (videogames, new prod), Kenner—P.F. McSpadden; Freeman Bunn, mgmt super; Joe Mack, senior vp-Parker Bros.

Dancer Fitzgerald Sample, San Francisco—Betty Crocker pancake mix, Wheat Hearts hot cereal, LaPina—Brian Burns, mgmt super; Preston Bealle, acct super.

Daniel & Charles, New York—Gorton's.

Foote, Cone & Belding/Honig, San Francisco—Wallpapers To Go, Eddie Bauer.

Chester Gore, New York—Foot-Joy (golf, street, casual).

Grey Advertising, New York—Kenner, —Joe Callo, David Crystal, mgmt supers; John Cashwell, acct super.

Grey-North, Chicago—LeeWards—Ruth McNitt, mgmt super.

Hill, Holliday, Connors, Cosmopulos, Boston—Talbots—Marianne Coons, acct super.

Humphrey, Browning, MacDougall/Creamer, Boston—Parker Bros. (board and card games, children's books, Nerf, special video projects)—Mitch Weeks, mgmt super.

Leonard, Monahan & Saabye, Providence—Foot-Joy (running, tennis, racketball).

Levenstein/Gaines, New York—Pennsylvania House.

Needham, Harper & Steers/USA, Chicago—Betty Crocker dessert mixes, Bisquick, Fruit Corners (Fruit Roll-Ups, Fruit Bars, Snackin' Fruit), new main meals, new instant meals, Bac-Os, Wheaties, Hamburger, Chicken, Tuna Helper—Robert Savand, mgmt rep.

Peter Rodgers Associates, New York—Monet Jewelers.

Red Barron Inc./Midland Advertising, Minnetonka, Minn.—food service.

Wattenmaker, Cleveland—Gorton's Blue Water label—James S. Wattenmaker, acct mgr.

General Motors Corp.

	1983	1982
Sales*	$74,581,600,000	$60,025,500,000
Earnings*	3,730,200,000	962,700,000
U.S. Advertising	595,129,500	549,000,000

*Worldwide

General Motors Corp., Detroit, the fourth largest national advertiser, increased 1983 ad expenditures 8.2%, to an estimated $595.13 million on record sales and earnings.

Worldwide earnings rose from $962.7 million to $3.73 billion on sales of $74.6 million, which were up 24% from the previous year. U.S. sales, which rose 31.5%, to $66.16 billion, represented 88.7% of the worldwide sales.

The year, termed a "turnaround" by chairman Roger Smith, was marked by a major reorganization that reshaped the giant into big-car and small-car groups or upscale and downscale groups. The year also saw government approval of a joint venture with Toyota to make cars in California and implementation of an import car strategy with its partially owned Japanese partners, Isuzu and Suzuki.

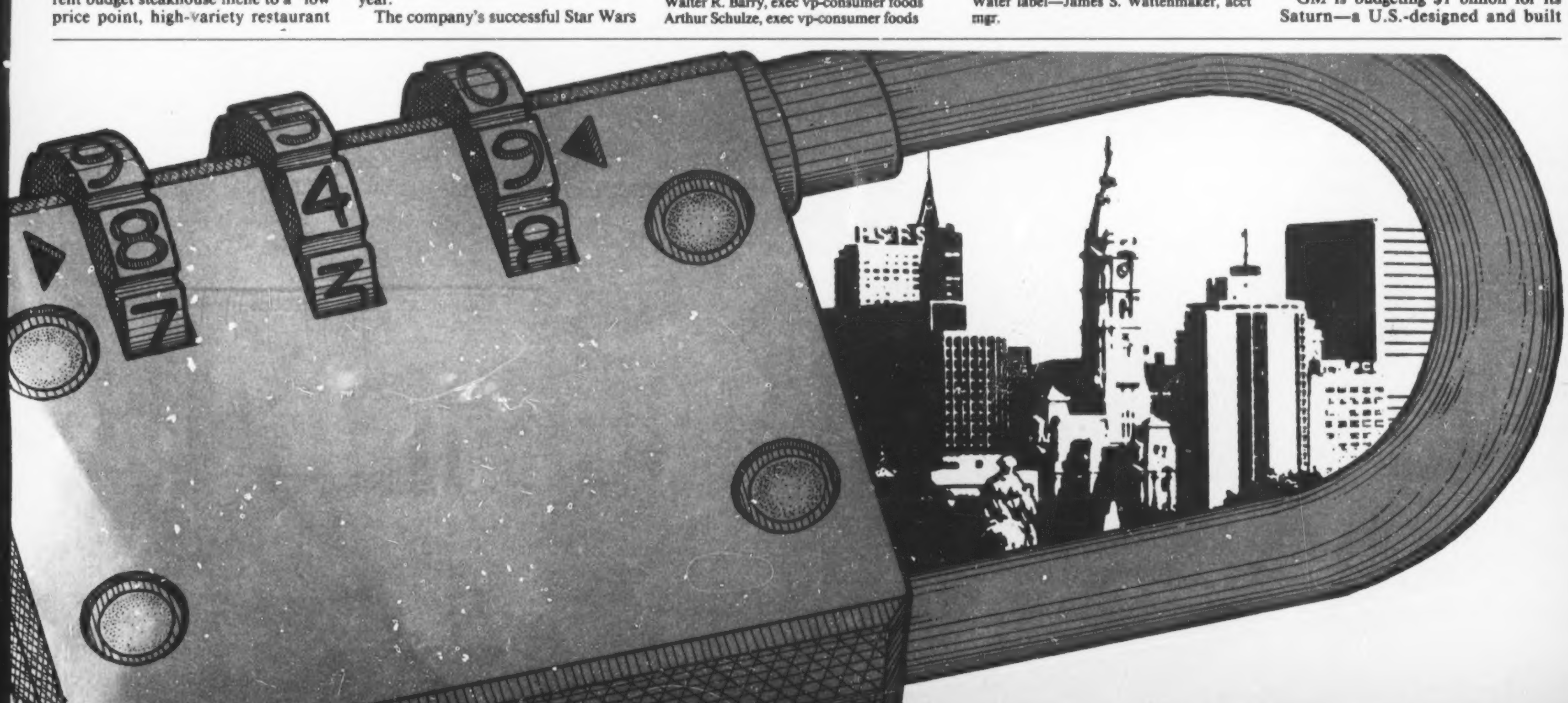
Some of the cheers during the 75th year of the company's operations were for the record $3.7 billion in profits on record sales of $74.6 billion. General Motors Acceptance Corp., the financing unit, accounted for more than $1 billion in net income alone. That topped the previous high of $688 million the year earlier.

None of GM's increased advertising went to communicate the new GM reorganization, which the corporation had kept secret until late December. The new structure put Chevrolet, Pontiac and GM of Canada in the small-car group and Buick, Oldsmobile and Cadillac in the large-car group.

Each car group will be responsible for the development of new vehicles, with the divisions surrendering some engineering and manufacturing responsibilities to concentrate on sales and marketing. There can be some swapping of products between the groups, but the aim is to give each division a clearer and more separate identity. GM divisions also will be allowed to buy cars from outside the corporation (Cadillac plans to assemble a European-designed sports car), and GM may be building domestically designed cars overseas.

For instance, GM started to market Japanese-made subcompacts with Chevrolet names in Puerto Rico (followed by U.S. introduction). A Korean-made small car for Pontiac was designed by GM's Opel unit in Germany. In addition, GM is pushing its new GM Overseas Distribution Corp., which markets U.S.-made cars overseas.

GM is budgeting $1 billion for its Saturn—a U.S.-designed and built



small car. Project Saturn envisions a sweeping integration of design and engineering within GM divisions. The car, which will be sold by Chevrolet, is to compete with Japanese small cars. "If we can't compete in small cars, we can't compete period," Mr. Smith said. Saturn is tentatively set for the 1988 model year.

Elaborating further on small cars, he described the GM-Toyota joint venture to build a small car as a stopgap measure and a means of learning Japanese production techniques. The joint venture vehicle is due out later this year.

GM was allowed to import token numbers of the small Suzuki Sprint and Isuzu Spectrum, but plans large volume as import restraints are lifted or changed next spring.

The rosy sales and profit picture in 1983 stemmed from burgeoning unit sales. The U.S. total soared 16% over 1982, to 5.3 million vehicles, while the overseas total rose 9%, to a record 1.9 million vehicles. GM accounted for 9% of overseas industry sales and inched closer to leader Ford Motor Co. in Europe. Sales in the U.S. were paced by record results at Buick and Oldsmobile, with the Olds Cutlass Supreme continuing as the best selling U.S. car. GM got 43% of the U.S. market, the same as last year. Canadian sales climbed 17%, to more than 1 million vehicles.

GM's over-all ad expenditures in the U.S. rose 13% among the media mix in 1983. Network tv buys went to $201.4 million, up 23% from 1982. Magazines got $89.0 million, up 3%; spot tv got $25.7 million, down 5.7%; network radio got $9.41 million, up 19%; and outdoor fell to $4.18 million, down 16%.

It looks like GM will have plenty to celebrate in 1984 with record first-quarter earnings of $1.6 billion on record sales of $22.9 billion. The results were fueled primarily by an increase in auto sales, a factor especially welcome to Chevrolet, which had been hard hit as the recession froze out its lower income purchasers.

After four years of sharp declines, Chevrolet sales rebounded in 1983. Sales were up 6.9%, from 1982's 1.4 million units. The resurgence was thinner than the 18% 1983 gain of all domestics, however.

Paralleling the industry, the big cars came back strong as the economy recovered and fuel shortage fears eased. Caprice and Monte Carlo unit sales were up, smaller Chevette and Citation unit sales were down. But front-wheel-drive compact Cavalier and intermediate Celebrity, "relaunched" with a big advertising push, posted the greatest gains in 1983 and into the 1984 model year. The Cavalier line attracted $21.8 million in media expenditures in 1983, and Celebrity $15.1 million.

Chevrolet increased ad spending to an estimated $178 million, from $155 million in 1982, as it battled slumping sales. The biggest expenditure went to network tv: $93 million, up from $76 million in 1982.

Two new U.S. models were added for the 1984 model year, a station wagon version of the Celebrity in the fall and a new Corvette early in the spring. Advertising was subdued for the wagon ($1.1 million in measured spending), but image-setter Corvette got the full treatment, including a 90-second tv spot with computer graphics, termed "Never Before."

The four-door, midsize Malibu was dropped for 1984, although the G-body coupe, Monte Carlo, continued with a sales increase.

Stung by continued publicity for numerous safety-related recalls of GM's X-car family, Chevrolet dubbed the carryover model "Citation II" with ads relating the changes made since the original 1980 model. But sales of the once-popular car fell further amid an ongoing federal trial charging that GM delayed making brake remedies. Advertising worth $6.7 million was bought in support of Citation passenger cars.

Chevrolet went big for tv sports in the 1984 model year, including 43 World Series spots, automotive exclusivity for the 1984 Winter Olympics, heavy buys for the Summer Games in Los Angeles and largest single sponsorship for the 1984 Super Bowl.

A marketing shift was reflected in GM tv buys for the World Championship of Women's Golf, a tie-in with Bonnie Bell cosmetics for the Boston 10-kilometer women's race, "wine-and-cheese" parties for women at Chicago dealerships and other tie-ins with Jordache jeans and Kraft Foods.

"Women will play greater and greater roles in purchasing vehicles," said Stephen McAvoy, manager-passenger vehicle advertising. Chevrolet research shows women buying three of ten cars themselves, a figure projected to rise. The division responded by increasing spending for women's magazines in 1984.

Part of Chevy's Winter Olympics airtime was used in a "tribute" to Olympics team members, combining action-slide shots of all the athletes taken at practice locations around the world with original music.

With one-fourth of GM's 48 minutes of commercial time on the "George Washington" miniseries, Chevy elected to combine existing footage into one, two and three-minute "pods" rather than run 24 30-second spots. Actor Ken Howard and actress-tv host Sarah Purcell traded banter to tie the short commercials together and lend continuity to the pods.

The S-10 Blazer dominated the compact sports utility segment, with sales of 106,214 trucks in 1983, ahead of Ford Bronco II's 63,178 units. Chevy backed the little Blazer with a high-glitz commercial showing it overcoming the four ancient elements: Earth, water, wind and fire. The media buy was $16.7 million.

In 1983, Buick showed increases in both unit sales and market share. Total Buick unit sales were 845,083, a 16.9% increase. Models with the largest sales increases were the Skylark, rising 55.5%, to 72,998 in 1983, and the Century FD, 150,280, up 50.5%. Market share rose to 9.2%, compared with 9.06% in 1982.

Buick ad spending rose in 1983 to $48.6 million, from $43 million in 1982, with major increases in magazines (to $10.6 million, from $7.9 million) and network tv (to $17.8 million, from $13.7 million.)

Buick continued to ask, "Wouldn't you really rather have a Buick?" in 1983, only this time it was directed at an audience that wasn't ready to buy. Buick wanted its cars higher on the shopping list of those who preferred vacations and education to new wheels. "It's not just Buick against Oldsmobile or Buick against imports," said John Dabels, general director of marketing, "but it's Buick against new furniture."

In September, 1982, ads for the 1983 T-types rolled across the U.S. They departed from the usual Buick tone with a high technology feel. Rather than mentioning the "Wouldn't you really" theme line, a voiceover said, "Advanced civilizations. The Buick T-types . . ." The 60-second spot showed 1909, 1940 and 1959 Buicks, and it spoke of electronics, closing with "We figure it's a lot easier to know where you're going when you're sure of where you've been."

Regal coupe ads said, "Good looking outside, good thinking inside," with a woman (50% of Regal coupe buyers were women) concluding, "whoever's in charge at Buick, well, she must really be something."

The new Buick Electra, Park Avenue and T-types bowed April 5, 1984.

Leading the measured media buys for Buick were Century cars and wagons ($6.7 million), Cimarron cars ($6.3 million), Skyhawk cars and wagons ($6.1 million) and Regal ($4.8 million).

Oldsmobile increased its market share, jumping from 10% in 1982 to 11% in 1983. Total U.S. Olds sales passed the 959,000 unit mark, with sales reaching 1,007,559 in 1983, a 26% increase from 1982 sales of 799,585. The only Olds model with declining sales was the Omega X-car, falling 31.2% from 72,392 units in 1982. All other models showed significant increases in sales volume, especially the Cutlass Ciera with a 68.3% sales jump.

Oldsmobile measured ad spending decreased to $45.5 million, from $48 million in 1982. Declines came in every category except network tv, which rose to $12 million, from $9.6 million.

Oldsmobile sales of bigger cars rose 58% in the first 10 days of April, 1983. Encouraged by the figures, Oldsmobile predicted it would pass Ford division of Ford Motor Co. for the No. 2 domestic sales position behind Chevrolet in 1984.

Plans for a four-seater sporty coupe began in the spring of 1983. The new model is expected to be as exclusive to Olds as the Fiero and the Corvette are to Pontiac and Chevrolet, respectively. However, Joseph Sanchez, general manager of Oldsmobile, said Olds doesn't want to "fix what isn't broken.

"We'd be remiss if we took the Oldsmobile image and tried to change it completely," Mr. Sanchez said. He thought that Olds meant "the type of car that you aspire to somewhere in your future."

Major goals in 1983 were establishing the two new nameplates, Firenza and Cutlass Ciera, both of which debuted in mid-1982. Actor Dick Van Patten was spokesman for Delta 88 with the theme, "The family car that didn't forget the family." The 98 theme remained "luxury and logic."

The Olds Omega X-car received the least amount of ad spending, and was discontinued for the 1985 model year. Oldsmobile rear-wheel-drive vehicles also were dropped.

Although Pontiac boosted U.S. sales, market share suffered slightly, dropping from 6.1% in 1982 to 6.03% in 1983. Pontiac unit sales rose by 550, to 483,699, in 1983. Large increases were led by the Parisienne, with 1983 sales of 26,925, up from 4,176; the 6000, with sales increasing 65.8%, and the 2000/Sunbird sales jumping 54.8%.

Pontiac's new image didn't cost materially more in ad expenditures, which rose to $55 million, from $52.8 million in 1982. The biggest jump was in spot tv, increasing to $10.8 million, from $8.9 million. Network tv dipped a bit to $19.7 million, from $20.5 million in 1982.

Pontiac rejuvenated its comeback with a sporty performance and handling route led by the 1983-introduced single-entry, two-seater Fiero. Ad spending was $9.2 million. "Our 1984 ad strategy is designed to maintain consistent Pontiac presence in the marketplace," said Charlene Curry, national ad manager for Pontiac. "The core of the lineup is image cars—6000 STE, Firebird Trans Am, the turbo-charged 2000 Sunbird and Fiero."

Media dollars allocated for these cars were $10.1 million for the 6000 STE, $7.1 million for the Firebird Trans Am, $11 million for the 2000 Sunbird and $9.2 million for the Fiero.

In November, 1983, Pontiac began researching the availability of after-market performance and accessory parts to enhance the desirability of Pontiac cars in the showroom. This move also would force imports handled by other dealers to compete in the lower price sector, rather than compete with Buick and other more expensive models.

Firebird ads featured the Firebird girl, model Natalie Carroll, who wore only black leather outfits to establish that "womanly macho," untamed look. "We feel that car has a certain attractive menace about it, a threatening look, and we're trying to bring that through in everything we do," said James Graham, director of merchandising.

However, Pontiac didn't have much of a chance to do so in early 1983 with interest-rate advertising superseding a lot of product copy.

In late 1983, GM increased Pontiac's ad budget about 10%. Pontiac decided not to advertise in a medium unless it dominated the advertising. That included 204 more magazine ad pages in model-year 1984, but in 10 fewer publications. Network tv was limited to professional football and sports.

Cadillac posted gains in market share, reaching 3.27% in 1983, compared with 3.1% in 1982. Total Cadillac U.S. retail sales rose to 300,337 units, up 20.5% fom 249,295 in 1982. Each model had significant sales increases, the Cimarron and Seville sales increasing nearly 40% each, Eldorado rising 25.1% and Cadillac 14.1%.

Cadillac had about 32% of luxury car sales, the rest going to such competitors as Lincoln-Mercury, some Oldsmobile and Buick models, and European imports, including BMW, Audi, Mercedes-Benz and Jaguar. Cadillac predicted it would take an additional 2% of the market share in 1984.

Cadillac was included in the Buick-Oldsmobile-Cadillac group, dubbed Company B, in the January reorganization of GM. John O. Grettenberger, Cadillac's new general manager, confirmed reports saying GM likely will set up its Cadillac division as an independent third Company C, although reports later were denied.

GM thought Cadillac needed its own specific identity with no blurring of images. To do this, Cadillac will introduce a new product every year for the next three or four years. This includes plans for a possible 1986 "super Cadillac," a two-seater convertible in the $35,000-to-$40,000 range, competing against such imports as the Mercedes 380SL Roadster. "We want to reestablish the degree of exclusivity the Cadillac nameplate has always stood for," Mr. Grettenberger said.

Although it is the smallest of GM's five car-making divisions, Cadillac has been the most independent and usually the most profitable on a per-unit basis. Cadillac will not emerge as a third group for at least three to five years, according to the company.

In early 1983, Cadillac was accused of building not a "world class" car, but simply a "super Chevy"—a dig at the

OUR COMBINATION GIVES YOU A LOCK ON PHILADELPHIA

Of all the daily-combination buys in the United States, one has to be the largest.

The Philadelphia Inquirer and Daily News is. By far.

Our total circulation is 849,000, making us the unquestioned base buy in America's #4 market.

Successful marketing is no secret. All you need is the right combination.

THE PHILADELPHIA Inquirer AND PHILADELPHIA DAILY NEWS

The largest daily-combination buy in America

For your own lock on the market—in solid chrome—contact your nearest Knight-Ridder Newspaper Sales representative

SOURCE: ABC Audit Reports for 12 months ended March 31, 1983.

Cimarron. Robert Burger, then general manager of Cadillac, said that although the Cimarron is at the low end of the luxury class, it performs as an entry-level vehicle to attract younger buyers, and still has "traditional Cadillac ride and handling."

In September, 1983, Cadillac added the Eldorado Biarritz convertible to its 1984 line to lure younger buyers into the market.

Another lure was the "C-body" car, a front-wheel-drive vehicle that is about 2 ft. shorter, 600 lbs. lighter and more fuel efficient than the rwd DeVille and Fleetwood models it was designed to replace. The C-body's intended fall, 1983, introduction was moved back to April 5, 1984, due to startup problems. Cadillac said it probably would have set a new sales record in 1984 if there had been no delay, because the car tested well with younger and import buyers. About 40% of C-body sales were expected to be conquests of other makes. Cadillac's ad spending edged up to $22.5 million, from $21.6 million in 1982, with most spending in network tv and magazines.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$88,578,500	$82,000,090
Magazines	89,020,000	86,079,700
Farm publications	1,740,900	1,596,400
Spot tv	25,678,400	27,244,200
Network tv	201,350,400	164,261,500
Spot radio	29,079,400	20,339,200
Network radio	9,410,700	7,983,100
Outdoor	4,183,300	5,009,000
Total measured	449,041,600	394,413,100
Unmeasured	146,087,900	154,586,900
Estimated total	595,129,500	549,000,000

GENERAL MOTORS

Sales & Marketing Personnel

R.D. Lund, vp-sales and mktg
J.N. Stewart, exec director-mktg
D.J. Teasdale, director-adv
J.W. Finney, asst adv mgr-media
D.P. Bolen, asst adv mgr
Mary M. Jarman, adv super
Margaret M. Rafferty, super-adv contract dept
Margaret Hudzik, adv traffic coordinator

Advertising Agency

D'Arcy MacManus Masius, Bloomfield Hills, Mich.—Ronald Monchak, chairman; Robin Smith, vice chairman-mgmt super; William A. Mara, vp-acct super; Stephen Kopcha, exec vp-creative director.

PUBLIC AFFAIRS

Advertising Personnel

J.W. McNulty, vp-public relations
G.H. Pruette, director-public affairs
Hugh Wells, mgr-creative services
R.M. Pannecouk, coordinator-public affairs

Advertising Agency

N W Ayer, Detroit—Louis T. Hagopian, chairman and ceo (New York); Robert R. Kingsbury, senior vp-genl mgr; Richard N. Prince, senior vp-mgmt super; R.C. Morrison, vp-acct super; Deborah Worrell, vp-acct super; Douglas Marshall, Steve Swanson, Catherine Teeple, acct execs; Debra Jacopelli, asst acct exec; Jerry Siano, vice chairman-worldwide creative director; John Walsh, senior vp-exec creative director; Earl Shorris, senior vp-corporate planning; Bill Ford, vp-creative director; Tom Wehner, Ora Frutkin, vp-creative supers; Edward Gross, senior writer; Bruce Engelson, John Umlauf, art directors; Randall Schroeder, vp-media director (Detroit); Richard Doyle, media super; Denise Mazetti, media buyer; Robert Igiel, vp-network broadcast director; Frederick Dubin-network broadcast super.

CHEVROLET MOTOR DIVISION

Marketing Personnel

R.D. Burger, genl mgr
R.E. Cook, genl sales mgr
T.A. Staudt, genl mktg mgr
R.W. Starr, asst genl sales mgr-field
M.H. Erdman, sales mgr-trucks
T.R. Chick, director-natl adv
S.D. McAvoy, mgr-passenger car adv
H.J. Cordes, mgr-truck and station wagon adv
J.J. Williams, director pr

Advertising Agency

Campbell-Ewald Co., Warren, Mich.—T.B. Adams, chairman; P.L. John, vice-chairman and ceo; P.A. Dow, president-chief operating officer; S.K. Fitzpatrick, exec vp-creative director; W.J. Tausch, exec vp-acct director; R.S. Macedo, group senior vp-associate acct director; H.E. Allen, senior vp, mgmt super-car; T.R. Boyd, A.J. Hopp, senior vps, mgmt supers-truck; R.D. Eick, vp, mgr-car merch; F. Fraser, vp, director-automotive mktg; W.R. Kennedy, vp, director-prod info; W.S. Schindler, senior vp-pr; R.G. Smith, senior vp-strategic planning rsch; D.D. Williams, senior vp, mgmt super-car; L.B. Rood, senior vp, associate creative director.

PONTIAC MOTOR DIVISION

Marketing Personnel

J. Michael Losh, genl mgr
W.W. Lane, genl sales mgr
H.S. Christie, asst genl sales mgr-East
W.J. Atkinson, asst genl sales mgr-West
C.E. Chambliss, asst genl sales mgr-service
R.E. Benson, asst genl sales-mktg
W.H. Ross, asst genl sales mgr-admin
C.A. Curry, adv mgr
T.H. Joyce, merch mgr
B.G. MacDonald, director-pr
J.H. Graham, director-productions and communications

Advertising Agency

D'Arcy MacManus Masius, Bloomfield Hills, Mich.—Harold G. Bay Jr., chairman and ceo-worldwide; Peter Redsell, chief operating officer-worldwide; John Balson, chief operating officer-worldwide (North America); Craig Brown, cfo-worldwide; Alan Pilkington, director, business devel-worldwide; Al Hampel, director, creative services-worldwide; Steve Arbeit, director, multinational client services-worldwide; William V. Haney, exec asst to ceo-worldwide; Ronald W. Monchak, chairman (Bloomfield Hills); Robin Smith, vice-chairman (Bloomfield Hills); James T. Doyle, president (Bloomfield Hills); Stephen C. Kopcha, exec creative director; John T. Greening, director-strategic planning; Donald B. Effler, mgmt super-Pontiac; Mark G. Gjovik, acct group super; Randall N. Lund, George Acree, Patricia Aulgur, Michael Valant, William K. Rankin, Richard W. Halladay, Michael Joy, acct execs; Patricia Brown, acct mgr; Noel Nauber, creative director; Peter DeLorenzo, associate creative director; Arthur Morat-senior vp-Greenhouse (Bloomfield Hills); Lucien DiSalvo, George Scott, senior vps-Greenhouse (Bloomfield Hills); George Rogers, media director; Robert Brownell, director-production and traffic; Ronald J. Wroblewski, mgr-corporate spot broadcast; R. Patrick McCarthy, director-communications; Jo Bourjaily, mgr-communications.

BUICK MOTOR DIVISION

Marketing Personnel

D.E. Hackworth, genl mgr
J.C. Perkins, genl sales mgr
J.J. Faerber, asst genl sales mgr-admin
R.L. Ingersoll, asst genl sales mgr-east
W.E. Edgar, asst genl sales mgr-west
R.E. Coletta, asst genl sales mgr-midwest
L.D. Robbins, asst genl sales mgr-central
H.E. Savage Jr., director-adv
T.L. Pond, director-pr

Advertising Agency

McCann-Erickson Worldwide, New York—Eugene H. Kummel, chairman exec committee; Willard C. Mackey Jr., chairman-ceo; John F. Bergin, vice-chairman (McCann-Erickson USA); Richard J. Busciglio, senior vp; Eugene A. DeWitt, exec vp.

McCann-Erickson, Troy, Mich.—Gerald C. Atkin, exec vp-genl mgr; Richard A. Hill, vp-acct super; Harold W. Randall, vp, acct super-prod info; Todd Ralph, Keith Mandish, acct execs-adv; Jerry Fronczak, Cathy Thompson, acct exec-prod info; James L. Ramsey, senior vp-exec creative director; W. Brien Schweikart, vp-media director.

OLDSMOBILE DIVISION

Marketing Personnel

J.J. Sanchez, genl mgr
J.F. Mattox, genl sales mgr
D.L. Neisch, asst genl sales mgr-east
E.M. Schlesinger, asst genl sales mgr-mktg and dealer
F.J. Asbell, asst genl sales mgr-west
C.L. Fisher, admin assist to genl sales mgr
L.C. Myers, director mktg
P.F. Workman, director pr

Advertising Agency

Leo Burnett Co. of Michigan, Southfield, Mich.—John C. Ryan, exec vp-genl mgr; Robert K. Bailey, vp-acct super; Joseph P. Henry, vp-media director; Robert G. Smith, Lawrence Doyle, acct execs; William F. Swing Jr., vp-director merch; Roger Bodo, vp-creative director (Detroit); Edwin L. Scully, vp-office mgr, secretary-treasurer; Thomas J. Boyle, acct director.

CADILLAC MOTOR CAR DIVISION

Marketing Personnel

J.O. Grettenberger, genl mgr
L.B. Pryor, genl sales mgr
W.R. Lewellen, asst genl sales mgr-service
C. Chynoweth, asst genl sales mgr-east
Ellie R. Torre, asst genl sales mgr-admin
J.R. Kitzmiller, asst genl sales mgr-west
R.B. Welday, director-merch
F.R. Cadicamo, asst director-merch
Sheri J. Perelli, director-pr

Advertising Agency

D'Arcy MacManus Masius, Bloomfield Hills, Mich.—H.G. Bay Jr., chairman and ceo-worldwide; William V. Haney, senior vp, exec asst to chairman-worldwide; Ronald W. Monchak, chairman (Bloomfield Hills); Alex Morton, senior vp-mgmt super; Selby (Sy) Cook, vp-Cadillac creative super; Ned Sale, vp-group super; Jo Bourjaily, mgr, internal-external communications; Robert Wallace, John Krausmann, vps-acct supers.

GM TRUCK & BUS GROUP

Marketing Personnel

Donald J. Atwood, exec vp, GMC-in charge of worldwide truck and bus, power prods, defense, and component operations
Robert L. McKee, mgr-truck and bus mfg
Ross M. Haun, genl mfg mgr
John D. Rock, mgr-GMC truck and coach
Duncan A. Brodie, genl director-truck sales
Edward R. Stokel, director-public transportation
Donald C. Huss, director-pr
Candace M. Robbins, mgr-adv

Advertising Agencies

McCann-Erickson Worldwide, New York—Eugene H. Kummel, chairman exec committee; Willard C. Mackey Jr., chairman-ceo; Robert L. James, president-coo.

McCann-Erickson, Troy, Mich.—Gerald C. Atkin, exec vp-genl mgr; Ronald F. Gauss, senior vp; Glynn L. Armitage, vp-acct super; Patrick J. Simmons, acct exec; Jan L. Woznick, vp, director-rsch strategic planning; James L. Ramsey, senior vp-exec creative drector; Brien Schweikart, vp-media director; Edward A. Fleig, associate media director.

AC-DELCO

Marketing Personnel

R.J. Smith, genl mgr
J.M. McKenzie, sales mgr-operations
J.P. Kane, director-mktg and forward planning
D.K. Colliver, mgr-adv sales promo and pr

Advertising Agency

Campbell-Ewald Co., Warren, Mich.—T.B. Adams, chairman; R.D. O'Connor, vice-chairman (New York); P.L. John, vice-chairman and ceo; P.A. Dow, president-coo; R.H. Schirmer, exec vp; I.W. Beaton, senior vp-group mgmt super; G.O. Wold Jr., vp-senior acct super; R.E. Guerrier, vp-acct super; R.E. Britton, senior vp-mgmt super (intl); M.J. Brogan, vp, senior acct super (intl); E.F. Taylor, exec vp, director-creative services; L.M. Schultz, exec vp, director-media services; D.J. Kuzma, acct exec.

DELCO ELECTRONICS DIVISION

Marketing Personnel

D.J. Almquist, genl mgr
J.C. Crawford, genl sales mgr
A.W. Mattaliano, asst genl sales mgr
S.S. Horner, adv mgr
W.B. Draper, director pr

Advertising Agency

Campbell-Ewald Co., Warren, Mich.—T.B. Adams, chairman; R.D. O'Connor, vice-chairman (New York); P.L. John, vice-chairman and ceo; P.A. Dow, president-coo; R.H. Schirmer, exec vp-acct mgmt; I.W. Beaton, senior vp-group mgmt super; R.E. Britton, senior vp-acct mgmt; R.C. Morgan, vp-acct super.

GENERAL MOTORS PARTS

V.R. Peters, genl director
J.T. O'Connor, sales mgr-mktg
S.D. Segalini, sales mgr-East
C.S. Wagner II, sales mgr-Central
E.L. Schreitmueller, sales mgr-West
E.J. Carey, sales mgr-admin
E.M. Green, sales mgr-dealer devel and services
R.T. Strohm, sales promo-adv mgr
F.M. McCurdy III, director-pr

Advertising Agency

D'Arcy MacManus Masius, Bloomfield Hills, Mich.—Harold G. Bay Jr., chairman and ceo-worldwide; Ronald W. Monchak, chairman (Bloomfield Hills); Theodore T. Teegarden, exec vp-mgmt super; Charles S. Brandt, vp-group acct super; D. Bruce Hutch- chison, acct super; F. Michael Koch, Cheryl A. Kerns, acct execs; Patrick C. Fannin, Karen L. Ayala, asst acct execs.

GENERAL MOTORS ACCEPTANCE CORP.

Marketing Personnel

R.F. Murphy, president
G.R. Samardich, exec vp
C.A. Krauss Jr., vp-industry, govt and pr

Advertising Agency

Campbell-Ewald Co., Warren, Mich.—T.B. Adams, chairman; R.D. O'Connor, vice chairman (New York); P.L. John, vice-chairman-ceo; P.A. Dow, president-coo; R.H. Schirmer, exec vp; J.J. O'Neal, group senior vp.

The top 25 network tv advertisers

Rank	Advertiser	Expenditures ($000) 1983	1982	1983 as% of total advertising exp.	1982 as% of total advertising exp.
1	Procter & Gamble Co.*	$366,663.1	$390,495.4	47.4	53.8
2	General Motors Corp.*	201,350.4	164,261.5	33.8	29.9
3	Ford Motor Co.*	172,308.1	128,885.4	36.0	41.1
4	General Foods Corp.*	170,064.5	232,349.4	44.0	54.2
5	American Home Products Corp.*	161,435.0	160,767.2	48.4	49.4
6	American Telephone & Telegraph Co.*	146,603.8	95,086.2	31.7	25.5
7	Sears, Roebuck & Co.*	145,006.8	102,563.8	19.8	16.2
8	Johnson & Johnson*	131,265.9	121,845.3	44.4	45.1
9	Philip Morris Inc.*	128,266.1	110,845.0	24.3	22.1
10	Bristol-Myers Co.*	120,974.3	105,717.0	51.5	51.6
11	Anheuser-Busch Cos.*	116,515.2	95,676.5	40.1	39.3
12	Unilever U.S.*	110,302.6	111,811.7	34.0	36.7
13	General Mills*	100,279.1	93,628.5	37.3	38.3
14	Coca-Cola Co.*	95,888.7	87,208.5	34.0	34.2
15	Ralston Purina Co.*	94,438.5	82,570.7	33.1	37.5
16	Beatrice Cos.*	88,563.6	N/A	14.7	N/A
17	Dart & Kraft*	87,414.8	61,743.6	41.6	31.0
18	Warner Communications*	84,243.6	75,533.0	33.6	32.5
19	Chrysler Corp.*	84,193.7	68,219.5	36.6	39.4
20	Sterling Drug*	82,660.0	66,383.7	48.1	47.4
21	Nabisco Brands*	82,018.0	66,578.8	22.3	19.9
22	McDonald's Corp.*	80,930.9	59,875.9	26.0	22.5
23	Beecham Group p.l.c.*	78,806.6	66,725.1	58.8	55.3
24	Gillette Co.*	75,285.5	74,025.4	40.6	45.4
25	Warner-Lambert Co.*	74,638.9	81,015.4	21.7	27.5

Source: Net time and program costs from Broadcast Advertisers Reports and supplied to Leading National Advertisers.
*Indicates a 100 Leading National Advertiser

Gillette Co.

	1983	1982
Sales*	$2,183,297,000	$2,238,979,000
Earnings*	145,876,000	135,100,000
U.S. Advertising	185,604,400	163,000,000

*Worldwide

Gillette Co., Boston, the 35th largest national advertiser, increased its ad spending 14%, to an ADVERTISING AGE estimated $185.6 million in 1982.

Worldwide sales in 1983 decreased 2%, to $2.183 billion. Earnings managed an 8% increase. Sales for U.S. and Canada were $1.02 billion in 1983, vs. $998.4 million in 1982.

Gillette's performance has picked up steam during the first half of fiscal 1984 ended June 30. During the period, earnings were $78.3 million, up 11.2% from the corresponding period a year earlier, on sales of $1.097 billion, up 2.3%.

For 1983, Gillette's four major lines and the percentage contribution to total sales of each were: Blades and razors, $755 million, 35%—a percentage virtually unchanged from the previous year; toiletries and cosmetics, $688 million, 31.5%, up from 29.8%; writing instruments, $253 million, 12%, down from 12.1%; Braun products, $382 million, 17.5%, down from 18%.

Profits decreased lightly for blades and razors and moderately for toiletries and cosmetics. Profits for Braun products were much more than those of 1982, while profits of writing instruments declined.

Over the past year, the company has continued its traditionally aggressive marketing policies, most notably in the launch of new products, which included Foamy Gel shaving cream in November, 1983; Body Flowers perfumed body spray/deodorant; the Good News Pivot, a pivoting version of its Good News razor system, and Bare Elegance, moisturizing liquid soap for use in the shower.

During the first half of 1984, Gillette announced it would launch nationally Brush-Plus, an all-in-one brush and shaving concentrate system. The company also rolled coast to coast with a revamped version of its Silkience self-adjusting haircare line. Ad campaigns for both commenced this summer.

Analysts consider the Silkience relaunch critical for the personal care division. "The shampoo market has become bitterly competitive," said Diana Temple, an analyst who follows Gillette at Salomon Brothers. "And neither FOHO nor Mink Difference seem to have what it takes to make it. Their shares have shrunk to very low, nominal levels—less than 0.5%." In the highly fragmented shampoo business, Ms. Temple said, it is difficult for brands to recover once their shares drop to such low levels.

Sales for the U.S.-based toiletries and cosmetics division posted a modest advance in 1983. Profits were moderately less than those of last year. Domestic sales grew moderately, primarily reflecting the introduction of Body Flowers body spray and the sustained vitality of Dry Idea roll-on antiperspirant.

Despite Gillette's concentration on hair and skincare products, deodorants and antiperspirants remain the most important products in the personal care division.

A dominant name in its category for more than 20 years, the Right Guard brand name was the subject of a major $28 million revitalization process during 1983 that included improved formulations and packaging, as well as dramatically increased advertising.

Spurred by the good reception given Foamy Gel shave cream, introduced in late 1983, domestic shave cream sales moved well ahead of a year earlier, with the Foamy brand maintaining its dominant market share. According to recent figures compiled by Ms. Temple, last year Gillette (with Foamy and Trac II shave creams) commanded 26.8% of the shaving preparation market, a figure that has dropped gradually over the years; it was 33.8% in 1979.

Sales and profits for blades and razors were slightly lower in 1983. In its seventh marketing year, the Atra pivoting head twin-blade shaving system continued to make progress in the U.S. Both Atra cartridges and razors retained their leading share positions, with the Atra razor growing at the fastest rate of any domestic brand.

Domestic sales of disposable razors moved well ahead of a year earlier, principally because of the Good News brand, the best-selling disposable for the past eight years. A strong surge in demand for the Daisy women's disposable razor also contributed to the upward trend.

In August, 1984, word was out that Gillette would introduce a new, state-of-the-art shaving system in 1985. Although no details on the product were disclosed, sources close to the company believe it incorporates either new metallurgical variations or wire or glass cutting edges.

Gillette has strengthened its position in the worldwide shaving market with the establishment of joint venture blade manufacturing operations in China and Egypt.

In the Paper Mate division, sales of writing instruments declined somewhat, but profits rose due to an ebbing of the price wars that had eroded profits in the early 1980s. On a global basis, Gillette remains the world's largest marketer of writing instruments, ranging from inexpensive pens to luxury fountain pens and pencils, the latter manufactured by the company's subsidiary S.T. Dupont of France.

Paper Mate also set in motion the introduction of a roller entry, dubbed the Accu-Point roller pen, which will do battle in the $125 million roller pen market that Scripto entered earlier this year. Gillette also introduced the Paper Mate Sharpwriter pencil, another first for the division. The two products together will be backed by a $5 million campaign, with McCann-Erickson, New York, handling consumer advertising and Hill, Holliday, Connors, Cosmopulos, Boston, handling trade ads and promotions.

Last year, Gillette pursued a trimming strategy in the Braun division, which produced a drop in sales—from $403.4 million to $381.7 million—but a sharp rise in profits. The company continued to divest Braun of its photo and hi-fi businesses to concentrate on small household appliances, most marketed exclusively in Europe.

But the big news at Gillette over the past year was its agreement in principal, signed in early April, to buy the toothbrush-making and dental-care operations of Cooper Laboratories of Palo Alto, Cal., for $188.5 million. At the time, Gillette cited the fact that Cooper's Oral-B Laboratories subsidiary leads the U.S. toothbrush market with about a 27% share. During 1983, Oral-B had sales of about $120 million.

By and large, analysts have applauded Gillette's interest in Oral-B; toothbrushes, they said, would be a welcome addition to Gillette's traditional stable of cosmetics, grooming aids, writing instruments, lighters and small appliances. Oral-B also makes Zendium toothpaste and dental floss.

Analysts' optimism also was based on what Gillette can bring to Oral-B—most notably, its consumer marketing skill and ability to market huge volumes of low-priced, disposable plastic and metal products. In addition, about 40% of Oral-B's business is overseas, an area where Gillette is strong.

In August, 1984, Gillette acquired Elizabeth Grady Face First National Corp., which operates a chain of seven owned and four franchised skin-care salons, with sales of about $2 million in 1983. Gillette plans to expand the chain in the Boston and New England area.

Acquisitions are not the only way in which Gillette has made the news. In December, the company abruptly fired the agency Advertising to Women after seven years. The firing was the corporate reaction to the negative publicity surrounding ATW chairman John Ernst's guilty plea in August, 1983, to charges of tax evasion.

In a prepared statement, Gillette said the action "follows a review of tax proceedings in which Advertising to Women's former chairman was involved in federal court earlier this year . . . events surrounding that proceeding had led to a strain in the client/agency relationship."

Advertising to Women's share of Gillette's business amounted to some $20 million. The business was relocated to three agencies: Young & Rubicam, which gained Silkience and For Oily Hair Only (FOHO) skin and haircare lines ($14 million); N W Ayer, which added Body Flowers ($11.1 million), and Marschalk, which was awarded Toni ($4 million).

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,839,300	$3,525,600
Magazines	9,237,800	8,276,000
Spot tv	11,394,400	8,642,300
Network tv	75,285,500	74,025,400
Spot radio	1,455,800	—
Network radio	2,691,600	—
Total measured	101,904,400	94,469,300
Unmeasured	83,700,000	68,530,700
Estimated total	185,604,400	163,000,000

GILLETTE CO.
ADVERTISING SERVICES DIVISION

Thomas T. Ryan, vp
Thomas A. Lux, director-spot/print/-barter/new technologies
Allen K. Gibbs, director-media services
Ronald Harding, director-tv commercial production
Howard Fisher, director-tv-network buying
Robert J. Evans, director-promo services

SAFETY RAZOR DIVISION
Marketing Personnel

Derek W.F. Coward, vp-mktg
A. Bruce Cleverly, mktg mgr-disposable shavers & lighters
Joseph H. Crist, mkg mgr-new prods
Robert Leger, mktg mgr-permanent refillable razors
W. Scott Roberts, vp-sales

Advertising Agencies

BBDO, New York—Atra, Good News!, Good News! Pivot, Trac II—Atra: Ken Rodgers, exec vp-mgmt director, Michael Ohearn, mktg services mgr, Michael Paxton, vp-mgmt super, Phil Dusenberry, exec vp-creative director, Geri Roper, acct super (Good News! and Trac II); Bob Schlesinger, senior vp-associate creative director; David Sarafin, acct exec (Good News! and Good News! Pivot).

Marschalk Co., New York—Daisy, Widget—Andrew Langer, president; Michael Krugman, vp-acct super, Dick Villante, Barry Linsky, exec vp, Jim Overend, acct exec.

PERSONAL CARE DIVISION
Marketing Personnel

Robert N. Forman, vp-mktg
John Darmon, mktg mgr, skincare and homewaves
Michael Nadelberg, mktg mgr, deodorants/antiperspirants and hairsprays
M. Gage Heath, mktg mgr, shampoos/-conditioners

Advertising Agencies

Young & Rubicam, New York—Right Guard, FOHO shampoos and rinses, Silkience shampoo and conditioner—Ed Lebar, mgmt super, Amy Handlin, acct super.

BBDO, New York—Soft & Dri, Dry Look, Dry Idea—Bill Kelly, mgmt super.

Marschalk Co., New York—Trac II and Foamy shave creams, Foamy gel, Bare Elegance moisturizing soap, Tame, Toni—Dan Cohen, mgmt super.

N W Ayer, New York—Adorn, Body Flowers, White Rain, Mink Difference, Aapri—Stan Mattison, mgmt super.

PAPER MATE DIVISION
Marketing Personnel

Joel P. Davis, vp-mktg.
Maureen C. Moriarty, mktg mgr, new prods/new business
Carmen A. Comite, mktg mgr, established brands
Robert Warren, senior prod mgr-new prods/new business
J.A. Morrison, prod mgr-refillable systems
Scott G. Searle, prod mgr-porous prods
Kathleen Leone, prod mgr-correction fluids

Advertising Agencies

McCann-Erickson, New York—Paper Mate ballpoint pens, Eraser Mate, Flair porous prods—Ian Hooper, senior vp, Larry Coppersmith, acct super.

Hill, Holliday, Connors, Cosmopulos, Boston—Liquid Paper, S.T. Dupont (U.S.), Paper Mate trade advertising—John Fitzgerald, senior vp; John Riley, acct super

JAFRA COSMETICS INC. (USA)

Thomas C. Grant, president.

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Source: Scarborough Research, 1983. Represented nationally by Sawyer-Ferguson-Walker Company, Inc.

Goodyear Tire & Rubber Co.

	1983	1982
Sales	$9,735,000,000	$9,589,200,000
Earnings*	305,500,000	329,800,000
U.S. Advertising	57,831,700	44,905,400

*Worldwide

Goodyear Tire & Rubber Co., Akron, O., the world's largest manufacturer of tires and rubber products, was the 96th largest national advertiser in 1983 with $57.6 million in expenditures, an increase of 29% over 1982.

Goodyear reported net income of $305.5 million, down 7.4% from 1982, on sales of $9.736 billion, an increase of 1.5%. Revenues from U.S. operations accounted for $6.794 billion, or 70% of total sales.

Goodyear's principal business is the manufacture, distribution and sale of tires, but the company also manufactures metal, rubber and plastic and high-tech products in its 56 plants in the U.S. and 45 plants in 27 other countries.

During 1983, like the auto makers, Goodyear placed both product and advertising emphasis on performance. In the case of Goodyear, it was for Eagle radials. A series of magazine ads documented strong auto original equipment acceptance of Eagle radials and featured Camaro, Thunderbird, Mustang, GT, Shelby, Datsun 280ZX and Corvette. The campaign helped push measured magazine spending to $5 million, more than double the preceding year.

The ad featuring Corvette described how Goodyear's Eagle VR50—called the Gatorback radial because of its distinctive unidirectional tread—was adapted from Formula One racing rain tires to become an integral part of Corvette's tuned-suspension system.

Also in 1983, Goodyear geared up for the intensive multi-million-dollar announcement campaign that broke during the Winter Olympics telecasts from Sarajevo, Yugoslavia. The campaign, bearing the slogan, "Say Hello to Vector," will continue through 1984.

It was largely because of the buys during Olympic telecasts that advertising expenditures on network tv increased nearly 50%, to $22.63 million in 1983.

The company chose to emphasize its tires linked to the high-performance autos, which are playing a major role in Detroit's attempt to win back the loyalty of the American consumer. The campaign received the Gold Effie award from the New York chapter of the American Marketing Assn.

Goodyear earned good position in the competition for high-performance credibility when both the official pace car and the winning racer at the 1983 Indianapolis 500 were equipped with Goodyear Eagle race tires. It received further kudos when 1984 winner, Tom Sneva, drove on Eagles, and the Pontiac Fiero pace car was equipped with Eagle VR50 Gatorback radials.

The company's retail advertising now is integrating ads for company-owned stores and independent dealers. Advertising manager J.R. Houlette said this "one voice" approach helps "create a simpler buying decision" for the consumer and "internally, it draws all retail elements into a more unified marketing effort."

The measured media portion of Goodyear's total advertising budget rose in 1983 to $40.8 million, an increase of 36.5%. Major ad support of $24.3 million was provided for the broad category—Goodyear tires for car and truck—up from $12.6 million in 1982; Goodyear tires for cars, $4.8 million, up 14%; Goodyear tires for trucks, $2.9 million, up 71%; Kelly-Springfield products, $1.2 million, down 25%, and Goodyear automotive service stores, $6.7 million, down 26%.

In 1983, Goodyear arranged with Citibank to offer credit cards for customer use at both Goodyear owned stores and all independent participating dealers.

The company says its nontire sales are climbing worldwide with such predictable items as automobile belts and hoses and also with a running-shoe sole material named "Indy 500." Major shoe manufacturers—Converse, Tiger and Etonic—are using the new sole, which also is being advertised in *Runner* and *Runner's World*.

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INSTITUTE OF OUTDOOR ADVERTISING

In agency changes, J. Walter Thompson USA was selected from a list of five agencies to handle the Goodyear North America account, a virtual consolidation of major portions of business.

Goodyear also named McCann-Erickson to handle all Goodyear advertising in 33 countries. The agency has handled Goodyear business in South America and the Far East for the past 24 years.

In November, 1983, John P. Kelley, vp-advertising, retired after 24 years to be replaced by George S. Lenox, who had been director of advertising. James K. DeVoe, who earlier in the year moved from RCA in Indianapolis to Goodyear as assistant advertising director, moved up to director.

A diversified company, Goodyear also manufactures synthetic rubber, several lines of chemicals and numerous high-technology products for aerospace, defense and nuclear energy. Keenly aware of its roots in general consumer products, Goodyear nonetheless sees its high-tech aerospace and defense business as a key area for growth.

The company now makes wheels and brakes for the military ad flight simulators for testing pilots, all very classified. Goodyear also is involved in computer programing related to radar feedback.

The 1983 acquisition of Celeron Corp. of Lafayette, La., broadened Goodyear's holdings to include natural gas transmission systems, principally in Louisiana, and on-shore and offshore oil and gas exploration and production in the U.S. Celeron facilities also include about 2,700 miles of intrastate and interstate gas pipelines and three gas processing facilities. Houlette predicts Celeron will play a key role in Goodyear's projected 10-year effort to increase the nonautomotive base of its business.

Worldwide, Goodyear employed an average of 128,760 persons in 1983, including more than 65,600 in the U.S.

ADVERTISING EXPENDITURES

	1983	1982
Magazines	$4,999,100	$2,098,500
Farm publications	407,300	—
Spot tv	11,653,000	11,680,800
Network tv	22,632,700	15,290,700
Spot radio	261,700	10,300
Network radio	655,000	608,600
Outdoor	222,900	216,500
Total measured	40,831,700	29,905,400
Unmeasured	17,000,000	15,000,000
Estimated total	57,831,700	44,905,400

Advertising Personnel

George S. Lenox, vp
James K. Devoe, director
Charles O. Cramer, mgr-adv, tire div
James A. Neawedde, adv mgr-auto tires
Norbert J. Drol, adv mgr-truck and farm tires
David G. Oby, mgr-retail adv
Davis M. Jones, mgr-retail adv planning
Charles P. Lehman, adv mgr-dealer adv
Roger L. Zwingler, adv mgr-company-owned outlets
C. Ronald Graham, mgr-genl prods adv
James T. Manning, adv mgr, chemicals, roofing, aerospace
Lee Wrobbel, adv mgr-industrial prods and films
George S. Drop, mgr-media services
Grant R. Erikson, mgr-audiovisual center
Donald H. Watt, mgr-visual merch
W. John Schick, mgr-adv admin
Jack R. Houlette, mgr-creative adv

Advertising Agencies

J. Walter Thompson USA, New York—Robert G. Beauregard, North America mgmt director; Peter Hanley, senior vp-acct director.

McCann-Erickson, New York—Peter J. Kennaby, worldwide mgmt director.

Wyse Advertising, Cleveland—Marc A. Wyse, president and genl mgr.

Norman Malone Associates, Akron, O.—Harry P. Stitzlein, chairman.

GrandMet U.S.A.

	1983	1982
Sales*	$1,340,000,000	$1,072,000,000
Earnings*	**148,000,000	77,900,000
U.S. Advertising	55,566,200	54,000,000

*Worldwide **Operating income

GrandMet USA, Montvale, N.J., the nation's 97th largest advertiser, spent an estimated $55.6 million in advertising in 1983, a 3% increase over 1982.

GrandMet sales of $1.34 billion

were up 25% as was operating income of $148 million.

GrandMet, a subsidiary of Grand Metropolitan p.l.c., is divided into five main product groups: Cigarets and tobacco products, spirits and wines, pet foods, soft drink bottling and distribution, and sporting goods.

Cigarets account for the largest share of GrandMet's sales. Cigaret sales soared 49%, to $562 million in 1983. Much of the increase can be attributed to the doubling of the excise tax on cigarets that went into effect Jan. 1, 1983. (Excluding excise tax, cigaret sales rose from $306 million to $382 million.)

All the cigarets are produced and distributed by Liggett & Myers Tobacco Co., Durham, N.C. L&M is the nation's sixth largest cigaret company and produces many top brands including Eve, Chesterfield, Lark and L&M. However, it is the company's generic brands that accounted for a major part of the gain in unit sales in 1983.

Until 1984, Liggett & Myers had the generic market to itself. But no more. R.J. Reynolds Tobacco Co. has introduced its Doral cigaret unbranded at generic prices and Brown & Williamson Tobacco Corp. also has unveiled a generic. Industry analysts say growth of generics has leveled off at about 4.2% of the total market, so the competition in the market could erode Liggett's market share.

In fact, some say the flattening of the generic market was a reason plans were discontinued to sell the GrandMet cigaret business to management. Early in 1984, the company announced it was considering a leveraged buyout offer by members of Liggett management and an outside investment group.

In 1983, Liggett ran a national ad campaign stressing the value of generic cigarets in the face of the increased excise tax. The campaign consisted of $229,000 in outdoor and about $500,000 in newspapers.

Several of L&M's brands did well in 1983. The Eve brand, including the new Eve 100 box, was the strongest branded performer for the company. It received the bulk of Liggett & Myers' ad expenditures for cigarets. The Eve line attracted $7 million in measured ad spending, the largest outlays going to Eve Lights 100s and 200 filters, and Eve Slim Lights 100s filter and menthol.

The Eve brand that received the highest ad expenditures was Eve Slim Lights 100s filter and menthol. The company spent $4 million on those brands, including $3.8 million in magazines and $186,000 on outdoor media. Eve 100 and 120mm brands drew about $2 million in measured expenditures, all in magazines.

L&M also introduced two new brands in 1983: Dorado and L&M Superior. Both were introduced via outdoor boards in the Southwest for total spending of less than $100,000.

Operating income for the cigaret division increased 25%, to $60 million.

GrandMet made two acquisitions that gave it additional strength in the growing pet food category in 1983. In May, the company acquired rights to Tabby cat food, as well as all business related to the brand. Since the acquisition, the company has added the Alpo name to the Tabby label in an effort to capitalize on the strength of the Alpo brand. Alpo pulled a media budget of $12.8 million to maintain its position as the leading canned dog food in the U.S.

Among Alpo products, Alpo dry dog food, backed by $5.4 million, was the biggest expenditure among all the company's brands. It moved into the top five dry dog food brands in the U.S.

The largest share of the ad total, $2.9 million, went to network tv; spot tv garnered slightly more than $1 million; magazines drew $875,000, and newspapers $600,000.

An additional $166,000 was spent on spot tv for both the canned and dry dog foods.

Separately, the canned food got $4.7 million, including $3.4 million in network tv, $884,000 in spot tv and $227,000 in magazines.

The company also is developing its own pet snack brands. Both the Beef Bite Treats and Liv-A-Snaps lines increased their already strong market shares.

Liv-A-Snaps was supported by $362,000 in spot tv. The company apparently saw expansion of that market through acquisition when in August, 1983, GrandMet acquired the Reward Co., manufacturer of pet snack foods, including those under the Butcher Brand trademark.

The pet foods product area at GrandMet accounted for $23 million in operating income. The sales figure was a $1 million increase over 1982. Earnings for the division were flat.

On March 1, 1983, GrandMet sold its spirits and wines subsidiaries, the Paddington Corp., Carillon Importers Ltd. and Bombay Spirits Co., to its immediate parent, Grand Metropolitan (U.S.A. Holdings) Inc. for a $254 million interest bearing promissory note due on demand.

In its liquor advertising, measured expenditures for Absolut vodka rose slightly to $1.6 million from $1.2 million the previous year. In the three years in the American market, Absolut has moved into the No. 2 spot in imported vodka brands. As in previous years, most of the money, $1.4 million, was spent on magazines.

Measured expenditures for Baileys Irish Cream dipped from $6.4 million to $5.2 million. Nonetheless, sales of Baileys topped last year's levels.

Sales of the company's J&B Scotch dipped somewhat as part of the softening of scotch sales in the U.S.

Ad expenditures for J&B were down to $6.2 million from $7.4 million in the previous year. Expenditures on Bombay gin rose somewhat to $1.1 million from $950,000 in 1982. In the face of a declining market for imported gin in the U.S., Bombay increased sales.

DP Physical Fitness Equipment, GrandMet's sporting goods company, registered strong increases in its sales of home exercise equipment. Ad expenditures also rose sharply to more than $2 million. In 1982, expenditures were about $1.1 million. The 1983 campaign placed ads on network tv including National Football League football, as well as in several consumer magazines.

ADVERTISING EXPENDITURES*

	1983	1982
Newspapers	$1,490,600	$4,278,300
Magazines	24,068,900	25,205,700
Spot tv	4,885,800	7,821,200
Network tv	7,188,400	7,873,700
Spot radio	——	323,200
Outdoor	4,867,600	4,652,000
Total measured	45,501,300	50,154,100
Unmeasured	3,368,000	3,845,900
Estimated total	45,869,000	54,000,000

*Supplied by GrandMet

ADVERTISING EXPENDITURES†

	1983	1982
Newspapers	4,375,100	4,278,300
Magazines	26,179,500	25,205,700
Spot tv	6,940,900	7,821,200
Network tv	9,083,100	7,873,700
Spot radio	54,500	323,200
Outdoor	4,933,100	4,652,000
Total measured	51,566,200	50,154,100
Total unmeasured	4,000,000	3,845,900
Estimated total	55,566,200	54,000,000

†From AA's usual sources

Corporate Marketing Personnel

Jonathan W. Old, president-ceo
Robert H. Fassick, vp-admin
Robert B. Seidensticker, vp-tobacco cos.
Jim Adams, vp-corp devel and strategic planning
Dan Provost, vp-public affairs
Al Kalish, director-corp adv

LIGGETT & MYERS TOBACCO CO.

Marketing Personnel

K.V.R. Dey Jr., president-ceo
Hal Grant, vp-sales and mktg
Don Fish, natl director-adv and promo
John Franklin, mgr-mktg programs
Walt Mcdonald, branch mgr
Fred DiMenna, adv promo mgr
Joe Drescher, group promo mgr
Bob Seher, director-sales admin and services
L.P. Hughes, natl field sales mgr
Jim McPartland, eastern region sales mgr
Ennis Laws, southern region sales mgr
Dave Jackson, natl director-trade and sales promo
Steven Cohen, director-sales planning and devel
Bobby Rigsbee, director-purchasing

Advertising Agencies

Bloom Cos., Dallas—Eve Lights cigarets, L&M cigarets, Chesterfield, test products—Bill Oakey, mgmt super; Alan Armstrong, acct super, Nancy Rehling, acct exec; Cindy Avery, asst acct exec; Mark Oken, senior vp-

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media director; Lynn Christopher, associate media director; Bev Leibee, media planner.

PADDINGTON CORP.

Marketing Personnel

Al Ferro, president-ceo
Frank Zuracino, vp-genl sales mgr
Bob Suhr, vp-mktg
Al Giordano, vp-rsch planning
Joe McKenna, vp-pr
Susan Lupien, brand director, Bailey's Original Irish Cream
John Seewald, group mktg director
Tim Mulligan, asst brand mgr
Russ Goyette, group mktg director
Kevin Meltugh, branch mgr, Demi-Tasse
Lisa Donati, branch mgr, Malibu
D. James McCue, sales promo director
Ann E. Berenger, mgr-sales promo director

Advertising Agency

Backer & Spielvogel, New York—J&B rare scotch, Catto's Gold Label scotch, Royal Ages scotch, Knockando scotch, Baileys Original Irish Cream liqueur, Demi-Tasse coffee cream liqueur—John Kelly, Malibu vp-acct director; Mike Rowland, acct super; Peter Marsman, acct exec Mindy Picon, acct exec; Steve Leff, exec vp-director, media services; Jay Schoenfield, senior vp-media director; Sid Shane, media super, J&B Valerie Muller, media super, Baileys, Joan Greenberg, mgr-out-of-home.

CARILLON IMPORTERS

Marketing Personnel

Michel Roux, president-ceo
Dick McEvoy, vp-mktg
Carolyn Kaiser, mgr-pr
Ernie Capria, mgr-mktg services and planning

Advertising Agency

TBWA Advertising, New York—Grand Marnier, Absolut vodka, Cherry Marnier, Lapostolle cognac, Bombay gin, Bertani wines, Punte Mes, Achaia Clauss Greek wines and Ouzo, Lescours Abbaye, Dunhill scotch, Ackerman—Lawrence sparkling wines, Piat wines—William Tragos, chairman-ceo; Brian Barry, vp-mgmt super; Claude Fromm, vp-media director; Juon Bailargeon, media super.

PINKERTON TOBACCO CO.

Marketing Personnel

Robert B. Seidensticker, president
Bill Melton, vp-mktg
Don Robelen, chief financial officer-treasurer
Rich Russel, vp-sales director
Dave Steele, product mgr
Bill Taylor, product mgr

Advertising Agency

Benton & Bowles, New York—Red Man, Union Station, Big Duke, Black Clipper, Culver Bros. snuff—Bill Sandeberg, acct super; Ira Schwartz, acct super; Frank Massaro, associate media director.

ALLEN PRODUCTS CO.

Marketing Personnel

Joe Sestak, president-ceo
Jac Foley, exec vp
Frank Krum, senior vp-mktg and sales
Bob Beckwith, vp-sales
Jim Schmoyer, senior vp-operations
Ty Allen, senior product mgr
Katherine Hillman, senior product mgr
Ann E. Shaffer, product mgr
Elaine Moorem, product mgr-new prods
Bart Campbell, mgr-pr

Advertising Agency

Weightman Inc., Philadelphia—Alpo canned and dry dog food, Bi-ta dog biscuits, Liv-A-Snaps pet treats, Alamo dry dog food —John Goodchild, vp-mgmt super; Ralph Day, senior acct super; Dough Schorres, acct super; David Wolfe, Mark Plamondon, William Annesley, Cathy Guarino, acct execs; Neil Harrison, vp-media director; Ray Dundas, associate media director.

DIVERSIFIED PRODUCTS CORP.

Marketing Personnel

Cal James, president-ceo
Buddy Pilgrim, exec vp
Ira Silberman, senior vp
Ira Pollack, vp-corp mktg and purchasing
James Thompson, vp-mktg and sales
Lanier Johnson, mktg director
Greg Evelad, group prod mgr

Advertising Agency

Walker & Associates, Memphis—Deloss Walker, president.

LEACH INDUSTRIES

Marketing Personnel

Charles Drake, vp-genl mgr

PEPSI-COLA BOTTLING CO. OF FRESNO

Marketing Personnel

Ron Dorrel, president-ceo

ATLANTIC SOFT DRINK CO.

Marketing Personnel

James Moore, president-ceo
Len Rosinkski, vp-mktg
Bob Buys, vp-operations

Greyhound Corp.

	1983	1982
Sales*	$2,625,000,000	$2,740,000,000
Earnings*	105,500,000	103,100,000
U.S. Advertising	**83,564,000	**85,252,000

*Worldwide **Restated to reflect sale of Armour Foods.

Greyhound Corp., the 75th largest national advertiser, cut its advertising expenditures 1.9% in 1983, to an estimated $83.6 million.

Sales for the Phoenix-based company dropped 4.2%, to $2.63 billion, in 1983. Net income increased 2.3%, to $105.5 million.

Last year was one of change aimed at bolstering profits. Focusing on its weaker segments, Greyhound continued its program to pare down operating costs and shed its less profitable divisions. Additionally, it continues its search for a major acquisition in 1984.

The company's Greyhound Lines division chalked up $25 million in losses, attributed to a 47-day strike of drivers occurring during the important holiday travel season in 1983.

Also affecting the balance sheets in 1983 was the poor performance of Greyhound Leasing & Financial Corp. Net income for the financial group fell sharply to $28.7 million, from $47.9 million in 1982. One factor was adverse worldwide economic conditions.

Another division that historically has been troubled by labor problems is the Armour Foods division, which the company sold in 1983. The sale of Armour Foods in December to Omaha-based ConAgra will bring Greyhound $166 million. Greyhound continues to be a major stockholder.

Greyhound's transportation division showed a loss of $8.8 million in 1983, compared with net income of $20.2 million in 1982. Primarily, this was due to the strike of the Amalgamated Transit Union. But the company acknowledges that even without the strike, Greyhound Lines would have had an "unsatisfactory" 1983.

The bus industry on the whole has been lackluster because of deregulation of both bus and air travel and because of soft bus ridership. New labor agreements, which have cut labor costs between 30% and 50%, should allow Greyhound to become increasingly competitive.

To further hone that competitive edge, Greyhound is strengthening its marketing efforts. The marketing staff has grown from five to 19 in the past year, headed by Terry Underwood, vp-marketing; passenger, and a former vp-marketing at Avis Rent-A-Car.

Additionally, this spring Greyhound fired off its biggest ad campaign, "New Lower Fares." Aimed at its Dallas-based competitor, Trailways Inc., the effort is intended to increase Greyhound's 80% market share in the scheduled service sector of the bus business. (Trailways currently has about 20% of the national market, according to analysts.)

Greyhound also introduced an aggressive $2.5 million Hispanic advertising campaign.

In the consumer products group, which had net income of $22.3 million in 1983, compared with $19.9 million the previous year, several significant marketing developments occurred.

Dial soap, the No. 1 brand in the $1.2 billion U.S. bar soap market, this spring introduced a reformulated Dial soap, said to double the soap's germ-killing abilities.

The new campaign received $4 million-plus in advertising in the second quarter, the company reported. Dial antiperspirant also was reformulated to include microstat.

The company reports that Tone soap held steady its share of market in 1983, despite more aggressive marketing activities from competitors Procter & Gamble, Andrew Jergens Co. and Lever Bros.

Beauty bars such as Tone comprise about 30% of the total soap market, and the category is dominated by Lever Bros.' Dove soap.

Additionally, the company entered test markets with Pure & Natural soap, pitting the brand against P&G's Ivory.

Other new products at the consumer division included a 24-oz. can of Armour Star chili and a 15-oz. size of roast beef hash. Armour's dried beef—available nationally in jars—moved into test markets in vacuum-sealed foil pouches.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$8,926,300	$2,888,000
Magazines	3,636,800	5,022,000
Spot tv	6,639,700	6,290,300
Network tv	19,750,300	30,587,800
Spot radio	8,918,600	7,044,000
Network radio	1,366,100	2,168,900
Outdoor	290,100	38,400
Total measured	49,527,900	54,039,400
Unmeasured	34,036,100	31,212,600
Estimated total	83,564,000	*85,252,000

*Restated

GREYHOUND LINES

Marketing personnel

Terry Underwood, vp-passenger mktg
Al Anderer, vp-package express sales
Ralph Borland, senior director, mktg
E.S. Cross III, director, mkt mgmt
K. Sanders, F. Middleton, A. Pulk, J. King, S. Crawley, mkt mgrs

Advertising Agency

Bozell & Jacobs/Southwest, Dallas—Greyhound passenger lines—Ross Puskar, senior vp; Jim Gibbon, vp-mgmt rep; Jim Martin, acct super; Tony Dammicci, Emily Wright, Jim Huffman, acct execs. Package express—Jim Gibbon, vp-mgmt rep; Pat Devlin, acct super; Peter Murphy, acct exec. Charter—Jim Gibbon, vp-mgmt rep; Jim Martin, acct super; Hispanic—Jim Gibbon, vp-mgmt rep; Luis Martinez, acct super; Mary Lou C.-Rivero, acct exec.

ARMOUR-DIAL CO.

Marketing Personnel

R. Oliva, director-creative svcs
W.H. Windham, vp-sales
C.H. Ferry, vp, customer devel
A.R. DeBolt, vp-sales, special markets
P. Lustig, director-mktg, household, health and beauty prods
W.Robertson, director-mktg, food prods
G.S. Fritcke, group product mgr, toiletries and household
R. Lei, group product mgr, Dial and Tone soaps
G. Buckland, group product mgr, foods
M.G. Norman, senior group product mgr, foods

Advertising Agencies

Needham, Harper & Steers, Chicago—Dial soap, new prods—Gene Yovetich, mgmt rep; Victoria Mondae, mgmt super; Kathleen Wichman, acct exec, Mary Ellen Holland, asst acct exec.

Ogilvy & Mather, Chicago—Dial antiperspirant, Appian Way pizza, new prods—Steven A. Miller, mgmt super; Evelyn Moore, acct exec.

Foote, Cone & Belding/Honig, San Francisco—Tone soap, Liqua 4, canned meats, new prods—Robert Imel, group mgmt super; Dale Fanning, acct super; Jeff Tarran, acct exec.

Conill Advertising, New York—Hispanic advertising, all Armour-Dial prods—Gloria Tuero, acct super.

GTE Corp.

	1983	1982
Sales*	12,943,918,000	11,766,658,000
Earnings*	955,604,000	835,626,000
U.S. Advertising	70,179,900	25,183,600

*Worldwide

GTE Corp., the 85th largest national advertiser, spent $70.18 million on advertising in 1983, a jump of 179% from 1982. GTE's commitment to becoming a major force in the long-distance telephone market, through its newly acquired Sprint system, accounts for a large part of its advertising increases.

Worldwide sales for the Stamford, Conn.-based company reached record-breaking levels as they climbed to $12.94 billion, up 10% from 1982, while earnings were $956 million, up 14.4%. U.S. sales contribution for 1983 amounted to $10.9 billion, representing 84% of total sales and a 12% increase from 1982.

In 1984, first-quarter results show another record year is in the making. Earnings were $257 million, up 17% from 1983's first quarter, and revenues climbed to $3.4 billion, an increase of 16%.

GTE's telecommunications operations were extended vastly by the $727.5 million purchase of the Sprint service. Sprint is now part of the newly formed diversified products and services division at GTE, which also includes Communications Products, Telenet Communications and Products Corp. The telephone operating group includes the operating companies Directories Corp. and Mobilnet Inc.

GTE's acquisition of the Sprint system, completed June 15, 1983, and the divestiture of American Telephone & Telegraph on Jan. 1, 1984, provided fertile ground for GTE's pursuit as a serious competitor in the telecommunications industry.

Toward that end, GTE put $20.5 million into advertising its GTE Sprint long-distance lines, up nearly 83% from 1982 levels when Sprint was under the ownership of Southern Pacific Corp. Advertising for Sprint represented 34% of GTE's total measured spending.

In comparison, MCI devoted $27.96 million to advertising its long-distance service in 1983, a 26% increase from year-earlier figures. The increase reflects an aggressive but necessary move to maintain its No. 2 position with a 3% share of the long-distance market, far behind AT&T. GTE Sprint is currently No. 3, with a 1.5% market share.

GTE's success in the $44 billion-a-year long-distance market is shown by solid growth in its customer base since acquiring Sprint. In June, 1983, the system had about 600,000 business and residential customers. Within nine months, the customer base grew to more than 1 million. During 1984, GTE plans to invest another $1 billion to expand its Sprint and satellite operations.

Among the crowded field of nearly 400 long-distance companies nationwide, the giant of them all, AT&T, is fighting to protect its 94% market share, from which all the new competitors are drawing to form a customer base. Its latest campaign, "The more you hear, the better we sound," attacks the tinny sound, poor connections and busy signals that a caller usually encounters while using other long-distance services.

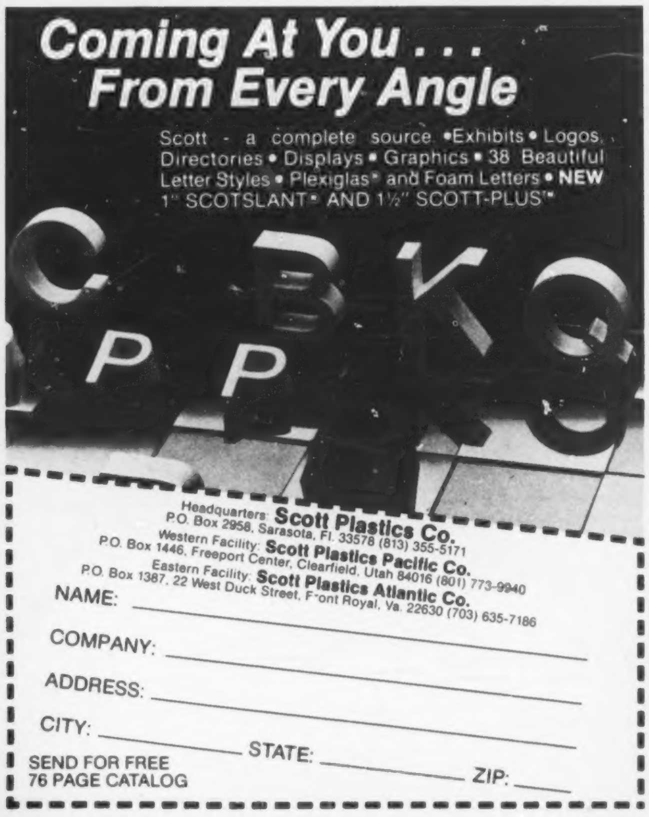
That ad campaign, and the current issues of rates and quality in long-distance service, soon will be history, though, as alternative services such as GTE Sprint gained equal access rights, which started July 15 in some markets. The new structure will bring improvements to the long-distance system: narrowing the price gap between services, providing accessibility for rotary dial phones and improving connections.

Sprint campaigns use the money-saving angle to draw in new customers. Two separate GTE Sprint print campaigns were developed by J. Walter Thompson USA, targeting business and residential audiences. The "I compared, then I switched," campaign, with versions for both businessmen and businesswomen, run in the *Wall Street Journal, Business Week, Fortune, Inc* and other business journals. The "Price of Friendship" ads, directed at the residential audience, explain how customers can save every time they make calls. Ads run in publications with broad-based audience appeal, including *People, TV Guide* and *USA Today.*

Sprint also targets a very specific audience in its advertising. One tv commercial, "Straight Talk," is targeted toward the college market, where phone bills can consume a large portion of a limited budget. The spots feature a college coed who talks about calling home and telling her parents "almost" everything.

Almost all of Sprint's $20.5 million in measured spending went to spot tv, according to Leading National Advertisers. Spot tv took $20.1 million, while the remaining $407,000 went to magazines. Philip Stevens, corporate advertising director at GTE, said 1984 spending on Sprint continues to emphasize spot tv, but he declined to estimate this year's budget.

GTE stepped up Sprint's marketing challenge beginning in January when it dropped its $5 monthly service fee and replaced it with a minimum monthly charge of $5 for residential customers. Also, customers receive volume discounts on bills greater than $25, and the savings go up with higher bills. The "usage sensitive service," as GTE calls it, met the competition better than it expected. Sources say the company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oversold its service, and a temporary freeze prohibited new customer signup until September. In the meantime, MCI dropped all monthly service fees and offered large-volume discounts for new and existing customers starting July 15.

Phone Marts, the retail stores for GTE telephone products, expanded their product lines during 1983 to residential and small business customers. Measured ad spending for 1983 was $1.269 million, up 32% from 1982. Spot tv dominated the advertising, taking 96% of the total, network tv got 2.5% and magazines took 1.5%.

The GTE Mobilnet system is growing as a major force in another competitive field. Mobilnet, a cellular mobile telephone company, is the sole operator in 16 systems, with majority interest in six markets and minority interest in 19 markets. In July, 1984, the company applied for 17 additional systems.

Advertising tie-ins with the Indianapolis 500 auto race included race car driver Johnny Rutherford in ads, demonstrations and in-store appearances. Mobilnet phones were used exclusively by Indy 500 officials, medics and press personnel. Doyle Dane Bernbach, New York, was awarded the new account in December, 1983. A GTE spokesman said the emphasis is on doing followup ads in the new markets.

Sylvania lighting products division introduced the Energy Pincher lamp line in 1983. The line saves residents between 5% and 70% on electric bills, depending on usage. By the end of the year, the line was expanded to include three-way, flood and spot lights and reflector units.

Measured spending on Sylvania light bulbs for the home became a serious part of the ad budget as it grew from $900 in 1982 to $2.94 million in 1983. Nearly 95% was devoted to spot tv, with the remainder spent in magazines. Spending on industrial light bulbs reached $103,800, all in magazines.

A rapidly expanding area of growth for office services is electronic mail. GTE entered this market with its GTE Telemail, an electronic mail service, which sends about 600,000 messages a month. Projected 1984 revenues are estimated at $8.4 million.

The TeleMessager Service, a public voice messaging system began testing in the Dallas-Fort Worth area. The service can be accessed at any time and from anywhere in the world without special equipment, using only an identification number. These two advancements are among many that further emphasize GTE's commitment to become a complete telecommunications company.

The executive office witnessed an abrupt move when president-chief operating officer Thomas A. Vanderslice resigned in December, four years after joining the company. After restructuring the top ranks, Allan L. Rayfield and James L. Johnson were named senior vps, heading the diversified products and service group and the telephone operating group, respectively.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$12,414,000	$1,620,900
Magazines	6,744,100	3,871,500
Spot tv	32,443,200	5,925,100
Network tv	6,081,600	5,339,700
Spot radio	2,457,900	1,548,200
Outdoor	39,100	6,700
Total measured	60,179,900	18,312,100
Unmeasured	10,000,000	6,871,500
Estimated total	70,179,900	25,183,600

GTE CORP.

Executive Office

Theodore F. Brophy, chairman-ceo
James L. Johnson, senior vp-president, GTE telephone operating group
Allan L. Rayfield, senior vp-president, diversified products and services

Marketing Personnel

Allan N. Stewart, vp-mktg
C. Sumpter Logan, vp-corp communications
Edward C. MacEwen, director-adv and communications planning
Philip C. Stevens, director-corp adv
Ralph H. Sherman Jr., director-adv, GTE Sprint

Advertising Agencies

Doyle Dane Bernbach—all advertising except GTE Sprint—Lawrence J. Iannuzzelli, exec vp; Denis P. Crosley, senior vp-mgmt super; Joseph McParland, vp-mgmt super, telephone operations; Joseph F. Belle Isle, vp-acct super, corporate; Nancy Bretl, vp-acct super, diversified prods and services.

J. Walter Thompson USA, San Francisco—GTE Sprint—Larry Stropes, acct director; Steve Sanchez, mgmt super; Sherry Carniglia, acct super.

Gulf & Western Industries

	1983	1982
Sales*	$3,992,601,000	$3,911,724,000
Earnings*	263,320,000	**168,602,000
U.S. Advertising	145,500,000	155,031,000

*Fiscal years ended July 31 **Earnings from continuing operations

Gulf & Western Industries, New York, the nation's 44th leading advertiser, spent an estimated $145.5 million on advertising in 1983, a decline of 6.1% from 1982.

For G&W, 1983 has been a period of intense transition. With the death of G&W founder-chairman Charles Bluhdorn and the ascension of his right-hand man, Marvin S. Davis, to chairman-chief executive officer, the company has embarked in a striking new direction. Like its new top officer, Mr. Davis, the company that has been emerging in the past year is lean and tough.

Mr. Davis' strategy has been to divest all G&W properties that fall outside of the company's profitable core group in entertainment and communications, financial services, and consumer and industrial products. The goal of the divestitures is to rid the company of cyclical, and risky, industrial businesses—operations that G&W execs say represent 20% of the company's sales and assets.

Gone by way of divestiture is the Gulf & Western building products operations, Arlington Park Racetrack, a number of domestic and foreign manufacturing units and the U.S. manufacturing operations of videogame company Sega Enterprises. Also gone is G&W's 24% interest in Amfac Inc., a Hawaiian sugar and real-estate company. In addition, the company has made extensive moves to trim its once-fat stock portfolio.

Because of the divestitures, the company wrote off $470 million for the 1983 fiscal year, which produced a loss of $212 million for the year. G&W's income from continuing operations for 1983 was $263.3 million, up substantially from 1982's $165 million. Sales for the year were $3.99 billion, up from $3.91 billion.

Revenues for the entertainment and communications group totaled $844 million for fiscal year 1983. About $432.2 million was accounted for by Simon & Schuster, the publisher; Sega Enterprises, and Madison Square Garden Corp.

The largest portion of G&W's advertising expenditures for 1983—about $19 million in measured media—went to its Paramount Pictures unit.

Paramount has been on a roll in the past two years, producing a string of hits under the supervision of chairman Barry Diller and president Michael Eisner. The studio, the only one in Hollywood to finish among the top three money makers in each of the past six years, is known for its policy of budget-conscious investment resulting in box-office hits.

Big money makers in 1983 and their measured media spending were "Terms of Endearment," $1.9 million; "Flashdance," $2.4 million; "Trading Places," $1.9 million; "Staying Alive," $1.7 million; "The Man Who Wasn't There," $1.3 million, and "Uncommon Valor," $2.2 million.

New releases, "Footloose" and "Indiana Jones and the Temple of Doom," continued the hit parade into 1984.

"Indiana Jones," sequel to the 1981 blockbuster "Raiders of the Lost Ark," was Paramount's summer 1984 biggie. It grossed more than $155 million in its first 10 weeks of release and ranked as the No. 1 summer theatrical until mid-August when Columbia's "Ghostbusters" pulled ahead. "Indiana Jones'" gross was more than double that of Paramount's second biggest summer hit, "Star Trek III: The Search for Spock," which originally was planned as a 3-D release.

"Raiders," "Terms of Endearment" and "Uncommon Valor" also have gone on to become major sales and rental hits for Paramount Home Video. "Terms" was the No. 1 title in August videocassette sales and rentals, while "Raiders" ranks as the all-time No. 1 videocassette seller (600,000 units). "An Officer & A Gentleman," "Star Trek II: The Wrath of Khan," "Trading Places," and "Staying Alive" are other Paramount films now among the all-time top 10 videocassette sellers.

After experiencing two straight box-office successes with movies starring Eddie Murphy—"48 HRS." and "Trading Places"—the studio signed the star to a much-publicized, five-year, $15 million contract. Although there was much talk at the time about the great amount of money paid to the comedian, the current consensus is that if he produces just one major hit, it will result in a sharp business deal by Paramount. His first film under the new contract, "Best Defense," which co-starred Dudley Moore, got off to a sluggish start in August, grossing $17 million after two weeks.

Paramount's tv group won 43 Emmy nominations and 12 Emmy awards last year, with the miniseries adaption of Herman Wouk's novel "The Winds of War" getting three awards. The 18-hour series was seen in 50 million households and received 13 Emmy nominations. A sequel, "War and Remembrance," is in development at ABC.

Also high on the awards list was "Cheers," which got 13 Emmy nominations and five Emmys, including outstanding comedy series. "Happy Days," a popular comedy series in its 12th season, ended its long network run this year.

Paramount also produces two non-network shows—"Entertainment Tonight" and "Solid Gold." "Entertainment Tonight" was carried by 135 stations, and "Solid Gold" by 207.

In June, 1984, the motion picture group made headlines of a different sort when it released a statement saying Gordon Weaver and Steve Rose—ostensibly quitting as president-marketing and senior vp-worldwide marketing, respectively, to form their own movie marketing company—actually were dismissed because of "unethical practices with respect to suppliers."

Messrs. Weaver and Rose, who had used record linkups with RSO Records and licensed merchandise to bolster the youth market appeal of the 1977 hits "Saturday Night Fever" and "Grease," last year capitalized on the growing availability of the MTV: Music Television cable service. They released music video clips to MTV shortly before "Flashdance" (and this year "Footloose") came out, thereby preselling the youth audience. Another part of what G&W called an "invisible" marketing technique was the release of the videos in videocassette form to hundreds of music and dance clubs.

Simon & Schuster had its third straight record-breaking year in 1983, generated by 37 titles appearing on the *New York Times* best-sellers list. The company formed two new publishing groups, Simon & Schuster Computer Books, which will focus on the industry's fastest-growing area, and Simon & Schuster Electronic Publishing, which will produce and market software for home computers. Eventually, Simon & Schuster expects 10% of its business to come from software sales. The publisher utilized nominal measured media spending of $320,700, compared with $907,700 a year earlier.

G&W's consumer and industrial products group manufactures and markets a wide variety of goods to domestic and international consumers. It includes Kayser-Roth Corp., a big manufacturer of men's and women's hosiery, which markets under leading brands such as Liz Claiborne, Oscar de la Renta, Cheryl Tiegs, Anne Cole, Catalina and John Newcombe. No Nonsense pantyhose, which is a decade old, is the nation's No. 2 brand in ladies' hosiery. The No Nonsense line was supported by a measured media advertising budget of more than $7 million last year, barely increasing measured spending of $6.9 million in 1982.

Simmons, the mattress company, posted a $33 million sales increase in fiscal 1983 and was profitable for the first time since the company bought it in 1979. Beautyrest, a pocketed-coil mattress, brought in almost 30% of total Simmons sales. G&W increased measured spending on mattresses 44%, to $4.6 million in 1983, the bulk of which went into network tv.

G&W's financial services group brought in $141.1 million in operating income on revenues of $1,072 billion, down 1.2%, a 51% increase over 1982 and the strongest performance ever by that G&W segment. The cornerstone of the group is Associates Corp. of North America, the principal operating subsidiary of Associates First Capital Corp.

This past year, Associates National Bank continued to push its Exec-Charge/Visa Card. It also is stressing its new MasterCard service, which was launched this past year in a joint program with American Telephone & Telegraph. The program gives consumers the ability to purchase telephones through credit at phone stores, and is supported by a credit-checking system that processes applications within a half-hour. Associates then follows up by mailing the customers a MasterCard within the next week.

Late in 1983, G&W agreed to acquire Esquire Inc., a publishing, video and film concern. The company paid $190 million for the 73% of Esquire's shares that it didn't already own. Esquire posted earnings of $10 million on revenues of $146 million in fiscal year 1982.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$2,365,200	$4,506,100
Magazines	6,026,500	6,105,600
Spot tv	20,897,400	21,063,400
Network tv	23,345,500	24,322,200
Spot radio	3,683,100	615,200
Network radio	1,265,900	822,100
Outdoor	261,800	288,000
Total measured	57,845,400	57,722,600
Unmeasured	87,654,600	97,308,400
Estimated total	145,500,000	155,031,000

GULF & WESTERN INDUSTRIES

Corporate Personnel

Jerry Sherman, vp-corp communications

PARAMOUNT PICTURES CORP.

Corporate Personnel

Jon J. Gould, vp-corp communications

MOTION PICTURE GROUP

Marketing Personnel

Frank Mancuso, president
Martin Kutner, exec vp-distribution
Buffy Shutt, exec vp-mktg
Thomas Campanella, senior vp-natl adv
Sergio Campagnola, senior vp-asst genl sales mgr
Shelly Hochron, senior vp-creative affairs
Brenda Mutchnick, vp-adv/creative services
Kathy Jones, senior vp-publicity and promo
Barry London, president-domestic distribution
Alfred LoPresti, senior vp-worldwide technical facilities
Susan Pile, vp-West Coast publicity & promo
Tamara Rawitt, vp-East Coast publicity & promo
Leslie Pound, vp-intl mktg
Steve Rapaport, senior vp-sales operations

TELEVISION GROUP

Mike Tanner, vp-adv and promo, tv group
Richard Winters, exec director-adv, publicity & promo
Rick Weidner, vp-station relations and promo services
Hollace Brown, vp-adv and sales promo, home video div

Advertising Agency

Diener/Hauser/Bates, New York—Ernie Shapiro, acct vp; Gilda Hicks, acct super; Norman Trell, exec vp-media; Cheryl Lodinger, vp-media.

SIMON & SCHUSTER

Marketing Personnel

Trade Book Division (hard cover)

Strome Lamon, vp-adv director
Elaine Marion, vp-mktg services
Sam Meyerson, vp-mail-order sales

Advertising Agencies

Herman & Rosner Enterprises, New York—Beth Friedman, acct super.

Franklin Spier, New York-Kathy Kelly, acct super.

MADISON SQUARE GARDEN CORP.

Corporate Personnel

James Trecker, director-corp comms
David Mozes, director-adv, MSG Center

Advertising Agencies

Ash-LeDonne-Fisher, New York—Sidney Chabus, acct super.

MSG Advertising (in-house).

KAYSER-ROTH CORP.

Corporate Personnel

Maurice Forman, director-mktg dev

CATALINA

Marketing Personnel

Patricia L. Shaeff, div adv mgr

COLE OF CALIFORNIA

Sheri Mobley, div adv mgr

CHAMPION

Nelson Goldberg, vice president

EXCELLO

Joseph Barrato, president

HER MAJESTY INDUSTRIES

Louis Maier, president

KAYSER-ROTH HOSIERY INC.

Jack R. Hobert, president
J.B. Adams Jr., vp

BALFOR INC.
(Burlington Socks)

Irwin Leidner, president

INTERWOVEN

Kent Wall, president

WESTMINSTER

Dick Stober, president

LADIES HOSIERY

Terry Johnson, president
Sandy McIntire, mktg director

NO NONSENSE FASHIONS

Dixon Johnston, president

K-R INTIMATE APPAREL

Elaine Tirella Salerno, div adv mgr

K-R GLOVES & ACCESSORIES

Nina McLemore, president

ROLANE CORP.

Cecil Sherman, president
Tom Moota, adv director

Advertising Agencies

Grey Advertising, Los Angeles—Ladies Division, Catalina—Kate Hamilton, acct super.

Taylor & Wilson, Los Angeles—Men's division.

Leslie Advertising, Greenville, S.C.—Her Majesty Industries—Kent Anderson, acct super.

Grey Advertising, New York—Kayser-Roth hosiery group, ladies hosiery, No Nonsense Fashions, men's socks—Matt DeSimone, mgmt super; Clark Montgomery, vp.

Cathy Cash Spellman, New York-Kayser-Roth intimate apparel—Johanna Lee, acct super.

Park Place Group, New York-Kayser-Roth gloves & accessories—Bette Klegon, president.

Trone, Donohoe & Johnson, Greensboro, N.C.—Rolane Corp.—Lee Trone, president.

SIMMONS U.S.A. &
SIMMONS INTERNATIONAL

Marketing Personnel

Robert Magnusson, president
Richard Smith, vp-mktg & genl mgr-bedding prods
Larry Alm, vp-adv & merch

SIMMONS UNIVERSAL

Alfred Marchitto, president

Advertising Agencies

McDonald & Little, Atlanta—Simmons U.S.A.—Michael McDonald, chairman; Joe Lonsdorf, acct super; Jeff Silverman, acct exec.

Springtime Advertising (in-house)—Simmons U.S.A.

GULF & WESTERN MFG CO.

Edward Klopfenstein, director-adv/pr
Susan O'Sullivan, director-mktg

AMERICAN PARTS SYSTEM

Fred J. Pisciotta, president
Montie C. Loney, vp-admin
Robert E. Casper, director-adv and pr

ASSOCIATES CORP.
OF NORTH AMERICA

Fred Stern, vp-corp communications
Gary Kastel, senior vp-consumer adv

Advertising Agency

Bozell & Jacobs, Dallas—Jan Dauterman, acct super.

ASSOCIATES COMMERCIAL CORP.

D.F. Edwards, vp-transportation mktg
Robert Miramonti, vp-equipment mktg
D.F. Herrick, senior vp-business loan mktg
Jon Romas, vp-communications mktg
Clifton Noble, vp-corp mktg svcs

Advertising Agency

Stern Walters/Earle Ludgin, Chicago—Ira Brichta, mgmt super; Al Razzano, acct super.

H.J. Heinz Co.

	1983	1982
Sales*	$3,950,000,000	3,738,445,000
Earnings*	237,500,000	214,250,000
U.S. Advertising	202,400,000	**175,090,000

*Worldwide **Revised

H.J. Heinz Co., the nation's 31st largest advertiser, spent $202.4 million in domestic advertising in 1983, a 15.6% increase over the previous year.

Sales for 1983 were $3.95 billion, up 5.8% over 1982. Net income reached $237.5 million, up 10.9%.

Anthony J.F. O'Reilly, president-ceo, said the year was "highly satisfactory," with its increase in operating income and a 16.2% increase in marketing spending.

Measured advertising of $75.4 million represented 37.1% of the total advertising figure. The largest outlays went for Heinz tomato ketchup, $16.1 million; Weight Watchers products, $17.5 million, which includes $5 million-plus each for frozen meals and frozen treats; $9.95 million for 9-Lives cat food; $6.4 million for Ore-Ida potato products, and $5.8 million each for Steak-umm frozen steaks and Heinz steak sauce, according to Leading National Advertisers.

Three major Heinz promotions involving Heinz, Ore-Ida and Crisco labels netted the company increased sales, with Heinz ketchup claiming a 47% market share by the end of 1983, the company said. Heinz chili sauce also increased sales with a 55% market share.

Hoping to benefit from a popular comic book character, Heinz introduced Superman hot cocoa mix with NutraSweet in the Northeast. Promotional support for the new product included direct mail samples to families with children between the ages of 6 and 12, Sunday newspaper coupons and an on-pack offer of free Superman mugs.

The cocoa mix is available in 10-envelope cartons and 18-serving canisters. Measured media spending was $341,200, according to LNA.

Among other new items introduced in the U.S. was Heinz' 28-oz. "Gamma" plastic squeeze-bottle for ketchup. The flexible container, named package of the year by the Packaging Institute USA, was developed for Heinz by American Can Co. The plastic squeeze bottle is lightweight and shatterproof and contains an "oxygen-barrier layer" that extends product shelf life.

Using the tag line, "Give Heinz a squeeze," Heinz USA introduced the new package in the West and Southwest with tv advertising and promotional support.

In response to consumer interest in reduced sodium and calorie intake, Heinz is test marketing a Lite ketchup in Portland, Ore., and Phoenix. The product, a reformulation of the Lite ketchup introduced in 1979, contains one-third less salt than regular Heinz ketchup and half the calories.

Heinz redesigned packaging for its five specialty vinegars to create a traditional wine bottle look. The new package was introduced with the heaviest advertising and promotion campaign in the category's history and included the largest couponing ever for a wine vinegar and a tie-in with Good Seasons dry salad seasonings, Heinz said. The marketing effort, however, included minuscule media buying.

In another variation on the low-calorie theme, the Alba '77 line of Fit'n Frosty shake turned to G.D. Searle & Co.'s NutraSweet for its sweetening agent and sought to improve the diet shake's flavors through consumer tests.

In other activity, the USA division introduced an industrial size 10-lb. can of Heinz seafood cocktail sauce for the product that won first place in the condiment category of the Seventh Annual Food Service New Product Contest. Four new premium-quality Great American label soups were introduced in the foodservice market to compete against frozen soups: Country cheddar cheese, garden vegetable, old fashioned chicken and New England-style clam chowder.

A new condensed New England-style clam chowder was added to the Heinz label line of soups.

Heinz has spurred efforts to tap the foodservice market and now ranks as the largest foodservice advertiser, the company said.

Weight Watchers International Inc., Manhasset, N.Y., which markets the famous diet program but whose food products are produced and marketed by licensees and sublicensees, experienced sagging membership in its program attendance in the U.S., blamed on the recession, Heinz said. Weight Watchers has a new program aimed at lifetime fitness and good eating habits in the works, which will be marketed heavily, expecting to firm up program attendance in the U.S. in 1984.

Weight Watchers brand foods continued to expand under several major licensing and sublicensing programs to include many foods or recipes traditionally viewed as no-no's for dieters. Primary licensees are Heinz's Foodways National division, which markets all frozen dinner products, and Heinz USA, which markets the brand's other specialty products, including bread, dairy products and desserts.

Recent new product introductions included Weight Watchers southern fried chicken, made skinless with a reduced-calorie coating, and deluxe pizza pie at 330 calories per pie. Distribution of three new fish meals into eight markets: Philadelphia, Baltimore-Washington, Boston, New York, Pittsburgh, Scranton, San Francisco and Los Angeles, ranging from 180 to 220 calories each, the dinners include an oven-fried fish with broccoli, cauliflower and carrots, Italian-style fillet in tomato sauce with cheese, broccoli and cauliflower, and fish au gratin with broccoli.

Actress Lynn Redgrave was tapped late in the year to become the face of dieting success for Weight Watchers food product advertising.

Weight Watchers Frozen Treat bars, in three flavors, moved into national distribution and became one of Heinz USA's fastest growing products and the top selling frozen novelty. Heinz USA also rolled out nationally a Weight Watchers Sandwich Bar dessert consisting of a 2.5-oz. portion of the brand's dietary dessert between two chocolate wafers.

Weight Watchers bread was reformulated to improve product quality and slice-thickness, and the line was expanded to include a Soft Light rye in addition to the white and cracked wheat.

After market studies indicated consumer support for diet entrees in the foodservice industry, Weight Watchers introduced a 16-item line of Italian-beef, poultry and fish entrees into test market in Austin, Tex. More than 200 restaurants have been targeted for possible distribution.

Having nothing to do with dieting, Ore-Ida Foods Inc., Boise, Ida., continued to hold a nearly 50% market share in its category. New products included Golden Patties, an oven-prepared hash brown potato product, which achieved distribution in 85% of the country, and Crispy Crowns!, a bite-size potato product in plain, bacon, and sour cream and chives flavors, which also was distributed nationally.

Ore-Ida is completing a $2.7 million expansion and modernization of its Burl, Ida., plant to increase the plant's production capacity by 30%, officials said.

Heinz's 1980 acquisition, Gagliardi Brothers, expanded its Steak-umm line with a Steak-umm sandwich kit and Steak-umm double portion sandwich steaks in a more lively package. The new entries were introduced first in the Northeast.

Star-Kist Foods, Terminal Island, Cal., remained the leading tuna brand, Heinz said, despite industrywide conditions of oversupply and competition from imports, which undercut sales. While sales were tough in the tuna category, Star-Kist enjoyed strong gains in the 9-Lives pet foods line.

Michael D. Kelly joined Heinz as vp-marketing, Weight Watchers. He formerly was vp-marketing for Stouffer Restaurants. William R. Johnson was named vp-marketing consumer products for Heinz USA.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$2,749,900	$3,712,500
Magazines	6,869,000	5,874,000
Spot tv	17,636,200	22,634,300
Network tv	47,863,700	45,916,000
Spot radio	260,700	429,800
Outdoor	62,600	4,100
Total measured	75,442,100	78,570,700
Unmeasured	126,957,900	96,429,300
Estimated total	202,400,000	175,000,000

HEINZ U.S.A.
Marketing Personnel
Consumer Products Division

William R. Johnson, vp
J. Crawshaw, genl mgr-condiment and sauces mktg
J.P. Berger, genl mgr-foodservice mktg
S.W. Scott, genl mgr-new prods mktg
M. Vincent, category mgr-Weight Watchers
J.A. Gordon, senior mgr-adv, promotion and design

Package Goods Division

C.L. Roberts, vp
A.D. Wittemen, genl business mgr-baby food and pickles
S. Schickler, business unit mgr-baby food
M. Olsen, business unit mgr-pickles
D. Pellegrino, business unit mgr-soups, entrees and beans
S. Pease, business unit mgr-vinegar and sauces

Sales Division

W.V. Costello, vp
Jon Peterson, genl mgr-grocery sales
T.R. Jonell, genl mgr-foodservice

Advertising Agencies

Leo Burnett USA, Chicago—ketchup, pickles, relishes, gravy, baby food—H. Freeley, exec vp; T. Ross, vp-acct director.

Food Group, New York—foodservice products—D. Axleroad, president.

Ketchum Advertising, Pittsburgh—57 and barbecue sauces, vinegar, ALBA products, Superman hot cocoa—B. Stein, vp-mgmt services; corporate and USA company pr—L. Werner, exec vp.

STAR-KIST FOODS
Marketing Personnel

R.L. Scharer, vp-mktg
W.H. Gassett, genl mgr-mktg
T. Sanford, group mgr-mktg services
A.A. Ayotte, genl mgr-sales
J.T. O'Meara, genl mgr-seafood mktg
P.L. Bowen, mgr-cat food mktg
E.S. Moersch, mgr-dog food mktg
J. Comber, natl merch mgr

Advertising Agency

Leo Burnett USA, Chicago—Star-Kist tuna, 9-Lives cat food, Amore cat food, Jerky Treats dog treats, Meaty Bone dog snacks—C. Mills, senior vp-acct director; B. Krause, H. Kogan, acct supers.

ORE-IDA FOODS
Marketing Personnel

Dietmar Kluth, vp-sales and mktg
Wayne Durfey, genl mgr-food services
David D. Bohecker, genl mgr-retail mktg
M. Vince Shaar, genl mgr-retail sales
Martin V. Thomas, genl mgr-sales and mktg services
Stanford P. Darger, genl mgr-mktg-Foodways National
Geoffrey V. Supko, vp-sales and mktg, Gagliardi Bros.
John W. Bauer, genl mgr-retail mktg, Gagliardi Bros.

Advertising Agencies

Doyle Dane Bernbach, New York—Grant Roberts, senior vp-mgmt super.

Foote, Cone & Belding/Honig, San Francisco—Byron Mayo, senior vp-mgmt super.

WEIGHT WATCHERS
INTERNATIONAL
Marketing Personnel

Michael D. Kelly, vp-mktg

Advertising Agency

Doyle Dane Bernbach, New York—Bob Freeman, senior vp-mgmt super; Mark Abrams, vp-acct super.

Hershey Foods Corp.

	1983	1982
Sales*	$1,700,000,000	$1,565,736,000
Earnings*	100,160,000	94,168,000
U.S. Advertising	68,257,400	60,000,000

*Worldwide

Hershey Foods Corp., Hershey, Pa., the nation's 89th largest advertiser, increased advertising spending 13.7%, to about $68 million in 1983.

Although Hershey Foods includes numerous food products—from pasta to a fresh-brew coffee service—as well as the Friendly restaurant chain, chocolate, through the cornerstone Hershey Chocolate Co., contributed 71% of Hershey's total 1983 sales of $1.7 billion. The total reflected a 6% increase over 1982 sales.

Strengthened by the successful 1982 introduction of two new candy bars—Skor, a chocolate-covered toffee crunch bar, and Take Five, a chocolate-covered crispy wafer and peanut cream bar—Hershey Chocolate Co. sales of $1.2 billion were up 7% over 1982. Restaurant operations contributed $383.5 million, while other food products and services added $163.5 million to Hershey's total sales.

For the first quarter of 1984, ended April 1, Hershey reported total combined sales of $435 million, up 3.2% over the similar period in 1983. Net income declined, however, primarily because of increased marketing costs to support product introductions and continued growth of established products, said Richard A. Zimmerman, president-chief executive officer.

While established Hershey stars, including top-selling Reese's Peanut Butter Cups, the crispy Watchamacallit bar and the original milk chocolate bars and chocolate kisses, continue to maintain consumer loyalties in the estimated $7 billion candy-confectionery market, the company considers new products a vital component in continued growth in 1984, company officials said. Hershey derives more than 22% of its sales from products introduced within the past five years of aggressive competition between itself and archrival Mars Inc.

As the two candy giants continue their battle for first place, they are believed to command one-third of the market. Consumers appear to have accepted the general market price increase to the 35-cent candy bar in 1984 —led this time by Hershey—but manufacturers are sensitive to the fact that if pushed to pay too much for what they perceive to be too little, consumers will balk, said Tony Pingitore, director of new products for Hershey Chocolate Co.

New products from Hershey as well as its competition can be expected to reach for sales among adults and, ironically, the health-conscious consumer, Mr. Pingitore said.

Consumer taste trends indicate a preference among adults for lighter candy snacks such as Take Five, for more elegant specialty bars such as Skor, and for more strongly positioned nutritional snacks, a niche Hershey hopes to claim with its recent granola bar addition called the New Trail Bar, Mr. Pingitore said. The bar comes in four flavors: honey graham, chocolate chip, peanut butter and cinnamon.

"There is a melding going on," Mr. Pingitore said of the growing market support for candy with a nutritional bent. "More and more consumers are wanting products that are perceived as or are more wholesome and nutritional, but they are saying, 'Hey, I want my nutritious product to taste good, too.' "

Chocolate chip has become the leading flavor element in the $250 million granola bar market, Mr. Pingitore said. Skor and Take Five, both introduced late in 1983, have expanded sales territory dramatically and in 1984 are likely to reach full distribution goals, he said.

Hershey advertised the new additions generously, with measured media totaling $8.3 million for the candy bar line and an additional $2.9 million for New Trail granola bar and $2.4 million for Skor, while its rollout of Take

People weekly performs

"After the People piece–whoosh!–Trivial Pursuit went into orbit."

–John W. Nason, Vice President
Selchow & Righter Company

Specialists for financial services, advertising and packaged goods marketing executives.

Judd-Falk Inc.
EXECUTIVE SEARCH

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Five represented an undisclosed budget ranking as "one of the biggest" in the company's history, industry sources said.

Advertising themes for the new adult-oriented candy products can be expected to continue to reflect a shift away from product-configuration and instead toward consumer benefits, Mr. Pingitore said. Success lays in strong positioning of the products for the increasingly segmented candy market, he said.

Other more heavily advertised confectionery items and their 1983 measured media ad expenditures included Reese's Peanut Butter Cups, $5.3 million; Hershey's chocolate syrup, $3.6 million; Watchamacallit candy, $2.3 million; Mr. Goodbar, $1.8 million, and Hershey's cocoa, $1.5 million.

Elsewhere in the grocery store, Hershey enjoyed an enthusiastic reception for Hershey's chocolate milk, a standout on the dairy shelf in the company's traditional maroon-and-silver packaging. Hershey's has licensed its name to 75 regional dairies to produce the product under Hershey supervision. The chocolate milk is available now to about 90% of the population and is stocked in all major markets, Mr. Pingitore said.

The year was not one of all sweet success for the candy unit, however. Hershey's Frostin', a ready-to-spread cake frosting, was discontinued after an initially promising introduction that subsequently caved in under pressure of unexpected activity in the category, Mr. Pingitore said. Long dominated by General Mills and Pillsbury, the "low-visibility, small-volume" category nonetheless appeared to offer a "solid, profitable niche" for Hershey. "By the time we made it to market, it had all changed," Mr. Pingitore said, noting the simultaneous entry of Procter & Gamble's Duncan Hines with frosting that whipped the category into a competitive battle of cake mix giants.

"Suddenly, frosting became a tactical tool in the cake mix war," in which Hershey thought it could not realistically compete, Mr. Pingitore said.

The company also dropped distribution of After Eight dinner mints because of limited long-term profitability of the licensed candies from Roundtree of England.

In 1983, Hershey's Friendly restaurants opened 32 locations and closed seven units, bringing the total number in the family-style restaurant chain to 667 at the end of 1983. Fourteen openings are planned for 1984.

Hershey's Friendly Ice Cream Corp. had a slow spring because of adverse weather, but company officials said they expected the volume to recover during the summer and fall. Friendly ice cream pies, introduced in mid-1982, performed well and are now part of the standard prepackaged product line.

San Giorgio-Skinner Co., Hershey's pasta division, produced record sales for the fifth consecutive year and claims an estimated 10% of the pasta market behind the market leader, C.F. Mueller Co., with an estimated 16% market share. The line has profited from increased consumer interest in pasta, with especially strong showings in the Sunbelt and in New York, where San Giorgio was the only major domestic brand to gain market share amid the rush of imported products, Hershey said.

Cory Food Services, a vendor of coffee-break beverages and imported snacks, continued to decline in sales performance, and Hershey has revamped the management structure to maximize productivity while positioning itself to take better advantage of market conditions, the company said.

Major corporate personnel changes included the retirement of chairman of the board Harold S. Mohler on March 1, 1983, after 35 years with the company. Under Mr. Mohler's leadership, the company changed its name from Hershey Chocolate Corp. to Hershey Foods Corp., reflecting the significant move to diversify beyond chocolate products. Also under Mr. Mohler, the company abandoned its historic no-advertising policy and in 1970 joined its competitors in aggressively advertising its products.

William E. Dearden, former vice-chairman and ceo, was named chairman, and Mr. Zimmerman was promoted from his former position as president. C. Mickey Skinner was named president-ceo of San Giorgio-Skinner, replacing Joseph P. Viviano who was named senior vp of the corporation.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,539,800	$1,540,600
Magazines	7,272,400	4,686,800
Spot tv	15,518,500	13,536,600
Network tv	28,678,800	25,536,200
Spot radio	557,400	870,900
Network radio	396,200	-—
Outdoor	2,300	64,100
Total measured	53,965,400	46,235,200
Unmeasured	14,292,000	13,764,800
Estimated total	68,257,400	60,000,000

HERSHEY FOODS CORP.
Marketing Personnel
William E. Dearden, chairman
Richard A. Zimmerman, president-ceo
HERSHEY CHOCOLATE CO.
Marketing Personnel
Earl J. Spangler, president
John H. Dowd, vp-new business devel
Gary W. McQuaid, vp-mktg
Advertising Agencies

Doyle Dane Bernbach, New York—Kit Kat, Mr. Goodbar, Hershey's syrup, Whatchamacallit, Y&S candies, Reese's Pieces, Skor, Hershey's chocolate milk, new prods—Peter Tate, senior vp-mgmt super.

Ogilvy & Mather, New York—Hershey's Kisses, Hershey's milk chocolate bar, Hershey's baking chocolate, Hershey's chocolate chips, Hershey's cocoa, Hershey's milk chocolate with almond bar, Hershey's fudge topping, Golden Almond, Reese's peanut butter cups, Reese's peanut butter chips, Big Block, Rolo, Hershey's miniatures; New Trail bar, Giant Kiss, Chocolate Covered Almonds, Marabou milk chocolate rolls, new prods—John Blaney, senior vp, genl mgr; Michael Vaughan, senior vp, mgmt super.

FRIENDLY ICE CREAM CORP.
Marketing Personnel
James D. Staggs, chairman-ceo
John F. Cauley, president-ceo
Joseph A. O'Shaughnessy, exec vp
John D. Burke, vp-mktg
Advertising Agency

Quinn & Johnson, Boston—Edward W. Quinn, president; Robert S. Johnson, exec vp; Jay Terwilliger, acct exec.

SAN GIORGIO-SKINNER
Marketing Personnel
C. Mickey Skinner, president-ceo
Clifford K. Larsen, vp-mktg
Advertising Agency

Creamer Inc., New York—San Giorgio pasta prod, P&R Macaroni, Skinner and Delmonico brands—Albert J. Bouchard, exec vp.

IC Industries

	1983	1982
Sales*	$3,730,000,000	$3,650,000,000
Earnings*	92,700,000	47,600,000
U.S. Advertising	112,100,000	79,113,300

*Worldwide

IC Industries, Chicago, a diversified international corporation that includes Pet Inc., Pepsi-Cola General Bottlers Inc. and Midas International Corp., spent an estimated $112.1 million in advertising in 1983, up 41.7% from 1982, to rank as the 64th largest national advertiser.

Consumer products generated $2.19 billion in sales in 1983, or about 59% of the company's total revenues of $3.73 billion. Of that total, Pet generated 31%, Pepsi 10% and Midas 7%.

The remaining 45% of sales came from IC's Illinois Central Gulf Railroad, Hussmann Corp. (refrigeration equipment), Abex Corp. (commercial equipment and components), among other activities.

Total ad spending is expected to increase 10% in 1984, most of it earmarked for consumer products. Pet, for example, spent $85 million on advertising and promotion in 1983 and is expected to spend $96 million in 1984, the company says.

IC has been outspoken in its commitment to building its consumer products divisions, and it has announced plans to place in the consumer products area most of the $200 million in capital spending planned for companywide business in 1984. That figure represents a 21% increase over 1983.

Pet sales increased 11%, to $1.15 billion in 1983, marking the food product company's best year in a 75-year history. It was the third consecutive year for record sales and earnings and makes the company IC's largest and most profitable division.

Pet products span seven markets with Old El Paso brand Mexican foods, Underwood Red Devil meat spreads, Pet-Ritz frozen pie shells, Downyflake and Roman Meal frozen waffles, Orleans canned shrimp and Sego measured-calorie liquid meals.

Pet also represents the lion's share of IC's measured media spending in 1983, with $43 million, an increase of 45% from 1982.

Pet's first-quarter results in fiscal 1984 indicate the company recorded sales of $271 million, a 1% increase over the corresponding period a year earlier. New products should stimulate sales for the remaining three quarters as they take hold in the market.

In 1984, Pet plans to expand to 10 its line of frozen El Paso entrees, eight of which were introduced in St. Louis and Dallas test markets last year. The full line is being rolled out nationally in 1984. Other new El Paso brand products include picante salsas in mild, medium and hot spiced flavors. Pet also is expanding sales of Old El Paso hot nachos from the current three Major League Baseball parks to six. Pet spent $6.7 million in measured advertising in 1983 for El Paso brand products, up from $2.3 million the year before.

In response to continuing consumer interest in reduced-calorie versions of popular foods, in 1983 Pet's Whitman's chocolate line introduced a new Whitman's Lite with one-third fewer calories than regular chocolate. In recent years, Whitman's has expanded its line to include chocolate bars, dessert toppings, chocolate baking chips and two kinds of cookies. Whitman's has invaded the airline foodservice market with new butter cookies served now by two airlines.

A new Pet-Ritz "fancy crust" frozen pie is positioned as larger and filled with more fruit than the competition's. And to top off its frozen dessert product menu, Pet is introducing a new line of Great Ice Creams of the South, touted as richer than other American ice creams. The ice cream line is in distribution in 10 southeastern states where Pet Dairy operates.

Pet also will reposition its Pet-Ritz pie crust this fall, using tv to replace the pie crust's convenience-oriented message to a use-oriented theme. Pet currently has a 60% share of the total $160 million pie shell market, but it is experiencing strong pressure from Pillsbury's refrigerated All Ready unformed crust dough. Pet pulled out of test a product similar to Pillsbury's, but sources say Pet is preparing a similar product for introduction later this year.

With the acquisition of William Underwood Co. and its brand products, IC has begun a comprehensive plan to integrate product line.

Included in the plan are Red Devil canned meats, Ac'cent flavor enhancers and B&M and Friends baked beans. All the products achieved increased market share in 1983, the company said.

Pepsi-Cola General, a division of IC Industries, distributes Pepsi products through 700 routes in eight states in the Midwest. In 1983, it saw its seventh consecutive record year with sales of $388 million, an 8% increase over 1982. That increase carried into the first quarter of fiscal 1984 when the operation recorded $78 million in revenue, 3% higher than the year-earlier period.

In 1983, Pepsi-Cola General completed introduction of two new decaffeinated products, Pepsi Free and Diet Pepsi Free, throughout its markets and credits the strong new product sales with the division's significant sales increase.

Pepsi-Cola General's fountain business continued to grow in 1983 with the much-coveted Burger King and Wendy's restaurant accounts. Pepsi sells to about 300 Burger King and Wendy's outlets.

Midas sales from the manufacturer to franchisee increased 11%, to a record $272 million for 1983, and continued that pace into the first quarter of 1984 with sales of $60 million, up 10% from the corresponding quarter a year earlier.

At the close of 1983, Midas operated 1,744 shops in 10 countries, including 88 new shops in the U.S., 31 in France and 15 in Canada. The company plans to open 200 more shops in 1984. Midas shops in the U.S. had record sales of $545 million, a 16% increase. A measured media expenditure of $[illegible]5.9 million was spent for Midas muffler shops in 1983, up from $18.1 million the year earlier.

In 1984, the auto service company plans to launch nationally a new suspension service program featuring a line of gas-filled shock absorbers and MacPherson struts. Midas shops also are scheduled to expand capability to provide front-end alignment services and will revive promotion of its brake service.

Research indicates the average American automobile is now more than seven years old and the number of miles driven annually is on the rise. Coupled with the increase of imported front-wheel-drive cars, the market conditions suggest strong opportunities for expansion in the auto service field, the company said.

Charles Connolly was elected vp-corporate communications. Granger F. Kenly, vp-corporate relations, retired, concluding 12 years of service.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,175,500	$718,700
Magazines	3,689,100	1,511,400
Spot tv	20,971,300	15,071,800
Network tv	17,697,800	11,998,600
Spot radio	6,162,800	5,270,600
Network radio	599,200	983,600
Outdoor	50,800	46,300
Total measured	50,346,500	35,601,000
Unmeasured	61,753,500	43,512,300
Estimated total	112,100,000	79,113,300

IC INDUSTRIES
Chicago
Marketing Personnel
Wendell W. Larsen, senior vp-corp affairs
Harry A. Grove, director, adv
PET INC.
St. Louis, Mo.
GROCERY GROUP
A. James Matson, president group
Syl Stevenson, director-mktg, new business devel, director of brands, Pet Evaporated Milk, B&M Beans and Friend's, Sego diet liquids and Compliment cooking sauces
Gerald Hayes, director-mktg, Ac'cent, Underwood meat spreads, cereals and sea food
John Ferguson, director-mktg, Mexican foods (Old El Paso)
Steve Kempf, director-sales planning and merch.
Swaran Saxena, director- mktg, rsch
Hank Grese, vp-genl sales mgr
SPECIALTY GROUP
W. Rufus Jones, president
Theodore G. Keller, exec vp-sales and mktg
Dairy division
Steve G. Conerly, president
Michael E. Osborne, director-mktg
Eugene B. Veal, senior vp-sales and merch
Frozen foods division
Raymond N. Felitto Jr., president
John J. Kramer, director mktg
Vernon A. Boehler, vp-sales
Whitman's chocolates division
James W. Nixon, president
Robert C. Camelier, national sales mgr
Demar R. Moeller, director-mktg
Bakery division
Gerald L. Scott, president
Jerry H. Burchyett, vp-sales and mktg
Specialty printing division
Walter H. Busch, president
Ben Kraft, vp-sales
INTERNATIONAL GROUP
Larry D. Umlauf, president
P. David Searles, exec vp-operations
VENTURE MANAGEMENT GROUP
John E. Mackey, vp
CTX division
James L. McHugh, president
Ralph T. Eberts, vp-mktg and sales
Stuckey's division
Donald W. Barnes, president
Dick Wood, vp-mktg
Advertising Agencies

Haworth Group Inc., Minneapolis—grocery group media planning and buying—Claude W. Stevens, exec vp.

Workshop West, Los Angeles—Old El Paso—Michael Lindsay, creative director.

People weekly performs

"Once again, our advertisements in People generated thousands of responses. People's great!"

—Bob Markert, Marketing Manager
Johnson Camping, Inc.

MIDAS INTERNATIONAL
Chicago
R.J. Richards, vp mktg-franchise operations.
Charles J. Graziano, director-adv and sales promo
R.F. Linder, vp-mktg
Advertising Agency
Wells, Rich, Greene, Chicago—Larry Singer, president; Jim Avery, senior vp-mng director; Al Lerman, senior vp-exec creative director; Lee Berenbaum, natl acct exec.

PEPSI-COLA GENERAL BOTTLERS INC.
Chicago
P.J. McCarthy, director-adv
Advertising Agency
Genadco (inhouse agency), Chicago.

International Business Machines Corp.

	1983	1982
Sales*	$40,180,000,000	$34,364,000,000
Earnings*	5,485,000,000	4,409,000,000
U.S. Advertising	119,222,500	74,972,200

*Worldwide

International Business Machines Corp., Armonk, N.Y., the nation's 58th largest advertiser, increased total advertising expenditures 58% in 1983, to an estimated $119.2 million.

Significant boosts in spending were made by IBM personal computer systems, which budgeted $24.7 million for 1983, compared with $5.3 million in 1982, followed by IBM business computer systems, which spent $18.7 million, compared with $2.2 million in 1982. Selectric typewriter advertising increased to $5.3 million, from $2 million.

Total measured media spending jumped 59% over 1982, to $102.3 million in 1983.

In the company's major advertising account move of 1983, IBM transferred $13 million to $19 million in corporate tv billings from Doyle Dane Bernbach to Lord, Geller, Federico, Einstein, giving the latter the entire corporate business. DDB kept its cut of the larger IBM Information Systems account, which it shares with Geer, DuBois.

IBM worldwide gross revenues increased 16.9%, to $40.2 billion in 1983, with U.S. operations up 21.5%, to $23.1 billion, and foreign operations rising 11.2%, to $17.1 billion. Domestic net earnings were ahead 20.3%, to $3.3 billion, and foreign net earnings climbed 31.2%, to $2.2 billion.

In the six months ended June 30 of the 1984 fiscal year, worldwide net income was $2.825 billion, up 21.8% from the similar period in fiscal year 1983. The company reported revenues of $20.784 billion,up 16.3%.

In 1983, 81%, or $32.5 billion, of IBM's revenues came from sales and rental of equipment. Product purchases increased markedly to $23.3 billion in 1983, up 38.4% over 1982. In contrast, rental income declined 17%, to $9.2 billion.

Revenues from services increased 20.3%, to $7.7 billion in 1983; maintenance grew 16.2%, and program product revenue increased 36%.

IBM's market share in the $7.5 billion personal/desktop computer industry reached an estimated 28% in 1983, up from 22% in 1982 and 5% in 1981.

IBM sold an estimated 370,000 personal computers in 1983, up from 200,000 in 1982, and it is predicted that this year the company will sell more than 540,000 personal computers. IBM's dealer base nearly doubled from 700 in the first quarter of 1983 to almost 1,300 in the first quarter of 1984.

Although sales to individuals—for business and professional as well as for home use—had been the mainstay of the personal computer business, massive corporate buying for middle managers began in 1983. Recognizing the trend, IBM in October announced refinements to the PC, such as the PC XT/370, that make the desktop machine compatible with IBM mainframe computers.

Late in 1983, IBM began supporting the PCjr, its long-awaited entry in the low-price home computer market, with heavy advertising featuring the "Little Tramp" character, who appeared in PC advertising. However, the PCjr failed to gain consumer acceptance after its introduction in January, 1984; the basic $669 model did not include many necessary accessories, and the $1,329 advanced model was overpriced, compared with competitive models from Commodore, Atari and others.

As a result, IBM in the 1984 second quarter cut the price and lowered its sales projections on the PCjr. And in an effort to reposition the machine as a more serious computer able to do more than play videogames, the company reportedly has considered dropping the "Little Tramp" from the $40 million PCjr campaign orchestrated by Lord, Geller.

Analysts have projected that unless IBM makes corrections and aggressively repositions the PCjr as a home computer, yearend sales could total as few as 100,000 units, down from original projections of 500,000.

The company joined other major personal computer marketers in beefing up its software offerings in 1983. Software sales are estimated to account for between 5% and 10% of personal computer revenues at IBM.

IBM shipped its first portable personal computer in March, 1984, with most sales coming through nonretail channels. Yearend sales are expected to total about 70,000 units.

In May, 1984, IBM introduced the first part of its long-awaited local area network, linking independent computer systems so they can exchange information at high speed. Full availability is not expected until 1986 at the earliest, which likely will blunt the company's efforts to capture an even larger share of the office automation market.

Measured advertising expenditures for the IBM Displaywriter system were boosted 171%, to $5.7 million in 1983. A new version of the Distributed Office Support System (DISOSS) software was introduced, allowing the Displaywriter, the scanning computer terminal and the IBM 5520 and data processing system to be connected to an IBM communications software system that is available on the IBM 8100 information system and the 5520 administrative system. The company also added new data processing and business graphics capabilities to the Displaywriter.

In electronic typewriters, the company introduced a linkage feature on its Electronic 95 and Electronic 85 models, providing hookup to a variety of display terminals, word processing systems and computers.

Measured media expenditures for electronic typewriters shot up to $2.5 million in 1983, from $821,500 in 1982. The combined budget for electronic and Selectric typewriters accounted for 9% of total IBM media expenditures in 1983, up from 3.6% of the 1982 total.

Advertising expenditures for paper copiers rebounded in 1983 to $1.8 million, up from $736,000 in 1982 and approaching the $1.9 million allocated in 1981. The company introduced the model 3268 serial printer featuring enhanced graphics, four-color capability and a maximum speed nearly three times the rate of the previous model. Printers and copiers contribute an estimated 25% of IBM revenues.

The power and range of large systems were extended with the 3380 disk file, which posted strong sales increases in 1983. During the year the company began deliveries of the 3084, IBM's most powerful processer. In the midrange and small processor arena, offerings were expanded with the new 4300, System/38 and Series/1 models, which offer more speed, capacity and flexibility.

In December, 1983, IBM introduced a new automatic teller machine that dispenses both coins and paper money, positioning the company for a major run against Diebold Inc., its principal competitor in that market.

Among acquisitions, IBM increased its holdings in giant Intel Corp., Santa Clara, Cal., supplier of computer parts, with a 1.84 million share purchase in August, 1983. IBM's share of Intel stood at about 17.5% by yearend. The link is thought to give IBM an advantage in mainframe computers while reducing the company's dependence on Japanese chip makers. In June, 1983, the company paid $228 million for a 15% share of Rolm, a Santa Clara-based producer of telecommunications equipment. By the end of the year, IBM owned about 20% of Rolm's stock.

In February, 1984, IBM formed a joint venture with CBS Inc. and Sears Roebuck & Co. to develop a commercial videotex service for people with home or personal computers. Introduction of the system, dubbed Trintex, is not likely for several years. In another joint venture announced with Merrill Lynch & Co., IBM will offer an information and office automation system for stockbrokers and other finance professionals. The service is to go into test in 1985.

In a 1983 court action, IBM settled a protracted civil lawsuit with Hitachi Ltd. and with National Semiconductor Corp. and its subsidiary, National Advanced Systems, over alleged theft of confidential IBM documents and materials. The agreements called for the companies to refrain from using or disclosing IBM proprietary information and gave IBM the right to inspect each company's new products for five years.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$11,719,600	$9,488,400
Magazines	27,172,000	16,404,500
Farm publications	398,000	—
Spot tv	5,006,000	4,343,100
Network tv	52,408,500	29,700,200
Spot radio	5,474,000	2,775,200
Network radio	507,200	1,540,200
Outdoor	12,900	67,900
Total measured	102,698,200	64,319,500
Unmeasured	16,524,300	10,652,700
Estimated total	119,222,500	74,972,200

ADVERTISING PERSONNEL
Corporate
C.G. Francis, director-adv
J.F. King, director-adv programs
C.B. Holleran, director-adv operations
D.E. Frischmann, mgr-corp tv adv
R.W.W. Baker, mgr-corp print adv
Advertising Agency
Lord, Geller, Federico, Einstein, New York—Al Berger, senior vp-mgmt super.

INFORMATION SYSTEMS GROUP
A.A. Emerson, director-adv
D.H. Butters, mgr-adv
W.H. Harrison, mgr-adv
Advertising Agencies
Doyle Dane Bernbach, New York—Joe Dell'Aquila, vp-mgmt super.
Geer, DuBois, New York—John Allen, senior vp-group acct super.

NATIONAL DISTRIBUTION DIVISION
I.J. Seligsohn, mgr-adv and promotions
D.T. Coker, mgr-adv and promotions, retail mktg
J.C. Mahlbacher, mgr-adv, retail mktg
Advertising Agency
Doyle Dane Bernbach, New York—Nancy Wiese, vp-acct super.

FEDERAL SYSTEMS DIVISION
M.J. Barnes, asst for adv and operations
Advertising Agency
Marsteller Inc., New York—Deborah McAllister, acct super.

ENTRY SYSTEMS DIVISION
T.D. McGovern, mgr-adv
Advertising Agency
Lord, Geller, Federico, Einstein, New York—Robert Wells, senior vp, director-acct services.

ITT Corp.

	1983	1982
Sales*	$20,249,842,000	$21,206,968,000
Earnings*	674,510,000	662,500,000
Advertising	134,229,000	159,131,800

*Worldwide

ITT Corp., formerly known as the International Telephone & Telegraph Corp., spent $134.2 million on advertising in the U.S. last year, down 16% from 1982, to rank as the 49th largest advertiser.

Revenues for the New York-based conglomerate continued to drop in 1983, following a 6% decline in 1982. ITT had revenues of $20.2 billion, down 4.7%, and net income of $675 million, up 1.8%.

Worldwide advertising at ITT increased during the year, rising to $217 million from $200 million in 1982—a year in which advertising had decreased 5.2% from 1981. Continental Bakery the past three years has spent 19% of the total budget, according to ITT.

The year, 1983, marked the spectacular success of the company's System 12 switching system which received awards equaling 5 million lines in 16 countries, an increase from 1.8 million lines in 1982. The system was introduced in North America in 1983.

The System 12 technology and equipment are also being used as a foundation for the growing medium of cellular mobile systems. ITT is participating in several joint contracts to develop such mobile systems. ITT's first "Celltrex" system was brought on line in Waseca, Minn., in 1983, and operates as part of a multisite field trial network. The Federal Communications Commission just recently began to grant cellular mobile system operators the right to operate in the nation's 20 leading markets. Licenses covering the lesser markets will soon be awarded.

In a dramatic departure from ITT's typical business lines, the company announced its move into the personal computer market with the introduction of Xtra. Based on the design of the IBM PC, the $3,000 machine began being shipped in April, 1984. ITT will sell the system through ITT Courier Terminal Systems Inc., a fully-owned subsidiary, as well as independent dealers.

One of the year's strongest showings was turned in by the company's Continental Baking Co. subsidiary. Sales from continuing bakery operations reached record levels. The baking division is paced by the Hostess cake line and Wonder bread, the nation's leading bread in terms of sales. The company's Beefsteak Rye built on its lead as the No. 1 rye bread in the country.

Over-all, in measured spending, ITT recorded slight increases in newspapers and magazines. Spot tv spending dropped from $30.9 million to $25.8 million, as network tv expenditures showed an even steeper decline—from $16.6 million to $9.8 million.

Measured spending on Continental Baking's various brands was almost $20 million, down 20% from 1982 spending levels. Drawing the top media dollars were Home Pride bread, $4.1 million, up 5%; Wonder Bread, $5.9 million, down 38%; and the Hostess baked goods line, $8.8 million, down 25%. Virtually all this spending was concentrated in spot tv.

The insurance subsidiary, The Hartford Insurance Group, centered its advertising spending on network and spot tv. Its budget of $3.6 million in measured media was up 9% from 1982.

The insurance group performed "relatively well," according to ITT, in a generally gloomy industry climate. It won the endorsement of the American Assn. of Retired Persons (AARP) to offer homeowners insurance to nearly 15 million AARP members, and became one of the first companies to offer an extensive computerized automation system to its independent agents.

The subsidiary also launched a major drive in 1983 to compare traditional whole-life insurance policies and replace them wherever appropriate with universal life insurance. Of the life policies sold in 1983, the universal life policies accounted for more than 50%.

The Sheraton Corp. subsidiary's budget for measured media increased 7% to $9.02 million in 1983 with the major portion weighted to magazines and network and spot tv.

The subsidiary was characterized by expansion moves that brought 24 new hotels and inns into the system from Canada, England, Italy, Mexico, New Zealand and the U.S. At year-end there were 453 hotels, inns and resorts operating in 53 countries around the world.

In defense and space, ITT expanded order backlog to more than $1.6 billion in 1983. This included contracts to produce a new generation of tactical radios as well as a wide range of surveillance and navigational equipment.

While ITT's industrial technology division showed only modest gains, ITT natural resource division and its food products group recorded an increase of more than 20% in income with flat sales revenues.

In diversified services division, which includes insurance, finance, hotel management, communications operations, information transmission, educational services and publishing, ITT showed a general over-all increase in sales.

Among other ITT advertised products were its communication's services, ranging from long distance service to telephone equipment, which drew measured advertising spending of $5.4 million, most in spot tv for long distance service ($3.7 million, down 50% from 1982).

ITT also spent $6.1 million on general promotion, largely in magazines and network tv, down from $7.1 million in 1981, and the company's lawn and garden implements business bearing the Scott and Burpee labels accounted for $3.3 million in measured spending, down from $7.8 million in 1982. Burpee seeds and bulds got the most, with $740 million in spot tv. Scotts turf builders got $435.4 in newspaper supplements.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$3,166,900	$3,038,100
Magazines	11,663,600	10,492,800
Spot tv	25,894,500	30,951,000
Network tv	9,875,000	16,659,000
Spot radio	2,031,000	2,447,800
Network radio	314,100	342,900
Outdoor	746,500	790,500
Total measured	$53,691,600	$64,721,800
Unmeasured	80,537,400	94,410,000
Estimated total	$134,229,000	$159,131,800

CORPORATE MARKETING PERSONNEL
E.J. Gerrity Jr., senior vp-director, corp relations/adv
J.L. Lowden, vp-deputy director, corp relations/adv
J.P. Jannuzzo, director adv-sales promo
T.J. Connolly, director-special events/activities
R.A. Cronenwett, mgr-consumer adv/sales promo services
H.J. Taggert, mgr-special projects, adv/sales promo
M.B. Clifford, mgr-sales promo services.
Advertising Agencies
Biederman & Co., New York—corporate —Barry Biederman, chairman; John Mason, senior vp-mgmt rep; Bob Sigmund, Art Richter, acct execs.
Fritchman Associates, Ridgefield, Conn. —telephone directories—Bud Fritchman, mgmt super.

ITT CONTINENTAL BAKING CO.
Rye, N.Y.
Corporate Marketing Personnel
John T. Whitmer, vp-director mktg
Patrick Fox, group prod mgr, bread & cake new prods
Laurie Chatafield, director-media
Jeannette Geraci, media coordinator
Frank Sessa, mgr-graphics and design
Arthur J. Cunningham, director-mktg rsch

BREAD DIVISION
Marketing Personnel
Sue Herrick, vp-director, bread mktg
Dave Cooper, group prod mgr-Wonder bread
Paula Luftglass, prod mgr-Wonder bread
Jeff Krulwich, director mktg-Home Pride and Beefsteak Rye
Advertising Agencies
Ted Bates Advertising/New York—Wonder, Fresh Horizons, Home Pride breads—Larry Epting, exec vp-client services; Vic Bloede Jr., vp-mgmt rep; Deborah Kaye, acct super-Wonder bread & Home Pride; Tom Meyer, acct exec-Home Pride; Maria Stumpf, acct exec-new prods.
Grey Advertising, New York—Braun Baking, Beefsteak Rye, Fresh & Natural bread—Robert Schoenfein, exec vp-mgmt rep; Warren Fischer, vp-mgmt super; Doris Ann Hutnick, vp-acct super; Mary Andrews, staff assistant.

CAKE DIVISION
Marketing Personnel
Rudy Norris, vp-director of cake mktg
Susan Danehower, senior prod mgr-Hostess snack cakes
Arlene Gerwin, senior prod mgr, Hostess breakfast bakeshop
Advertising Agency
Ted Bates Advertising/New York—Hostess cakes—Alan Krinsky, vp-acct super; Maria Stumpf, acct exec-new prods; Lauren Becker, Peter Nathan, acct execs.

THE HARTFORD
Hartford, Ct.
Marketing Personnel
Roger Dove, senior vp-corp relations
Peter Egan, asst vp-director adv
Greg King, asst. director adv
Advertising Agency
McCaffrey & McCall, New York—corp

adv—Bruce Sherman, senior vp-acct super; Ralph Thomas, acct exec.

SHERATON CORP.

Marketing Personnel

Sig Front, senior vp-director mktg
Robert Quinn, vp-director adv
Adrienne Davis, vp-assoc director adv

Advertising Agencies

Creamer Inc., New York—domestic adv—Stanley Levitz, exec vp-mgmt super; Steven Godsick, senior vp-group super; Ruth Godfrey, acct super; Greg Leddy, Diana Stuart, Carol Ranzenhofer, acct execs.

Compton Advertising, New York—intl adv—Dick Razor, senior vp; Phyllis Hauck, acct super.

O.M. SCOTT & SONS

Marketing Personnel

Bernard Ford, director-mktg services
Schrade Radtke, director consumer lawn mktg
James Fetter, mktg mgr-West and South
Ashton Ritchie, mktg mgr-basic North
Roger Farrington, mktg mgr-professional prods
Donna Rosenstock, asst mktg mgr-professional garden mktg
Elaine Reece, mktg asst-lawns
Robert Rinehart, mgr-business information
Marilyn Black, vp-direct mktg-W. Atlee Burpee Co.
Mark Bater, director-professional gardens mktg

Advertising Agencies

Doyle Dane Bernbach, New York—O.M. Scott lawn prods—Arie Kopelman, vice chairman; Gordon Sleeper, senior vp-mgmt super; Lauren Berger, vp-acct super.

Rapp & Collins, New York—Burpee prods—David Scholes, exec vp-dir mktg services; Dominick Perone, senior acct exec.

Johnson & Johnson

	1983	1982
Sales*........	$3,610,000,000	$3,304,000,000
Earnings*.....	281,800,000	235,800,000
U.S. Advertising	295,328,800	270,000,000*

*Worldwide

Johnson & Johnson, New Brunswick, N.J., the 17th largest national advertiser, increased its U.S. advertising spending in 1983 to an estimated $295.3 million, up 9.4% over 1982.

Domestic sales rose 9.4% in 1983, to $3.61 billion, with domestic net earnings of $281.8 million, up 19.5% over 1982. Some $38 million was charged against net earnings because of J&J's divestiture of its dialysis business during the fourth quarter.

Non-U.S. sales declined 4.1%, to $2.36 billion, in 1983 because of economic conditions in Latin American countries and a strong U.S. dollar worldwide. Worldwide J&J advertising, comprising tv, radio and print media, decreased 2%, to $301.7 million, from 1982.

New worldwide headquarters, designed by architect I.M. Pei, were opened last year in New Brunswick, N.J., and new plants in Taipei and Singapore were constructed.

More new consumer products were launched in 1983 than at any other time in J&J's history, boosting the consumer product division's contribution to 42.3% of the company's $5.97 billion in worldwide sales. Consumer products, however, provided only 13.9% of J&J's 1983 operating profit, an increase of 2.2% over 1982.

Professional sales contributed 34.2%, representing the second largest business segment, with a 5.8% gain over 1982. Pharmaceuticals contributed 19.6%, a 5.1% gain despite the negative impact of the withdrawal of Zomax brand zomepirac sodium, a prescription analgesic, from the worldwide market in the first quarter, reducing operating profit in that area by $37 million. Sales of Zomax in 1982 were $82 million. Industrial sales, which dropped 4.5% in dollar volume, contributed 3.8% to total revenues.

In the aftermath of the October, 1982, Tylenol capsule cyanide poisonings, McNeil Consumer Products introduced safety sealing procedures on all its products in 1983, and launched Tylenol Extra-Strength Caplets, capsule-shaped tablets coated for easier swallowing, and Junior Strength Tylenol for children.

Total advertising expenditures for Tylenol were $56.8 million in 1983 in the six media measured by Leading National Advertisers, up 16%. J&J beefed up its total Tylenol advertising about $20 million to help counter the scare. In the first quarter of 1983, J&J spent $16 million in measured media on Tylenol brand products, although Tylenol accounts for only 8% of J&J's total sales.

By February, 1984, Tylenol had recovered 95% of its market share before the poisonings in the fall of 1982, staving off increased competition from other acetaminophen products such as Datril and Panadol in recovering its 30% market share of the total $1.2 billion over-the-counter analgesic market.

As the leading nonaspirin pain-reliever, Tylenol is being challenged in 1984 by the recent introduction of Upjohn's Nuprin and American Home Products' Advil, both containing a former otc prescription analgesic, ibuprofen. J&J is prevented by patent restrictions from introducing its own ibuprofen product until May, 1985.

J & J filed a federal court suit against the Food & Drug Administration in May, 1984, challenging the FDA approval of ibuprofen on the condition that certain warnings on labels and advertisements alert consumers to possible side effects. Advertising claims, J&J contended, were the province of the Federal Trade Commission, not the FDA.

A budget of $2.4 million out of the total $9.5 million spent on children's Tylenol was devoted to the Junior Strength item, through Compton Advertising. The remainder in the children's line went to chewable tablets.

McNeil Pharmaceutical went nationwide this past March with a multimedia program urging parents to consult their neighborhood pharmacist for information about drug abuse. McNeil supplied brochures and materials to pharmacists, and a tv spot, created by Clarke & Co., Boston, featured actor Michael Landon in the public service announcement. McNeil had tested the program in New England in 1983.

J&J's Personal Products Co., in a move to protect its leadership of the $1 billion sanitary-napkin market, introduced Stayfree Silhouettes Body-Shape Maxishields and Assure! Breathable Pantyliners, with 1984 advertising budgets estimated at an unprecedented $20 million. Sure & Natural Super Maxishields, a line extension of the No. 1 selling Stayfree line, also was introduced.

Measured spending on feminine hygiene products included $16.6 million for Sure & Natural Maxishields, up 5.7%, Stayfree Maxi and Mini-Pads, $11.9 million, down from $19.2 million in 1982, and O B Tampons, $3.5 million, down 3%.

J&J Baby Products' division introduced in 1983 Affinity—its first new shampoo since Baby shampoo—aimed at the over-40 market with about $12 million spent on advertising and $12 million on sample distribution. Advertising for Affinity broke in February, 1984. J&J and advertising agency SSC&B revamped ad plans for Baby shampoo last summer, repositioning it for babies and not for adults looking for a gentle shampoo, in response to the overcrowded shampoo-conditioner market, where the shampoo had been losing shares for about seven years.

Measured spending on baby products (bar soap, bath, lotion, oil, powder, shampoo, wash cloths) was $17.2 million in 1983, down 29%. Baby shampoo, the big advertised item in the group, attracted $7.2 million in measured spending, compared with $7.9 million in 1982.

Band-Aids, one of the company's most recognized products, recorded measured spending in 1983 of $6.8 million, down from $9.1 million in 1982, with the difference primarily being $1 million less devoted each to magazines and network tv.

Thanks to an innovative direct marketing program, J&J's Child Development Toys, a subdivision of J&J Baby Products, now ranks No. 2 in the under-3 age market, behind Quaker Oats' Fisher-Price Toys. The toys, which are advertised in print and on tv, are marketed through retail outlets, including department stores and toy chains. J&J also markets its toys as a series through hospital nurseries, physicians and direct mail. Parents registering their babies at birth receive a new toy or gadget every six weeks or so, geared to the baby's stage of development, along with a booklet explaining the stimulation and education the child gains from the toy. Although profits and volume are not broken out, nine new toys were added to the line last year.

Chicopee's Consumer Products Group launched its first consumer product, Stretch 'n Dust, a disposable dusting cloth imbedded with lemon-scented powder activated by stretching the cloth before use. Measured spending was $384,100.

The Advanced Care Products division of Ortho Pharmaceuticals introduced through print and tv advertising in 1983 Dimensyn, a menstrual discomfort product, and Micatin, an antifungal product combating athlete's foot in spray liquid, spray powder and shaker powder form.

Professional product introductions included J&J Products' Nu Gauze general-use sponge, touted as superior to cotton gauze used in hospitals and Ethicon's disposable Proximate linear stapler for surgical use.

J&J Products Inc. launched Secure, a denture adhesive seal aimed at the consumer market, and J&J's Dental Products Co. introduced Cerestore Crown System, Aurafill and Unison spherical alloy to the professional dental market. Among other dental products, Reach toothbrush measured spending dropped 16% to $4.6 million in 1983, and Act Fluoride Dental Rinse measured spending leaped from $1.1 million to $5.7 million.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$1,976,700	$3,109,600
Magazines.........	23,239,100	28,535,400
Farm publications..	431,600	268,400
Spot tv............	9,212,500	7,196,700
Network tv.........	131,265,900	121,845,300
Spot radio.........	318,800	953,700
Network radio......	1,594,300	1,706,200
Total measured..	168,038,900	163,615,300
Unmeasured....	127,289,900	106,384,700
Estimated total..	295,328,800	270,000,000

JOHNSON & JOHNSON

New Brunswick, N.J.

Marketing Personnel

G.F. (Pete) Tyrrell, vp-adv, corporate staff

JOHNSON & JOHNSON PRODUCTS

New Brunswick, N.J.

Marketing Personnel

Healthcare Div.

P.M. Lonergan, vp-genl mgr
C.M. Selquist, natl sales mgr
A.L. Verdi, group prod director-wound care
J.M. Nugent, group prod director-oral care
M.S. Fink, director-mktg and consumer rsch

Orthopaedic Division

J.A. Lent, vp-genl mgr
J.T. Pavlic, director-mktg and sales
G.K. Kunkle, natl sales mgr
L.R. Williams, director-new business devel

Patient Care Division

A.J. Vitarius, vp-genl mgr
J.W. Nelson, director-prod mgmt
W.M. Mahar, director-sales
R.A. Wright, director-mkt devel

Specialty Products

W.E. Dorsett, vp-genl mgr
R.E. Scott, director-military and athletic mktg
G.P. Kutsop, director-federal and industrial sales

Advertising Agencies

Young & Rubicam, New York—ACT fluoride rinse, dental floss, Band-Aid Adhesive Bandages—Mike Feldman, mgmt super.

Cadwell Davis Partners, New York—Reach Toothbrushes—Bob Michaels, senior vp-mgmt super.

Kallir, Philips, Ross, New York—professional mktg programs—John Racik, mgmt super.

Simms & McIvor, Bridgewater, N.J.—orthopaedic div and patient care div.

MED Communications, Hopelawn, N.J.—patient care div.

Cummins, MacFail & Nutry, Somerset, N.J.—specialty products—G. MacFail, president.

JOHNSON & JOHNSON BABY PRODUCTS

Skillman, N.J.

Marketing Personnel

J.R. Utaski, president
T.E. Gardner, vp-genl mgr, consumer prod div
W.C. Egan, director-mktg, consumer prod div
P.S. Boorujy, vp-genl mgr, child devel prods

Advertising Agencies

SSC&B, New York—Baby Shampoo, No More Tangles—Alan Grazio, exec vp; Ian McGregor, mgmt super; Cynthia Williams, acct super; Maureen Markey, acct exec. Swabs—Alan Grazio, exec vp; Ian McGregor, mgmt super; Cynthia Williams, acct super; Patrick Keough, acct exec. Affinity—Hal Rover, exec vp; Ned Parker, mgmt super; Jody Wiethoff, acct super; Candy Caciolo, acct exec.

Young & Rubicam, New York—Baby Powder, Baby Cornstarch, Sundown—John Glorieux, group director; Tim Fitzgerald, acct super; Ginny Russo, acct exec. Baby Oil, Baby Lotion, Baby Cream—John Glorieux, group director; Tim Fitzgerald, acct super; Mark Greene, acct exec.

McCann-Erickson, New York—Baby Wash Cloths, Baby Bar, Baby Bath—Michael Sennott, senior vp; Terry Fitzgerald, Trish Roberts, Matthew McGuire, acct supers.

Wunderman Ricotta & Kline—child devel toys—Andrea Farr, vp-mgmt super; Greg DiLorenzo, acct super.

McNEIL CONSUMER PRODUCTS CO.

Fort Washington, Pa.

Marketing Personnel

C.D. Simonds, vp-mktg
J.J. Gallagher, natl sales mgr
J.J. Beshel, director-pediatric mktg
R.E. Whittaker, director prod mgmt
D.W. Pittman, natl professional sales mgr
J.R. McGann, sales promo director
E.A. Behmer, director, communications
J.L. Strickler, mktg rsch director

Advertising Agencies

Compton Advertising, New York—T. Lom, mgmt director; J. Sloan, mgmt super; L. Joselow, acct super.

Kallir, Philips, Ross, New York—J. Racik, senior vp; E. McCarren, acct super; J. Grossman, acct exec.

Mendoza, Dillon & Asociados, Newport Beach, Cal.—Richard E. Dillon, president.

McNEIL PHARMACEUTICAL

Spring House, Pa.

Marketing Personnel

T.H. Odiorne, vp-mktg
J.A. Kitchen, natl sales mgr
N.A. Panzenbeck, director-mktg rsch
H.R. Rutter, exec director, prod mgmt
E.R. Steel, exec director, mktg comms

Advertising Agencies

Kallir, Philips, Ross, New York—Haldol Haloperidol, Parafon Forte-Meryl Fischmann, vp-acct mgr.

Sudler & Hennessey, New York—Tolectin tolmetin sodium, Tylenol with Codeine, Tylox—R. J. Brancaccio, senior vp.

Botto, Roessner, Horne & Messinger, New York—Pancrease (brand of pancrelipase)—R.J. Botto, president.

PERSONAL PRODUCTS

Milltown, N.J.

Marketing Personnel

M.R. Hayes, president
J.B. Ziegler, vp-mktg
E.F. Chase, director-prod mgmt
D.P. Fraser, director-mkt rsch
P.S. Michaels, A.G. Nuzzo, B.D. Snyder, group prod directors

Advertising Agencies

Young & Rubicam, New York—Stayfree maxipads and minipads, Shower To Shower body powder—Gene O'Sullivan, mgmt super.

SSC&B, New York—Carefree panty shields, Assure! Breathable Panty Liners—George C. Bauerschmidt, mgmt super.

Cadwell Davis Partners, New York—Sure & Natural maxishields, o.b. tampons—Jeffrey Ziegler, mgmt super.

Compton Advertising, New York—Stayfree Silhouettes Body-Shape Maxi's, Take Off—D. Bausch, mgmt director.

JOHNSON & JOHNSON DENTAL PRODUCTS CO.

East Windsor, N.J.

Marketing Personnel

H.S. Lager, group vp
J.B. Godshall, vp-mktg
M.E. Stein, vp-worldwide business devel

Advertising Agencies

Mel Richman Inc., Bala-Cynwyd, Pa.—Douglas Jung, acct super.

M.E.D. Communications, Woodbridge, N.J.

ORTHO PHARMACEUTICAL CORP.

Raritan, N.J.

Marketing Personnel

R.W. Croce, vp

Advertising Agency

Kallir, Philips, Ross, New York—L. Palmer, vp-acct super.

Advanced Care Products Division

Marketing Personnel

D.B. Bellaire, vp-mktg
J.L. Abramson, director-mktg info and strategic planning

Advertising Agencies

McCann-Erickson, New York—H.L. O'Brien, senior vp-mgmt rep.

Barnum Communications, New York—R. Bond, senior vp-mktg.

Dermatological Division

Marketing Personnel

L.G. Pickering, director-mktg

Advertising Agency

Kallir, Philips, Ross, New York—L. Palmer, vp-acct super.

ORTHO DIAGNOSTIC SYSTEMS INC.

Raritan, N.J.

Marketing Personnel

F. A. Barnette, vp-mktg

Advertising Agency

Kallir, Philips, Ross, New York—Raymond Wilhelm, acct super.

CHICOPEE

New Brunswick, N.J.

Marketing Personnel

R.L. Bramson, vp-mktg, industrial div
J.S. Neely, vp-mktg, consumer div
R.I. Munoz, vp-mktg, affiliate div
J.J. Quaid, vp-mktg, branded prods

Advertising Agencies

ST&L Associates, New Brunswick, N.J.—Howard Rich, acct exec.

SSC&B, New York—George Bauerschmidt, senior vp; Lucy Loux, vp-acct super; Christie James, acct exec.

CODMAN & SHURTLEFF INC.

Randolph, Mass.

Marketing Personnel

R.F. Caffrey, vp-mktg.

Advertising Agency

Grover & Carroll, Boston—C. Stuart Grover, acct exec.

ETHICON INC.

Bridgewater, N.J.

Marketing Personnel

L.J. Armour, vp-sales
R.N. Jones, vp-mktg services
R.M. McCaffrey, vp-mech prods
F.J. Ryan, vp-mktg, sutures
E.S. Gegler, director-adv/sales promo

Advertising Agency

Simms & McIvor, Bound Brook, Mass.—P.A. McIvor, acct super.

CRITIKON INC.

Tampa, Fla.

Marketing Personnel

Thomas E. Taylor, president
George R. Lucas, vp-mktg
Philip T. Flach, vp-sales

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Billie V. Wooley, director-prod mgmt

Advertising Agencies

Lewis, Gilman & Kynett, Philadelphia—K.A. Marden, V. Harris, acct execs.

HL&A Advertising—C. Hessemer, president.

PITMAN-MOORE INC.

Washington Crossing, N.J.

Marketing Personnel

G. A. Oram, mktg director
M.C. Rodenbaugh, director-diagnostic market
D.L. Sleighter, group prod director

Advertising Agency

Brady Co., Milwaukee.

SURIKOS INC.

Arlington, Tex.

Marketing Personnel

E. Tanner, president
J.D. Terry, vp-mktg
M. Smoler, vp-prod mgmt
J.W. Midgley, director-mktg rsch and new ventures

Advertising Agency

Ruvane-Leverte, New York—Walter Landers, acct super.

S.C. Johnson & Son

	1983	1982
Sales.........	$2,000,000,000	$2,000,000,000
Earnings.....	N/A	N/A
Advertising...	86,970,300	74,616,300

S.C. Johnson & Son, Racine, Wis., the 74th largest national advertiser, increased 1983 advertising expenditures 16.6%, to $87 million.

Privately held S.C. Johnson, which continued to feel the impact of the poor economic conditions worldwide, had estimated worldwide sales of $2 billion, the same as 1982, which represented an increase of 10% over 1981. U.S. sales also remained at the 1982 level of $880 million.

In 1886, Johnson entered the marketplace and built its reputation on floor and furniture care products. Though the company has branched into automotive and household products, insecticides and personal care, and in 1984, over-the-counter drugs, media spending on floor and furniture care products continues to demonstrate S.C. Johnson's commitment to its original market.

Johnson's largest media buy among categories was for floor care products. They represented $14.6 million in media expenditures, or 23% of total measured media advertising of $63.8 million as monitored by Leading National Advertisers.

The largest single share of measured media spending in this category, $6.85 million, went to Clean 'N Clear, an all purpose cleaner, introduced in January, 1983.

Other floor care products, such as Brite, doubled media spending to $3.4 million in 1983; Future liquid floor finish increased 8%, to $2.4 million, and Step Saver floor wax jumped 54%, to $1.9 million. Modest expenditures of $7,400 and $6,500 were spent on Klear and Glo Coat wax, respectively.

Dollar based market share for Johnson's total floor care category continued at the 1982 level of 53.5% of the U.S. market.

In an end-of-summer rollout from its personal care division, the largest single share of media spending went to Curel, Johnson's new therapeutic skin lotion. With a $10 million ad campaign Johnson expects Curel to continue its test market (conducted since October, 1983, in Portland, Me., and Tucson, Ariz.) performance where it became the No. 1 therapeutic lotion.

Spending for Soft Sense skin lotion dropped to $4.12 million, from $9.6 million in 1982.

Introduced in 1981, stressing a cosmetic position and later assuming therapeutic overtones in a "Sticky Fingers" ad campaign, Soft Sense garnered a 6.6% case market share in 1982 and has not been able to progress further than No. 3 in the category.

As further support for skincare activities developing worldwide, Johnson has signed a letter of intent to purchase the Palo Alto, Cal.-based dermatology division of Cooper Laboratories. This acquisition would add: Aveeno cleansing bars and bath products ($1.2 million in 1983 measured media spending), Pentrax medicated shampoo, Rhuli antiseptics and anti-itch products for treatment of skin irritation. Negotiations were still in progress at press time.

In December, 1983, Johnson introduced Edge Extra with a promotion handled by J. Walter Thompson USA. Targeted at the 18-to-25 market, the new shaving gel is a thicker, richer formula that is expected to appeal to those looking for a thicker foam.

Edge gel continues to hold a strong position in the men's shaving preparation category. As No. 1 in its category according to the company, it maintained that rank even while Gillette launched Foamy Gel.

With a slight increase from a mid-1983 dollar-based market share of 20.2% to a mid-1984 share of 22%, S.C. Johnson follows its pattern of strong support for successful products, raising 1983 media spending 48%, to $3.1 million. That makes Edge one of the eight products with an advertising budget of more than $3 million.

In March, Johnson subsidiary Rydelle Laboratories introduced Fiberall, a natural fiber laxative, Johnson's first otc product.

The straightforward campaign by Foote, Cone & Belding, Chicago, with a national promotion budget estimated at $7 million, places heavy emphasis on the sugar-free formula and natural and orange flavors. In June, the Fiberall account abruptly was transferred to Laurence, Charles & Free, New York. It is the agency's first account from Johnson. FCB continues to handle other Johnson products.

Among other introductions, Basic Black and Chrome Cleaner made their debuts in the J-Wax automotive aftermarket category. Johnson sees both automotive products answering the consumer's desire for a "finishing touch" on their automobile.

New product Colonial Gardens Foaming Milk Bath Collection, marketed by Johnson's Northern Laboratories, Manitowoc, Wis., came out in antique-reproduction bottles and was positioned as a high-quality, midprice alternative to the more expensive Vita Bath and Jean Nate. The milk bath introductory campaign by G.M. Feldman, Chicago, estimated at $200,000, is almost entirely point of purchase displays, which was considered most effective for communicating strong price and gift points.

Northern Laboratories also announced the restaging of Capri haircare products. The $500,000 national ad campaign by G.M. Feldman broke in late August. New packaging with a flip-top cap and reformulation are expected to compete more effectively in the price/value haircare category. Measured media spending in 1983 for Capri shampoo increased 10%, to $35,200.

While Johnson generally increased media spending on haircare, spending for Agree creme rinse conditioner decreased 27%, to $1.4 million, as spending for Agree shampoo increased 37%, to $2.7 million, and Agree shampoo and creme rinse conditioner rose 22%, to $2.4 million. Enhance shampoo and conditioner plummeted 97%, to $35,600.

This has been a brutal year for the shampoo and hair conditioner market, Salomon Brothers analyst Diana Temple says. Johnson's combined shampoo dollar market share has dropped steadily from 4.8% in 1982, to 3.6% in 1983, to 2.8% the first quarter of 1984. The combined hair conditioner dollar market share illustrates a similar decline from 11% in 1982, to 8.1% in 1983, to 5.9% the first quarter of 1984.

Johnson continues to have a combined case market share of 54% in the furniture care category. Pledge, holding a 40.4% case market share, increased media spending 14%, to $6.5 million; Favor, with a 7.1% case market share, increased ad expenditures 55% to $1.8 million, Complete, with only 2.5% case market share for the second year running, lost all measured media support.

Glade Spinfresh air freshener bathroom tissue holder received $3 million in measured media spending; Glade aerosol increased spending 57%, to $2.3 million; Glade Spinfresh, new in 1982, was supported with $836,000, and Glade solid dropped 89%, to $1,300. Johnson continues to domi-

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nate the aerosol air freshener market with Glade holding a 50% case share.

Shout laundry soil and stain remover, continuing to hold a 30.3% case market share, increased media expenditures 16%, to $3.2 million.

Off! insect repellent increased measured media spending 24%, to $2.5 million, and it continues to hold its strong 1982 79.6% case market share.

Increased spending for Raid products continued—except for the vegetable fogger, which dropped 16%, to $1.8 million. That was the third year of consecutive spending declines for the product. Ant and roach killer was up 58%, to $256,000; Flea killer up 84%, to $616,200; Indoor Fogger up 66%, to $2.3 million, and insecticides more than tripled expenditures, to $6 million. Johnson introduced outdoor flea killer and Fire Ant Killer in the South and Southwest. Case market share for Raid products remains at 1982's 48%.

In a surprise move from an often conservative prime-time advertiser, S.C. Johnson's Soft Sense skin lotion was one of several tv sponsors of "Something About Amelia," a story that dealt with the sensitive subject of incest. The made-for-tv film drew strong ratings and very little negative response from the public.

Johnson subsidiary Northern Laboratories consolidated advertising with G.M. Feldman, Chicago. Previously handling the J-Wax line, Feldman now has Capri personal care products; "Hot-Shots," a new hand warmer, and Goddard household cleaners.

In May, 1984, a number of personnel changes occurred, including the appointment of William D. George Jr. to exec vp-consumer products, Europe, Africa and Near East; Terence S. Malone replaced Mr. George as exec vp, Johnson Wax Associates; John D. Crabb, former vp-regional director consumer products, Europe, replaced Mr. Malone as vp-regional director consumer products, Pacific and Far East; Harold A. Suess, formerly vp-regional director, commercial products, Europe, Africa and Near East, was appointed vp-general manager, U.S. consumer products home care; Barry P. Harris, previously general manager-U.S. consumer products home care, replaced Mr. Suess and will report to Richard M. Carpenter, exec vp-Worldwide Innochem; Richard F. Chay, director-marketing research, is no longer with Johnson and the position remains open; Charles L. Colman, former manager insect control products, replaced Robert Groat, who was appointed corporate planning manager, as manager-crawling insect products.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$2,340,300	$1,577,000
Magazines	11,967,200	9,458,400
Spot tv	6,020,300	8,890,100
Network tv	40,716,500	34,266,500
Spot radio	517,300	395,500
Network radio	2,526,000	478,800
Total measured	64,087,600	55,066,300
Unmeasured	22,882,700	19,550,000
Estimated total	86,970,300	74,616,300

S.C. JOHNSON & SON U.S. CONSUMER PRODUCTS
Marketing Personnel

S.A. Preston, exec vp
D.C. Henry, vp-sales
H.A. Suess, vp-genl mgr, home care
R.E. Posey, genl mgr, insect control
C.J. Goldthwaite, genl mgr, personal care
A.B. Priemer, director-media and consumer relations
P.J. Grieger, pr mgr
New product devel mgrs: R.D. Perry, J.M. Hutterly
Category mgrs: K.H. Smith, J.O. Scherer, L.H. Seabolt, M.L. McKie, J.F, Bleharski, R.L. Ziegenhagen, W.C. Thomson.
Product mgrs: W.E. Roehrick, D.L. May, H.B. Beighley, S.E. Johnson, W.L. Stewart, L.J. Gast, D.J. Meyers, V.A. Thomas, C.L. Colman, D.N. Fine, C.F. Allison, P.P. Scalera, M.E. Leopold, O. Thourault, F.C. Chud, P.E. Peterson, G.T. Schutz, N. Comstock, S.E. Blood; J. Fernandez, J.E. Marrero.

Advertising Agencies

Foote, Cone & Belding, Chicago—Raid, Off!, Future, Brite, Shout, Soft Sense—D. Fox, vp-mgmt super.

J. Walter Thompson USA, Chicago—Pledge, Favor, Step Saver, Clean 'N Clear, Complete, Glade aerosol, Glade Spinfresh, Edge, Agree, Enhance—J. Furr, vp-mgmt super.

WORLDWIDE INNOCHEM OPERATIONS

T.S. Malone, exec vp
W.O. Herbst, mgr-special mkts
A.S. Getz, president-genl mgr, Johnson Creative Arts
F.J. Herre, president-genl mgr, Worldwide Under Sea Industries
W.R. Tenney, president-genl mgr, Johnson Fishing Inc.
D.D. Drab, president Porelon Inc.
J.R. Reyen, president-genl mgr, Johnson Camping Inc.

INTERNATIONAL CONSUMER PRODUCTS

L.R. Peterson, exec vp
W.D. George, exec vp-consumer prod, Europe/Africa/Near East
M.B. Miller, vp-regional director, consumer prod, Africa/Near East
J.D. Crabb, vp-regional director, consumer prod, Pacific/Far East
W.D. Perez, vp-regional director, consumer prod, Americas

Kellogg Co.

	1983	1982
Sales*	$2,381,100,000	$2,367,100,000
Earnings*	242,000,000	228,000,000
Advertising	176,306,900	154,167,300

*Worldwide

Kellogg Co., Battle Creek, Mich., increased its advertising 14.3% to an estimated $176.3 million in 1983, making Kellogg the 37th largest national advertiser.

In measured media, the company's spending increased about 15%, to $117 million during 1983.

Sluggish sales were a symptom of the nation's No. 1 cereal marketer's problems. Kellogg had 1983 net sales of $2.38 billion, a less than 1% increase over 1982. Net earnings for 1983 were $242 million, 7% higher than the previous year.

Kellogg went on a marketing offensive in 1983, using a "back-to-basics" advertising strategy to fend off growing competition from generics and private labels in the domestic ready-to-eat cereal category. In the past three years, Kellogg has seen its market share drop from 40.7% to 35.7% in 1983, with the major threat coming from General Mills, rising from 20.5% to 23.2% of market during the period.

In the spring of 1983, the company began its push with the introduction of Crispix cereal, backed by an $8.3 million campaign via J. Walter Thompson USA, Chicago.

Since then, Kellogg has launched a new cereal product each quarter. Strawberry Krispies, an extension of the company's successful Rice Krispies line, was introduced during the summer of 1983.

In the fall, Kellogg's Fruitful Bran was launched with a $17 million effort that included tv, couponing and promotion.

In the first half of 1984, backed by a $17 million effort, Kellogg introduced C-3PO's in the competitive children's cereal category. Also, Apple Raisin Crisp made its debut, backed by a $16 million to $20 million campaign themed, "Homemade taste in a new kind of cereal." This fall, the marketer will launch Raisin Squares, spoon-size squares of shredded wheat with raisin inside. Leo Burnett USA, Chicago, handles the account.

This string of new cereals is being introduced under Kellogg's revised marketing strategy, outlined at the company's annual meeting this spring.

To stem eroding market share, Kellogg is relying heavily on prime time tv advertising—network tv spending rose 20% to $73 million—more couponing, stronger selling messages, more focused brand identity and a more continuous presence in the media, says Gerald Robinson, president of its U.S. Food Products division.

The strategy appears to be working. Kellogg's market share has climbed steadily each month from a low of 35.7% in January, 1983, to 38.8% in January, 1984. Kellogg says those shares continued to show improvement in fiscal 1984, marked by net sales for the first six months of $1.287 billion, an 8.9% increase over the first half of fiscal 1983. Net earnings were $129.7 million, up 5.1%. Earnings were affected by a drop of 6.7% in second-quarter earnings, a drop reflecting heavy advertising and research spending.

Health-conscious adults are one of Kellogg's key markets, but it has not always been successful with product extentions into this market. The company dropped no-salt versions of both Corn Flakes and Rice Krispies after repeat sales in four test markets failed to meet expectations.

Despite that failure, it appears the company will continue to focus on nutritional-minded young adults. Advertising for Kellogg's Pop Tarts positions the product against granola products, comparing the iron and vitamin content of the two.

The company also plans to enter the granola category with a snack "a step above the regular granola bar." The product may be available late this year.

Kellogg's biggest disappointment in 1983 was the failure of its Mrs. Smith's line of frozen crepes, quiches and Italian entrees. Introduced early in 1982 —about the same time as Swift & Co.'s International Entrees, Campbell Soup Co.'s Le Menu and Armour Foods' Dinner Classics debuted—it garnered only a 0.5% tonnage market share in the 5.6 million-lb., single-dish frozen entree category over a 52-week period ended in August, 1983.

Industry sources say the line failed because of a combination of poor quality, high pricing and bad marketing. Kellogg spent $5.3 million in measured media to introduce the line in 1982, but spent only $540,000 advertising the products in 1983.

Kellogg's officials maintain that frozen food is an attractive category for the company and Mrs. Smith's lackluster performance in that market to date should not be perceived as a withdrawal from the market. Last summer, Kellogg introduced Eggo frozen pancake batter into 12 test markets. The product is still in test.

The company has stopped promoting its Le Shake drinkable yogurt, which had been distributed in the Northeast. However, Whitney's yogurt, another of subsidiary Whitney's Food's products, shows promise.

Whitney's, a super-premium yogurt, has been marketed in the New York and Washington/Baltimore markets and in Philadelphia since early summer. Because of product demand, however, it may be two years before Kellogg can produce enough of the product to roll it out nationally.

Kellogg sold its fresh food Desserts Services Group to Massachusetts-based M.L. Dessert Co., a division of Worcester, Mass.-based Table Talk Bakery. The desserts group had introduced Mrs. Smith's bagels in 1982 in a 10-state area.

The company discontinued its Make It Easy line of drink mixes that were marketed under Kellogg's Salada Foods division.

Also, Sandoz Canada, a unit of the Swiss pharmaceuticals company, bought Kellogg's Neo Citran line of cold remedies that are marketed in Canada. Kellogg Salada Canada will continue to manufacture Neo Citran products, however, under a "long-term co-pack agreement," according to the company.

Kellogg International, operating in 18 nations, represents about 34% of the company's net sales. Although its cereals' pound volume was on the rise in 1983, the reduced value of foreign dollars caused the division's sales to fall 4%, to $821.1 million.

The company made its strongest showings in Australia, Canada, West Germany and the U.K. The division opened its newest plant in Seoul, South Korea, in August, 1983. The plant manufactures Kellogg's Golden Flakes, Corn Frost, Krispies and Honey Pops.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$3,257,500	2,695,500
Magazines	6,180,800	9,359,300
Spot tv	34,130,200	30,054,300
Network tv	73,006,300	61,010,200
Spot radio	459,800	794,000
Outdoor	7,900	254,000
Total measured	117,042,500	104,167,300
Unmeasured	59,264,400	50,000,000
Estimated total	176,306,900	154,167,300

KELLOGG U.S. FOOD PRODUCTS DIVISION
Marketing Personnel

G.D. Robinson, president
M.D. Simpson, senior vp-mktg
W.T. Lambert, vp-sales
W.H. Weintraub, category mgr-ready-to-eat cereals
K.C. Smith, mktg services mgr

Advertising Agencies

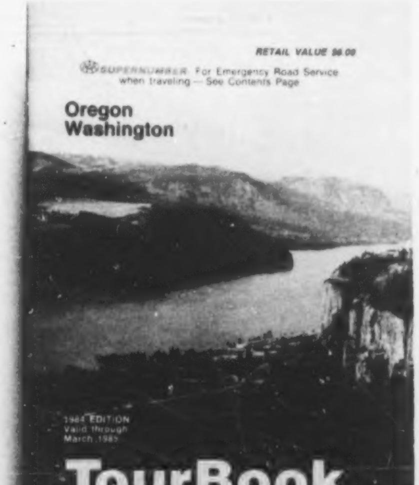
Leo Burnett USA, Chicago—cereals, toaster pastries, non-cereal—W. Lynch, exec vp; J. Jenness, vp-acct director; W. Whitman, vp-acct super; G. Kash, G. Singer, acct supers; D. Baker, D. Fletcher, M. Hutter, A. Kramer, T. O'Day, L. Paul, R. Remick, C. Rosengarden, acct execs.

J. Walter Thompson USA, Chicago—cereals—J. Tukey, senior vp-group acct director; G. Moss, senior vp-acct director; H.

KNOW THY COMPETITION

See page 52

LNA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AAA

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Blank, G. Lange, acct supers; D. Aymar, E. Bortz, D. Schlafani, acct reps.

Vince Cullers Advertising, Chicago—V. Cullers, president.

U.S. SUBSIDIARIES
Marketing Personnel

A.G. Langbo, group exec vp, Kellogg Co.

MRS. SMITH'S
FROZEN FOODS CO.
Pottstown, Pa.
Marketing Personnel

A.G. Langbo, president
J.J. Feeney, exec vp-administration
M.L. Wolfe, senior vp-mktg & sales
J. MacDonald, eastern zone manager
P. Bartos, western zone manager

FEARN
INTERNATIONAL
Franklin Park, Ill.
Marketing Personnel

D.E. Thompson, president
E.K. Jorgenson, senior vp-sales & mktg

Advertising Agency

Davis, Munder & Ostir—P. Munder, president.

SALADA FOODS
Little Falls, N.Y.

R.J. Lievense, president
E.F. Kline, senior vp-mktg & sales

Advertising Agency

Leo Burnett USA, Chicago—teas, pies, waffles, yogurt—D. Collins, vp-acct director; B. Key, J. Smith, acct execs; A. Chichester, R. Paluta, acct rep.

Kimberly-Clark Corp.

	1983	1982
Sales*........	$3,274,300,000	$3,000,000,000
Earnings*.....	189,000,000	197,400,000
U.S. Advertising	77,460,000	69,303,900

*Worldwide

Kimberly-Clark Corp., Neenah, Wis., the 77th largest advertiser in the U.S., spent an estimated $77.5 million in advertising, up 11.8% over 1982.

Sales increased 9%, to $3.274 billion, in 1983. However, net income fell 4%, to $189 million. This is the second straight year K-C posted lower earnings.

The company cited two major reasons for the decline in net income—the recession accompanied by the strength of U.S. currency in the past two years and a second year of depressed earnings from K-C de Mexico, S.A. de C.V.

Kimberly-Clark derived 29% of its sales and 19.7% of its net income from abroad in 1983 against $2.326 billion in sales, or 71% of total sales, and $135.9 million in net income, or 72% of worldwide net income from its U.S. operations. Earnings from the Mexican division declined to $12 million, or 6% of the company's net income. The Mexican unit recorded only $13 million in 1982, but $36 million, or 18% of the company's net income, in 1981.

Despite the declines, the company did end the year with a strong fourth quarter and continued to report gains into the first quarter of fiscal 1984.

Largely because of higher volume, sales in the first quarter of 1984 increased 11% from the 1983 level, to a record $902 million. Operating profit rose 9%, to $98 million, while net income was $61 million, up 16%.

K-C products are divided into three main groups: Consumer and service; newsprint, pulp and forest products, and paper specialties.

The largest group—consumer and service—accounted for 69% of the company's sales in 1983, up from 68% in 1982. The consumer and service group again had strong volume sales for most of its products, which include facial tissue, bathroom tissue, feminine pads and tampons, disposable diapers, paper towels and incontinence products sold worldwide under a variety of brand names. Operating profit rose 17%, to $315 million, with volume gains particularly strong for Kleenex Huggies disposable diapers and for tissue products.

The newsprint, pulp and forest products contributed 16% to K-C sales; the paper and specialties class, 13%. The paper and specialties class operating profit rose 31%, to a record $77 million in 1983. Operating profit for the newsprint, pulp and forest products sector declined 49%, to $27 million. Company officials said depressed prices for most of 1983 kept profits low.

In addition to the major product classes, K-C is engaged in other activities, such as aircraft maintenance, finishing and refurbishing, machinery design and truck transportation services.

In the consumer divison, K-C reached full national distribution in 1983 of its Depend incontinence garments.

In February, 1984, the company extended the Depend name by introducing an eight-product line of skincare products for incontinence sufferers. The line is currently in Wisconsin markets and available through specialized home healthcare stores. Ad support for Depend in 1983 totaled $3.2 million, most of it for network and spot tv. The brand's competition comes from Procter & Gamble's Attends.

In the $2.5 billion disposable diaper market, K-C's Huggies grabbed a 24% market share in 1983, surpassing P&G's Luvs as the No. 2 brand. P&G's Pampers held on to No. 1 with an all-time low 37% share, while Luvs slipped to 17%. These figures compare with 1982's 42% for Pampers, 19% for Luvs and 14% for Huggies.

Ad spending for Huggies rose again in 1983 to $19 million, an increase of 26% over 1982. In addition to tv and print, the brand received coupon and hospital sampling support.

Analysts predict K-C will lose some of its market share in 1984 because the company is already producing at factory capacity and the market is growing. It is believed by some industry watchers that P&G's new improved Pampers and Luvs should help P&G recover its market dominance.

For feminine hygiene products, K-C continued its ad support of the New Freedom line, spending $15.7 million. This is an increase of 8.2% over 1982's $14.5 million. K-C is considered to be the No. 2 pad marketer with an estimated 35% share.

Keeping up with the competition from P&G's new Always line, K-C introduced nationally a thin pad, New Freedom Thin, in late 1983. Analysts predict the thin pads, which offer the same protection as thick pads but also greater comfort and convenience, will be the next stage of development for external protection.

Ever since the linking of toxic shock syndrome and the use of tampons, the external protection market has shown healthy gains at the expense of tampons. Spending on K-C's Kotex Security tampons reflected this trend and declined considerably to $3,000, from $255,200, in measured ad spending in 1982.

Over-all, the Kotex brand line received $8.3 million in ad support, down 19% from 1982.

Ad spending on K-C's Kleenex facial tissues was $8.4 million last year, a slight increase of 1% over spending for the brand in 1982. Kleenex Softique, an extra-soft product introduced early in 1982, continued to receive heavy ad support of $4.3 million, up 98% over 1983 expenditures.

K-C's lower priced Hi-Dri brand facial tissues and paper towels received $66,000 in ad support in 1983.

It was a quiet year for K-C agencies. The company assigned its K-C nonwoven fabrics division in Roswell, Ga., to Oglivy & Mather, Atlanta, from Kocs & Wesson, Elm Grove, Wis. O&M will handle advertising, direct response and pr services for Evolution recreational fabrics and Accord furniture fabric.

The company also assigned Depend incontinence briefs to M.E.D. Communications, Hopelawn, N.J., for promotion to the medical market. Campbell-Mithun, Minneapolis, continues to handle consumer ads.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$3,869,400	$1,669,900
Magazines........	11,138,700	10,062,500
Spot tv..........	12,308,400	10,831,700
Network tv........	30,682,500	28,787,500
Spot radio........	24,300	86,400
Total measured..	58,023,300	51,438,000
Unmeasured....	19,436,700	17,865,900
Estimated total..	77,460,000	69,303,900

K-C CONSUMER AND
SERVICE COS.
Marketing Personnel
U.S. only

P.N. Larson, president, North American Consumer Products Co.
T.A. Newby Jr., vp-infant care prods
J.D. Bernd, vp-tissue business group

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T.L. Dahl, vp-personal care business group
R.S. Fountaine, vp-U.S. mktg rsch
W.M. Heran, vp-new business devel
G.A. Zins, vp-consumer tissue
R.C. VanDriest, vp-feminine care
G.L. Ker Jr., director-adv services

Advertising Agencies

Oglivy & Mather, New York—Kleenex Huggies diapers; New Freedom feminine care prods; Kotex feminine care prods—C.N. Angers, group director.

Foote, Cone & Belding, Chicago—Kleenex and Softique facial tissue; roll prods; table napkins—D.W. Fox, group mgmt super.

Tatham-Laird & Kudner, Chicago—New Products—L. Garrison, mgmt super.

Campbell-Mithun, Minneapolis—Depend incontinence products; new products—M. Betsch, mgmt super.

K-C HEALTH CARE, PAPER AND SPECIALTIES COS.

Marketing Personnel
(U.S. only)

M.F. Gade, president
K.L. McClure, staff vp-business planning and systems
A.B. Amdur, director, mktg rsch
R.H. Sonnentag, exec vp-technical paper and specialty prods group, newsprint, pulp and forest prods group and nonwoven fabrics divisions
R. Plaut Jr., vp-technical paper and specialty prods businesses
J.H. Sweitzer, director-mktg rsch, specialty prods businesses
C.M. Sutterfield, vp-service and industrial divison
T.D. Plant, vp-technical papers business
J.S. Rausch, vp-nonwoven fabrics div
R.D. Carter, vp-medical fabrics div
G.R. McGrevin, president-health care prods group
A.H. Johnson, president-service, industrial and business papers group
J.O. Skagen, vp-Neenah paper div
R.W. Kohl, vp-Brown-Bridge div
K.A. Ingram, vp-Karolton envelope div
M.O. Nelson, president-newsprint, pulp and forest prods group
S.B. Pinkerton, president-U.S. newsprint, pulp and forest prods

Advertising Agencies

M.E.D. Communications, Hopelawn, N.J.—healthcare prods—William Papciak, vp.

Cargill, Wilson & Acree, Atlanta, Ga.—industrial wipes and service tissue prods, durable printing papers—Tom Sabin, mgmt super.

Ogilvy & Mather, Atlanta—nonwoven fabrics—Ed Brown, acct super.

Carillon Advertising, West Milton, O.—gummed papers—Mario Smiraldo, president.

Kamstra Communications, St. Paul, Minn.—writing and printing papers—John Warner, acct super.

K mart Corp.

	1983	1982
Sales*........	$18,600,000,000	$16,800,000,000
Earnings*.....	492,300,000	261,800,000
U.S. Advertising	400,000,000	366,136,900

*Worldwide

K mart Corp., Troy, Mich., the nation's second largest retailer in sales volume and ninth largest national advertiser, spent $400 million on advertising in 1983, an increase of 9.3% over 1982.

Network tv spending hit $37 million in 1983 and is expected to top $50 million in 1984, much of it already spent on advertising during the Olympics, bearing K mart's exclusive Olympics campaign positioning line: "K mart. We've got it good."

K mart did have it good in 1983, with earnings of $492.3 million, up 88%, on sales of $18.6 billion, up 10.7%. K mart maintained that pace into the first half of fiscal 1984, ended July 25, posting earnings of $202.4 million, a 23.8% increase over the corresponding period in 1983, on sales of $9.23 billion, up 7.1%—results credited to new merchandising programs and remodeling efforts.

K mart would not release a breakdown of sales by division for fiscal 1983, but industry sources suggest the retailer's apparel division generated more than $4 billion in sales, up 11% from 1982. A company official anticipated an increase of 13% to 15% in 1984 apparel sales.

People weekly performs

"When we run in People, we get a double-edged-sword advantage... response from the trade *and* the consumer."

—Dick Conforti, Vice President of Marketing
Converse Inc.

Perhaps more impressive than advertising expenditures alone is the message K mart is striving to get across with those ad dollars and the massive store remodeling and expansion effort the giant discount retailer began three years ago. Now well into the systemwide makeover for a more upscale "store of the '90s," K mart is underscoring the snappier image with new advertising campaigns that speak more to service themes than price points.

"We still want them to think of us as the price leader—we are still a discount store—but we're going more for the generic commercials and highlighting the stores," said Gerald Habeck, K mart director-advertising.

This is the intent of a new tv spot with the theme "satisfaction always," airing in select regions and destined to serve as the prototype for the new K mart campaigns. In the spot aired nationally with Olympic coverage, a small boy with a new K mart catcher's mitt misses everything—fly balls and grounders. He returns the mitt ("it doesn't catch anything") and K mart takes it back.

"That's a strong change in advertising image, by not offering price items on tv but going more for the over-all image," Mr. Habeck says.

Perhaps in its strongest move to identify with a class act, K mart invested $40 million in 1984 Olympic advertising and promotional campaigns.

K mart was the exclusive retail sponsor of ABC's telecast of the winter games in Sarajevo, Yugoslavia. It was co-sponsor of the Summer Olympiad in Los Angeles, with 92 30-second spots. The majority of the retailer's Olympics budget went to tv, the remainder to magazine, radio, newspaper and point of purchase promotions.

Most visible during 1983 were changes in traditional K mart stores, as well as the addition of new name outlets offering a variety of brand-name and other discounted goods. Within existing K mart stores, display floors were remodeled for a more sophisticated look.

The company is attempting to keep its old customers while wooing new ones and encouraging all to consider K mart the place to find quality home and dress fashions at discount prices, in addition to the traditionally inexpensive deals on everyday items.

"Men and women have more spendable income and have upgraded their thoughts about purchasing to include more name brands and more fashion merchandise, so that's what we're trying to carry," Mr. Habeck said. "We wanted to cater to the original K mart customer, but when that customer comes in for an item, we want them to shop the store."

To that end, K mart now features national brand names on nearly 25% of its apparel, including popular draws such as Gloria Vanderbilt, Sassoon and Wrangler. The plan is to continue to add to its stable of popular brand names in 1984, Mr. Habeck said.

In infants wear, for instance, a large proportion of the stock carried this summer will be brand names that feature licensed characters, a popular Christmas item. Among its 2,160 traditional stores, K mart added 40 "Home Care Center" departments in 1983 and intends to introduce the new design to 125 additional stores in 1984. A total of 500 "Kitchen Korner" departments were added in 1983 and another 650 are slated for completion in K mart stores in 1984. And the 715 "Home Electronics Center" departments completed in 1983 will be matched by 750 more to be completed by the end of 1984.

Further, K mart ended the year with 29 Designer Depot off-price specialty apparel stores in operation in Michigan, Ohio, Pennsylvania, Kentucky, Delaware, California, Illinois and Indiana. An additional 30 stores are scheduled to be opened in 1984, featuring brand-name apparel at 20% to 70% off full retail prices found in most department stores.

Again pushing off-price, K mart last year opened Accents, an off-price home fashions and housewares store featuring top-name china, crystal and accessories and a broad assortment of middle-line housewares. Initial success at the prototype store in the Detroit area suggests "modest expansion" of the concept, K mart officials said.

In a focused effort at upgrading regional K mart stores, the company announced plans during 1984 to fully remodel stores in key markets, including Atlanta, Denver, Chicago, Detroit and Buffalo.

Although it has encountered legal snags in the field of financial services, K mart nonetheless plans to expand its activities in that area through its wholly owned subsidiary K mart Insurance Services. During 1983, 25 such centers were installed in K mart stores in Texas and Florida for a total of 27 centers systemwide. K mart intends to open at least 50 additional insurance centers in Texas and Florida in 1984.

K mart continued to open new stores in 1983, but at a slower rate than in previous years. A total of 71 K marts were opened in 1983, 63 of them in the U.S. Twenty-eight K mart stores were closed because of low profitability. K mart also closed 52 Kresge stores in 1983.

Major personnel changes included Mr. Habeck's promotion to advertising director from director of store operations, southern region. He replaced James Moser, who was since been promoted to the new position of senior vp, president of sales and general merchandise manager. Larry Parkin, former senior vp of K mart and vice-chairman of the apparel unit, was named chairman-ceo. Mr. Parkin replaced retiring Arnold Bachner.

ADVERTISING EXPENDITURES

	1983	1982
Magazines........	$11,038,700	$8,933,400
Spot tv...........	10,050,800	8,176,100
Network tv........	23,539,300	32,469,800
Spot radio........	4,867,000	5,638,200
Network radio.....	—	760,500
Outdoor..........	204,200	158,900
Total measured..	49,700,000	56,136,900
Unmeasured....	350,300,000	310,000,000
Estimated total..	400,000,000	366,136,900

Marketing Personnel

G.K. Habeck, director-adv
M.R. McClure, director-creative adv
Ronald R. Dejaeghere, vp-mktg
Edward J. Kreitz, director-mktg

Advertising Agency

Ross Roy Inc., Detroit—Jack Frakes, director-creative adv; Peter Vetowich, exec vp-retail operations; Hal E. Rumble, senior vp-mktg; Byron Shaffer, senior vp-group acct super; Roger Sherman, vp-acct super; Gerald Moody, senior vp-mktg services; Alfred A. Duz, vp-group media director; Patricia Cuda, vp-group media director, broadcast.

Loews Corp.

	1983	1982
Sales*........	$5,260,075,000	$4,747,085,000
Earnings*.....	341,242,000	215,824,000
U.S. Advertising	135,115,100	103,266,800

*Worldwide

Loews Corp., New York, the nation's 48th largest advertiser, raised its advertising budget an estimated 30.8% in 1983, to $135.1 million, as sales rose 10.8%, to $5.3 billion, and net income soared 58.1%, to $341.2 million.

Sales and net income were at record levels, resuming a trend that was interrupted in 1982 by the depressed economy and a competitive marketplace.

In the second quarter of 1984, the most recent period for which figures are available, Loews reported net income of $48.9 million, down 19.1% from $60.5 million in the year-ago quarter. Part of the decline was attributed to realized investment losses of $8.4 million. Revenues rose 5.6%, to $1.39 billion from $1.31 billion. That brought first-half net income to $114.8 million, down 16.6% from $137.7 in the year-ago period. Revenues in the first half rose 1.4%, to $2.668 billion from $2.632 billion.

Typifiying Loews' results for 1983 was the performance of its Lorillard division, which brought in record sales and earnings for an eighth consecutive year despite the dislocations of today's tobacco market. Revenues rose 27%, to $1.5 billion, while the division's contribution to corporate operating income rose 10.3%, to $252.6 million.

Lorillard volume sales increased, raising its share of the cigaret market 0.5%, to 9.1%. This ran counter to a drop in industrywide unit sales. In 1983, that drop was 4.5%. Lorillard climbed into fourth place among the major cigaret producers, moving ahead of American Tobacco Co., now No. 5 behind Philip Morris Inc., R.J. Reynolds Industries, Brown & Williamson and Lorillard, in that order.

A continuing success story for Lorillard has been Newport, which was the only one of the top 20 cigaret brands to show a gain in sales volume last year. It moved up one notch in the rankings to 11th, taking 2.8% of the market, up from 2.4%. Unit sales totaled 16.5 billion, up 10%. Newport would have made it into the top 10 had Lorillard not reattached the Kent designation to Golden Lights, which brought that brand's sales figures into the Kent totals. Ad spending for Newport in magazines and outdoor totaled $15.1 million, up 1.3%.

Lorillard earlier this year decided to focus its attention on Newport's menthol formulation, and it discontinued sales of Newport Red, a nonmenthol version of the brand.

The move to a Kent brand family—Kent, Kent Golden Lights, Kent III—has seemed to stabilize sales of the familiar filter line, which captured a 3.9% market share and took ninth place among major brands. In trade ads, Lorillard calls its marketing program for Kent "a hard-hitting advertising and promotion campaign that establishes the Kent family among the top advertising in the industry." Ad spending last year in magazines, newspaper supplements and outdoor was $19.2 million, down 10.3%.

True's market share continued to decline, as it hit 1.4%, remaining in 16th place among the top 20. To spark a sales revival for the brand, Lorillard has broken a campaign touting a "unique laser filter system [that] delivers taste you never had in ultra low tar before." It provides, according to the campaign, "ultra low tar taste you don't have to learn to like." Ads promoting this laser-cut filter, themed, "Taste new True," have appeared in magazines and outdoor. True ad spending in 1983 in magazines, newspaper supplements and outdoor was $14.5 million, up 29.5% from 1982.

Satin, Lorillard's 100mm cigaret for women, introduced in January, 1983, is estimated to have garnered less than 0.5% of the market, the prevailing benchmark for success for a new brand. This was despite what the company called "the most extensive advertising and promotional program in Lorillard's history."

Satin has received a face lift in the form of a new pack with embossed gold leaf printing, designed to emphasize the theme, "The Satin woman has great taste." Lorillard calls itself the first cigaret producer to utilize the technology to emboss soft packs. Ad spending in 1983 for Satin in magazines, newspaper supplements and outdoor totaled $22.5 million.

Among Lorillard's smaller brands, three received no ad support in measured media, but continue to be available for sale: Old Gold, Spring and Triumph. A fourth, Max, was the object of ad spending of $791,200 in magazines and outdoor, up 31.8%.

In addition to its cigaret brands, Lorillard markets a line of smokeless tobaccos under the names Beech-Nut, Big Red and Havana Blossom. Ad spending last year in spot tv and outdoor totaled $1.3 million, down 40.9%.

In other divisions at Loews, Loews Hotels enjoyed an increase in revenues of 34.4%, to $217 million. Its contribution to corporate operating income rose a whopping 179%, to $93.8 million. The sale of two hotels in London gave the division a $46 million after-tax gain. Domestic ad spending last year in magazines, newspaper supplements and outdoor totaled $334,000.

Various projects in which the hotel division is involved include a pair of Arizona resorts, Loews Ventura Canyon Resort, in Tucson, due to be completed in December, and Loews Paradise Valley Resort, in Paradise Valley, Arizona; nearing completion this year;

the opening of Loews La Napoule Hotel on the French Riviera, and Loews Glenpointe Hotel, a managed property in Teaneck, N.J. A $102 million expansion is under way at the Loews Anatole Hotel in Dallas, which was chosen to host President Reagan and his staff during the Republican National Convention.

Loews Theatres, for the fifth consecutive year, achieved record results, as revenues rose 9.2%, to $70.1 million, and its contribution to corporate income rose 8.3%, to $15.7 million. Outdoor ad spending in 1983 was $56,100.

The division's total number of screens hit 194, with the opening of three complexes—in Arlington, Tex.; suburban Rochester, N.Y., and the borough of Queens in New York—and the addition of theaters to already-existing complexes. That figure will rise by 48 by yearend, with the opening of more complexes in cities including New York, Indianapolis and Houston.

The CNA Financial division achieved what the company considered "favorable earnings and sales results," despite what it called "the continuing pressures on profitability within the insurance industry." Revenues rose 0.2%, to $3.3 billion, while income contribution rose 28.5%, to $79.2 million. Domestic ad spending last year in magazines and outdoor was $3 million.

In 1983, the CNA division launched what Loews noted was "the most extensive advertising campaign in the company's history," themed, "For all the commitments you make," via radio and such print vehicles as *Forbes, Newsweek* and *Sports Illustrated.*

General Finance Corp., which handles consumer finance, was sold by Loews last November to Credithrift-Financial Corp., a subsidiary of American General Corp. There was an after-tax gain on the sale of $60.7 million. Loews' outdoor ad spending on General Finance was a mere $26,400.

Bulova Watch Co. continued to lose money for Loews, albeit at a reduced rate. While revenues rose 0.7%, to $152.2 million, there was a loss of $8.4 million, compared with a loss of $17.4 million the year earlier.

Some of the steps taken to reverse the red ink included a repositioning and redesign of the Bulova line, as well as the lower-price Caravelle line, and the introduction of Dimension, a line of thin wall clocks. The division's advertising account was moved to Sherwood & Schneider, New York, from Doyle Dane Bernbach, New York. Ad spending in 1983, in magazines, newspaper supplements, outdoor, network tv and spot tv, totaled $2.7 million, down 15.6%.

In other corporate developments, Loews last May sold a block of stock in St. Regis Corp., amounting to 8.5% of St. Regis' total outstanding shares, to Georgia-Pacific, as part of a transaction by which Georgia-Pacific acquired St. Regis' domestic container division. Loews made a profit of almost $40 million on the deal. And last March, Loews lost the distinction of being the highest priced issue on the New York Stock Exchange, as a 2½-for-1 split brought its common stock down from the $200-a-share range.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$22,533,300	$22,645,400
Magazines	45,249,900	28,955,400
Spot tv	1,277,100	3,692,000
Network tv	1,795,100	1,176,200
Spot radio	156,000	136,000
Outdoor	37,103,700	23,661,800
Total measured	108,115,100	80,266,800
Unmeasured	27,000,000	23,000,000
Estimated total	135,115,100	103,266,800

LORILLARD DIVISION
Marketing Personnel
C.H. Judge, chairman
J.R. Ave, president
R.H. Orcutt, senior vp-sales
T.H. Mau, vp-adv and brand mgmt
S.R. Ridgway, vp-pr
J.P. Mastandrea, vp-sales
L. Gordon, vp-trade devel
G.R. Telford, group brand director
M.H. Burke, group brand director
C.W. Toti, director-mktg services
M.K. Capra, director-mktg devel
J.E. Daghlian, director-mktg devel
W. Sands, media director
P.A. Lawless, sales promo director
S.T. Jones, mktg rsch director
R.D. Hammer, E.M. Kiernan, A. Pasheluk, senior brand mgrs
C. Garbin, M.A. Kayiatos, C. Ray, brand mgrs
K. Curren, V. Lindsley, C.M. Stumpf, assoc brand mgrs
C.R. Elam, J.A. Guardino, M.A. Kaminski, V.L. Lamb, asst brand mgrs

Advertising Agencies

Foote, Cone & Belding, New York—Kent family (Kent, Kent III, Kent Golden Lights), Max, new prods, corporate trade—Jack Angus, group mgmt director; Paul Iffland, mgmt director; Jill Seligson, acct super.

Dancer Fitzgerald Sample, New York—Triumph, True, Beech-Nut chewing tobaccos, new prods—Tom Bohan, mgmt director; Joe Albanese, Jerry Darringer, mgmt supers.

MCA Advertising, New York—Newport, Old Gold, Satin, new prods—Warren Dechter, managing director; Ed Ricci, Ted van de Kamp, acct directors.

Jordan, Case & McGrath, New York—new prods—Pat McGrath, president; Norm Carrier, mgmt super.

Pr Agency

Carl Byoir & Associates, New York—Gene Oliva, acct super; Susan Rakowski, acct exec.

LOEWS HOTELS
Marketing Personnel
Robert Hausman, president
William Maibach, exec vp
Ann Bontempo, vp-pr
Philippe Borel, vp-mktg
Marian Succoso, director-mktg services

Advertising Agencies

Nadler & Larimer, New York—Vernon Mosheim, acct exec.

Cavalieri & Kleier, New York—Ian Kleier, acct exec.

Enterprise Advertising Associates, Toronto—Alan C. Middleton, general mgr.

Warren/Kremer Advertising, New York—Christine Marino, acct exec.

LOEWS THEATRES
Marketing Personnel
Bernard Myerson, president
Bernard D. Diamond, exec vp
Donald F. Baker, vp-adv
Ted J. Arnow, asst vp-adv and promo
Henry I. Goldenberg, adv director

Advertising Agency

Charles Schlaifer & Co., New York—Herb Joseph, vp-acct exec.

CNA INSURANCE COS.
Marketing Personnel
Edward J. Noha, chairman and ceo
Philip L. Engel, vp-mktg
Thomas W. Snyder, vp-corp communications
Ronald J. Ventrella, asst vp-property/liability distribution
Stephen H. Lewis, vp-life/health/pensions distribution

Advertising Agency

Frank C. Nahser Inc., Chicago—business, trade publications—Ron Nahser, president.

BULOVA WATCH CO.
Marketing Personnel
A.H. Tisch, president
Jerry Josephson, vp-mktg
George Forman, vp-adv

Advertising Agency

Sherwood & Schneider, New York—Jim Massey, senior vp.

Mars Inc.

	1983	1982
Sales*	$2,083,000,000	$1,490,000,000
Earnings	N/A	N/A
U.S. Advertising	120,350,500	120,007,600

*Worldwide

Mars Inc.'s red-hot ad program, which expanded 53% in 1982 alone, came to a grinding halt last year as a meltdown in advertising support for its M&M/Mars and Uncle Ben's Foods divisions kept spending about equal to 1982 levels. Led by a substantial increase in advertising for its Kal Kan pet food operations, Mars was able to keep companywide ad spending at $120.4 million, up 0.3% from last year, making it the nation's 55th largest advertiser.

Mars has administrative headquarters in McLean, Va.

Although ads linked to Mars' status as the "Official Snack Food of the 1984 Olympics Games" may be a catalyst for increased spending in 1984, ad support in 1983 fell dead in its tracks as the company's first and third largest units pulled back on the previous year's ad commitments.

Known as one of the nation's most secretive corporations, privately held Mars does not release sales figures, ad budgets or profit statements. The company, closely watched by the confections industry, took home 22% of the $6 billion total national candy sales in 1983, according to the *Confectioner*, a trade publication.

Within the candy segments, Mars is the leader in the nation's candy bar market with an estimated 45% share, producing annual sales of $1.3 billion. In the chocolate candy bar segment, Mars holds 41% of the market, a national share threatened only by Hershey Foods with its 28.5%.

Despite its powerhouse status, M&M/Mars may feel some anxiety this year, as experts say Hershey was able to chip away at Mars' segment of the business in 1983. Observers say that while Hershey's market share increased 2% in 1983, Mars's fell an estimated 2%. Meanwhile, measured expenditures for M&M/Mars fell 4.6%, to $60.4 million.

Even with a modest decline in market share, it is estimated that Mars controls five of the nation's ten-top selling candy bars, including M&M plain and peanut products and Snickers, estimated to be the country's most popular candy bar.

While measured ad spending for M&Ms and the Snickers bar rose 40% and 7%, respectively, in 1983, budgets for other big sellers such as the Mars and Milky Way bars fell substantially. Despite the decline, candy-related spending still accounted for an estimated 60% of Mars' entire ad budget.

Mars introduced no new candy products in the past year, but one item, its Applause caramel apple bar, was withdrawn from test after a short run in midwestern markets. Company officals gave no reason for pulling the product and said there are no announced plans to relaunch the item.

Measured ad spending for Mars' Uncle Ben's Foods fell to $9.2 million last year, although the $500,000 cutback did not threaten the company's place as the No. 2 rice marketer in the nation, behind Colgate-Palmolive's Riviana rice business. Uncle Ben's officials would not project any increases for this year's spending, but said there has been substantial ad support for the rollout of its first "premium mixed" rice product—Rice Florentine. The new product introduction was handled by Ted Bates Advertising/New York, now agency of record for the entire Uncle Ben's line.

It is believed Uncle Ben's holds about 20% of the over-all dried and prepared rice market, leading all producers in the sale of long-grain and wild rices. Sales increased to an estimated $161.7 million in 1983 and are expected to increase an estimated 2% to 3% in 1984.

Mars' line of snack products racked up substantial increases in ad support during 1983, up an estimated 211%. Its premier snack offering, Combos cheese-filled pretzels, now offered in four different flavors, is in half the U.S.

Another snack product, known as Corn-Quistos, still is being tested in southern markets. The company's Snack-Master division said the product is available in about 25% of the nation, but it would not comment on any expansion plans for either snack product.

Combos' measured ad support reached $5.2 million last year, while initial ad spending for Corn-Quistos was slightly more than $466,000.

Mars continues to beef up ad spending for its Kal Kan pet food line. The segment was the only major Mars offering to boost ad spending in 1983, up $5.3 million from the previous year's $24.3 million. With the increased ad support for its Kal Kan products, Mars' pet food division now accounts for a quarter of the company's total ad budget. Advertising this year and last included the promotion of a revamped version of Mealtime dry dog food and the introduction of two new flavors for Kal Kan canned cat food.

In a rare peek into Mars' sales performance, company officials now confirm that an estimated 17% increase in company pet food sales in 1983 pushed Kal Kan ahead of General Foods as the nation's third largest pet food marketer. John C. Maxwell, an analyst for A.G. Becker Paribas, New York, now estimates that Mars has 8.6% of the over-all pet food market with total sales of about $421.5 million.

In a rundown of Mars' performance in different pet food segments, Mr. Maxwell said Kal Kan products are now vying for the top slot in several different catagories.

Kal Kan canned dog food ranks as the No. 2 canned product behind GrandMet USA's Alpo; Kal Kan canned cat food trails only Heinz's 9-Lives in its respective segment; Mars' Mealtime was the sixth largest seller in the dry dog food market and its Crave dry cat food offering was the fifth biggest seller in its market segment.

Measured media spending for all other major Mars Inc. brands include:
- Candy: Snickers, $17.4 million, up 7%; M&Ms (peanut and plain), $13.3 million, up 40%; Twix, $6.1 million, down 9%; Mars Bar, $4.6 million, down 18%; Milky Way, $4.6 million, down 30%; Starburst, $4.4 million, up 22%; 3 Musketeers, $2.2 million, down 67%; Skittles, $1.3 million, up 18%; Lockets cough drops, $465,500, unmeasured in 1982; Summit, $326,000, down 89%.
- Snacks: Combos (in test), $5.2 million, up 93%; Corn-quistos (in test) $466,300, unmeasured in 1982.
- Pet foods: Mealtime dry dog food, $9 million, up 84%; Kal Kan canned dog food, $7.7 million, up 48%; Crave dry cat food, $6.6 million, down 30%; Kal Kan canned cat food $5.4 million, up 13%; MPS Chunks canned dog food, $853,900, unmeasured in 1982.
- Rice products: Uncle Ben's rice, $9.2 million, down 5%.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,864,300	$1,355,500
Magazines	2,811,500	2,533,200
Spot tv	44,332,500	46,508,600
Network tv	52,101,500	49,661,300
Spot radio	350,500	849,000
Network radio	774,200	—
Total measured	102,234,500	100,907,600
Unmeasured	18,116,000	19,100,000
Estimated total	120,350,500	120,007,600

M&M/Mars Division
Hackettstown, N.J.
Howard L. Walker, president
J. Langdon, senior vp-brands and sales

Mars Broker Division
Ove Sorenson, vp

Snack-master
Albany, Ga.
Sam Dewar, president
Thomas Weigman, vp-sales and mktg

Uncle Ben's Inc.
Houston, Tex.
Thomas Armstrong, president
Al Aragona, vp-mktg and sales

Kal Kan Foods Inc.
Vernon, Cal.
John H. Barrow, president.
Al Poe, vp-brands

Advertising Agencies

Ted Bates Advertising, New York—pet foods—Jerry Brady, mgmt rep. Kal Kan canned dog food, Kal Kan canned cat food, Mealtime dry dog food; candy and snacks—M&M's chocolate candies (Plain and Peanut), 3 Musketeers bar, Snickers bar, Starburst fruit chews, Royals mint chocolates, Skittles bite size candies, Summit bar; Snack-master's Combos filled snack, Cornquistos filled snack; Uncle Ben's—Michael Passert, mgmt rep; Diane Ashley, acct super; Rick Bosse, acct super.

D'Arcy MacManus Masius, New York—candy and snacks—Bruce Guidotti, acct group director. Mars bar—Robert Gibralter, acct super; Milky Way bar, multi-brand promotion, new products—Bruce Guidotti, Robert Gibralter; Twix caramel cookiebar—Eric Fisher, acct super. Snack-master—new products—Bruce Guidotti, Eric Fischer.

D'Arcy MacManus Masius, St. Louis—pet foods—Jack Bruemmer, mgmt rep; Crave dry cat food, MPS canned dog food; candy and snacks—Lockets cough drops.

Mattel Inc.

	1983	1982
Sales*	$989,495,000	$1,341,914,000
Earnings*†	(394,100,000)	42,390,000
U.S. Advertising	179,934,800	217,900,000

*Worldwide, fiscal years 1984 and 1983 ended Jan 30
†Includes discontinued operations.

Mattel Inc., Hawthorne, Cal., which cut ad spending to $179.9 million in 1983, a 17.5% reduction, was the nation's 36th largest advertiser.

Mattel, built on the success of the Barbie doll, once again is concentrated in the toy business after a sweeping divestiture precipitated by heavy losses in videogames.

The company posted a net loss of $394.1 million for the 1984 fiscal year ended Jan. 30. Discontinued operations resulted in losses of $420.7 million during the period. Out of the net loss from discontinued operations, Mattel Electronics was the biggest drain, alone accounting for a negative $361 million.

The electronics unit, which previously produced fat profits from sales of the Intellivision videogame, was sold in February, 1984, for $20 million to a group of investors headed by principals of Odd Lot Trading, a New York closeout merchandise retailer that subsequently was acquired by Revco D.S. Inc., the drugstore chain. To raise cash, Mattel also sold its publishing, hobby products and circus theme park operations as well.

Despite the divestitures to raise capital, Mattel's financial state was so precarious that 45% of the company was sold in July, 1984, to a group of investors in exchange for $231 million. A group led by E.M. Warburg, Pincus & Co., Drexel Bernham Lambert and Riordan & Joseph made the investment.

Mattel's bright spot is toy operations, now Mattel's only business, which is solidly profitable and making gains. Mattel sales in the fiscal year (excluding discontinued operations such as videogames) were up 24%, to $663.4 million. Operating profit advanced 36%, to $81.5 million. Domestic market share in toys increased from 7.5% to 12% in the past three years, the company says.

About $60 million of Mattel's estimated 1983 total ad spending, including unmeasured advertising, supported toys. The balance of its $179.9 million ad spending was devoted largely to videogames. Ad spending in 1984 is expected to be reduced sharply because only toy products remain under the corporate umbrella.

In measured spending, Mattel spent $13.8 million on dolls and accessories and $20.1 million on toys, such as He-Man, Masters of the Universe and Hot Wheels. Mattel spent $26 million more in unmeasured advertising (direct mail, co-op, promotion, tie-ins, sponsorships, etc.) on toys.

Pacing toy sales is He-Man and Masters of the Universe, the line of plastic action figures developed internally, which in its third year sold 23 million units worldwide. A syndicated animated tv series based on He-Man, co-produced with Group W Productions, is highly successful and has spawned imitators.

Super Heros Secret Wars, another line of male-oriented plastic action figures based on a license from Marvel Comics, was introduced in early calendar 1984.

The Rainbow Brite line of plush dolls, licensed from the Hallmark Cards characters, sold out in February, 1984, to the trade. A heavy newspaper ad campaign, with a coupon offer for a Rainbow Brite poster, kicked off the consumer introduction in late 1984.

Barbie dolls, celebrating their 25th anniversary, sold 23 million units worldwide.

Hot Wheels, the 16-year-old line of die-cast miniature cars, continues to sell well.

Mattel introduced a 169-product gift line aimed at children and adults under the Emotions brand name. Typically Mattel products have not been aimed at adult consumers.

Mattel says it wants to broaden its product lines and, to that end, has quadrupled market research spending in the past four years.

On the other hand, the Monchichi line of monkey-like dolls no longer is being manufactured.

Mattel's executive suite has experienced some turmoil. Mattel Toys president Raymond P. Wagner left abruptly in 1983. He is now a board member and consultant to Hasbro Industries, a Mattel competitor. Glenn A. Hastings succeeded him as Mattel Toy's U.S.A. president in November, 1983. In May, 1984, Mr. Hastings got the title of president-office of the chief executive.

Also departing at this writing is Robert E. Anderson, corporate president-ceo, who is becoming a consultant, but remains on Mattel's board.

In June, 1984, Mattel merged Mattel's corporate staff and toys organization into a single operating organization.

Ogilvy & Mather, Los Angeles, is the company's principal agency. Ed Libov Associates, the media buying agency, handles assignments on a project basis.

Advertising for toys has been stepped up dramatically outside of the industry's peak Christmas season. Mattel found by advertising at other times it moved more products in those time periods, but expects the major portion of its business will continue to be Christmas, says a spokesperson.

In 1983, Mattel products were used in promotions mounted by Procter & Gamble, Pepsi-Cola, McDonald's and M&M Mars.

Divestiture moves included the following:

- Western Publishing Co., the Racine, Wis.-based publishing arm, was sold in February, 1984, for $67 million. Mattel took a $48.3 million writedown on the sale, after buying Western Publishing for about $120 million in 1979.
- Monogram Models, the hobby products operation, was sold for $12 million in March, 1984.
- Circus World Inc., the Florida theme park, was sold for $10 million in May, 1984. Mattel sold the Ringling Bros. and Barnum & Bailey Combined shows (circus and ice show) in March, 1982.
- Mattel Electronics was sold in February, 1984, for $20 million.

Mattel lays claim to being the largest independent toy company in the world. The pending merger of Hasbro and Milton-Bradley will create an independent toy concern nearly as large. In over-all calendar 1983 sales, Mattel is second to General Mills, whose toy group—consisting of Kenner Products, Parker Bros. and Fundimensions—cumulatively sold about $100 million more.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$2,031,700	$5,799,900
Magazines	4,783,200	9,238,300
Spot tv	18,520,200	19,956,400
Network tv	52,074,700	60,984,600
Spot radio	417,600	156,100
Network radio	131,400	1,486,200
Outdoor	223,600	76,600
Total measured	78,182,400	97,698,100
Unmeasured	101,752,400	120,201,900
Estimated total	179,934,800	217,900,000

Marketing Personnel

Glenn A. Hastings, president-ceo
Thomas J. Kalinske, president, Mattel USA
John W. Amerman, president, Mattel Intl
Judith A. Shackelford, senior vp-worldwide category mgmt
Jill E. Barad, vp-worldwide category mgmt
D. Paul Cleveland, vp-worldwide category mgmt
Thomas D. Hatch, vp-worldwide category mgmt
Joseph F. Morrison, vp-mktg services and admin

ADVERTISING AGENCIES

Ogilvy & Mather, Los Angeles—Gerald D. McGee, exec creative director, senior vp, mng director. Jill Himonas, senior vp; Daniel Dixon, Elaine Haller, senior vp-creative directors; Hugh Branigan, vp-creative director; Jim Weir, exec tv producer.

Ed Libov Associates, Los Angeles—Thomas Maney, exec vp-genl mgr; Dan Chepley, corp senior vp (New York).

Mazda Motors of America Inc.

	1983	1982
Sales*	$5,846,280,000	$4,248,050,000
Earnings*	109,890,000	91,410,000
U.S. Advertising	74,500,000	70,531,400

*Worldwide, fiscal years ended Oct. 31

Mazda Motors of America, the fourth largest Japanese auto importer in the U.S., was the 81st largest national advertiser in 1983 with advertising of $74.5 million, a 5.7% increase over the previous year.

Mazda, which markets both autos and trucks, had its best year ever in the U.S. in 1983 with worldwide earnings of $109.9 million on total sales of $5.8 million.

Those financial results translated into 249,538 unit sales—including 76,150 trucks and 173,388 cars—a 22% increase over 1982 and good enough to boost Mazda's share of the total U.S. market to 2.2%, up from 2.1%, and elevate its 7.5% U.S. market share for import registrations in 1982 to 8.3% in 1983.

Mazda in the U.S. is a combination of Mazda Motors of America Inc. (Central), Rancho Dominguez, Cal., and Mazda Motors of America (East), Jacksonville, Fla. The California unit is a joint venture of Mazda Motors Corp. and Sumitomo Corp. and handles car and truck imports to the Pacific, Northwest, Great Lakes and Gulf regions. The Florida operation is a subsidiary of the C. Itoh Co. and handles imports to an 18-state region.

Formerly known as Toyo Kogyo Co. Ltd., the parent company became Mazda Motor Corp. on May 1, a name change that was aimed at dispelling the confusion caused by differing corporate and product identities. The products manufactured by the Hiroshima, Japan-based company already were well-known as Mazda worldwide.

Worldwide unit sales recorded by the parent Mazda Motor Corp. were 1.3 million units, including 174,220 "knockdown sets" (not assembled), up 11.7% from fiscal 1982.

Mazda would like to broaden its model lineup in the U.S., but import restrictions limit the company to about 180,000 cars. Of those, only 30% are the subcompact GLC price-leader ($5,059) and 40% are the 626, a European sedan-look-alike ($8,295 to $10,895). The rest are the high-performance RX-7s ($10,395 to $15,295).

Mazda spent $44 million on measured media, according to figures monitored by Leading National Advertisers for six media. Its dealer franchises for both cars and trucks spent an additional $4.8 million.

Network and spot tv and continued use of auto enthusiast magazines and national newsweeklies were the media mainstays behind the introduction of Mazda's 1984 model line. Tv and print ads continued to keep up the price/value theme of previous years, as well as stressing the "outstanding total performance" of the entire Mazda line. Measured ad spending broke down to $14.6 million in magazines, $27.2 million in network tv and $2.3 million in spot tv.

In the fall, Mazda also continued its "weekend" promotion strategy on network tv, with the effort heavily weighted with sports programing, all aimed at reaching the upscale male audience, with annual incomes of more than $35,000. Mazda maintained its sponsorship of football and basketball events, taking part in the televised games of the NCAA, NBA, NFL and USFL. It also sponsored "Cable Sports World" on Entertainment & Sports Programming Network and for the seventh straight year was a sponsor of "NFL Week in Review" and "NFL Weekly Magazine," two barter-syndicated series from Pro Sports Entertainment.

The "Mazda SportsLook" series of sports journalism programs was shifted to ESPN early in 1984. The Mazda-sponsored show had been on the USA Cable Network. Mazda spent $664,592 on cable tv in 1983, up 21% from 1982, according to Broadcast Advertisers Reports, with 40% of the total going to its B2000 pickups.

The company also sponsored the $200,000 Deer Creek Tournament in Florida and the $200,000 Mazda Japan Classic, the final event in its 34-tournament LPGA series. In men's golf, Mazda was a major automotive sponsor of the Tournament Players Championship in Jacksonville, Fla., and the Tournament of Champions at La Costa, Cal.

Mazda continued its involvement in auto racing, with its RX-7 high-performance rotary engine sports passenger car winning its fourth consecutive GTU championship of the International Motor Sports Assn. With its emphasis on the racing program, the company is trying to erase the negative image of the rotary engine as a gas-guzzling power plant that breaks down.

This seems to be working. In 1983, the Mazda RX-7 was the top selling two-seat sports car in the U.S., selling 51,955 units, up from 48,567 units the previous year. Measured ad spending on the RX-7 was $6.2 million—$3.7 million in network and $183,400 in spot tv, and $2.3 million in magazines.

But unit sales of the RX-7 were behind sales of the popular 626, the company's best selling car with 67,679 units sold in 1983. The 626 was supported with $14.7 million, Mazda's largest advertising outlay. The company spent $8.3 million in network tv, $410,100 in spot tv and $6 million in magazines.

Sales of the GLC economy cars also totaled about 50,000 units. The lowest priced GLC was the four-speed, three-door hatchback, which listed for $5,095. Measured media spending was $9.1 million, again heavily concentrated in network tv ($5.3 million) and magazines ($3.5 million).

Going into the 1984 model year, Mazda continued its "Experience Mazda" theme, with print ads featuring full-body shots of the GLC, RX-7 and 626 cars. The "experience" theme also predominated in network spots that showed the cars on a track, stressing over-all performance and features.

More than one-third of the total annual budget went to promote the 1984 B2000 and SE-5 pickup trucks, which included $11.5 million in measured media, 78% ($9.1 million) in network tv. For the third year, "Sakes alive! Only Mazda has a truck for $5,995" was the theme. The SE-5 version of the B2000 is a sporty model that was priced to compete with other imports and U.S. pickups. It helped to lead Mazda to a record 75,751 units in truck sales in 1983, an 86.3% increase over the previous year. In 1981, the company sold just 16,798 trucks, but with its new orientation in the truck market, it projects sales of 100,000 units this year.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,970,600	$1,991,400
Magazines	14,550,500	12,360,700
Spot tv	2,273,700	16,737,500
Network tv	27,159,700	26,709,700
Spot radio	—	45,700
Outdoor	—	86,400
Total measured	45,951,500	57,931,400
Unmeasured	28,548,500	12,600,000
Estimated total	74,500,000	70,531,400

Marketing Personnel

Mazda Motors of America (Central)

T. Ogawa, president
R. Hayden, senior vp-general mgr
D. Bowen, vp-mktg
R. Parker, sales mgr
B. Wolf, public affairs mgr

Mazda Motors of America (East)

S. Kano, president
E. Sundstrom, senior vp-genl mgr
J. Trado, vp-sales and mktg
G. McCabe, genl sales mgr

Advertising Agency

Foote, Cone & Belding/Honig, Los Angeles—W. Mansfields, senior vp-group mgmt director; J. Arnold, vp-mgt director; B. Fogel, natl adv acct director, cars; S. Morrissey, natl adv acct director, trucks.

MCA Inc.

	1983	1982
Sales*	$1,584,539,000	$1,586,022,000
Earnings*	147,160,000	176,198,000
U.S. Advertising	74,543,600	80,100,000

*Worldwide

MCA Inc., Universal City, Cal., parent of Universal Studios, was the nation's 80th largest advertiser with advertising of $74.5 million, off 7% from the previous year.

The ad downturn parallels that of earnings, which slipped 16.5% to $147.2 after the Universal film studio arm lost the "E.T., the Extra-Terrestial" magic that sent 1982 sales and profits soaring.

Sales of $1.6 billion in 1983 were flat, a credit to the extraordinary infusion of revenues into the company in 1982 from the summer release of the movie, "E.T.", which grossed $360 million domestically and $250 million abroad as it surpassed "Star Wars" as the all-time movie box office champ.

MCA, whose measured media spending dropped 3.4% to $40.8 million in 1983, spent most of its media budget through Universal Pictures, its movie unit that is one of Hollywood's major film studios, to support new releases. Measured spending on movies was $31.2 million, up 5% from 1982.

Movies receiving more than $1 million in measured spending included "Scarface" $4.6 million, "DC Cab" $2.8 million, "Jaws 3-D" $2.7 million, and "Psycho II" $2.5 million.

"Bad Boys," received $1.3 million, "Doctor Detroit" $1.7 million, "Metalstorm" $1.3 million, "Private School for Girls" $1.6 million, "Sophie's Choice" $1.8 million, "Stroker Ace" $1.9 million, and "The Sting II" $1.8 million.

In November, 1983, Frank Price, the then Columbia Pictures' president who once headed Universal's tv production arm, rejoined MCA. He was named president of MCA Inc.'s motion picture group, a new unit, replacing Robert Rehme, theatrical motion picture group president, who left.

Mr. Price, whose reign at Columbia was marked by a string of comedy blockbusters such as "Tootsie" and "Stir Crazy," installed a new executive team, largely recruited from the studio he left, that dislodged Mr. Rehme's executive corps. Mr. Price is expected to beef up Universal's offerings of youth-oriented comedies, a genre the studio has not successfully tapped in the past.

Marvin Antonowsky, Columbia's top marketing executive, became president of Universal Pictures marketing division, succeeding Charles O. Glenn, executive vp-advertising, publicity and promotion, who moved to Orion Pictures.

Mr. Antonowsky, whose background includes top research and program posts at ABC and NBC tv networks, is recognized as a proponent of using large network tv ad campaigns to support films opening in wide release. Not surprisingly, "Scarface" and "DC Cab," the two films with the most measured spending in 1983, were among the first films released after his arrival in November, 1983.

Universal Television the studio's tv production arm, regained its status as the leading supplier of tv series to the three commercial tv networks, after slipping a few notches in recent years. Universal placed five of its 13 series pilots on the commercial networks' 1984-85 season premiere schedule, the best of any producer.

Tv operating profits are expected to be up sharply in the years ahead because of syndication sales of Universal Television's series, handled by the company's distribution arm, MCA TV.

"Magnum, P.I." will generate more than $200 million in sales to domestic tv stations by the time it becomes available for syndication telecast in fall, 1986, the studio said. MCA TV will begin sales of "Simon & Simon" in late 1984 and "Knight Rider" in 1985.

On top of that, MCA TV is collecting distribution fees for syndicating series made by other producers. "Gimmie a Break" from Alan Landsburg Productions is selling briskly in 1984 and "A-Team" from Cannell Productions will go on the block in syndication during 1985.

Syndication sales are lucrative because network license fees have covered much of a series' expenses in advance, allowing much of the syndication revenue to flow directly to the bottom line.

MCA TV sold an original series for syndication to start in fall, 1984, "Puttin' on the Hits," a weekly half hour in which participants lipsynch hit songs. "Hits" is supported by national advertising.

MCA Home Video, which primarily distributes videocassette versions of Universal Pictures releases, is trying to carve out a niche as a marketer of original programs for home video. To that end, it has released first-run programs in children's, fitness and adult areas.

The home video market was waiting with bated breath in 1984 for the release of "Love Skills," an instructional videocassette that reportedly includes full nudity and simulated intercourse. MCA Home Video wanted to stress the informational value of the hour-long video, and was peeved that publicity before the videocassette's release made it out to be a sexual exploitation venture.

MCA was co-plaintiff with Walt Disney Productions, in pressing the so-called "Betamax suit" seeking to be compensated by videocassette marketers for off-air taping by the public of copyrighted tv programs. In January, 1984, the U.S. Supreme Court in a 5-to-4 decision ruled that the recording of tv programs for private use does not violate federal copyright law. MCA and other Hollywood interests have been unable to get Congress to pass special legislation on their behalf.

MCA is a partner with Paramount Pictures, the Gulf & Western unit, and Home Box Office, the Time Inc. unit, in USA Network, the ad-supported basic cable tv program service. The partners did not bail out of USA Network, despite rumors that they might do so. "USA is very healthy," said Kay Koplovitz, president. Estimated ad sales of the network in 1983 were $31.6 million, up from $21.8 million in 1982, according to Broadcast Advertiser's Report.

To bolster USA Network's programing, MCA and the other partners are letting it cablecast some of their best tv programs before the same programs are available to the general syndication market.

MCA's Spencer Gifts, Atlantic City, drew measured media support of $7.3 million, the same as in 1982. Spencer is a retail and mail-order company with 435 retail stores.

MCA also operates music labels and book publishing units.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$7,223,400	$4,593,500
Magazines	2,563,000	1,426,900
Spot tv	13,034,600	8,950,300
Network tv	16,067,700	20,467,000
Spot radio	1,300,000	6,400,000
Network radio	253,600	83,200
Outdoor	351,300	292,400
Total measured	40,793,633	42,213,300
Unmeasured	33,750,000	37,886,700
Estimated total	74,543,600	80,100,000

MCA INC.

Lew R. Wasserman, chairman-ceo
Sidney Jay Sheinberg, president-coo

UNIVERSAL PICTURES

Marketing Personnel

Frank Price, vp-MCA, president Universal Pictures
Marvin Antonowsky, president-Universal Pictures, mktg div
Edward Roginski, senior vp-Universal Pictures, mgr mktg
Michel Reese, vp-publicity and promo, West Coast and natl field operations
William Soady, president Universal Pictures, distribution div
John Butkovich, vp-media and coop adv
Roger Seltzer, vp-mkt rsch
Roger Edwards, director, mktg rsch
Don Barrett, natl director, promo and field activities
Frank Wright, director, natl publicity
Hy Levine, media mgr

Advertising Agency

Doyle Dane Bernbach/West—Simon Kornblit, exec vp-director acct services; Jim Spero, senior vp-media director, Lisa Pompan, media super; Ann-Marie Whitman acct exec; Steve Thompson, asst acct exec.

MCA HOME VIDEO

Marketing Personnel

Gene Giaquinto, president
Jerry Hartman, vp-mktg

Advertising Agency

Cavalieri & Kleier Advertising, New York—Ian Kleier, vice-chairman, mgmt super; John Cavalieri, chairman-creative director; Paul F. Purcell, acct super; Mark Seigfreid, acct exec; Michael Katz, media director.

MCA RECREATION SERVICES

Marketing Personnel

J.S. Stein, vp-MCA Inc., president-MCA Recreation Services
Gordon Armstrong, exec vp-mktg
Herb Steinberg, vp-corp relations

Advertising Agency

FCB/Entertainment, Los Angeles—Universal Studio Tour, Universal Amphitheatre, Womphoppers Wagon Works Restaurant, Yosemite Park and Curry Co., MCA Concerts—Steve Hayman, senior vp-director entertainment div; Bill Bartley, creative director; Denise Hitchcock, senior acct exec; Catherine Adams, acct director; Cathy Fleig, media super.

SPENCER GIFTS

Atlantic City, N.J.

Marketing Personnel

J. Eugene Brog, president
John L. Doyle, exec vp-director operations
Charles H. Ross, exec vp-genl mgr-retail div
George R. Zilling, vp-mktg, planning, rsch, devel

Mail-Order Operations

S. Gary Stern, vp-merch

Dotti J. Watts, intl mktg admin

Advertising Agency

Fairfax Inc., New York—James Fishel, acct exec; Peter Joyce, media director.

MCA RECORDS

Marketing Personnel

Irving Azoff, president
Sam Passamano Jr., vp-promo mktg
Larry Solters, vp-artist devel

Advertising Agency

Lankershim Advertising (inhouse).

MCA DISTRIBUTING

John Burns, senior vp

McDonald's Corp.

	1983	1982
Sales*	$8,687,000,000	$7,809,000,000
Earnings*	342,640,000	300,644,000
U.S. Advertising	311,378,000	265,541,400

*Worldwide

McDonald's Corp., Oak Brook, Ill., was the nation's 16th largest advertiser in 1983 with estimated domestic advertising/promotion spending of $311.4 million, a 17.3% increase over 1982.

According to company figures, the McDonald's system (including all franchisee and international expenditures) last year spent $423 million on advertising, a 15% increase over 1982 and nearly double the $215 million spent in 1978.

Systemwide sales for McDonald's were $8.687 billion in 1983, up 11.2%. The 1,949 company-operated restaurants accounted for $2.297 billion, or 26.4% of total sales. Remaining sales came from the 5,829 stores operated by franchisees and affiliates (the latter are largely overseas joint ventures). The 7,778 stores open systemwide at yearend represented a 7% increase (519 stores) over 1982.

McDonald's growth strategy calls for the opening of 500 new stores each year, and it has exceeded that goal in each of the past several years. All fast-food restaurant chains have experienced increasing difficulty in finding desirable sites as the number of chains grows, real estate prices escalate and markets become saturated. As the largest chain—and one of the first—McDonald's problems in this area are even greater than those of its competitors.

One solution has been to increase the chain's growth outside the U.S. Last year, McDonald's opened 186 foreign stores, 36% of the 519 opened systemwide. This compares with 156 opened in 1982, which represented 30% of those opened systemwide. The chain last year opened its first store in Norway, bringing to 31 the number of countries where McDonald's is represented. Thailand and Taiwan already have been added this year.

A second response to McDonald's dearth of sites has been to accelerate its program of opening restaurants in nontraditional locations. Stores have been opened in hospitals, on college campuses and military bases, and in airport and train terminals.

Additionally, the chain has experimented with the "McSnack" concept, which allows a limited-menu store to be placed in small locations. The first McSnack opened last year in Minneapolis. The second opened in 1984 in La Jolla, Cal.

While the number of stores and total system sales have shown uninterrupted growth, McDonald's average per-store sales have risen more slowly than those of its major, but smaller, competitors—Burger King and Wendy's. Average sales at McDonald's stores open for at least one year were $1.17 million in 1983. This was an increase of only 3.3%, below the 6.2% sales increase for the fast-food industry last year estimated by the National Restaurant Assn. It was, however, nearly double the 1.7% per-store sales increase McDonald's reported for 1982.

One of the industry's favored means of increasing per-store sales is the introduction of new menu items. After several recession-racked, slow-growth years during which few major new products were added in the fast-food industry, expansion accelerated last year. McDonald's traditionally has resisted menu expansion, a function of the size of its system and, analysts say, its management's conservative approach. But McDonald's tried a few new items last year, with mixed results.

Following the success other chains have had with croissants (notably Vie de France and Burger King), McDonald's tested the McCrescent sandwich in Rockford, Ill. It didn't wow Rockford residents, and the test was discontinued.

Hotcakes and scrambled eggs served with an English muffin were added to McDonald's breakfast menu in May, 1983. Two other breakfast products, Sausage McMuffins and Sausage McMuffins with egg, have been expanded to additional markets in 1984. Several Florida stores have tested Maple McCrisps—deep-fried french toast morsels with maple syrup centers. These reportedly have been well-received and will be expanded to more markets this year.

Breakfast has become a major daypart for McDonald's, accounting for about one-fifth of total sales. As such, breakfast and the various new products received network and local tv advertising support throughout the year.

Two other menu items—the McChicken and McRib sandwiches—failed their tests and were withdrawn. McDonald's has said it may reformulate and reintroduce the chicken sandwich.

McDonald's has an undisputed winner in Chicken McNuggets. Last summer, the chain added nine and 20-piece extensions of the original six-piece item and backed the McNugget line in the summer with a major network advertising campaign themed "McNugget mania." The products received tv support again between Thanksgiving and Christmas.

Between the two McNugget campaigns, McDonald's ran its "Leader of the pack" campaign. With 1950s music the advertising for the Big Mac was targeted to teen agers, the primary consumers of the double-decker sandwich.

Almost all of McDonald's advertising in 1983 carried the umbrella theme line, "Together, McDonald's & you," which was introduced in January of last year.

One campaign that did not use the theme was a short-lived set of tv spots featuring actor John Houseman as spokesman that aired in August. The two spots were intended to emphasize McDonald's food quality and value in response to Burger King's comparative advertising assaults.

But those issues were overshadowed by the attention paid to the presence of Mr. Houseman. Critics suggested the gruff Mr. Houseman, best known as a commercial spokesman for the Smith Barney brokerage company, was out of place in a fast-food restaurant. The ads were dropped, and McDonald's chairman Fred Turner later was quoted as calling the spots "overkill."

"Together, McDonald's & you" was replaced in June, 1984, as the chain's umbrella theme with "It's a good time for the great taste of McDonald's." Behind the theme, ad agency Leo Burnett USA put zippier music and faster editing to appeal to the rock-video crowd. But the new look still does not stray far from the "food, folks and fun" advertising message to which McDonald's has clung for a decade. Even though Wendy's joined Burger King in airing comparative advertising that takes potshots at McDonald's, the No. 1 chain has declined to employ the tactic.

McDonald's advertising has received scrutiny since it surprised the advertising industry by firing Needham, Harper & Steers, Chicago, in October, 1981. The account moved to Burnett, whose work for McDonald's has been compared and contrasted with NH&S creative efforts.

For that reason, it was national news in January, 1984, when NH&S launched what McDonald's execs called a "test campaign" for the McDonald's co-ops in Washington and Baltimore. Themed "I've got a taste for McDonald's," the stylish campaign was visually different from Burnett's national creative. Replacing the traditional in-store shots of happy customers were soft-focus, near-abstract vignettes in which only McDonald's familiar Golden Arches were seen—usually in the distance.

The local "test campaign" was discontinued when national pre-Olympics advertising began, but speculation continued that McDonald's national account might return to NH&S.

McDonald's reportedly put $35 million into network advertising during the Summer Olympics, a commitment made possible by a change in over-all advertising funding. In the fall of 1983, McDonald's operators voted to increase from 1.25% of sales to 2% their contribution to the Operators National Advertising Fund, which funds network tv advertising.

McDonald's spent $81 million on network advertising in 1983, but with the new funding structure, sources estimated that figure might be closer to $125 million in 1984.

By the summer of 1984, it appeared McDonald's real response to its competitors' advertising assaults would be one of size rather than substance. Network execs put McDonald's upfront network buy for the 1984 fall season at upward of $80 million. Whatever its competitors thought of the quality of McDonald's advertising, they had to prepare for the fact that Big Mac's messages will be everywhere.

McDonald's Corp.'s founder, Ray Kroc, died in January, 1984, at age 81. Asked to explain the chain's success, Mr. Kroc once said, "We take the hamburger business more seriously than anyone else."

McDonald's vp-marketing William Youngclaus left the chain in 1983 to join Tatham-Laird & Kudner, Chicago. That title has remained vacant.

Assistant vp-advertising Roy Bergold briefly left McDonald's to join Burnett, but returned to McDonald's as vp-advertising when Mr. Youngclaus departed.

ADVERTISING EXPENDITURES

	1983	1982
Magazines	$248,800	$878,100
Spot tv	105,024,800	94,156,000
Network tv	80,930,900	59,875,900
Spot radio	2,077,300	2,138,400
Network radio	700,600	1,717,500
Outdoor	4,295,000	4,142,000
Total measured	193,357,400	162,907,900
Unmeasured	118,020,600	102,633,500
Estimated total	311,378,000	265,541,400

Marketing Personnel

Paul D. Schrage, exec vp-chief mktg officer
Roy T. Bergold Jr., vp-adv
Richard G. Starrmann, vp-communications
Tom Gruber, vp-intl mktg/new country devel
Ron Miessler, vp-director, creative services
David B. Green, asst vp-director, natl mktg
Emil Teri, asst vp-mktg and media services
Chuck Rubner, director-corp communications
Dean Barrett, director-field mktg
Laurie Grace, director-media
Sandy Silver, director-natl mktg
David Dandurand, director-sports mktg
Court Kenaston, director-youth mktg
Kathy Henry, director-intl mktg/new country devel
Robert Lins, creative director
Jim Rand, director-mktg services
Don Lorr, director-mktg rsch

Advertising Agencies

Leo Burnett USA, Chicago—John Miller, senior vp-client service director; Mike Allen, vp-acct director; Bill Wohlfiel, vp-acct director; Linda Wolf, vp-acct super, youth; Neil Lichtman, vp-acct super, adults; Pam Fifer, acct super, new products; Ron Smillie, Gil Mickels and Dan Cummings, vp-acct supers, field mktg; Tom Roth, acct super, field mktg.

Burrell Advertising, Chicago—Black consumer mktg.

Conill Advertising, New York—Hispanic consumer mktg.

Golin/Harris Communications—pr.

Frankel & Co., Chicago—Sales promo.

Simon Marketing, Los Angeles—Sales promo consultant.

Miles Laboratories Inc.

	1983	1982
Sales*	$1,115,400,000	$1,075,600,000
Earnings*	35,500,000	(841,000)
U.S. Advertising	89,063,800	73,200,000

*Worldwide

Miles Laboratories, Elkhart, Ind., a subsidiary of Bayer AG of Leverkusen, West Germany, was the 72nd largest national advertiser in 1983, spending an estimated $89 million, an increase of 21.6% from 1982.

Sales increased 4%, to $1.115 billion, in 1983 from 1982. U.S. sales contribution in 1983 was $784 million, up from $747.2 million in 1982.

Both net income and income from continuing operations increased to $35.5 million in 1983, up from a net loss of $841,000 and $29.2 million in income from continuing operations in 1982. The net loss the year earlier was due in part to discontinued operations. The past year was the first full calendar year to include the operations of Cutter Laboratories, which were merged into Miles in January, 1983.

The company operates five groups that manufacture its products: Cutter Laboratories, Miles Professional Products, Miles Biotechnology Group, Miles Pharmaceuticals and Miles Consumer Products.

The consumer products group is made up of consumer healthcare and household products divisions.

The healthcare division's markets children's and adults' vitamins under the brand names One-A-Day, Flintstones and Bugs Bunny. Alka-Seltzer, Alka-Seltzer Plus Cold Medicine, Bactine and Miles Nervine are the division's self-medication products. The household products division includes S.O.S cleaning products and Cutter insect repellents.

Last year, Alka-Seltzer advertising was moved to McCann-Erickson of New York from Wells, Rich, Greene, which had handled the account since the early 1970s. During the years WRG had the $15 million-a-year account, the agency created campaign slogans and themes that have become popular with the American public such as: "I can't believe I ate the whole thing," "Try it, you'll like it," and "Plop, plop, fizz, fizz, oh what a relief it is."

McCann-Erickson, however, has changed the image of the product from the traditional remedy for overindulgence and hangover to one of a remedy for handling upset stomach and headache cause by today's stress-oriented lifestyle. A new campaign has emerged billing the product as the aid for, "the symptoms of stress that come with success." Measured spending for Alka-Seltzer in 1983 was $12.8 million, down slightly from $13.1 million in 1982.

WRG, however, was retained as the ad agency for Alka-Seltzer Plus Cold Medicine, a product receiving $8.1 million in measured media, compared with $5.7 million the year earlier.

Alka-Seltzer is being studied for its potential as a preventative for heart attacks, but approval from the Food & Drug Administration has not been received for professional labeling. If approval is granted this year as hoped, Miles is expected to make an immediate advertising/marketing push to tout the use to the medical profession, the spokesperson said.

In Miles' vitamin products, One-A-Day Multiple vitamin advertising was shifted last year to Tatham-Laird & Kudner in Chicago, giving TLK responsibility for all vitamin advertising. Measured spending for One-A-Day products was $10.1 million, compared with $10.8 million in 1982.

The account was moved from J. Walter Thompson USA, which had held it since 1967. TLK has been handling Miles' children's vitamins, including Flintstone Children's vitamins and Bugs Bunny Extra C, since 1969. In 1983, measured spending for Bugs Bunny was $1.2 million and for the Flintstones chewables was $7.5 million, compared with no measured spending for Bugs Bunny in 1982 and $6.8 million for Flintstones.

New introductions in 1983 included Bugs Bunny chewables in Canada and the vitamin Viteen, introduced in Central America.

In the fall of 1983, Miles Household Products introduced S.O.S. oven cleaning pads, the first new product in the oven-cleaning category to be introduced in the past 10 years, the company says. Doyle Dane Bernbach, New York, handler of the regular S.O.S. account, prepared the campaign. Measured media for the product during its limited exposure in 1983 was $2.5 million.

Among other S.O.S. products, the soap pads registered a measured media increase of 8%, to $4.2 million.

In the professional products group, several new Ames products were introduced in 1983, most notably Visidex II Reagent Strips for the visual monitoring of blood glucose. The product hit the market last October.

In biotechnology products, Miles' enzyme business enlarged its share of the corn wet milling market. In March, 1983, it introduced an improved Taka-Sweet Glucose Isomerase, which is used widely in the production of high-fructose corn syrup. At the end of last year, Marschall Products, a Miles biotechnology unit, introduced new freeze-dried cheese cultures under the Star-Lite brand name.

At Cutter products, worldwide sales increased, especially in Japan, where the company has beefed up its sales force to support anticipated growth. Measured media spending remains small. During the year, Cutter insect repellent received $901,400 in measured spending, compared with $681,500 in 1982. Cutter Biomedical introduced Maxcast orthopedic casting tape into the market during 1983.

Miles Pharmaceuticals reported continued strides in the prescription drug market with the introduction of Mycelex Troche, an oral thrush treatment. The division also completed consolidation of Hollister-Stier, Spokane, Wash., manufacturer of allergan extracts, into its operations.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$94,800	$86,200
Magazines	2,878,300	4,225,500
Farm publications	3,768,900	——
Spot tv	5,504,600	4,629,100
Network tv	39,003,200	35,219,700
Spot radio	63,800	——
Network radio	2,660,300	——
Outdoor	12,900	8,300
Total measured	53,986,800	44,168,800
Unmeasured	35,077,000	29,031,200
Estimated total	89,063,800	73,200,000

CONSUMER PRODUCTS GROUP

Marketing Personnel

G.E. Davy, corporate exec vp

CONSUMER HEALTHCARE DIVISION

Marketing Personnel

F.E. Gustafson, president
S.M. Reim, vp-mktg, medicinal prods
W.T. Gildea, vp-mktg, new prods
M.B. Streicker, director-media services
J.W. Howell, natl sales mgr
M.F. Neidorff, director-intl mktg

Advertising Agencies

Wells, Rich, Greene, New York—Alka-Seltzer Plus Cold Medicine—Kenneth Olshan, chairman, WRG Worldwide; Anne Mahoney, acct super; Nancy Troiano, asst acct exec.

McCann-Erickson, New York—Alka-Seltzer—Michael Sennott, senior vp-mgmt rep.

Tatham-Laird & Kudner, Chicago—One-A-Day vitamins, Bactine, Bugs Bunny, Flintstones vitamins—Timothy Collins, senior partner.

Clifford A. Botway Inc., New York—Network tv and radio buying—Clifford A. Botway, chairman; Edward Kobza, president.

Boger, Martin, Fairchild & Co., Elkhart, Ind.—overseas military and trade advertising.

Sieber & McIntyre, Chicago—medical/professional advertising—Lee Heiman, group acct super.

Kallir, Philips, Ross, New York—medical/professional advertising—Bill Cronin, acct super; Lola Fiur, asst acct exec.

Conill Advertising Associates, New York—Hispanic advertising—Fernando Garcia, acct super; Elia Gonzoles, acct exec.

HOUSEHOLD PRODUCTS DIV

Marketing Personnel

J.W. Grant, president
H.G. Fitts, vp-mktg
R.R. Rowe, natl sales mgr

Advertising Agencies

Doyle Dane Bernbach, New York—S.O.S. and S.O.Ezy soap pads, S.O.S. oven cleaning pad—Rein Luik, exec vp; Lucille Cotugno, vp-mgmt super; J. Barickman, acct super.

Tatham, Laird & Kudner, Chicago—Cutter insect repellent—Kirk R. Borland, senior partner; Thomas Keith, acct super.

BIOTECHNOLOGY GROUP

BIOTECH PRODUCTS

Marketing Personnel

R.J. McGrath, president
H.C. Stalter, vp-mktg
E.L. Frey, director-intl
J.C. Bakos, director-intl mktg (citric/citrates)
N.D. Hupp, director-intl mktg (enzymes)

F.V. Coglianese, director-sales (citric/citrates)
W.G. Allen, director-sales and tech service (enzymes)
R.G. Clark, mgr-mktg services (nonfood)
D.O. Maylath, mgr-mktg services (food & beverage)
W.E. Irwin, director-applications rsch and tech service (citric/citrates)
A.C Lauria, mgr-customer services, sales training & adv admin

MARSCHALL PRODUCTS

Marketing Personnel

V.G. Christensen, president
K.J. Woldt, sales mgr
R.A. West, director-mktg
D.G. Whitehead, mgr-tech service
R.I. Farrow, mgr-European mktg
N. Wood, mgr-new prod mktg

Advertising Agencies

Stephen & Brady, Madison, Wis.—Hugh Brady, president; Greg Brady, vp-acct super; Pamela Black, acct super; Matt Joyce, acct exec.

Ash Advertising, Elkhart, Ind.—Citric/industrial—J.B. Ash, president.

Juhl Advertising Agency, Elkhart, Ind.—citric/food ingredients—Bruce Cashbaugh, acct exec.

PROFESSIONAL PRODUCTS GROUP

Marketing personnel

J.H. Rosloff, corp exec vp

AMES DIVISION

Marketing Personnel

W. Wenninger, president
J.W. Duncan, exec vp-mktg and business unit mgmt
T.C. Christensen, director-business unit chemistry systems
H.L. Drye, director-business unit diabetes systems
A. DeBruin, director-business unit urine systems
R.H.J. Wakeling, director-intl mktg
J.P. Doyle, director-business services
J.J. Lavery, director-sales, U.S.
M.M. Walters, mgr-diabetes adv

Advertising Agencies

Deltakos USA, div J. Walter Thompson, New York—new diabetic prods—Wesley R. Hosteller, vp-acct super.

Abelson-Taylor, Chicago—clinical/hospital prods—Dale Talor, exec vp; Ed Kozel, acct exec.

Goble & Associates, Chicago—dealer promos, media—Ed Goble, president; Jackie Fitzgerald, acct exec.

Gross/Townsend/Frank, New York—physician/pharmacy prods—Alan Gross, president.

MILES SCIENTIFIC

Marketing Personnel

J.H. Rosloff, president
A.C. Marotti, vp-sales
J.L. Ogle, director-sales
F.L. Jaksch, director-mktg
J.V. Thomas, director-industrial sales
J.F. Cummiskey, mgr-tech services
R.M. Koziol, mgr-customer services
J.T. West, mgr-mktg communications

Advertising Agencies

Noble Arnold Associates, Chicago—Noble Arnold, president.

Image Design, Gurnee, Ill.—Ray Mohr, president.

CUTTER GROUP

Marketing Personnel

W.F. Schaeffler, corp exec vp

BAYVET

Marketing Personnel

J.C. DeCesare, genl mgr
F. Koering, vp-mktg
J.C. Clark, director-sales
L.S. Beatty, adv mgr

Advertising Agencies

Miller-Meester Advertising, Minneapolis—reproductive hormones—Rick Cooper, acct exec.

Richardson, Myers & Donofrio, Baltimore—small animal products—Cy Haladay, acct exec.

CUTTER BIOLOGICAL

Marketing Personnel

J.D. Ryan, vp-genl mgr
C.F. Patrick, mktg mgr
W.G. Johnson, director-sales

Advertising Agencies

Rolf Werner Rosenthal Inc., New York—intravenous immune globulin preparation, immune serum globulin prods—Pearl Wine-stock, acct group super; Virginia Otis, acct exec.

Gross/Townsend/Frank, New York—coagulation therapeutic and blood mgmt prod lines—Jane Townsend, mgmt super; Edith Pargh, acct super.

CUTTER MEDICAL

Marketing Personnel

V. Schalson, vp-genl mgr
J. Rutledge, natl sales mgr
B. McMahon, mktg services mgr

Advertising Agencies

Pro-Clinica, New York—clinical nutritional prods—Mel Snyder, acct exec.

Rainaldi-Bowles, San Francisco—i.v. equipment—Jay Kerzner, acct exec.

CUTTER BIOMEDICAL

Marketing Personnel

T.J. Leverte, group vp-genl mgr
L.J. Barnette, director-mktg
J.G. King, natl sales mgr

Advertising Agency

Micom Associates, San Francisco—Garrett Lawrence, acct exec.

CUTTER DENTAL

Marketing Personnel

T.J. Leverte, genl mgr
W.T. Anderson, director-mktg
A.N. Package prod mgr

Advertising Agency

Robinson-Clark, San Francisco—advertising, scheduling and devel, pkg—Carol Robinson, ceo; Richard Clark, president.

MILES PHARMACEUTICALS GROUP

Marketing Personnel

Horst Wallrabe, corp exec vp

PHARMACEUTICALS DIVISION

Marketing Personnel

M. Coffee, vp-mktg and sales
C.B. Webb, director-prod mgmt
W.J. Isbell, mgr-mkt communications
R. Yvars, mktg services mgr

Advertising Agencies

Medicus-Intercon, New York—John Ibelli, acct super.

Carrafiello & Diehl Associates, Tarrytown, New York—dermatological line—C. Patrick Mandarano, acct super.

HOLLISTER-STIER DIVISION

Marketing Personnel

R. Galustian, head, allergy bus unit
C.B Cornell, director-mktg and sales
E.T. Hamilton, natl sales mgr

Advertising Agencies

Ad Clinic, Spokane, Wash.—Chuck Anderson, Doug Hurd, principals.

Mobil Corp.

	1983	1982
Sales*........	$58,990,000,000	$64,100,000,000
Earnings*.....	1,503,000,000	1,213,000,000
U.S. Advertising	294,932,500	320,000,000

*Worldwide

Mobil Corp., New York, the 18th largest national advertiser, decreased its ad spending 7.8% in 1983, to $294.9 million, as the nation's second largest oil company and fifth largest domestic gasoline retailer suffered a substantial decline in revenues.

Worldwide sales at Mobil decreased 8%, in 1983, to $58.99 billion, in 1983, largely because of a decrease in petroleum demand. However, earnings increased 24%, the result of restating earnings in 1982 to a lower figure, good returns from both the petroleum division and the refining and marketing division, and cost-containment measures in operation since 1981.

Mobil's biggest single ad expenditure is with subsidiary Montgomery Ward & Co., which makes up 11% of Mobil's corporate assets. In 1983, Montgomery Ward posted its first profitable year since 1979, with a 4.1% sales increase over the previous year. Montgomery Ward had 1983 net income of $54 million on $6.646 billion in sales from 327 conventional retail stores, 2,163 catalog facilities and 48 Jefferson Ward discount stores, as well as a large automobile club and a direct market insurance program.

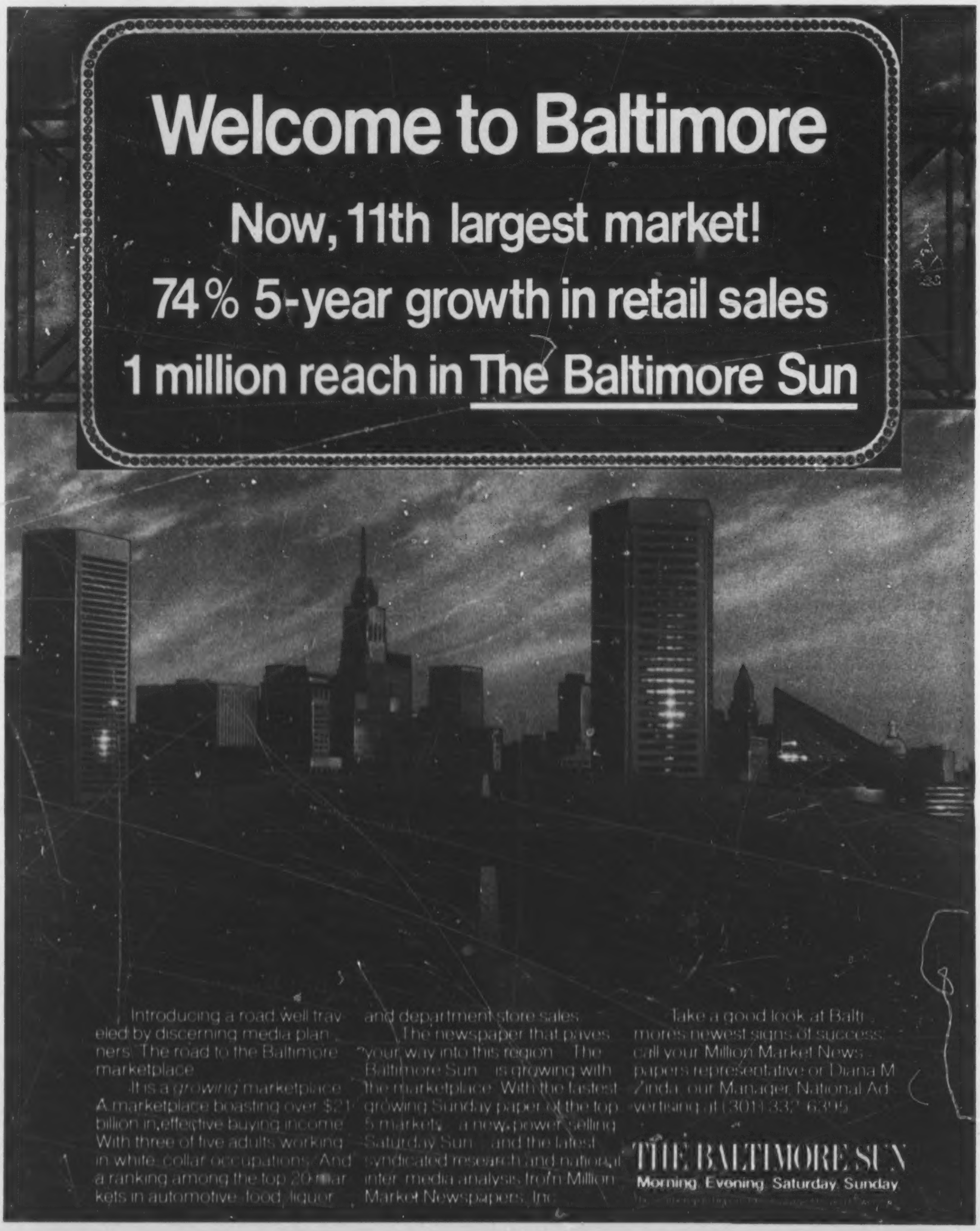
Montgomery Ward's total measured ad budget held steady at $9.57 million in 1983, with $9.29 million of that total in spot tv, and only $33,300 in regional network tv advertising. Montgomery Ward's discount subsidiary, Jefferson Ward, had measured media spending of $177,200 in 1983.

Ward's new merchandising plan, to be implemented this year in selected stores, is termed by Montgomery Ward president-ceo Stephen Pistner: "The seven worlds of Wards." Aimed at building a new market image, it creates seven specialty stores in one store: Apparel, automotive, home electronics, home furnishings, appliances, recreation and leisure, with well-known name brands to draw in younger customers.

All advertising and buying authority for Ward's is centered now in Chicago, under Mr. Pistner's direction.

Measured media ad spending for Mobil Chemical Corp.'s Hefty plastic trash bags was cut 7% in 1983, to $9.3 million. Baggies plastic bags were supported by $1.8 million in 1983 measured media spending.

Mobil oil and gas product advertising attracted sizable ad outlays, including $4.6 million for gas and $2 million for motor oil. At a regional meeting in September, 1983, Mobil dealers were told the company intends to turn many of its 12,000 full-service gas stations into self-service stations in combination with new "Snack Shop" convenience stores. In hopes of boosting


Welcome to Baltimore
Now, 11th largest market!
74% 5-year growth in retail sales
1 million reach in The Baltimore Sun

Introducing a road well traveled by discerning media planners. The road to the Baltimore marketplace.

It is a *growing* marketplace. A marketplace boasting over $21 billion in effective buying income. With three of five adults working in white collar occupations. And a ranking among the top 20 markets in automotive, food, liquor and department store sales.

The newspaper that paves your way into this region. The Baltimore Sun is growing with the marketplace. With the fastest growing Sunday paper of the top 5 markets, a new power selling Saturday Sun and the latest syndicated research and national inter-media analysis from Million Market Newspapers, Inc.

Take a good look at Baltimore's newest signs of success: call your Million Market Newspapers representative or Diana M. Zinda, our Manager, National Advertising at (301) 332-6395.

THE BALTIMORE SUN
Morning Evening Saturday Sunday

its sagging gasoline and diesel sales, Mobil already has converted several of its Arizona locations.

Other major gasoline retailers including Amoco, Arco, Tenneco and Texaco have introduced similar convenience stores at former full-service stations in selected markets, but none has indicated plans to compete on Mobil's scale. If Mobil follows through on its announced plans, it will increase the nation's total number of convenience stores by 24%.

By mid-1985, 2,400 service stations are slated to have electronic point-of-sale terminals that automatically will transfer funds from a customer's bank account, and give "discounts for cash" to cash buyers. In Maryland and Virginia, 192 stations are being outfitted with the electronic transfer terminals this year.

New products in 1983 included Mobil 1 Rally formula, a synthesized motor oil, introduced overseas, and new plastic oil cans with easy-to-pour funnel spouts, aimed at the U.S. do-it-yourself market.

In January, 1984, Mobil Corp. filed a plan with the Internal Revenue Service asking for a rule on whether Mobil could set up a royalty trust of oil and gas producing assets, about equal to $1.5 billion, and give shares in the trust to stockholders. The proposal would thereby save Mobil millions of dollars in taxes but deprive the U.S. government of several billion dollars in federal taxes.

Also in January, Mobil Oil Corp. signed a deal with the British Broadcasting Corp., ARTS & Entertainment Network, Lionheart Television International and WGBH, the Boston public tv station, allowing it to choose a minimum of 17 hours of BBC programing over the next three years. ARTS & Entertainment picked up BBC programing committed to The Entertainment Channel, which folded last year; Lionheart is the exclusive U.S. distributor of BBC material.

The deal does not affect or include previous agreements between Mobil and WGBH for three "Masterpiece Theatre" series from BBC, which Mobil underwrites in addition to "Mystery!" and Mobil Showcase Network.

Mobil also acquired a six-part miniseries from England's Brent Walker Television Productions, titled, "Mountbatten: the Last Victory," to be seen in the U.S. in 1986.

After losing in its acquisition bids for Belridge Oil, Cities Service, Marathon Oil and Conoco, Mobil finally slaked its thirst for major acquisitions in March of this year, buying Superior Oil Co., the nation's largest independent oil company, for $45 per share, or $5.7 billion.

The purchase makes Mobil the world's third largest oil company, although it still ranks second nationally to Exxon.

Advertising for Mobil's cultural activities campaigns and its controversial advertorial campaign, which began appearing regularly in 1970 on op-ed pages in nine daily newspapers, *The Economist*, *Time* and *Parade*, dropped from $5.6 million in 1982 to $4 million in 1983.

The advertorials are considered by many to be the combined opinions of president William P. Tavoulareas and Herbert Schmertz, Mobil's vp-corporate affairs.

Mr. Tavoulareas, a major force behind Mobil's commitment to Saudi Arabian oil, is scheduled for retirement in November, 1984. Mobil's directors, however, voted last September to keep him on after his retirement to affect policies on long-[illegible] planning, Mideast operations and acquisitions. Allen E. Murray, president of Mobil Oil Corp, generally is considered likely to succeed Mr. Tavoulareas.

Chairman-ceo Rawleigh Warner Jr. may step down in February, 1986, leaving management policies wide open to change and new direction. Possible successors for his job are Richard F. Tucker, president-Mobil Diversified Business, the nonoil businesses, and Mobil Corp. exec vp James Q. Riordan.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$7,045,300	$8,046,100
Magazines	3,924,100	6,181,200
Farm Publications	822,800	—
Spot tv	20,824,700	20,497,500
Network tv	7,170,400	9,808,000
Spot radio	2,432,500	3,695,200
Outdoor	52,600	40,300
Total measured	42,272,400	48,268,300
Unmeasured	252,660,100	271,731,700
Estimated total	294,932,500	320,000,000

CORPORATE PUBLIC AFFAIRS PERSONNEL

Herbert Schmertz, vp
J.B. Merrell, genl mgr

Marketing & Refining Division

R.L. Abbott, vp/genl mgr-mktg
H. Hokamp, genl mgr-resale mktg
R.J. McCool, genl mgr-commercial mktg
K.C. Esty, genl mgr-mktg services
A.G. Spiess, adv mgr

Advertising Agency

Doyle Dane Bernbach, New York—Mobil consumer and public affairs advertising—Larry Iannuzelli, group senior vp; W.F. Mattes, vp-acct super; Anne Oliver, acct super; Barbara Best, Les Allison, acct execs.

MOBIL CHEMICAL

Plastics Division

Consumer Products Department

P. Luchsinger, vp-mktg and sales
M.L. Sweeney, mgr-mktg services
A. Ferrari, bus mgr-bags
R Cauffman, bus mgr-disposables

Packaging Department

R. Sax, mgr-graphics communications
L. Boudens, mkt devel mgr-industrial films
G. Auth, prod mgr-food prods
D. Galbraith, prod mgr-institutional prods

FILMS DIVISION

Design Products Department

E. Simpson, prod mgr

Commercial Films Department

J. Murphy, prod mgr

Advertising Agencies

Ted Bates Advertising, New York—consumer prods, Hefty bags, Hefty disposable prods, Baggies—Don Ashley, vp.

Conklin Labs & BeBee, Syracuse, N.Y.—Films division design prods—Thomas Colligen, president.

Gordon Bailey Associates, Stone Mountain, Ga.—institutional prods—Joe Skillen, acct exec. Industrial films—Ron Strauss, acct exec.

Hutchins/Young & Rubicam, Rochester, N.Y.—commercial films dept—Larry Smith, acct exec.

MONTGOMERY WARD & CO.

D. Snell, vp-adv and sales promo
C.P. Brewster, media director

Advertising Agency

Media Bureau International, Chicago—Richard Pickett, president; Norma Wren, vp.

CONTAINER CORP. OF AMERICA

L. Ruhmann, vp-design and mktg
R. Best, mgr-corp mktg communications

Advertising Agency

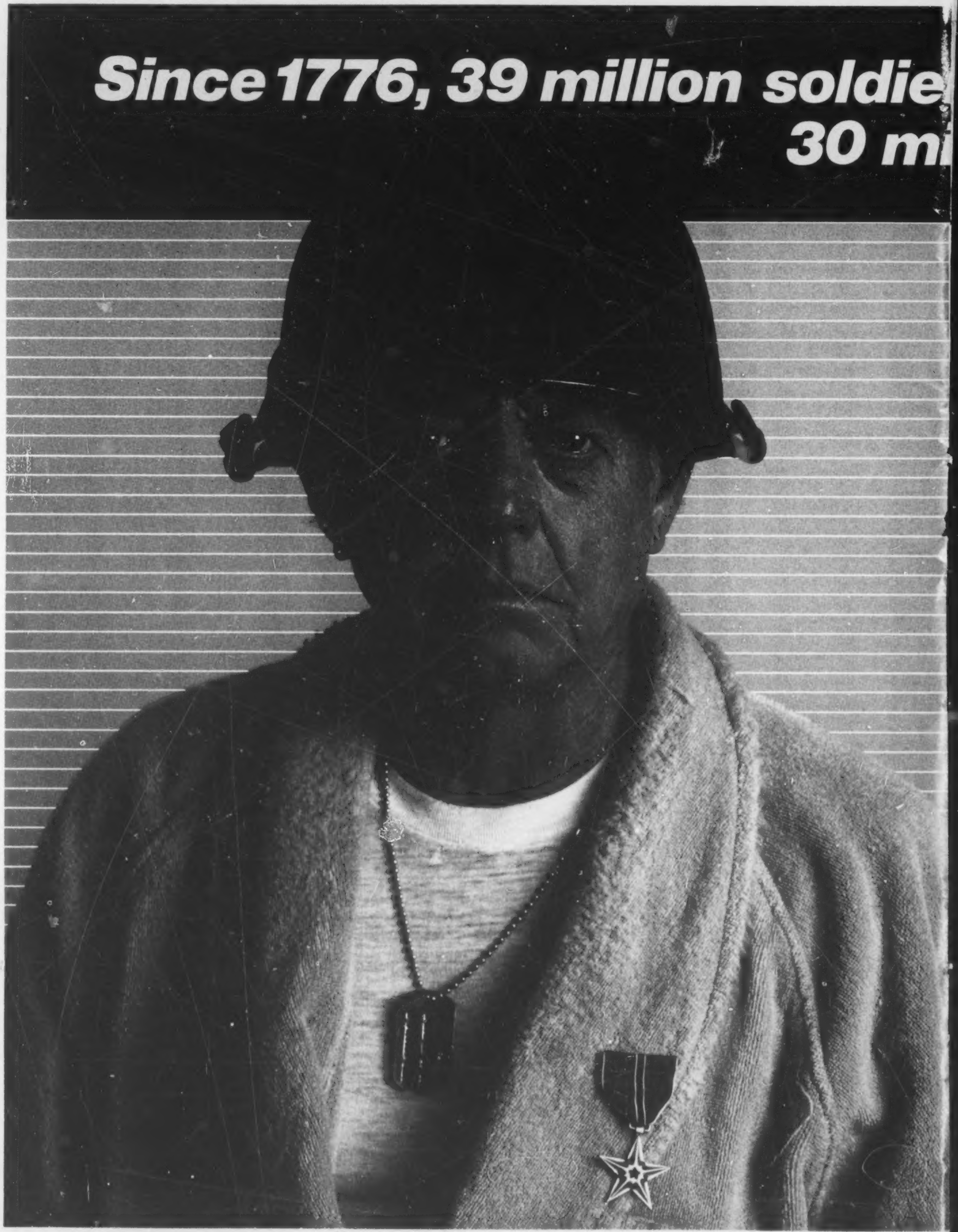
CPM Inc., Chicago—Norman Goldring, president.

Philip Morris Inc.

	1983	1982
Sales*	$12,975,900,000	$11,586,000,000
Earnings*	903,500,000	781,800,000
U.S. Advertising	527,481,800	501,694,700

*Worldwide

Philip Morris Inc., New York, the



sixth largest advertiser in the U.S., increased its advertising 5.3%, to an estimated $527.5 million in 1983. Consolidated sales of the tobacco, beer and soft drink marketer were $13 billion, up 12% from 1982. Earnings totaled $903.5 million during the year, up 15.6%.

Among its major business lines—cigarets and beer—unit sales for cigarets were up, increasing the company's share of the market, and sales volume for its Miller Brewing Co. unit was down.

In 1983, Miller Brewing Co., Milwaukee, experienced a 43.1% increase in operating income, to $227.3 million—25% of the company total—and sales were up slightly to $2.99 billion, from $2.93 billion. Miller's barrel shipments declined for the second consecutive year.

Using data supplied by Lehman Brothers Kuhn Loeb Research, *Beverage Industry* estimated Miller's overall market share in 1983 dropped to 20.9%, from 22% in 1982.

Miller brands, facing heavy competition in the beer market—a market that has undergone category erosion in premiums and superpremiums—have dropped in market share, particularly in those poorer performing categories.

Lowenbrau dropped from a 11.3% share in the superpremium category to 9.5% in 1983, Miller Life dropped from a 23.1% share among premium beers to 20.8%, and Miller Lite slipped from 53.1% in 1982 to 52.9%, according to a study by *Beverage Industry* and John Maxwell.

Miller, in an attempt to stop the slide of Miller Life—20.3 million bbls. to 17.5 million bbls. in 1983—handed out exploratory assignments to agencies to come up with a new campaign for the floundering brand.

The continued poor performance of High Life led to the resignation of two Miller execs. Both William Catlin, vp-brand management, and High Life brand manager Douglas Rogers left Miller in July.

Miller also pulled its Special Reserve brand from test, saying it did not meet expectations because of the declining superpremium category.

According to Leading National Advertisers, spending on High Life increased 5%, to $51 million. LNA charted Lite's increase at 12%, up to $50 million.

Although the U.S. cigaret market was disrupted by tax increases, Philip Morris USA increased its unit volume slightly while making a large gain in market share. Sales reached 204.7 billion units, compared with 204.4 billion in 1982. Its market share reached 34.4% in 1983, up from 32.8% in 1982. Operating revenues were at $5.5 billion, up from $4.3 billion, while operating income reached $1.3 billion, up from $1.1 billion.

Marlboro, the largest selling cigaret in the U.S. and the world, led the industry with 120 billion units in the U.S. while increasing market share to 20.1%, from 19.2% in 1982.

Ad spending on Marlboro was up slightly in 1983. According to LNA, spending on Marlboro filters was $14.6 million, up from $13.7 million in 1982. Spending on Marlboro filter king and 100s was $16.7 million, up from $15.6 million in 1982.

Philip Morris International increased total unit volume to 244.8 billion units. Excluding the U.S., PM International has a 6.2% share of the world market. Philip Morris was America's leading cigaret exporter. The volume of export sales dropped in 1983, but PM maintained a 58% share of the export market.

PM International's operating revenue was up 2.3%, to $3.6 billion in 1983. Operating income declined 25%, to $336 million. The decline was attributed to price competition, import restrictions, price controls combined with inflation and the strength of the U.S. dollar.

A price war broke out in the important West German market after a sharp increase in the excise tax, which lowered consumption in 1982.

PM successfully launched its L&M brand as a high-quality international brand to supplement Marlboro in the German market. At the end of 1983, PM had the best marketplace performance of the five major competitors. The general reduction in margins plus incremental marketing expenses sharply reduced PM International's operating income in the German market.

Seven-Up Co., PM's soft drink subsidiary, had an increase of 22.5% in operating revenues, to $649 million. However, the company reported an operating loss of $10.8 million. The loss was attributed to increased marketing expenditures. According to LNA, PM's advertising expenditure for 7UP was up to $20.9 million, from $19 million in 1982.

In 1983, 7UP and Diet 7UP increased volume. Like cola and Sugar Free Like are now in distribution in about 50% of the U.S. PM introduced NutraSweet into both Diet 7UP and Sugar Free Like. During 1983, 7UP expanded its no-caffeine advertising by introducing the "Freedom of Choice" campaign.

The Foods Group had a sizable increase in its operating revenues during 1983. Oregon Freeze Dry Foods gained a large private-label order for individually packaged diet entrees.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$65,271,900	$83,793,800
Magazines	140,366,600	130,094,300
Spot tv	50,431,500	34,446,000
Network tv	128,266,100	110,845,000
Spot radio	22,482,800	22,677,600
Outdoor	55,210,500	50,538,000
Total measured	462,029,400	432,394,700
Unmeasured	65,452,360	69,300,000
Estimated total	527,481,800	501,694,700

TOBACCO PRODUCTS DIVISION

Marketing Personnel

William I. Campbell, exec vp-mktg
James L. Thompson, vp-media
Robert A. Fitzmaurice, vp-brand and promo
Albert J. Bissmeyer, vp-merch
Hawes B. Coleman Jr., vp-field sales
Robert H. Cremin, vp-sales
John J. Gillis, vp-natl acct
John P. Jeb Lee, vp-mktg services
Thomas R. Keim, Vincent J. Buccallato, group directors-brand mgmt
Jon N. Zoler, director-mktg rsch
Ellen Merlo, director-mktg communications
William K. Cutler, director-merch materials
Vincent J. Weiner, director-special promo and productions
Robert P. Roper Jr., brand mgr-Marlboro
Richard L. Stirlen, brand mgr-Merit
Lawrence E. Wilson, brand mgr-Benson & Hedges
Howard Goldfrach, brand mgr-Virginia Slims
Robert F. Tracey, brand mgr-Parliament
Alysia J. Cohen, brand mgr-Players
Jack W. McAuley, mgr-brand programs, Marlboro
Cathy L. Lieber, mgr-brand programs, Virginia Slims
Cathy M. Gillis, mgr-brand programs, Merit
Claude A. Beck, director-media

Advertising Agencies

Leo Burnett USA, Chicago—Marlboro, Merit, Virginia Slims, Cambridge, Saratoga—Hall Adams Jr., ceo; William Engelbrecht, senior vp-client service director; Peter Volz, vp-acct super-Marlboro Saratoga; Paul Driggs, vp-acct super-Virginia Slims, corp trade; Peter R. Metz, vp-acct super-Merit, Cambridge; Thomas A. Dudreck,

rs have served their country.
illion of them are alive today.

28.5 Million veterans are currently eligible for free VA medical care.

3.5 Million veterans are over the age of 65.

12.6 Million World War II veterans will be 60 or older by 1985—and statistically will require five times more medical care than those under 60.
For the great majority of these veterans, the VA will be the health care provider.

The VA is DRG exempt and can expect to assume the responsibility for an increasing patient population from cost-conscious private sector medical facilities and Medicare referrals.

The VA is currently treating more than 1.3 million veterans on an inpatient basis while annually providing for 17.8 million outpatient medical visits.

More than 39 million prescriptions for ambulatory patients and more than 7 million intravenous and parenteral nutrition solutions were dispensed by VA pharmacies in 1982.
The $500 million spent by the VA on pharmaceutical purchases in fiscal year 1984 is projected to double by 1987.

Gain access to this lucrative and expanding market through VA PRACTITIONER, the magazine devoted exclusively to the needs of the physicians and pharmacists of the Veterans Administration.

For media information, contact Michael Aster, Steve Goldstein or Jim Breuning at (201) 549-3000, 195 Main Street, Metuchen, NJ 08840.

VA PRACTITIONER
"A publication of Aster Publishing Corp."

VA PRACTITIONER
VA PRACTITIONER

acct exec-Marlboro, trade; Arthur McCullen, acct exec-Merit; Ray Pokorny, acct exec-Virginia Slims; R. Ross Harris, acct exec-Cambridge, Saratoga; Ted L. Simon, acct exec-new prods.

Wells, Rich, Greene, New York—Benson & Hedges, Players—David Bulleit, senior vp-acct group head; Jayne Eastman, senior vp-mgmt super; Robert A. Rosenthal, acct exec-Benson & Hedges; Nancy Brennan, Harry Kannar, acct exec-Players; Arnold Weinrib, senior vp-mktg director.

Doyle Dane Bernbach, New York—Parliament—Peter Tate, senior vp-mgmt super; Ella Kelley, vp-acct super; Fern Segerlind, Sandra Maryniak, acct execs.

MILLER BREWING CO.

Marketing Personnel

Lauren S. Williams, exec vp
Bob Toledo, vp-brand mgmt
W.H.(Barry) Barrett, brand mgr, Miller
Jerry F. Schmutte, brand mgr, Lowenbrau
Victor Imbimbo, brand devel mgr, Calgary
Sam Frank, brand devel mgr, Miller Special Reserve
Michael Boykin, brand mgr, Magnum malt liquor, Meister Brau
Leonard Goldstein, vp-sales

Advertising Agencies

Backer & Spielvogel, New York—Miller High Life, Lite, Lowenbrau—Miller High Life: Jeff Palmer, senior vp-group mgmt rep; Constantine Scaros, vp-mgmt super; Randy Windschitl, vp-acct director; Peter Smaha, Michael Russell, acct execs. Lite: John Griswold, vp; Howard Sheman, acct exec. Lowenbrau: Ed Keating, vp-acct director; Vince Falcone, acct exec; David Stein, vp-acct director, Magnum, new prods; Larry Spagnola, acct exec, Meister Brau.

Mingo-Jones, New York—Miller High Life, Lite, corp adv—Fran Mingo, president; Caroline Jones, exec vp-creative; Wendell Crosswhite, senior vp-genl mgr; Sam Chisolm, vp-mgmt super; Alan Corwin, Michael Randazzo, Sam Reed, vps-assoc creative directors; Ken Gilbert, acct exec, Lite: Thom Jones, acct exec. Miller High Life: Charles Stanley, media director.

SEVEN-UP CO.

Marketing Personnel

Charles W. Schmid, vp-franchise
Wilson F. Fowle, vp-mktg
Ralph L. Countryman Jr., vp-media services
David L. Smith, vp-creative
Richard E. White, director mktg-7-UP brands
Brian H. Schuyler, director, mktg-new/allied brands
Anthony J. Rebello, director-foodservice prods.

Advertising Agency

N W Ayer, New York—7UP, Diet 7UP, Like—Clark Hine, senior vp-acct director; Joseph Harte, senior vp-mgmt super, Lauren Tucker, vp-acct super, 7UP; Leonard W. Stabile III, vp-acct super, Diet 7UP; Keith Gould, senior vp-exec creative director, Elin Jacobson, vp-creative super; Frank DeFilippo, senior vp-creative super, Diet 7UP; John F. Astarita, acct super-7UP field force; Kenneth J. McCarren, vp-mgmt super, Like cola; John Walsh, senior vp-exec creative director, Like cola; Howard Rieger, senior vp-group creative director, Like cola; Lynn McGrath, senior vp-group creative director, Like cola.

PHILIP MORRIS INTERNATIONAL

Marketing Personnel

Ed Gray, director-mktg services
Franklin Caton, mgr-mktg support services
Kay Galeotti, adv and promo coordinator

Advertising Agency

Leo Burnett, USA, Chicago—Jim Oates, acct director; John Benson, acct super.

PHILIP MORRIS INDUSTRIAL

Marketing Personnel

William D. McCoy, president, ceo

Advertising Agency

Ads Infinitum, Appleton, Wis.—Richard Zeihen, president.

MISSION VIEJO CO.

Marketing Personnel

Harvey Stearn, senior vp-residential construction and mktg
Kathi Pepka, adv mgr

Advertising Agencies

William Greene & Associates, Costa Mesa, Cal.—Bill Greene, principal.

King Advertising and Public Relations, Newport Beach, Cal.—Sandra King, principal.

Nabisco Brands

	1983	1982
Sales*.........	$5,985,200,000	$5,871,000,000
Earnings*.....	322,600,000	314,700,000
U.S. Advertising	367,530,400	335,205,000

*Worldwide

Nabisco Brands, Parsippany, N.J., the nation's 11th largest advertiser, spent an estimated $367.5 million on advertising last year, up 10% from 1982.

Worldwide sales in 1983 reached a record $5.985 billion, only about 2% more than the 1982 sales figure. Because of the strong dollar, sales were affected adversely in the international markets where Nabisco Brands does about $2.4 billion worth of business, or 39% of the total. Domestic sales exceeded $3.6 billion, a 4% gain over 1982. Net income tracked sales by rising 3% last year, to $322.6 million.

Of Nabisco's total advertising budget, 36% was spent in traditional media as monitored by Leading National Advertisers. The six-media figure for the company in 1983 was $120.7 million, according to LNA, up 10%. Most was in spot and network tv.

Products on which Nabisco spent $4 million or more in measured advertising were Breath Savers Sugarless mints ($6.2 million), Care-Free Sugarless gum ($8.3 million), Fleischmann's Light corn oil spread ($7.7 million), Life Savers Bubble Yum bubble gum ($5.7 million), Life Savers candy ($8.1 million), Nabisco cookies ($12.8 million), Nabisco Toasted Wheat & Raisins ($6.1 million), Planters nuts ($7.5 million), Planters snacks ($6.8 million).

Nabisco Brands operates three U.S. divisions: U.S. Bakery Products, U.S. Confectionery Products and U.S. Grocery Products, while Nabisco Brands Ltd. in Canada and International Nabisco Brands comprise the company's international front. U.S. operations accounted for 61% of net sales.

Over-all, the package foods producer made good on its resolution to be active in new product introductions and to support its products with aggressive marketing efforts. One key element in Nabisco's marketing strategy was to work to strengthen consumer recognition in equating Nabisco, the company, with Nabisco, the products.

A first step toward that goal was Nabisco's unveiling of a new, three-note musical signature. The melodic composition is from agency McCann-Erickson, which handles products included in Nabisco's Grocery Products division. The signature made its debut on the network telecast of the Tournament of Roses Parade in January, of which Nabisco was the exclusive sponsor. Nabisco says a recent study found that 85% of consumers polled identified the tv and radio three-note tune as belonging to Nabisco.

The U.S. Bakery Products division, chalking up $1.6 billion in sales in 1983, fought competition on the domestic front with new product introductions, including a number of line extensions, and with strong existing brands, which include the country's five top-selling cookies, according to Nabisco. The top cookies are Oreo, Chips Ahoy!, Fig Newtons, Nilla Wafers and Double-Stuff Oreo, which accompany a line of leading crackers, including Ritz, Premium, Wheat Thins and Triscuits. Nabisco reportedly holds a 32% share of the $4.5 billion cookie and cracker segment.

A licensing agreement was signed between Nabisco Brands and Englewood, N.J.-based Popsicle Industries, a subsidiary of Consolidated Foods, whereby Oreo cookies, which are said to hold a 10% share of the cookie market, are supplied to local ice cream manufacturers throughout the country for use in various ice cream products.

Popsicle Industries markets and distributes the line under the trade name, Oreo Cookies N' Cream ice cream. The cookie-festooned products include half-gallon containers in four flavors, an Oreo cookie ice cream sandwich, and a stick ice cream version. The $6 million advertising and promotional campaign is handled by William Esty Co.

But the big news in the prepackaged cookie category comes from the moist and chewy segment of cookie-dom. Nabisco's player in that new, growing and highly competitive market, Almost Home cookies, a 15-item line, appeared last year to compete with Frito-Lay's, Keebler and Procter & Gamble's (Duncan Hines) versions of soft and chewy cookies.

Within the first 10 months, the Almost Home cookies reportedly amassed $250 million in sales. It has been reported that Nabisco and its competitors spent an estimated $30 million apiece to support the cookies. The Dancer Fitzgerald Sample campaign pokes fun at the cookies' name, including an ad in which a taster concludes, "It deserves a name better than Almost Home."

Competition in the $1.4 billion cracker category heated up as Nabisco decided to roll nationally with its no-added salt and low-salt varieties of Triscuit and Wheat Thins crackers. Two new crackers, Sesame Thins and Herbs and Spice Twigs, appeared, while two existing cracker products, Better Cheddars Snack Thins and Waverly crackers, got a boost with new campaigns.

Nabisco's confectionery division rang up $530.2 million in sales in 1983, along with a 29% gain in earnings for its sweet product lines, which include such brands as Life Savers, Bubble Yum and Curtiss candy bars. The company also reported a Bonkers! fruit flavored chewy candy, Nabisco's entry into that confectionery growth category.

An existing brand, Life Savers candy, and one of its kindred products, Breath Savers sugarless mints, were No. 1 in their respective segments of the market, receiving $8 million and $6 million, respectively, in measured media advertising support.

Bubble Yum bubble gum enjoyed first place in national bubble gum sales, and also increased its volume during the past year. Two new flavors, Pink Lemonade and Orange Sugarless Bubble Yum were added. Baby Ruth and Butterfinger, the cousins in the Curtiss candy line, received their first consumer advertising support in two years.

In the past year, the company consolidated all Nabisco Brands USA divisions, with the exception of the Biscuit Group and All Brand Importers, into a common distribution system. The move reduced the number of distribution centers from 55 to 14. Within the confectionery division, the sale and distribution of Baby Ruth, Butterfinger, Planters Nuts vend packs and Planters Cheese sandwiches were incorporated into the Life Savers direct sales force.

The Life Savers plant in Port Chester, N.Y., closed its doors in a cost-saving move. At the same time, Nabisco announced plans for the construction of a $30 million food research and development facility that will occupy 370,000 sq. ft. in East Hanover, N.J.

The new facility will house not only research, but also the newly joined forces of Nabisco and CETUS Corp. Designated Nabisco/CETUS Food Biotechnology, the new company will develop genetically engineered enzymes for food processing.

The U.S. grocery products division, which include margarines, nuts, snacks, yeast, cereals, desserts and pet foods, boosted sales 3%, to $1.5 billion. Earnings climbed 10%, to $186 million. Besides extending existing franchises and brands, Nabisco's grocery products division is involved in new product introduction. Blue Bonnet Baker's Blend, a margarine product in liquid form, has gone national.

The Planters division presented a new product, Planter Lite Peanuts, which reduces the caloric content of peanuts by one-third, made possible by a technological innovation. "The fitness nut for fitness nuts" Benton & Bowles-inspired campaign theme promotes the new product primarily on tv and in magazines. The Planters division maintains its leadership position in the nut business.

The active yeast category grew in importance as market leader Fleischmann's entered the quick-rising yeast area with Fleischmann's RapidRise yeast. Universal Foods' Red Star brand, which holds an estimated 33% share to Nabisco's 66% in the $50 million category, basically a two-player market, introduced its quick-rise product first. By reducing rising time by 50%, it is hoped the new product will attract more home bread-bakers.

The Mr. Salty line of pretzels solidified its leadership position in that category by increasing its three-product line to 10.

The Canadian portion of Nabisco Brands reported a 15% increase in sales and a 12% gain in earnings in 1983. When it acquired Huntley & Palmer Foods of Britain last year, Nabisco also inherited Associated Biscuits of Canada Ltd., helping Nabisco Brands remain first in Canadian cookie and cracker sales. Earnings rose from $58 million to $65 million, when sales rose from $607 million in 1982 to $698 million last year.

The Huntley & Palmer acquisition reverberated throughout the international operation of Nabisco Brands also, while it gained 22% in sales and 12% in earnings in its U.K., continental Europe, Latin America and Asia/Pacific operations last year. In France, the Huntley-Palmer acquisition has gotten Nabisco closer to realizing its plans to expand in the frozen food business. In India, the company now plays a major role in the biscuit and bread business, thanks to the business enjoyed by the Huntley & Palmer subsidiary in that country.

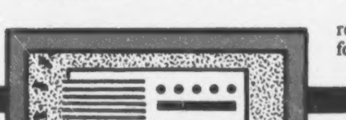
A major reshuffling of corporate officials took place in June when Robert M. Schaeberle, chairman-ceo, Nabisco Brands, continued as chairman of both the corporation and the executive committee, but passed the ceo title to F. Ross Johnson, who is also now the company's vice-chairman. Mr. Johnson had been the president-chief operating officer. That dual title passed to former senior exec vp James O. Welch Jr. Robert J. Carbonell became president of Nabisco Brands USA and exec vp of Nabisco Brands Inc., after serving as the company's senior vp, Nabisco Brands Inc., and exec vp-corporate technology, Nabisco Brands USA.

The president of the Life Savers and Curtiss division, Peter N. Rogers, moved on to become president of Biscuit, and he was replaced by Lawrence Kleinberg at Life Savers Inc. It has been reported that the upper-level promotions are the reward of a job well done—specifically, the apparent success of Almost Home cookies.

Parkson Advertising, Nabisco's inhouse agency, became a part of Ohlmeyer Communications Co., New York, via a 50% partnership agreement with Nabisco.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers........	$6,173,900	$6,225,200
Magazines.........	9,167,500	11,772,600
Spot tv............	22,126,500	20,086,200
Network tv.........	82,018,000	66,578,000
Spot radio.........	984,700	1,167,000
Network radio......	4,695,900	8,878,000
Outdoor...........	363,900	495,600
Total measured..	125,530,400	115,205,000
Unmeasured....	242,000,000	220,000,000
Estimated total..	367,530,400	335,205,000



The top 25 spot radio advertisers

Rank	Advertiser	Expenditures ($000) 1983	1982	1983 as% of total advertising exp.	1982 as% of total advertising exp.
1	Anheuser-Busch Cos.*	$40,675.5	$36,801.0	14.0	15.1
2	General Motors Corp.*	29,079.4	31,024.3	4.9	5.7
3	American Telephone & Telegraph Co.*	27,949.3	18,869.0	6.0	5.1
4	Philip Morris Inc.*	22,482.8	22,677.6	4.3	4.5
5	Adolph Coors Co.*	21,578.0	8,898.0	33.9	23.0
6	Chrysler Corp.*	16,651.1	28,376.6	7.2	16.4
7	Delta Air Lines*	15,309.1	11,746.5	23.9	23.8
8	UAL Inc.*	14,635.6	14,135.9	19.0	18.0
9	Van Munching & Co. (Heineken)	14,603.5	7,325.1	N/A	N/A
10	PepsiCo. Inc.*	14,204.9	16,544.2	4.0	5.4
11	Ford Motor Co.*	12,993.4	23,100.0	2.7	7.4
12	Southland Corp.	12,146.3	7,882.6	N/A	N/A
13	American Honda Motor Co.*	11,035.8	11,866.2	9.6	12.5
14	Martlett Importers (Molsons)	10,917.3	7,773.3	N/A	N/A
15	Nissan Motor Corp. in U.S.A.*	10,880.6	11,382.6	8.9	9.7
16	Stroh Brewery Co.*	10,532.4	12,667.4	14.3	22.8
17	Pillsbury Co.*	9,639.6	6,120.3	5.0	3.6
18	Eastern Air Lines*	9,218.2	10,238.2	13.2	17.8
19	Greyhound Corp.*	8,918.2	7,044.0	10.7	9.4
20	Ralston Purina Co.*	8,829.5	5,756.9	3.1	2.6
21	AMR Corp.*	8,300.5	8,429.2	10.4	13.7
22	Coca-Cola Co.*	8,048.4	14,185.3	2.9	5.6
23	Bank of America	7,591.2	4,616.1	N/A	N/A
24	Zayre Stores	6,926.9	5,799.0	N/A	N/A
25	General Mills*	6,197.6	5,632.8	2.3	2.3

Source: Radio Advertising Bureau
*Indicates a 100 Leading National Advertiser

OFFICE OF THE CHAIRMAN
Robert M. Schaeberle, board-exec committee chairman
F. Ross Johnson, vice chairman-ceo-president
Robert J. Carbonell exec vp-NBI, president-NB USA
James O. Welch Jr., president-coo
W.G. Dunnington, exec vp-genl counsel
John E. Willett, exec vp-chairman-NBI

NABISCO BRANDS USA
Executive Personnel
Robert J. Carbonell, president, Nabisco Brands USA
Peter N. Rogers, exec vp, president, Biscuit Group
Claude P. Hampton, senior vp-group exec
Edward P. Redding, senior vp-group exec
John H. Clarke, exec vp-corp technology
Ray Wright, senior vp-finance, Nabisco Brands USA
Harold E. Powell, exec vp-administration
Marketing Services
W. Lee Abbott, vp-Nabisco Brands USA
Samuel B. Haines, div vp-mktg support
Louis J. Rubinacci, director-media
Ronald C. Roedema, director-sales promo

BISCUIT GROUP
Peter N. Rogers, president, exec vp-NB USA
Neil Westermayer, vp-mktg
William R. Stuart, director-mktg, sweet goods
Robert H. Lanham, director-mktg, crackers
William S. Brown, director-mktg, snacks
Dante G. Bonardi, director-adv
Advertising Agencies

William Esty Co., New York—Cookies, crackers, snack foods—J. Greene, mgmt super-corp acct; T. Hayes, senior vp-mgmt super; A. Allen, senior vp-mgmt super; J. Scott, senior vp-mgmt super.

Ohlmeyer Communications Co., New York—(joint venture with Nabisco), crackers—Phil Howort, president; Phil Agisim, vice chairman; Dean Heitler, senior vp-client and mktg services.

Dancer Fitzgerald Sample, New York—Almost Home cookies—A. Gray, acct exec; S. Hart, acct super; R. Caro, mgmt super; J. Mack, mgmt director.

NABISCO CONFECTIONS INC.
Marketing Personnel
Henry J. Bornhofft Jr., president
Edward L. Bjornson, exec vp-genl mgr
Harold E. Boutillier, director-mktg
Advertising Agency

Arnold & Co., Boston—J. Brown, acct super; L. Green, acct director.

FOOD SERVICE DIVISION
William J. Tobin, president
John T. Mitchell, vp-mktg,
Advertising Agency

The Food Group, New York—D. Axelroad, president.

LIFE SAVERS INC
(AND CURTISS DIVISION)
Marketing Personnel
Lawrence Kleinberg, president
Robert W. Denny, vp-mktg
Eric N. Shullman, director-mktg
Michael W. Gretz, director-mktg, Curtiss
Advertising Agencies

Dancer Fitzgerald Sample, New York—Life Savers prods—Joseph P. Mack, exec vp-mgmt director; R. Egan, senior vp-mgmt super; C. Dalton, acct super; M. Schlesinger, acct super; M. LeDuc-acct super.

Bozell & Jacobs, Chicago—Baby Ruth, Butterfinger—L. Shelton, acct exec; T. Streit, acct exec.

MARGARINE DIVISION
John H. Murray, president
Ellen R. Marram, vp-mktg
Roger L. Wagner, director, margarine prods.
Robin Schofield, director-desserts prods
Advertising Agencies

Benton & Bowles, New York—Blue Bonnet, Fleischmann's—J. Schanck, acct exec; Theodore S. Burnett, acct director; R. S'Dao, acct super; Kenneth Hite, mgmt super.

Ted Chin, New York—Royal desserts, Egg Beaters—Ted Chin, president; R. Self, vp-acct super.

Deltakos, New York—pharmaceutical advertising, Fleischmann's Lite, Egg Beaters—Victoria N. Roberts, vp-acct exec.

PLANTERS DIVISION
G.F. Randolph Plass Jr., president
W. VonPein, exec vp
D. Smiley, director-adv, consumer promo
Robert Wienke, director-snacks, oils, new prods
David Bacon, group prod mgr-oil/dry roast nuts
Advertising Agency

Benton & Bowles, New York—nuts, snacks, new prods—R. S'Dao , acct super; G. Burn, acct super, K. Hite, mgmt super.

GROCERY PRODUCTS DIVISION
William B. McKnight, president
George A. Erfurt, vp-mktg
Ruth L. Brodsky, group brand mgr-hot cereals, Dromedary prods.
Stephen G. Wilkerson, group brand mgr-pet snacks
Marianne B. MacManus, senior brand mgr-ready-to-eat cereals
Advertising Agencies

McCann-Erickson, New York—R.T.E and hot cereals, Dromedary prods—Marsha Badanes, senior vp-mgmt rep; G. Schwinder, acct director; P. Higgins, acct super.

William Esty Co., New York—Milk-Bone brand pet snacks—John Scott, mgmt super.

J. Walter Thompson, New York—Home Hearth bread mixes, Fleischmann's yeast—R. Cudd, acct exec; J. Birkbeck, acct super; J. Mahr, group acct director; Robert M. Bird, mgmt super.

ALL BRAND IMPORTERS
P.F. Lohmeyer, chairman
John J. Kucich, president
Leo Begleiter, senior vp-mktg
Advertising Agency

Bloom Agency, New York—J. Signorile, acct exec; Madigan Pratt, acct super; Burt Cobe, media super.

Nestle Enterprises

	1983	1982
Sales*........	$2,508,000,000	$2,341,000,000
Earnings.....	N/A	N/A
U.S. Advertising	114,957,000	112,500,000

*U.S. only

Nestle U.S. Enterprises, White Plains, N.Y., a subsidiary of Nestle S.A., Vevey, Switzerland, logged an estimated $114.9 million in domestic advertising spending in 1983, up 1.8% from the previous year. That makes Nestle the 61st largest U.S. advertiser.

Worldwide sales rose 1%, to $13.4 billion, reversing a decline in sales in 1982. Profit before nontrading items and taxes rose 18.3%, to $1.4 billion. (Worldwide sales based on $0.4796=1 Swiss franc.)

Sales in the U.S rose 7%, to $2.508 billion in 1983. North American sales accounted for about 20% of 1983 sales worldwide, up from 19% in 1982.

Strengthening U.S. sales long has been a goal of Nestle S.A., in hopes that the U.S. market would help offset the seesaw activity in less stable international markets. In 1983, with a spate of new product formulations and company acquisitions, Nestle began shaking off its image of a sleepy, sluggish giant.

This new phase of aggressiveness coincides with the appointment of James M. Biggar as president of Nestle Enterprises, the umbrella group for the 10 Nestle companies in the U.S. Among these companies are Nestle Co., whose products make up a wide array of candies, teas and coffees; Stouffer Foods Corp., maker of the Lean Cuisine line and other frozen foods; Stouffer Restaurant Co.; Stouffer Hotel Co., and Wine World, a California winery.

Mr. Biggar, former president-ceo, Stouffer Corp., is employing some of the same strategies used to catapult Stouffer Foods into a major force in the frozen-food category, by upgrading product quality to appeal to the more sophisticated tastes of the affluent.

Nestle reformulated and repackaged the Crunch bar in 1983, which it supported with about $8 million in measured advertising.

Last year also saw the introduction of Nestle's own brand of chocolate-flavored milk, which reportedly is doing "extremely well." So far, it hasn't cannibalized any of Nestle's other related products.

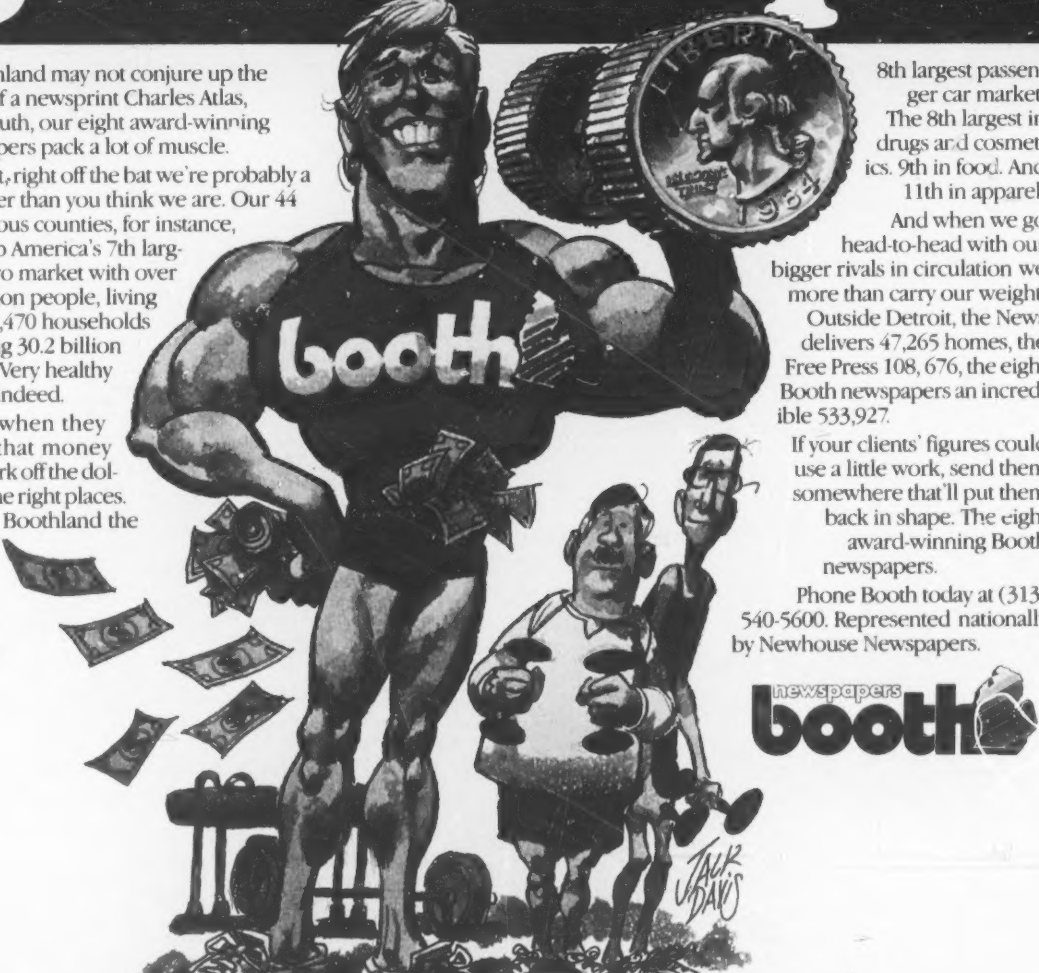
Beech-Nut Nutrition Corp. tested Stages, a new line of baby food that is being rolled out this year.

Nestea bags, another product tested in 1983, did not fare as well as some of the other new products and it reportedly still is being tested. About $94,500 was spent to advertise the product.

Acquisition of Terso's Ward-Johnston, a candy company, was announced late in 1983. Although a relatively small company, it boasts a number of well-known names—Raisinets, Bit-O-Honey and Chunky—and will help strengthen Nestle's 5% share of the candy market.

In 1984, the company announced plans to acquire CooperVision Inc. by Nestle's Alcon Laboratories, a maker of extended-wear contact lenses and other eyecare pharmaceuticals. But that move was challenged by the Federal Trade Commission.

Nestle also announced it had acquired an option to purchase all of the stock of Hills Bros. Coffee Inc., whose sales of roast and ground coffee reached $347 million in 1983. The company said it does not plan to exercise this option until 1985.



Our figures are in great shape.

Boothland may not conjure up the image of a newsprint Charles Atlas, but in truth, our eight award-winning newspapers pack a lot of muscle.

In fact, right off the bat we're probably a lot bigger than you think we are. Our 44 contiguous counties, for instance, make up America's 7th largest metro market with over 3.5 million people, living in 1,261,470 households spending 30.2 billion dollars. Very healthy figures indeed.

And when they spend that money they work off the dollars in the right places. Making Boothland the 8th largest passenger car market. The 8th largest in drugs and cosmetics. 9th in food. And 11th in apparel.

And when we go head-to-head with our bigger rivals in circulation we more than carry our weight. Outside Detroit, the News delivers 47,265 homes, the Free Press 108, 676, the eight Booth newspapers an incredible 533,927.

If your clients' figures could use a little work, send them somewhere that'll put them back in shape. The eight award-winning Booth newspapers.

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Analysts indicate that these recent acquisitions demonstrate a determination to maintain a strong presence in these markets. Until this recent onslaught of aggressive product introductions and acquisitions, Nestle had been content to offer reformulations as a means of stimulating sales.

Not long after the announcement of the Hills Bros. acquisition, Nestle presented Nescafe's new line of custom blended coffees, marketed under the names Brava, Classic, Silka and Decaf.

Advertising for these products, initially available in the eastern regions of the U.S., will promote the distinctive formulations, based on an elaborate selection of beans and roasting processes. Advertising and promotion is estimated to be between $20 million and $30 million annually.

Figures on coffee consumption in the U.S. show that the average American is drinking fewer cups. To help combat that, Nestle spent $19.5 million to promote Taster's Choice Freeze Dried and Decaffeinated, mostly via tv. This is up from $18 million in 1982.

The company says Taster's Choice is now the No. 1 brand in the instant market, with about 20% of the market in dollar sales.

Chocolate morsels gained advertising dollars, from $13.2 million in 1982 to $15 million 1983. Nestle Co. was unsuccessful in its suit against Toll House Restaurants charging trademark infringement. That decision is being appealed.

Another important move in the morsel market was the introduction of Nestle's peanut butter morsels. Nestle officials say it became the best selling brand in the category after three months on the market.

Improved performance in 1983 is also attributable to the continuing success of Stouffer Foods Co., particularly its Lean Cuisine line, which was introduced in 1981. In 1983, the first full year of national distribution, sales rose 31.9% over 1982.

However, Lean Cuisine saw increased competition in this category, coming from Campbell's Le Menu and Weight Watchers, both of which also are advertising vigorously. Accordingly, measured advertising spending for Lean Cuisine climbed to $8 million, up from $7.3 million in 1982.

Stouffer's regular line of frozen entrees got $1.4 million in 1983 measured spending. Together, Stouffer entrees and Lean Cuisine account for more than 50% of the frozen entree market.

Stouffer raised slightly the amount spent on frozen pizza, from $3.5 million in 1982 to $3.9 million in 1983. Stouffer is spending $75 million to build a frozen food processing plant in Utah. The plant will begin operation early in 1986.

The Stouffer Hotels division continued to purge itself of properties that "did not fit our image," including the cancellation of all franchise operations under the Stouffer banner but not operated by Stouffer Hotels. Stouffer Hotels expects to grow from 7,500 rooms to 20,000 in the next six years. The new advertising slogan, "New cities, new excitement. The new Stouffer Hotels!" projects this new direction.

Dairy products, which account for 20.4% of total sales, were down slightly from last year's 21.4%. The big news on this front was the recent end of the boycott imposed in 10 nations for Nestle's failure to comply with infant formula marketing codes adopted by the World Health Organization and UNICEF in 1981. Compliance with the code cost Nestle an estimated $10 million to $20 million. The boycott formally ended in February, 1984.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,933,200	$3,598,700
Magazines	11,637,900	8,468,800
Spot tv	32,793,100	28,712,900
Network tv	47,259,200	49,105,100
Spot radio	428,000	1,108,900
Network radio	747,900	2,225,000
Outdoor	157,700	162,800
Total measured	94,956,600	93,382,200
Unmeasured	*20,000,400	19,117,800
Estimated total	114,957,000	112,500,000

*Includes $1.5 million in cable tv.

THE NESTLE CO.

Marketing Personnel

B.E. Gensamer, senior vp-mktg and strategic planning
Bonnie T. Pizen, vp-mktg services

Advertising Agencies

Leo Burnett USA, Chicago—Taster's Choice regular and decaffeinated, Nestle bars, Morsels, new candy prods—Jerry Conner, acct director.

J. Walter Thompson USA, New York—Sunrise, Nestea, Nestle milk chocolate, Chunky, O Henry bars—Peter Schweitzer, senior vp-group acct director; Don Challis, senior vp-acct director; Philip Forman, vp-acct director.

Jordan, Case & McGrath, New York—Deer Park Water, Crunch bar, Bit-O-Honey, Goobers, Raisinets, $100,000 bar, Rich 'n Creamy Hot Cocoa mix, Chamourcy Desserts, Wispride, and Nestle Fund Raising—Jack Taylor, exec vp; Matthew McHenry, Steven Badenhop, mgmt super.

McCann-Erickson, New York—Nescafe regular and decaffeinated, Quik—John Boyd, senior vp-mgmt rep; Ted Donahue, vp-acct director.

STOUFFER RESTAURANT CO.

Marketing Personnel

John Qualgliata, president
Rick Cassara, director-mktg

Advertising Agency

Wyse Advertising, Cleveland—Chuck Boggs, senior vp-group super.

BOREL RESTAURANT CORP.

Marketing Personnel

Fredric W. Tippett, president
Suzette Cavanaugh, director-mktg

Advertising Agency

Michael Sellers, San Francisco—Marcia Michael, senior vp; Pam Heritage, acct exec.

STOUFFER HOTEL CO.

Marketing Personnel

William N. Hulett, president
Ronald A. Nykiel, senior vp-mktg
Robert Nance, director-adv

Advertising Agency

Wyse Advertising, Cleveland—Chuck Boggs, senior vp-group super.

STOUFFER FOODS CORP.

Marketing Personnel

Robert L. McGuigan, president
Gerald V. DeCroce, vp-mktg
Jeff Pecle, mktg mgr-entrees, side dishes
Richard B. Annet, mktg mgr-Lean Cuisine prods
Paul D. DeVries, mktg mgr-new ventures

Advertising Agency

HBM/Creamer, Pittsburgh—frozen foods—Richard Weber, Howard S. Gittins, vps.

WINE WORLD

Marketing Personnel

Mike Moone, president
J.F. Tonjum, vp-sales and mktg
J.L. Bareuther, vp-genl mgr, C&B Vintage Cellars
R.G. Carpenter, vp-natl sales mgr
J.E. Thompson, vp-group prod mgr, C&B Vintage Cellars

Advertising Agency

Allen & Dorward, San Francisco—John Galbraith, mgmt super; Barbara Frazier, acct super.

LIBBY, MCNEILL & LIBBY

Marketing Personnel

L.P. Judy, president
W.J. Barry, vp-natl sales mgr, grocery prods
W. Cuff, vp-specialty foods and prod devel
G.D. James, vp-grocery prods
J.W. Stevenson, senior vp-business devel

Advertising Agency

Bloom Cos.—canned juices and drinks, canned pumpkin, canned meats, nectar products, produce products, specialty products and new products—Henry Lewczyk, senior vp-mgr.

BEECH-NUT NUTRITION CORP.

Marketing Personnel

Niels L. Hoyvald, president
Steven B. Most, vp-mktg
Russ Decker, mgr-mktg services
Drew Staniar, Martin Kimmel, directors-mktg

Advertising Agency

Sherwood & Schneider, New York—James Massey, mgmt super; M. Abramson, acct super.

Nissan Motor Corp. in U.S.A.

	1983	1982**
Sales*	$14,417,183,000	$13,282,175,000
Earnings*	393,883,000	397,821,000
U.S. Advertising	122,848,000	117,566,700

*Fiscal years 1984 and 1983 ended March 31
**Fiscal 1983 restated

Nissan Motor Corp. U.S.A., Carson, Cal., a subsidiary of Nissan Motor Co. Ltd., Tokyo, was the 54th largest national advertiser in 1983, with an estimated expenditure of $122.8 million, up about 4.5% from 1982.

In the 1984 fiscal year ended March 31, Nissan Motor Co. Ltd. reported earnings lower than year earlier figures, with net income down 26%, to $293.8 million, on sales of $14.4 billion, up 8.3%.

The Japanese manufacturer of Nissan cars and trucks produced 2.7 million units for the fiscal year (including 210,697 "knockdown sets" for overseas assembly), up slightly from year earlier figures.

Total worldwide vehicle sales for Nissan rose 1.5%, even though sales in the Japanese homeland dropped 0.4%, to 1.1 million units.

Nissan's U.S. sales, representing 46% of worldwide unit sales, rose from 567,480 cars and trucks in March, 1983, to a 670,282 total in March, 1984. Cars were up 7.6% to 465,662 and truck unit sales increased 52.5% to 110,818. The best selling Sentra, known as the "Sunny" in other world markets, accounted for 209,889 units, up from 130,161 in 1982. In addition to being the most popular imported car in the U.S., the Sentra was also the highest volume production car in the world. Nissan spent $14.6 million, down 18%, on the Sentra in measured media.

Of total ad expenditure of $122.8 million, $85.8 million in six measured media included $37.7 million in spot tv, $33.6 million in network tv, and $13.4 million in magazines, according to Leading National Advertisers. Not included in the $85.8 million was an additional $24.1 million in national advertising spent by Nissan Motor Co. local dealers and franchises.

U.S. truck sales for Nissan also showed a significant improvement, up 27.3%, thanks largely to the startup of truck production at the company's assembly plant in Smyrna, Tenn.

The company's share of the over-all U.S. market was down slightly to 5.5%, from 5.6% in 1982. Nissan still ranks fourth in worldwide production, behind General Motors, Ford and Toyota.

The first half of the 1984 model year at Nissan saw a continuation of the creative umbrella, "We are Driven," and sustaining support behind most product lines. The Pulsar line was expanded to include a turbo option, and the new truck line was introduced under the Nissan nameplate, replacing the Datsun brand name.

About 40% of the total advertising budget was devoted to the Nissan truck introduction. Of that amount, the truck grabbed $23.6 million in measured media support virtually split between network and spot tv. The Nissan label is a major step toward the change in corporate identity from Datsun to Nissan.

A new ad theme, "Come Alive, Come and Drive, Major Motion from Nissan," was introduced in October, 1983. The campaign, developed by William Esty Co., is based on Nissan's commitment to quality and technologically advanced products. It underscores the fact that starting in October, 1984, all products will be marketed under the Nissan name.

The new theme was launched with a combination of 60-second spots, some devoted to corporate image and others to "Name in Motion," and the product-sell commercials, which were designed around the new campaign.

Nissan trucks were positioned as a full line of quality-built compact vehicles featuring toughness, durability, power and economy in terms of purchase price and operation. Print ads used such headlines as "Nissan handles the Rough Stuff" with extensive listings of product features. Tv spots established the tough truck value-oriented positioning with action-packed commercials using the new "Major Motion" theme.

The 1984 model year saw heavier weight placed behind the 4x4 pickup truck segment to capitalize on its tough macho image. Special emphasis also was placed on the S/T (Sport Truck) top-of-the-line trim level, the exclusive King Cab, the heavy duty long bed as well as the regular bed truck priced at $5,999. In February, 1984, the 8.8% "subvention" interest rate program, which first was offered in the spring of 1983, was reinstated. It was supported by tv, radio and newspapers.

The car product lines also had the introduction of a new 300ZX sports car in two-seater, 2 plus 2 and Turbo models designed to extend the heritage of the "Z" into a new era of performance and technology, with prices beginning at $15,799 for the five-speed coupe.

In addition to the new "Z," a sporty new 200SX was introduced in both notchback and hatchback versions. The hatchback also was introduced with a turbo option, a car that Nissan marketers aimed to appeal to the younger, upwardly mobile male and female car buyers.

The economy Sentra, priced at $5,199 for the two-door sedan model, continued to represent the bulk of Nissan sales. The advertising behind this low-price offering was designed to maintain Sentra's position as the No. 1 import car with print and tv ads that stressed its advanced technology and value under the "Major Motion" theme.

The Stanza continued to sell well as a roomy family car with plenty of power and high-technology advancements. Measured ad spending for the Stanza was $6.9 million. In the Pulsar line, the sedans were dropped and advertising support—$2.8 million—shifted to the Pulsar NX. The Maxima, attracting $1.5 million in measured spending, continued to be positioned as a luxury sedan and wagon. These three product lines were supported primarily in magazines, with the bulk of the car media dollars being devoted to the introduction of the new 300ZX, 200SX and maintenance of the Sentra line.

The 1984 models had the support of the largest single ad budget in the company's history. The media mix of tv, radio, newspapers and magazines followed the basic pattern set in 1983, but with greater support in local markets.

Network tv exposure was provided by "Monday Night Football," the sixth consecutive year Nissan has appeared as sponsor. Nissan also bought a major sponsorship with import automotive exclusivity on ABC-TV's telecasts of the 1984 Summer Olympics. To capitalize on this investment, Nissan became the car and truck sponsor of the U.S. Gymnastic Federation. A Nissan gymnastic demonstration team was developed for appearances at the Nissan exhibit at auto shows in major markets and dealership openings.

Early in 1984, Nissan announced it would begin assembling cars at its Smyrna, Tenn., plant, beginning next spring. The company plans to build as many as 100,000 subcompact Sentras a year and boost production of the small trucks it now makes at Smyrna to 140,000 units annually from 120,000.

Nissan also reported it will begin assembling cars in the U.K. in 1986 in what would be the first such entry by a Japanese auto maker into the European Common Market.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$9,443,600	$9,742,800
Magazines	13,351,900	12,750,600
Farm publications	231,200	—
Spot tv	37,723,600	32,671,100
Network tv	33,602,900	23,548,100
Spot radio	10,880,600	11,382,600
Outdoor	995,100	971,500
Total measured	106,228,900	91,066,700
Unmeasured	16,619,100	26,500,000
Estimated total	122,848,000	117,566,700

Marketing Personnel

R.B. Kent, vp-mktg services
J.M. Opre, adv director
J. Collier, dealer support director
T. Foutz, natl auto adv mgr
D. Hubbard, natl truck adv mgr
G. Ewald, natl sales promo & merch mgr
S. Furedi, media planning mgr
K. Okenquist, natl dealer adv mgr

Advertising Agency

William Esty Co., New York/Los Angeles—all Nissan vehicles—George Beech, mgmt super.

Noxell Corp.

	1983	1982
Sales*	$304,300,000	$261,897,000
Earnings*	23,205,000	18,584,000
U.S. Advertising	58,364,400	49,594,400

*Worldwide

Noxell Corp., Baltimore, the 94th largest national advertiser, increased its advertising spending 17.5%, to an estimated $58.3 million in 1983.

The company, which markets cosmetics, skincare products, household products and specialty foods, had a 16% sales increase from 1982, to $304.3 million. Net income was up 25.4%, to $23.2 million.

Noxell said unit volume increases caused both sales and profits for the domestic and international operations to reach new highs. Domestic price increases during the year averaged 5%.

The company said Cover Girl cosmetics division sales, which accounted for 57% of the company's net sales, were up 25% as earlier new entries continue to do well and Cover Girl Luminesse lipsticks were introduced.

The company said Cover Girl products continue to be the fastest growing business, growing faster than the market, further strengthening the leadership of Cover Girl in several major market segments.

Cover Girl makeup, in its 22nd year on the market, had a 1983 ad spending increase of 5.5%, to $9 million.

Cover Girl eye makeup was backed by $1.7 million in advertising. Cover Girl mascara got $10.3 million in ad backing, an 8.9% increase from the previous year, with $10.1 million going to network tv.

In the eye makeup category, the company's mascara holds a 26% share, eyeliner has 52% and shadows 19% in grocery store sales, according to analyst Diana Temple at Salomon Brothers. She said the Cover Girl line is "really the heart of the company," and exceeded sales of $170 million for 1983, a 25% growth over 1982. She added that the line is growing in excess of 20% in 1984.

Cover Girl nail polish spent $5.9 million in advertising in 1983, an increase of 225% from 1982. Cover Girl nail polish had a 34% share of grocery store sales in 1983, with the continued success of Cover Girl NailSlicks fueling line growth.

Cover Girl lipstick, with a 37% market share in supermarkets, grew substantially from 1982's 14.4%. This growth was due in part to the introduction of Cover Girl Luminesse lipstick, with a campaign promoting the "soft satin look for lips." The lipstick group was backed by $2.7 million in ad spending, down 35% from the previous year.

Tv accounts for 81%, or $45.7 million, of total measured spending for the company, with Cover Girls Jennifer O'Neill and Carol Alt joining models Cheryl Tiegs, Christie Brinkley and Kelly Emberg and actress Stefanie Powers in promoting "That Cover Girl Face."

The toiletries business reversed its 1982 sales slump and had both unit and dollar increases contributing 22% of consolidated sales, the company said.

Noxzema skin cream, which suffered a sales decline in 1982, grew by about 1% in 1983, to a market share of 20% in grocery outlets. Ad spending in 1983 for the facial cream, which has been marketed for 69 years, was $6.8 million, up 68% from the previous year.

Noxzema 12 Hour acne medicine and skin cream received a major increase in ad spending. Total 1983 ad support was $3.6 million, up 350% from 1982. Network tv spending accounted for $2.7 million of the 1983 ad support.

Noxzema antiseptic skin cleanser also received an increase in ad support. The company spent $1.1 million to back the cleanser, an increase of 125% over the previous year.

Raintree hand & body lotion, fighting stiff competition in that segment, declined in market share to 2% in 1983, from 3% in 1982. Ad support for the line also decreased to $1.8 million, down 61% from the previous year. Deepak Raj, an analyst at Merrill Lynch, said the heavy competition from other lotions and creams may discourage Noxell from spending any more money on Raintree until the line's position is established.

Noxzema shaving cream grew by 20% in dollar sales as a result of the continued success of the "Share the Softness" advertising campaign, which began in late 1982. Market share for the product was 11%, supported by $2.5 million in ad spending, up 82% from 1982.

New emphasis is being placed on the household products category. Lestoil shares were marginally lower, the company said. Ad spending in 1983 was $1.1 million, down 10.3% from 1982. William Esty Co. now is handling the advertising.

Noxell has a new plant under construction in Baltimore. Analysts say the plant will help Noxell maintain the efficient performance the company has shown in the past. The facility, expected to be in full production by the end of the year, will manufacture pressed powder for Noxell, eliminating the need for an outside supplier.

Noxell also is expanding into a specialty foods line developed by its Caliente Chili subsidiary, which the company acquired in 1983. While analysts say the area is experimental, some predicted the company would reach further into the specialty foods market, either through product development internally or with acquisitions. Sales for Caliente Chili were $3 million in 1983, and are estimated to be $3 million to $4 million in 1984.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$10,500	$5,500
Magazines	9,878,500	12,538,500
Spot tv	2,934,500	3,931,709
Network tv	42,791,100	31,527,600
Spot radio	200,000	—
Network radio	868,300	248,300
Total measured	56,682,900	48,251,600
Unmeasured	1,581,500	1,342,800
Estimated total	58,264,400	49,594,400

Marketing Personnel

George Bunting Jr., president and ceo
Marvin L. Hathaway, exec vp-domestic/coo
R.G. Duke, senior vp-corporate devel
F.J. Harrison, senior vp-mktg
P.M. Troup, vp-cosmetics mktg
R.H. Yeager, director-new prods
E.H. Levering, senior vp-sales
D.J. Gallow, director-mktg rsch
M.G. Bowers, mktg director cosmetics
C.J. Busta, mktg director toiletries
Gordon L. Fowler, president, Caliente Chili
Thomas H. Nall, vp-mktg, Caliente Chili

Advertising Agencies

SSC&B, New York—Noxzema skin cream, Cover Girl prods, new prods—F. Stone Roberts, exec vp; Neill Myers, senior vp-mgmt super; Ann Hughes, vp-toiletries; Donna Squilla, Susan Exum vp-acct supers; Jay Schreick, Sandra Lewit, acct super; Susan Quinn, Barrie Dolnick, Lisa Weatherford, acct execs; Mark Young, acct super-toiletries; Steve Deschenes, acct exec-toiletries.

William Esty Co., New York—Noxzema shave cream, Lestoil, Caliente Chili, new prods—Richard Van den Bosch, senior vp-mgmt super; Steve Moynahan, vp-mgmt super; Mike Nelson, acct exec; Dennis Jordan, acct super.

J.C. Penney Co.

	1983	1982
Sales*	$12,078,000,000	$11,414,000,000
Earnings*	467,000,000	430,000,000
U.S. Advertising	292,451,000	230,000,000

*Worldwide

J.C. Penney Co., New York, the nation's third largest retailer, spent an estimated $292.5 million on advertising in 1983, up 27% from the year earlier, in becoming the 19th largest U.S. advertiser.

Sales were $12.078 billion in 1983, a 5.8% increase over 1982 and considerable improvement over the 0.4% increase of the year before. Earnings were $467 million, up 8.6% from 1982. The stronger showing reflected both the turnaround in the retailing industry nationwide and changes in store format and product alignment under way at Penney's.

Penney's continued to show improvement through the first half of fiscal 1984 in which earnings were $118 million, up 4.4%, on sales of $5.81 billion, up 16.3%. However, included in the six-month's earnings figure was an 11% decline to $49 million in second quarter profits which the company attributed to "early markdowns in summer and spring merchandise and higher spending for promotional activities."

Like its big brothers in the industry—Sears, Roebuck & Co. and K mart Corp.—Penney's continued to work toward modernization of its stores in 1983, hoping through updated merchandise and floor arrangements to develop a more high-fashion image and expand its customer base.

In the alchemy of the modernized merchandise mix, Penney's has dropped auto services, major appliances, personal computers, paint and hardware, and lawn and garden products to expand its stock and presentation of apparel and soft home furnishings.

"We're not trying to get rid of the customers we've had. We're just trying to get more of them," said Penney's public relations manager Duncan Muir.

Forty larger Penney's stores in regional malls were modernized in 1983, and Penney's reported that, in those stores, sales increased about 15% over the previous year. Less dramatic interim modifications at 150 stores were completed in 1983, and similar face lifts were scheduled for 200 more stores this year.

The modernization plan for 1984 includes complete remodeling and merchandise upgrading at 34 more large Penney's stores at a cost of $3 million to $4 million each.

The retailer also plans to open 12 department stores in regional shopping centers, 35 smaller stores in geographic markets, 20 drugstores and 90 catalog centers in 1984 for the start of a four-year capital expenditures program estimated to top $2.5 billion. Of that total, about $1.5 billion is earmarked for modernization of existing metropolitan department stores at the rate of between 40 and 60 stores a year.

Long associated with a rather generic, middle-class America image, Penney's is attempting to nurture a more cosmopolitan image with more high-fashion brand names and an especially strong Italian accent on fashion apparel in promotions this fall.

Halston III, a lower-price fashion line under the *haute couture* designer name, is touted by Penney's as an example of its upscale efforts at merchandise mixing. In 1984, the retailer expects to offer select items in men's wear and soft home furnishings under the Halston III label. Penney's also expects to expand the Lee Wright men's line now available in 500 stores.

The retailer plans a "Salute to Italy" promotion Sept. 16 through October in an estimated 450 stores. The Italian promotion—an added budget item to the chain's standard advertising and promotion budget—is to be supported by advertising designed to reach 32 million households. The campaign includes network tv commercials, preprints, newspaper advertising, a 48-page direct mail booklet to be mailed to 15 million credit customers, and publication of an Italian cookbook featuring recipes from well-known Italian-Americans and Italians.

Other "Salute to Italy" promotions include teams of Italian artisans demonstrating their crafts—from goldsmithing to glass blowing—in the stores, an exhibit of Italian photographs from *People* magazine, and personal appearances by Sophia Loren and Misses USA and Italy.

Penney's chose to highlight the Italian accent in merchandising to reflect the strong consumer interest in the styles and products in 1983, Mr. Muir said. "We had been having a lot of success with Italian merchandise and saw this as an opportunity we ought to seize on."

A major part of Penney's unmeasured media advertising total of $222.3 million is in catalogs. In measured media in 1983, Penney's spent $70 million as monitored by Leading National Advertisers. Among individual media, the mass merchandiser increased network tv expenditures by 34%, to $31.9 million; magazines by 75%, to $19.8 million, and increased spot tv by 9%, to $18.1million.

The retailer spent most heavily on advertising for sportswear, including $10.8 million for family sportswear, up 2%; men's sportswear, $6 million, up 43%, and women's sportswear, $4.3 million, up from $1.2 million.

Other leading ad expenditures for merchandise included women's shoes, $2.8 million, up from $124,000, and shoes for the family, $1.1 million, up

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from $354,500.

The retailer opened 35 stores and closed 69 in 1983. In 1984, in the course of its image makeover, Penney's severed its 14-year relationship with McCaffrey & McCall and took its $50 million-plus account to N W Ayer.

Operating profits of J.C. Penney stores reached record levels, and sales in metropolitan stores increased 8.1%, to $8.2 billion. Sales at soft-line stores dropped 6.3%, to $800 million, primarily because 34 fewer stores are in operation.

Reflecting similar moves by its aggressive competitors both in the department and specialty retail business, Penney's moved to promote catalog sales more heavily. The company reported that 1983 catalog sales increased 7.6% over the previous year, to $1.8 billion, and has become a targeted growth area for 1984.

Donald Seibert, chairman of the board-ceo for nine years and a Penney's employe for 36 years, retired in September, 1983, and was replaced as chairman by William R. Howell. John Lucas, ad manager, retired and was succeeded by Edward Haywood.

ADVERTISING EXPENDITURES

	1983	1982
Magazines	$19,745,200	$11,284,800
Spot tv	18,150,900	16,530,900
Network tv	31,857,700	23,790,500
Spot radio	197,700	737,700
Network radio	—	2,203,100
Outdoor	236,800	163,700
Total measured	70,188,300	54,710,700
Unmeasured	222,262,700	175,289,300
Estimated total	292,451,000	230,000,000

Marketing Personnel

T.S. (Terry) Prindiville, senior vp-director, corp mktg
Lou Bremer, mgr-mktg communications
Lanni Benson, director-visual mktg
Edward Haywood, mgr-adv
Jim Boyton, mgr-media services
Bob Allen, mgr-corp mktg personnel and admin
Karen Edds, mgr-merch publicity
Bob Jung, mktg publications coordinator
Tom Jewell, mgr-corp mktg projects
Dean Clopton, mgr-presentation
Mal Bliss, mgr-packing and labeling
Bill Speer, mgr-store devel
Sid Stein, mgr-mktg rsch & plans services

Advertising Agencies

N W Ayer, New York—natl adv—Thomas Maxey, exec vp-exec acct director; Chuck Meding, senior vp-mgmt super; Agi Clark, senior vp-exec creative director; Janne Chenard, senior vp-creative director. J.C. Penney Financial Services—Joseph Della'Aquila, vp-mgmt super; John Nichols (insurance) and Jack Rayher (new business), vp-acct supers.

D'Arcy MacManus Masius/New York—J.C. Penney catalog—Steve Seiter, senior vp-mgmt super; Don Cole, vp-acct super.

PepsiCo Inc.

	1983	1982
Sales*	$7,895,936,000	$7,498,998,000
Earnings*	284,111,000	224,288,000
U.S. Advertising	356,400,000	305,000,000

*Worldwide

PepsiCo Inc., Purchase, N.Y., the nation's 12th largest advertiser, increased ad expenditures 16.9% in 1983 to an ADVERTISING AGE estimated $356.4 million.

Worldwide, the company spent an estimated $472 million, a 15% increase from 1982.

The company's revenues of $7.9 billion in 1983 were up 5% from the previous year. Net income leaped 27%, to $284 million, a reflection not so much of growing strength as of the fact that last year's balance sheet included the cutting loose of $79.4 million in assets of foreign bottling operations. Disregarding this unusual charge, net income actually dropped 6%.

Performance in the domestic food and beverage divisions was solid, with aggressive marketing securing PepsiCo's niche in the increasingly competitive soft-drink, snack and fast-food categories. Disappointing results from international operations—hampered by poor productivity, strong dollar and economic stagnation in much of the world—accounted for PepsiCo's continuing inability to turn around its over-all financial picture.

Recovery in the international operations, however, was the key to the recovery PepsiCo enjoyed in the first quarter of 1984 when net income rose 27% from the first quarter of 1983, to $47.2 million.

The company's marketing strategies are summed up by the phrase "expand and segment." The idea is to achieve growth by expanding the total number of consumers in a given category—soft drinks or snack foods, for example—with intensive advertising, while stressing the unusualness of each product to avoid cannibalization. The strategy is exemplified by the successful extension of the Pepsi name to five different soft drinks.

A brilliant glare of publicity surrounds Pepsi's current Michael Jackson campaign, which includes tv and radio spots as well as sponsorship of the Jacksons' Victory Tour. That glare obscures the fact that in 1983 the company de-emphasized its flagship brand, spending more ad dollars and scoring more creative success in campaigns for other products. Some $23 million in measured spending in network and spot tv and outdoor went to promote Pepsi Free and Diet Pepsi Free, the company's entries in the caffeine-free category, introduced in 1982 to the tune of $4.2 million.

Those two products beat Coca-Cola Co.'s caffeine-free Coke and Diet Coke entries to the marketplace, and together accounted for more than 50% of all caffeine-free colas sold, PepsiCo said. Coca-Cola disputed this claim, pulling out slightly different statistics to establish its own preeminence among caffeine-free colas.

The war of words reflected the importance to both companies of this growing category. It also reflected the difficulty of keeping score in a marketplace where lemon-lime, ginger ale, orange and other sodas all are heralding caffeine-free claims in their ads.

PepsiCo also put new money and creative energies into promotions for Diet Pepsi, spending $20.6 million on tv spots as opposed to $13 million in 1982. The new campaign featured quiet, low-key, slice-of-life situations, focusing on intriguing conversations where Diet Pepsi was a secondary subject. Tag line was "Taste. Improved by Diet Pepsi," a reference to the new NutraSweet formula introduced last year.

Measured spending on Pepsi itself dropped 13%, to $22.8 million in 1983, according to Leading National Advertisers, as the company struggled to find a definitive creative image for the brand. Ads combining the "Pepsi Challenge" and "Pepsi Now" themes were perceived as ineffective, especially in the face of the "Coke is it" blitzkrieg. The result was the late-1983 signing of the Jacksons and the emergence in early 1984 of "Pepsi. The choice of a new generation."

The slogan tapped into older consumers' memories of the legendary "Pepsi generation" ads while appealing to younger consumers with the audio-visual excitement of the Jacksons. Pepsi also has signed a multi-million-dollar deal with Lionel Ritchie.

The Jackson spots drew so much attention, partly because of the incident where Michael's hair caught fire during filming, that the company went so far as to advertise the broadcast times of the spots in certain local newspapers. Cable tv's MTV:Music Television ran a heavily promoted preview of the spots the night before their debut on the Grammy Awards telecast.

The real Pepsi success story of 1983 was in fountain syrup sales. In June, Burger King decided to replace Coke with Pepsi at its 3,200 fountains, citing better service, better prices and the marketing compatibility of wedding the No. 2 cola with the No. 2 fast-food chain. Wendy's International also replaced Coke with Pepsi at 150 of its company-owned stores, meaning Pepsi now serves almost 75% of all Wendy's outlets. These gains were particularly important in light of Burger King's and Wendy's strong push for a bigger share of the fast-food market.

All told, Coke brands are believed to hold slightly less than 30% of the market and Pepsi brands about 29%.

Pepsi introduced a new high-fructose corn syrup formula in 1983, a cost-cutting measure.

The company's two restaurant chains, Pizza Hut and Taco Bell, were bright spots in 1983. Average sales per restaurant grew 18%, with total revenue for the food service division topping $1.5 billion and profits topping $140 million. The continued success of the personal pan pizza, which brought the lunchtime crowd into Pizza Hut for the first time, combined with a growing carryout trade to lead the way.

The company also placed a stronger emphasis on physical improvements to Pizza Hut restaurants and on quality control. Measured spending climbed 25%, to $47.3 million, with total marketing expenditures estimated at about $60 million.

Taco Bell also recorded solid gains, adding 174 restaurants and introducing new products such as Taco Light. Mexican food is the fastest growing category in the fast-food industry; Taco Bell holds a 53% market share, with sales topping $600 million in 1983. Measured media spending grew almost 40%, to $18.7 million, in 1983, according to LNA, with total marketing expenditures expected to hit $30 million in 1984.

Tracy/Locke-BBDO, Dallas, took over the Taco Bell account from Grey Advertising in January, 1983. Its first campaign, tag lined "Just made for you," marked the most intensive use of tv ever by a Mexican chain. The company expects to add 150 new stores this year, and up to 600 more by the end of 1986.

The food products division was a source of both profit and concern in 1983. Frito-Lay remained No. 1 among snack food companies, but slack performance abroad and the slow rate of growth at home were causes for worry, despite the profits of $340 million on sales of $2.4 billion.

Spending remained fairly constant, with most brands receiving moderate increases in support. Cheetos received a boost to $8.3 million, from $6.2 million, in support of an expanded line, while Lay's potato chips took a cut to $2.7 million, from $7.3 million, as the company readied its big gun for 1984: O'Grady's, a new potato chip entry heralded as the most important product introduction for Frito-Lay this decade.

O'Grady's, a "thicker, heartier chip" now moving into national distribution, is expecting to hit $100 million in sales this year. Frito-Lay is counting on the new chip to help it catch up to the growth rate of the rest of the snack-food industry.

Grandma's cookies, a soft and chewy brand, is expected to help in the snack-food industry. LNA reported $3.8 million in 1983 ad support for Grandma's, up 345% from 1982. The cookies were No. 2 in test markets in 1982, and the company expects the introduction to be completed by the end of the year.

PepsiCo slowly is expanding its line of La Petite Boulangerie bakeries, with 33 open in late 1983, 10 under construction, and 100 more expected to be built in 1984. By 1990, PepsiCo hopes to have 2,500 bakeries, all running on fat profit margins.

Wilson Sporting Goods did poorly in 1983, with revenues dropping to the $250 million range after topping $300 million in 1982 and 1982's $20 million profit followed by 1983's $10 million loss. The company has been slow to move out of wooden tennis rackets and into the growth areas of composites and large-head rackets, but now is doing so.

Golf equipment remained the most heavily advertised Wilson products, drawing $4.6 million of the $7.8 million expended on all Wilson products, according to LNA. New see-through packaging is expected to perk up sales of Wilson tennis balls, and growing consumer familiarity is expected to do the same for Sting and Ultra tennis rackets.

The company attributed Wilson's poor performance to increased competition, the implication being that younger companies are outhustling Wilson in dealer service and product introduction.

PepsiCo sold North American Van Lines this past April for $315 million to Norfolk Southern Corp., a Virginia-based railway company. North American earned $25 million in 1983 on revenue of $560 million, slight increases from 1982. The trucking company is considered sound and a good bet for growth; PepsiCo sold North American because transportation does not fit with the conglomerate's existing strengths or growth strategies.

Major changes in the PepsiCo executive suite marked 1983. John Sculley, president of Pepsi-Cola USA, left to head Apple Computer, and Roger Enrico took over. Terrance Collins became president of the food service division, replacing Donald Smith, who quit to assume the leadership of Chart House—a rival company that owns Godfather's Pizza and many Burger King franchises. Mr. Collins has been the leader of the bakery expansion at PepsiCo. Michael Jordan, former head of the international snack division, became president of Frito-Lay, succeeding Wayne Calloway, who became chief financial officer of the parent company.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$6,002,400	$2,853,400
Magazines	3,894,600	9,417,300
Spot tv	121,847,100	87,728,200
Network tv	73,955,200	75,857,000
Spot radio	14,204,900	16,544,200
Network radio	916,300	2,781,700
Outdoor	1,923,500	1,133,500
Total measured	222,744,000	196,316,100
Unmeasured	133,656,000	108,683,900
Estimated total	356,400,000	305,000,000

PEPSI-COLA USA

Marketing Personnel

Roger Enrico, president-ceo
Ron Tidmore, senior vp-sales
John Costello, senior vp-mktg
Dan Clark, vp-brand mktg
Alan Pottasch, senior vp-creative services
Henry Hayes, media director

PEPSI-COLA BOTTLING GROUP

Marketing Personnel

Robert G. Dettmer, president
Craig Weatherup, senior vp-sales

Advertising Agencies

BBDO, New York—Pepsi-Cola, Diet Pepsi, Pepsi Free, Mountain Dew—Gary de Paolo, senior mgmt rep; William Katz, mgmt super; Stuart Russem, Jeff Mordos, acct supers; Stuart Marvin, Rich Kronengold, acct execs.

J. Walter Thompson USA, New York—Teem, On Tap root beer—Peter Schweitzer, mgmt director.

Conill Advertising Associates, New York—domestic Hispanic adv, all brands—Rafael Conill, chairman; Alicia Conill, president/creative director.

Mingo-Jones Advertising, New York—black consumer adv and special projects—Frank Mingo, president; Carolyn Jones, creative director.

Tracy-Locke/BBDO, Dallas—Pepsi Light—Ed Winter, vp; Bruck Orr, mgmt super.

People weekly performs

"People has become Perrier's own selective form of 'television' ...it is the one place our disparate consumer target converges *en masse*."

—Barbara Long
Marketing Director, Perrier Group

KNOW THY COMPETITION

See page 137

LNA

PEPSI-COLA INTERNATIONAL

Marketing Personnel

Robert H. Beeby, president-ceo

Advertising Agencies

BBDO International, New York—Bernard Lee, mgmt super; William Oswald, acct super; Tracey Gakle, acct coordinator.

J. Walter Thompson USA, New York—Tony Clarvall, mgmt super.

PEPSI-COLA BOTTLING INTERNATIONAL

Marketing Personnel

Thomas J. Ratigan, president-ceo
Christopher Filmer, mktg director

Advertising Agencies

BBDO International, New York—Bernard Lee, mgmt super; William Oswald, acct super; Tracey Gakle, acct coordinator.

J. Walter Thompson USA, New York—Tony Clarvall, mgmt super.

PEPSICO FOODS INTERNATIONAL

Marketing Personnel

John S. Pingel, president
Robert A. Pene, vp-mktg

Advertising Agencies

Tracy-Locke/BBDO, Dallas—David Novak, Mike Rawlings, intl coordinators.

Young & Rubicam, New York.

Foote, Cone & Belding, New York—John Howard, William McDonough, mgmt directors.

FRITO-LAY

Marketing Personnel

Michael H. Jordan, president
Leo Kiely, vp-mktg
Jack DeMarco, vp-sales
[illegible] Korr-Roschke, group mgr-mktg services

Advertising Agencies

Foote, Cone & Belding, New York—GrandMa's cookies, Fritos corn chips, Ta-Tos potato chips, O'Grady's potato chips—John Howard, group mgmt director; William McDonough, mgmt director, Fritos, O'Grady's and Tatos potato chips—Chris Novak, acct director; Gary Gluck, acct exec. GrandMa's cookies—Michael Miller, acct director; Fred Langbecker, acct exec. O'Grady's, Tatos potato chips—Leigh Hubler, acct exec.

Young & Rubicam, New York—Ruffles potato chips, Cheetos cheese puffs, Rolled Gold pretzels, new prods—John Glorieux, group director; Dave Cramoy, mgmt super; Peter Micholson, acct super; Paul Lorant, Marcia Wasser, acct execs; Frank DeVito, group creative director; Clark Frankel, associate creative director.

Tracy-Locke/BBDO, Dallas—David Novak, mgmt super, Doritos tortilla chips, Tostitos tortilla chips, Baconettes bacon flavored chips, Funyons onion flavored rings—Mike Rawlings, acct super. Lays potato chips, Sun Chips, new prods—Denny Post, acct super; Scott Helbing, acct exec-Doritos; Peter Mitchell, acct exec-Tostitos; Terry Davenport, acct exec-Lays potato chips, Tobi Cox, acct exec-new prods.

PIZZA HUT

Marketing Personnel

Arthur G. Gunther, president-ceo
Michael Jenkins, senior vp-mktg
Bud Gates, director-corp communications

Advertising Agency

Foote, Cone & Belding, Chicago—Bruce Mason, senior vp-group mgmt super; Mitch Engel, acct super.

TACO BELL

Marketing Personnel

Larry Higby, senior vp-mktg
John Moorhead, vp-adv and promo
Pat Morris, vp-field mktg
John Lyon, mktg devel director

Advertising Agency

Tracy-Locke/BBDO, Dallas—Rod Underhill, mgmt super.

LEE WAY MOTOR FREIGHT

Marketing Personnel

Larry K. Yarbrough, exec vp-sales and mktg
P.A. Fox, vp-sales

Advertising Agency

Ackerman & McQueen, Oklahoma City—J. Nauser.

NORTH AMERICAN VAN LINES

Marketing Personnel

Kenneth W. Maxfield, president
Joseph D. Ruffolo, exec vp-household goods div
Thomas P. Fagan, vp-sales
Blaine Sowers, president-commercial transport div
Michael Breslin, vp-sales, commercial transport div
Rob Fletcher, director-natl acct sales
Robert Lake, exec vp-genl mgr
Rich Buckley, exec vp-genl mgr, high value prods
Tom Harris, vp-genl mgr, intl div
Tom Zirk, vp-U.S. sales, intl

Advertising Agency

Doe-Anderson, Louisville, Ky.—Phil Payne, acct super.

WILSON SPORTING GOODS

Marketing Personnel

Williard C. Korn, president-ceo
John M. Craynor, senior vp-mktg
Terry G. Lee, senior vp-sales

Advertising Agency

Leo Burnett USA, Chicago—Bill Boris, Steve Gritton, acct supers.

Pfizer Inc.

	1983	1982
Sales*........	$3,750,000,000	$3,496,000,000
Earnings*.....	447,100,000	332,800,000
U.S. Advertising	72,048,300	65,687,500

*Worldwide totals

Pfizer Inc., New York, the 83rd largest U.S. advertiser, increased its domestic advertising expenditures 9.6%, to an estimated $72 million in 1983.

Worldwide earnings of $447.1 million, up 35%, came on sales of $3.75 billion, up 7.3% from the previous year. U.S. sales contributed $1.95 billion, or 52% of the total.

The pattern of modest sales increases and escalating earnings continued into the new fiscal year. In the first quarter of 1984, worldwide sales were $920 million, a 1% increase over 1983's opening quarter, and net earnings were $127.7 million, up 15%.

Pfizer's businesses are grouped into five segments. The healthcare segment, which includes hospital products and pharmaceuticals, is the largest and most profitable one. It has outpaced the company's other lines of business in each of the past several years. Sales for the segment in 1983 were up 11%, and it now makes up 62% of Pfizer's consolidated sales. It also accounted for 88% of the total 1983 operating profit.

The other segments (and the percentage of total sales they comprised in 1983) are: Agriculture (12%), specialty chemicals (11%), consumer (8%) and materials science (7%).

Pfizer's materials science segment scored an 8% sales gain; the specialty chemicals segment, a 1% gain; agriculture segment, a 2% decline. The consumer segment, which receives the bulk of the company's measured media support, posted a 6% sales gain, correcting the 3% drop it suffered in 1982.

The consumer business line has been restructured in recent years, and sales now are concentrated in the U.S. The two principal divisions are Leeming/Pacquin and Coty. The domestic sales of the two constitute 85% of Pfizer's total consumer sales.

Leeming/Pacquin products include Ben-Gay analgesics, Unisom nighttime sleep aid, Visine eye drops, and Desitin skincare and baby care products, and Pacquin and Barbasol toiletry items. The Barbasol line was extended in midyear with the introduction of Barbasol glide stick deodorant.

Women's fragrances are Coty's largest product category. They include Emeraude, Sophia, Nuance, Wild Musk, L'Aimant and L'Origan. In the men's fragrance department, the Stetson line of men's fragrances were joined by a new Stetson stick deodorant and Musk for Men cologne spray. Sales of men's fragrances were up 21% last year.

New products for women last year included a new line of Airspun powders and Stop It! lip-line sealer.

Measured media spending for Pfizer's consumer products increased 10%, to $42.8 million last year. The increase meant gains for network tv (up $1.5 million, to $34 million), spot tv (which doubled, going to $2.8 million), magazines (up $3.4 million, to $10.8 million), newspaper supplements (which tripled, going to $1.3 million), and network radio (to $500,000).

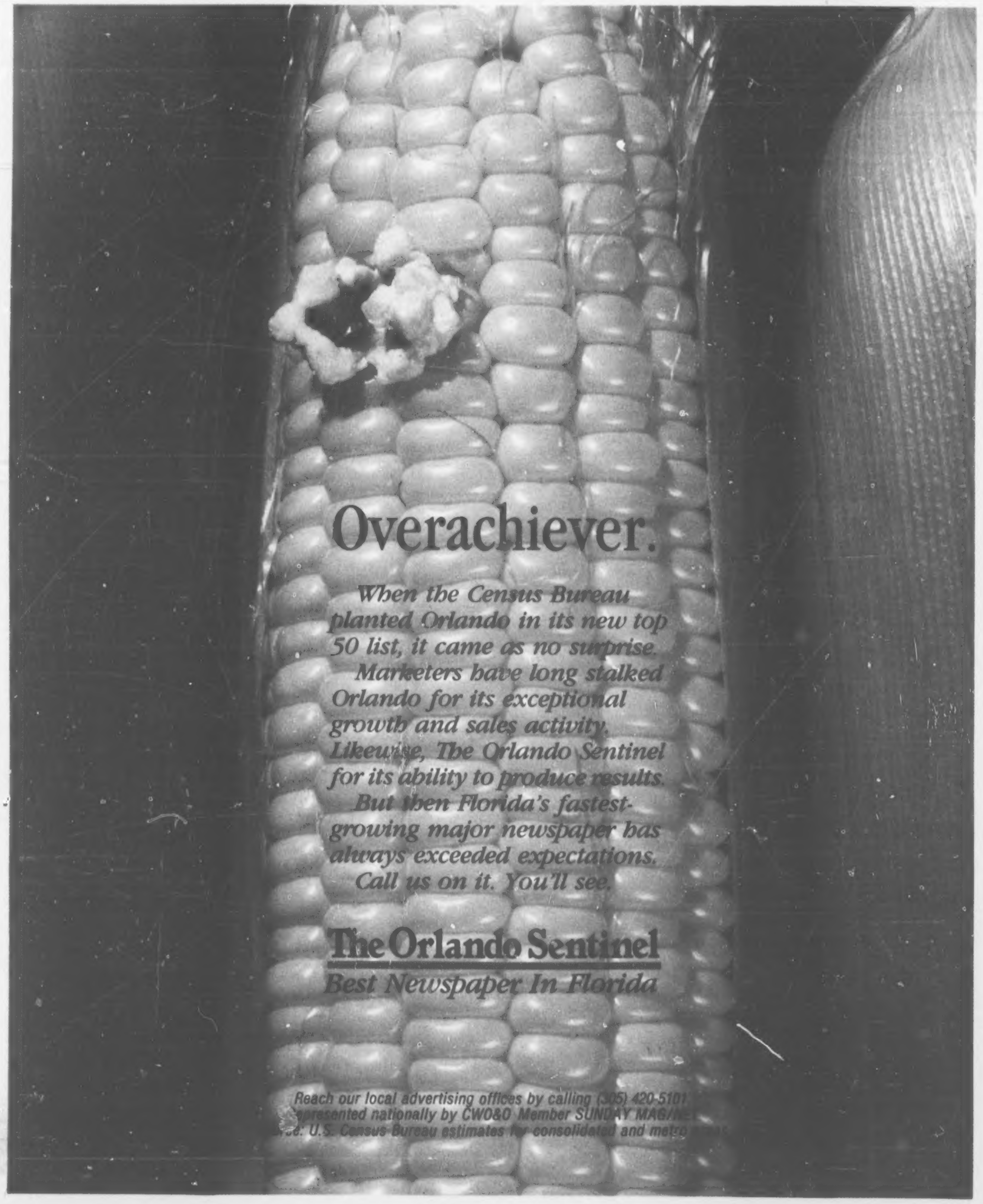
Ad spending for Ben-Gay, which got a $1 million boost in measured spending, rose to $7.3 million.

Visine spending was $10.1 million, a 25% boost. This broke down to regular Visine, $6.7 million, and Visine A.C., $3.4 million.

Coty lipstick spending doubled to $1.5 million, and Unisom's measured media budget increased to $5.2 million. Coty Overnight Success facial cream was backed with $1.5 million, and Pacquin body cream stayed steady at $1 million.

Suffering big measured media budget cuts were: Emeraude, whose budget was cut in half, to $3.7 million; Sophia, which received $3.7 million, down from $5.4 million; Nuance, whose 1983 total was $1.3 million, a third of what it received the year earlier.

Sales were up for the Stetson men's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[illegible]: U.S. Census Bureau estimates for consolidated and metro

fragrance line, but the ad spending was down. The line received $4.1 million in ad spending, down from $4.6 million the previous year. It continues, however, to be the second most advertised men's fragrance behind American Cyanamid's Old Spice.

Barbasol continues as a nonadvertised brand.

In the healthcare business segment, Pfizer markets pharmaceuticals in several broad therapeutic categories. The major ones are antibiotics, which accounted for $586 million in sales last year; anti-inflammatories, which accounted for $415 million, and cardiovascular drugs, which accounted for $325 million. The two largest pharmaceutical product divisions are Pfizer Laboratories and Roerig.

In the anti-inflammatories category, Feldene, an antiarthritic drug is the star. Of the category's total sales of $415 million, Feldene accounted for $386 million. It is Pfizer's single largest product and the world's top nonsteroidal, anti-inflammatory drug.

Procardia, a cardiovascular drug, increased its U.S. sales 53% and totaled $123 million in 1983, about one-third of Pfizer's total sales in its respective category.

Cefobid, an antibiotic launched in 1982, had sales of $118 million last year.

All three—Feldene, Procardia and Cefobid—were introduced in the U.S. during the past two years and have been backed with trade and consumer ads.

Yet another new market entry is Glucotrol, an antidiabetic drug.

As part of a "Healthcare Series," Pfizer Pharmaceuticals has been running newspaper, magazine, tv and radio ads emphasizing how individuals can become partners with medical professionals in maintaining healthy life styles.

Looking ahead, Pfizer expects its hospital products group to be one of the big contributors to growth. Since entering the field when it acquired Howmedica about a decade ago, the group's sales have been growing at three times the rate of the company's consolidated sales. The group had sales of $459 million in 1983 and was strengthened by the acquisition of Valleylab Inc., a manufacturer of electronic medical devices.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,322,900	$420,000
Magazines	10,855,400	7,487,900
Farm publications	1,522,300	1,672,000
Spot tv	2,860,000	1,499,800
Network tv	34,009,000	32,486,600
Spot radio	84,300	151,000
Network radio	444,400	75,000
Outdoor	7,200	—
Total measured	51,135,500	43,791,700
Unmeasured	20,948,800	21,895,800
Estimated total	72,084,300	65,687,500

AGRICULTURAL DIVISION

Marketing Personnel

R.M Hendrickson, president
E.T. Hughes, vp-sales
R.N. Fountain, vp-mktg
J.F. Muren, vp-operations
R.A. Stacchini, mgr-mktg and mktg rsch
R.G. Klein, mktg mgr, animal health

Advertising Agencies

Barickman Advertising, Kansas City—animal health—Jim Aust, acct super.

Brewer Advertising, Kansas City—genetics—A.J. Adolfi, acct super.

LEEMING/PACQUIN DIVISIONS

Marketing Personnel

J.F. Harmon, president-consumer prods
J.F. Anderson, vp-mktg
T.F. Coughlin, vp-sales

Advertising Agencies

Avrett, Free & Ginsberg, New York—Unisom—Don Badman, exec vp; Marlene Wheeler, acct super.

McCaffrey & McCall, New York—Ben-Gay, Desitin, Pacquin, Rheaban—Burtis Flounders, mgmt super; Janet Boyle, acct super.

Ted Bates Advertising/New York—Visine, Visine A.C.—Lee Hines, exec vp; Vickie Mendlesohn, acct super.

COTY DIVISION

Marketing Personnel

J.F. Harmon, president, worldwide operations-consumer prods
J.T. Markowski, vp-mktg
J.L. Abernathy, vp-sales

Advertising Agencies

Hicks & Greist—Sophia and cosmetics—Josann Avery, acct exec.

Warwick Advertising—Emeraude and Stetson—Pam Sarnoff, acct exec.

John Paul Itta Inc., New York—Nuance and Musks—Marc Engelsman, acct exec.

Adforce Inc., New York—Robert Geller, president; John McAvity, vp-broadcast; Martin Gennusa, vp-media.

CHEMICAL DIVISION

Marketing Personnel

F. Adams Jr., president
D.F. Farley, vp-operations
P.J. Regan, vp-operations
W.D. Benfer, vp-U.S. sales
F.P. Chapman, vp-field operations
Vincent DeGennaro, director-adv and promo

Advertising Agency

D'Arcy MacManus Masius, New York—F.P. Harvey, senior vp-mgmt super; Charles Rose, vp-acct super; D.E. Bray, acct exec.

PFIZER PHARMACEUTICALS

Marketing Personnel

S.G. Gilgore, president
J.T. Curti, senior vp-medical and pharmaceutical devel
J.N. Arvesen, director-mktg rsch/planning

PFIZER LABORATORIES

Marketing/Sales Personnel

W.C. Steere, exec vp-director, operations
G.N. Jortner, vp-mktg
W.J. Robison, vp-sales

Advertising Agencies

Klemtner Advertisng, New York—Vibramycin, Terramycin, Oral Vistaril, other ethical drugs—Morgan Cline, president.

William Douglas McAdams Inc., New York—Diabinese—Eugene Fine, vp; Howard Mandlebaum, senior vp.

Dorritie & Lyons, New York—Minipress, Minizide, Feldene, Procardia, Renese—John Dorritie, president.

ROERIG DIVISION

Marketing Personnel

P.G. Tombros, senior vp-director, operations
K.L. Katen, vp-mktg
L.L. Larkin, vp-sales

Advertising Agencies

Robert A. Becker Inc., New York—Geopen, Geocillin, Antivert, Atarax—Doug Frank, acct exec.

Dorritie & Lyons, New York—Marax, Cefobid—Jim Streup, vp.

Klemtner Advertising, New York—Spectrobid—Jake Zahavi, vp-mgmt super.

PFIPHARMECS DIVISION

Marketing Personnel

F.D. Price, vp-director, operations
S.B. Harr, director-mktg and sales

Advertising Agencies

S.G. Weinstein Associates.

Altschiller Reitzfeld Solin/NCK, New York—Pamela Breeman, acct super.

MINERALS, PIGMENTS & METALS DIVISION

Marketing Personnel

D.R. Thacker, president
W. Nazarewicz, vp-minerals
H.W. Flandreau, vp-mfg
P.A. Guercio, vp-metals
W.M. Stephson, vp-magnetic materials business devel
G.L. Metcalf, vp-pigments/magnetics
H.F. Stolte, mktg services mgr

Advertising Agency

Adforce Inc., New York (inhouse)—Robert J. Geller, president; John M. McAvity, vp-broadcast; Martin J. Gennusa, vp-media.

HOWMEDICA INC.

E.C. Bessey, president-ceo
R.B. Whitman, senior vp
D.M. Fitzgerald, senior vp-worldwide orthopedics

Advertising Agency

Techni-Graphics—Hugh Phares, president.

QUIGLEY CO.

Marketing Personnel

J.P. Bartels, chairman
J.C. O'Donoghue, president
D.R. Holmes, vp-intl operations
L.J. Dreyling, vp-technical
R.M. Galloway, vp-sales and mfg

AD FORCE INC.

Personnel

Robert J. Geller, president
John M. McAvity, vp-broadcast
Martin J. Gennusa, vp-media

Pillsbury Co.

	1983	1982
Sales*	$4,172,000,000	$3,686,000,000
Earnings*	169,800,000	138,900,000
U.S. Advertising	190,994,300	170,427,700

*Worldwide, fiscal years 1984 and 1983 ended May 31.

Pillsbury Co., the nation's 34th leading advertiser in 1983, increased its ad spending 12%, to $190.99 million.

Pillsbury recorded sales for its fiscal 1984, ended May 31, of $4.17 billion, up 13.2% from fiscal 1983. Earnings were $169.8 million, up 22.2%.

Pillsbury, like other flour and mix marketers, was hit late last year by the consumer scare concerning ethylene dibromide. The company said sales—particularly of Pillsbury Plus cake mix—"were hurt substantially" by the scare and have not yet recovered to their earlier volumes.

Measured ad spending for the Pillsbury Plus cake mix line during calendar 1983 dropped 60%, to about $1 million, as Pillsbury maintained third place in a listless cake mix market, behind Procter & Gamble's Duncan Hines line and General Mills' Betty Crocker brand.

In response to the national rollout of a new competitor, P&G's Duncan Hines frosting, Pillsbury reformulated its ready-to-spread Frosting Supreme line to an all-vegetable fat formula. The company increased ad spending by 30%, to $4.3 million, to communicate the new formulation, advertised as creamier. The company's share of the $220 million frosting market declined to 28%, from the 31% it had before the Duncan Hines introduction.

The company introduced a three-item line of dry mixes for yeast bread, under the Poppin' Fresh yeast bread mix label, early this year. Pillsbury pledged $13 million in support of the line—the first dry product to carry the Poppin' Fresh name.

The company entered the wholesome snacks fray this spring by introducing a four-item line of Milk Break milk bars, advertised as having "a half a glass of milk in every bar." Pillsbury pledged $16 million to the introduction. The company indicated Milk Break is only the first of several entries into the cereal-meal-bar category.

Last September, Pillsbury began a new ad campaign for its refrigerated products, featuring the signoff "mm ... ah ... oh ... that poppin' fresh dough." Pillsbury put increased support behind its refrigerated biscuits and rolls as it introduced Pipin' Hot Loaf white bread dough nationally and then rolled out a wheat bread version during fiscal 1984.

Several other new products emerged from the refrigerated group during the year, as well. Last fall, the company introduced refrigerated Spread 'n Bake fudge brownies dough; this fall it plans to introduce Soft Bread Sticks, refrigerated yeast dough that makes bread sticks.

Pillsbury, which helped increase the pie crust category from $101 million to about $160 million now, cut back measured spending for All Ready pie crusts to about $2.9 million in 1983, following its 1982 introductory spending of about $4 million in measured advertising. The company said it lowered measured ad spending because it had achieved the desired consumer awareness level.

Measured ad spending for the Totino's pizza line more than doubled during 1983, from about $1.5 million to $3.1 million, as the company pushed its My Classic pizza, introduced in mid-1983.

Pillsbury this summer introduced its second nationally marketed product intended for microwave cooking—frozen microwave pizza—which joins microwave popcorn. The four-item pizza line is expected to be one of several new product lines under the Pillsbury microwave name.

Pillsbury lowered measured ad spending on its Green Giant entrees to less than $250,000 in 1983, from $1.7 million in 1982, as it prepared the fall introduction of its six-item line of StirFry entrees. Ad levels for 1984 are expected to increase as a result of heavy spending for StirFry entrees and for a new line of frozen entrees, New American Cuisine, now rolling out. The new entrees, each with less than 400 calories, are targeted to young, upscale, convenience-oriented consumers.

Green Giant introduced Nibblets corn and Early June peas with an improved butter sauce last September, and this summer entered nationally a six-item line of vegetables with a reformulated butter sauce. Pillsbury said the new vegetables in butter sauce line was prompted by the success of the two initial products, but it also came soon after General Foods' Birds Eye unit introduced its own six-item line of vegetables in real butter sauce.

Toaster strudel, a frozen breakfast pastry targeted to adults, finally was introduced this summer, after two years in test market.

Pillsbury's Haagen-Dazs unit this summer began an ad agency review. Haagen-Dazs also licensed its name to Hiram Walker Inc. for use in a cream liqueur. Incumbent is Advertising Management, Brooklyn, N.Y. The ice cream maker spent less than $200,000 in measured media in 1983.

In keeping with its previously announced plans, Pillsbury Co. purchased three small companies for its consumer foods unit during the past year. This spring, the company purchased Azteca, a Chicago-based marketer of refrigerated corn and flour tortillas. The Apollo filo dough business the company acquired earlier this year will expand Pillsbury's dough line, while the purchase of Sedutto Ice Cream Corp., a New York marketer of specialty ice creams primarily in mid-Atlantic states, was intended to enhance Pillsbury's presence in the food service segment.

Several management changes occurred in the consumer foods group this year, as George McCarthy, formerly vp-general manager of entrees, was named exec vp at Haagen-Dazs Ice Cream Co., and L. Thomas Gartner, formerly vp-business unit manager for basic foods, succeeded him. James T. Peterson, formerly director-operations analysis, succeeded Mr. Gartner.

Pillsbury's Burger King Corp. continued its solid growth pattern, with the $3.43 billion in systemwide sales in fiscal 1984, up from $2.8 billion in 1983 and $2.5 billion in 1982. Pillsbury-controlled outlets generate about 25% of those sales. There were more than 3,700 units at the beginning of 1984.

Management changes at Burger King in April set the stage for the company to develop alternative restaurant concepts. The acquisition of other fast-food restaurant chains, probably involving fish, chicken or pizza concepts, was among the possibilities mentioned.

Kyle Craig, Burger King's former exec vp-director of marketing, who orchestrated the company's Battle of the Burgers ad campaign, left his post to become vp of the company's New York region. Industry observers speculated that Mr. Craig's new post was a steppingstone to a top executive post, possibly the presidency of whatever new restaurant venture Pillsbury inaugurates.

Don Dempsey, formerly marketing director for McDonald's Corp.'s Far East operations, succeeded Mr. Craig as director of Burger King's marketing department.

Burger King maintained its position as the second largest fast-food advertiser, trailing only perennial big spender McDonald's, while trying to close the gap. BK increased its tv spending 29%, to $82.5 million in 1983. McDonald's, meanwhile, spent $186 million on tv in 1983, a 22% increase.

In contrast to McDonald's, which has been shifting tv budgets in favor of network buys, Burger King has been increasing its local tv spending, which was 63% greater in 1983. Its network spending last year rose less than 1%, to $35.6 million.

Burger King's advertising messages have continued the comparative positioning first introduced in late 1982 with the "broiling vs. frying" campaign. That approach has changed the nature of fast-food marketing, making specific points-of-difference advertising not only acceptable but necessary.

In a bit of serendipity, BK's aggressive advertising style led Wendy's to answer with its "Where's the beef?" campaign, which proved a bonanza for BK's closest competitor.

But that style also continued to work well for Burger King. According to market researcher GDR/CREST Enterprises, BK's customer traffic in 1983 was up 18.1%. That increase was second only to Hardee's, whose customer counts rose 21.7%, and better than Wendy's (up 9%). McDonald's counts actually dropped 1% in 1983, according to the CREST data.

To keep that growth pattern steady, Burger King launched a new flight of "broiling vs. frying" ads in the summer of 1984, backed with a $40 million budget. One spot that parodied the children's show, "Mr. Rogers' Neighborhood," was withdrawn when show host Fred Rogers registered a mild protest with Burger King.

In mid-1984, BK began using that comparative message in Europe, where it also is battling McDonald's for market share.

Like many other fast-food chains, Burger King has pursued nontraditional site alternatives for new-unit construction. But it was BK that landed the plum assignment. In June, it signed a franchising agreement with the U.S. Defense Department's Army and Air Force Exchange Service that could mean the opening of 185 lucrative restaurants in the next several years on Army and Air Force bases worldwide.

Also like its fast-food competitors, BK expanded its menu during the past year. In 1983 it introduced salad bars systemwide and promoted pita (pocket) bread as a salad holder.

Its other major addition was a full-scale move into the breakfast daypart, a market McDonald's and Hardee's have mined for years. Most Burger King stores introduced a croissant-based breakfast sandwich called the Croissanwich (intended to top McDonald's Egg and Sausage McMuffins).

A test of one-third-pound hamburger with fancy toppings was begun in Miami in 1984. The product can compete not only with McDonald's popular Quarter Pounder but also with the "gourmet hamburger" chains that began popping up in 1983. Tacos joined the BK menu in several Southwest markets. The company says it has no immediate plans for expanding availability of either tacos or the one-third pounder.

Pillsbury also worked to reposition its two major dinnerhouse chains, Bennigan's and Steak & Ale. An $8 million campaign for Bennigan's, themed, "Always among friends," broke in July, 1984. It replaced the "C'mon get happy" themed-campaign as the chain moved to present itself more as a restaurant than as a bar.

Steak & Ale, meanwhile, has changed its menu mix to include more chicken and seafood dishes as consumer interest in red meat has declined.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$917,300	$2,134,300
Magazines	2,497,700	4,858,600
Spot tv	60,781,000	46,122,800
Network tv	74,336,900	72,942,000
Spot radio	9,639,600	6,120,300
Network radio	810,300	—
Outdoor	988,400	736,900
Total measured	149,971,200	132,914,900
Unmeasured	40,973,100	37,512,800
Estimated total	190,994,300	1[illegible],427,700

CONSUMER PRODUCTS GROUP

Marketing Personnel

John Stafford, president
Dickson Lewis, director-new business devel
Donald Osell, vp-mktg services
Ron Kos, director-adv services
Amelia Grinstead, mgt-media serivces
Barry Schwabe, media mgr

DRY GROCERY PRODUCTS

Kent Larson, group vp-dry grocery
Dan Locke, vp-genl mgr, value added/specialty prod
Dudley Hauser, director-mktg, value added/specialty prod
James Peterson, vp-genl mgr, basic foods
Kin Carmody, director-mktg, basic foods
Kenneth Reis, vp-genl mgr, canned vegetables
Larry Wheeler, director-mktg, canned vegetables

REFRIGERATED FOODS

Thomas McBurney, group vp-frozen and refrigerated prod
Robert Lindsay, vp-genl mgr
Bill Howe, director-mktg

FROZEN FOODS

Thomas McBurney, group vp-frozen and refrigerated prods
W. Richard Nickel, vp-genl mgr, pizza
A. Richard Anderson, director-mktg, pizza
L. Thomas Gartner, genl mgr, entrees
Tom Neidhart, director-mktg, entrees
Gary Klingl, vp-genl mgr, frozen vegetables
Dave Webber, director-mktg, frozen vegetables
George McCarthy, exec vp, Haagen-Dazs
Steve Capece, director-mktg, Haagen-Dazs

RESTAURANT GROUP

J. Jeffrey Campbell, chairman-ceo, Burger King Corp.
Jerry Ruenheck, president-coo, Burger King Corp.
Hal Smith, chairman-ceo, S&A Restaurant Corp.
Michael Jenkins, president-ceo, S&A Res-

taurant Corp.

BURGER KING CORP

Marketing Personnel

Don Dempsey, senior vp-director-mktg
Nick Castaldo, vp-adv and promo
Rae Hood Phillips, director-adv and promo
Scott Stubble, mgr-adv and promo
Greg Thomas, dirctor-new prod
Mike McCaffrey, vp-mktg rsch
Steve Rann, director-mktg rsch
Barry Schwartz, director-mktg rsch
John Weir, director-pr

S&A RESTAURANT CORP.

Marketing Personnel

Gary Satanik, director-mktg rsch
Lane Cardwell, vp-mktg support
Bill Floyd, vp-mktg, Bennigan's
Tom McGrath, mktg mgr, Bennigan's
Norma Karter, promo mgr, Bennigan's
Scott Burcham, vp-mktg, Steak & Ale
Pat Gordon, mktg mgr, Steak & Ale

AGRI-PRODUCTS GROUP

Richard Coonrod, president

Advertising Agencies

Advertising Management, Brooklyn, N.Y.—Haagen-Dazs—Roy Sloan, acct super.

Leo Burnett USA, Chicago—Green Giant prods, refrigerated foods, Hungry Jack potatoes and pancakes—Bill Boris, exec vp; Edson Sessions, acct director.

BBDO, New York—cake and bread mixes, frostings, All-Ready pie crusts, artificial sweeteners, new prods—Robert Spofford, mgmt super.

Paragon Cos., Minneapolis—Totino's pizza, Fox Deluxe pizza, Heat 'n Eat pizza, Pillsbury brand microwave pizza, popcorn and pancakes, Margaret Bakers' cheesecake—Gary Vars, exec vp; David A. Nickel, vp/acct super; Eric Kercheval, acct super.

Ketchum Advertising, San Francisco—family flour, Figurines, American Beauty pasta, Milk Break milk bars, Poppin' Fresh yeast bread mix, new prods—Robert Kroyer, chief operating officer.

J. Walter Thompson USA, New York—Burger King—Stephen G. Bowen Jr., senior vp.

Pride, Barber & Pride, Minneapolis—bakery flour, mixes and equipments, foodservice—William Barber, president, director of client services.

SSC&B, New York—Steak & Ale, Bennigan's restaurants—Terry Rosenquist, mgmt super.

Procter & Gamble Co.

	1983	1982
Sales*........	$12,946,000,000	$12,452,000,000
Earnings*.....	890,000,000	866,000,000
U.S. Advertising	773,618,360	726,189,700

*Worldwide, fiscal years 1984 and 1983 ended June 30

Procter & Gamble Co., the 22nd largest U.S. industrial corporation in total sales in 1983, ranked No. 1 among leading national advertisers in 1983 with total advertising expenditures of $773.6 million, an increase of 6.5%.

The Cincinnati-based household goods marketer had 1983 sales of $12.946 billion, up 4% from the previous year. Worldwide earnings were $890 million, an increase of 3%; The U.S. contribution to earnings was $707 million.

U.S. earnings, a 7% decrease from the previous year, largely were depressed from heavy spending involved in the expansion of four new consumer products into national distribution.

Procter & Gamble reported worldwide advertising and promotional spending of $915 million in fiscal 1983. At that rate, P&G will become history's first billion-dollar-plus worldwide advertiser at the end of fiscal 1984. In fact, analyst Hugh Zurkuhlen of Salomon Bros. expects P&G to notch worldwide ad and promotion spending of $1.085 billion in 1985 (P&G's fiscal 1984 ends June 30, 1985).

Measured P&G advertising for 1983 in five print and electronic media plus outdoor totaled $650.4 million in the U.S., up 6.7% from 1982. The remainder, or $123.2 million, was in unmeasured advertising such as coupons, samples, point-of-purchase, in-store advertising, direct mail and cable. Cable spending, for example, was $15.2 million (up 123.8% from 1982), ranking P&G a notch behind the No. 1 cable advertiser, Anheuser-Busch, according to BAR Cable TV Network Report.

U.S. net sales for P&G in 1984 fiscal year were $9.554 billion, 73.8% of the worldwide total, and up from 72.9% of the worldwide total in 1983. U.S. advertising to sales percentge was 8.1%.

Going into fiscal 1984, P&G admitted the year would be a tough one on earnings because of dramatically increased spending for new products, particularly Always feminine-protection line, Liquid Tide, Duncan Hines cookies and Citrus Hill orange juice.

Entering the $1.3 billion feminine protection market (napkins are two-thirds of the market), the Always line of feminine hygiene products is backed by an estimated $100 million ad-promotional campaign.

Citrus Hill, P&G's entry in the orange juice market (frozen, $1.5 billion as a category; chilled, $980 million), has a new version called Citrus Hill Select with improved flavor, backed by a $75 million to $100 million campaign. Both Always and Citrus Hill break the record for the most ever spent on a brand introduction.

Advertising expenditures for the six-variety Duncan Hines ready-baked cookies are not known, but are expected to fall short of the amount spent on Citrus Hill Select or Always, because P&G has low bakery capacity and it must go slower than it usually does in entering an already mature $4.2 billion market now dominated by Nabisco Brands (40%), United Biscuits/Keebler (12%), American Brands/Sunshine Biscuits (8%) and Frito-Lay/Grandma's (7% to 9%).

As in Duncan Hines cookies, ad expenditures for new Liquid Tide are not known, but are expected to be generous if one takes the six-media 1983 spending of $25.5 million for Tide (up 41.2%) as a measure. Tide is the biggest seller in the general laundry detergent category with a 22% market share, down three percentage points from 1981.

The new product expenditures at P&G have led the company to predict that such expenditures possibly would cause lowered earnings through the first half of the current fiscal year.

"The trend in new product development is here to stay," a P&G spokesman said. "The double-digit earnings rate increases of earlier years are gone for the present. P&G is working for solid performance and growth, but it cannnot be concerned that the rate or total percentage of growth may be lower for the immediate future because P&G must work in 5-10-year increments." Most analysts expect the earnings rise to be in the 5% to 8% range.

In the $700 million liquid laundry detergent category, Lever Bros.' Wisk is first with a 33% share; P&G's Era Plus liquid is second with 4.5%; Colgate-Palmolive's Dynamo is third with about 2.5%. Era Plus was backed by nearly $19 million in measured advertising in 1983. (Era regular and Plus spending combined was up 46.2% over 1981.) Era is P&G's No. 3 leading advertised brand.

Among P&G's 69 product lines, Pampers disposable diapers, with a $23.62 million media spend, ran second to Tide ($25.54 million) as P&G's top media advertiser in 1983.

Disposable diapers is a marketing area reflecting the type of market building and competitive pressures that are forcing P&G to funnel additional ad expenditures into many products, increase the product line in whatever category and boost research and development.

P&G via Pampers held a 77% share of the disposable diaper market until the mid-1970s, largely on the strength of its early arrival in the category (1961) and sizable ad outlays, but its share of market has eroded to 58% (40% for Pampers, 18% for its upscale Luvs) compared with 17% for Kimberly-Clark's Huggies brand and 25% for the private label and store brands.

P&G counts on disposables for 17% of its worldwide sales and 22% of its profits. This loss of share in the $1.2 billion market means an estimated annual loss of between $20 million and $30 million in pretax profits. For 1984 and beyond, it is expected to regain share because of its near-$24 million ad budget for the category's products, new design and resealable tapes and Kimberly-Clark's limited production capacity.

Such ad increases are elements of what Hercules Segalas of Drexel Burnham Lambert calls the flip side to the

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Western Union Corp.

A. Paul Funkhouser
CSX Corp.

Robert W. Galvin
Motorola, Inc.

David C. Garrett, Jr.
Delta Air Lines, Inc.

Maurice R. Greenberg
American International Group, Inc.

William H. Hudnut III
Mayor of Indianapolis

Harry L. Hufford
County of Los Angeles

Ramon L. Humke
Indiana Bell Telephone Co.

James E. Lee
Gulf Oil Corp.

Howard M. Love
National Steel Corp.

H. William Lurton
Jostens, Inc.

John G. McElwee
John Hancock Mutual Life Insurance Co.

David F. Nelson
Wisconsin Telephone Co.

John J. Nevin
Firestone Tire & Rubber Co.

Guy W. Nichols
New England Electric System

John T. Pollock
The Dorsey Corp.

Martin J. Schwab
United Merchants & Manufacturers, Inc.

Dr. Harold T. Shapiro
University of Michigan

The Honorable John Spellman
Governor of the State of Washington

Robert P. Straetz
Textron, Inc.

Eugene J. Sullivan
Borden, Inc.

Richard P. Sullivan
Easco Corp.

W. Paul Tippett, Jr.
American Motors Corp.

W. Reid Thompson
Potomac Electric Power Co.

Keith L. Turley
Arizona Public Service Co.

Rawleigh Warner, Jr.
Mobil Corp.

offensive spending supporting P&G's marketing strategy and advertising—defensive spending "to catch up."

He said that during the 1978-83 period, P&G had poorer earnings in some major product categories, including soaps, detergents, diapers and paper products. During those same years of over-all increased P&G earnings, market share in some of the basic product lines fell to five-year lows. Increased ad spending was necessary to stop further erosion in market share.

The reasons for the erosion are varied:

- There has been stiffer competition from tried-and-true rivals such as Colgate-Palmolive, Lever Bros., Purex and Hunt-Wesson Foods, but also from newer competitors including Nabisco Brands, Coca-Cola Co. and Kimberly-Clark.
- Competitors have made inroads into P&G territory by improving their products, by aiming at single P&G products instead of making a full frontal attack on a whole P&G line, and by vigorously using sampling, coupons, price and other incentives.
- Competition is greater in some of P&G's international markets such as diapers in Japan, detergents and personal care products in Latin America.
- P&G has spent time and money on a number of products that didn't make it, including Rejoice liquid hand soap, Pace gel toothpaste and Rely tampons.

Although most P&G lines are up in market share, there still are a few market problems in some lines, including cleaning products. The bar soap market is down from the high levels of 1978-79, and it's not expected to show improvement in 1984. Lever Bros.' Dove has replaced P&G's Ivory as No. 1 in U.S. dollar sales. Ad dollars fell in 1983 for Camay, Coast, Ivory and Safeguard, but were up for Lava, Zest and Monchel, the new face and body bar. For the over-all category at P&G, ad expenditures for its bar soaps were down 1.8%, to $55 million.

Other products in the laundry/washing/cleaning area are a mixed picture. Tide is still the largest selling laundry detergent, but its share is down from the 27% of 1975 to 22% now. Lever Bros.' Wisk liquid has replaced P&G's Cheer as No. 2 in the general laundry detergent category, and P&G's liquid Era Plus, with 4.5% of the liquid laundry category, is a distant second to Wisk's 33%. Total media advertising spending for P&G detergents was up 9%, to $95.7 million in 1983.

P&G Cascade dishwasher detergent has 53% of the $400 million powder market, but competition from Lever's newer Sunlight product is stiff. In the $900 million dishwashing liquid market, P&G's Ivory is down from 17% of market in 1981 to 15% now, sharing first place with sister product Dawn. Lever Bros.' Sunlight liquid is in second place, dropping former second place holder P&G's Joy, with 12%, to third place, which it shares with Palmolive. Measured ad spending for P&G's dishwashing detergent category in 1983 is up 4.7%, to $52.4 million.

Among P&G personal care products, toothpaste lines received reduced measured spending. Crest gel and regular was off 6%, dropping to $37 million. Gleem spending was down 4.4% to $8.2 million. In another area, the nearly $600 million deodorant/antiperspirant market, the company saw its Secret line drop from a 12.5% market share in 1982 to 11.3%, and its Sure line from 13.6% to 11.9%. P&G countered with $31.7 million, an increase of 6% in measured spending.

Although the consumer paper products market is slowing and P&G's 1983 measured spending in the category was down 4%, Banner compact-roll toilet paper and Merit towels, both in the generic mode, got larger 1983 ad budgets to beef up their 1982 intro spending level. Banner jumped 248.5%, to $5.5 million, and Merit rose 76.4%, to $1.04 million.

The $4.5 billion coffee market, though low in growth, still stimulates the competitive juices, and P&G's Folger's still plays No. 2 to General Foods' leading Maxwell House. High Point instant decaffeinated has 4.7% of its market. There is a new High Point ground regular coffee and a launch of instant High Point at the food-service level to compete directly with GF's instant Sanka.

P&G's use of new products and acquisitions to assure market hegemony are direct outgrowths of a strategy that has been developing for many years. Since mid-1982, P&G has introduced 11 products, and midway in fiscal 1983 there were 23 products at various stages of testing, including: Always feminine protection products, Banner toilet paper, Cascade lemon-scented dishwashing detergent, Certain lotion-moisturized toilet paper, Cinch dishwashing liquid, Citrus Hill orange juice, Duncan Hines ready-to-eat cookies, Encaprin coated aspirin analgesic, High Point ground decaffeinated coffee, liquid Ivory soap, Ivory conditioner, Ivory shampoo, liquid Lava soap, Merit paper towels, Monchel face and body bar soap, Oasis deodorant/antiperspirant, Pringles Cheez'ums potato chips, Solo liquid detergent/fabric softener, liquid Tide, Aroma-Free Tide, Vibrant heavy-duty bleach, and Pine Spic and Span.

Folger's decaffeinated instant coffee was introduced nationally last month without test marketing. The campaign, expected to attract $15 million to $20 million in spending, is being handled by Cunningham & Walsh. The introduction follows the rollout earlier in the year of several other products that skipped or sped through traditional product development marketing steps.

A major change in the P&G approach now is its telescoping of research and test-marketing time. A new product is likely to be out of the preliminary stages within six months to a year—hardly the nine-year test marketing trial that Pampers went through. The reason is electronics—the speed at which merchandising information can be incorporated into product design changes.

The so-called "profit locomotive" that will drive the company in the future is expected to be pharmaceuticals, according to one analyst who believes they eventually will account for 20% of P&G profits. P&G took a major step in this direction in 1982 when it acquired Norwich Eaton Co.

The first fruit of that $371 million acquisition was the introduction this year of the arthritis analgesic product Encaprin, which has coated aspirin particles for controlled release. Estimates of its advertising budget range from $20 million to $30 million, with expectation that it may send shock waves through the analgesics market.

The Encaprin introduction follows the P&G methodology of using acquisitions as springboards to growth that may take three to five years to be realized, says analyst Jack Salzman of Smith Barney Harris Upham & Co. New products either have or will be coming from P&G's 1981 acquisitions that included the citrus processing business of Florida's Ben Hill Griffin Inc., Crush International, Tender Leaf Tea and Norwich Eaton.

As in product development, P&G is pushing creativity in advertising to get the fastest and most cost-efficient response. Network tv is not the only game in town anymore where until recently up to 80% of P&G's total advertising budget was spent.

Other media forms include participation in broadly syndicated tv programing and production of its programing for airing on cable.

Over-all. P&G spending for the six measured media dropped 14% for network tv in 1983 but increased 28% for spot tv, 15% for magazines, 10% for newspapers, 900% for network radio and 600% for outdoor.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$9,830,500	$8,538,600
Magazines	40,184,900	29,969,400
Spot tv	229,244,800	178,882,200
Network tv	366,663,100	390,495,400
Spot radio	2,796,400	1,320,600
Network radio	1,504,200	166,200
Outdoor	190,800	33,300
Total measured	650,414,700	609,405,700
Unmeasured	123,203,600	116,704,000
Estimated total	773,618,300	726,109,700

Marketing Personnel

W.E. Forbis, vp-sales
W.P. Nock, sales mgr-beverage div
F.W. Caswell, sales mgr-beauty care div
M.E. Szymanczyk, sales mgr-bar soap & household cleaning prods div
A.H. Welch, sales mgr-packaged soap & detergent div
J.K. Goodwin, sales mgr-paper prods div
T.A. Muccio, sales mgr-food prods div
G.M. Breissinger, sales mgr-health & personal care div
H. Tecklenberg, senior vp-Norwich div
J. Palmer, sales mgr-soft drink div

Advertising Personnel

R.V. Goldstein, vp-adv
B.L. Byrnes, adv mgr-beverage div
J.T. Smith, adv mgr-food prods div
R.J. Herbold, adv mgr-packaged soap & detergent div
L.R. Love, adv mgr-bar soap & household cleaning prods div
M.S. Levy, adv mgr-health & personal care div
T.A. Moore, adv mgr-beauty care div
W.J. Wallace, adv mgr-paper prods div
E.C. Strobel, mktg mgr-soft drink div
J.D. Henry, mgr-mkt rsch dept
V.O. Hamilton, G.G. Carey, R.L. Wehling, div mgr-genl adv dept

Advertising Agencies

Benton & Bowles, New York—Bounce, Charmin, Crest, Dawn, Ivory Snow, Pampers, Scope, Wondra, Vibrant, Zest, Attends, Ivory shampoo, Pepto-Bismol, Dash, Oasis, Norforms, Always—T. Carey, senior vp-acct director; R. Hopple, senior vp-acct director.

Henderson Advertising, Greenville, S.C.—Chloraseptic, Head & Chest cold medicine—Howard Clark, senior vp-director acct services.

Lally, McFarland & Pantello, New York—ethical pharmaceutical prods—Ron Pantello, president; Beverly Breitenback, acct exec.

Leo Burnett USA, Chicago—Cheer, Era, Camay, Lava, Lilt, Secret, Gleem, Cinch, Pert, White Cloud—Peter M. Husting, senior vp-client services director.

Compton Advertising, New York—Tide, Cascade, Crisco, Crisco Oil, Top Job, Comet Comet Liquid, Ivory bar & liquid, High Point, Duncan Hines cake, Frosting, brownie and muffin mixes—bar soap and household cleaning products.

Cunningham & Walsh, New York—Folger's, Certain, Crush, Hires, Sun-drop, Puffs, Citrus Hill—W. Albright, exec vp-acct group director.

Dancer Fitzgerald Sample, New York—Brigade, Bounty, Oxydol, Dreft, Luvs, Solo, Tender Leaf—J. Fuller, mgmt group director; J. Love, R. Pounder, mgmt supers.

Grey Advertising, New York—Downy, Joy, Bold 3, Jif, Puffs, Duncan Hines cookie mix and ready-to-serve cookies, Puritan—H. Yager, exec vp.

Mandabach & Simms, Chicago—fats, oils and shortenings for foodservice—Lee Lippman, senior acct super; Jim Flurry, William Schoenwald, acct supers; Joy Mizell, acct exec; Barbara Kaplan, asst acct exec.

Northlich, Stolley Inc., Cincinnati—coffees, cleaning prods, bar soaps for food service and lodging, coin-vended laundry prods—Bruce Mackey, vp-acct super.

Tatham-Laird & Kudner, Chicago—Biz, Head & Shoulders, Coast—John Wells, senior partner; Brian Hurley, Tom Hazlett, mgmt supers. Mr. Clean, Biz—Tim Collins, senior partner. Ariel—Bob Cappelli, senior partner; Rawdon Parry, mgmt super.

Wells, Rich, Greene, New York—Pringle's, Safeguard, Sure, Prell, Spic & Span, Gain, Banner, Merit—J. Weinstein, senior vp-acct group head; S. Morvay, acct super; B. McGreevy, acct super.

Quaker Oats Co.

	1983	1982
Sales*	$3,340,000,000	$2,611,300,000
Earnings*	138,700,000	56,800,000
U.S. Advertising	148,441,650	106,071,500

*Worldwide, fiscal years 1984 and 1983 ended June 30.

Quaker Oats Co., Chicago, the 42nd largest U.S. advertiser in 1983, backed a strong financial performance for the year with estimated total advertising of $148.4 million, up 40% from the previous year.

During much of this calendar period, Quaker was amassing total sales of $3.34 billion in fiscal 1984, up 28%, and earnings rocketed to $138.7 million, from $56.8 million the previous fiscal year.

The lower fiscal 1983 figure reflects a writeoff of $62.5 million caused by Quaker's divesting of its chemical and Mexican toy business and the closing of its small videogame cartridge business.

In November, Quaker chairman-ceo William Smithburg predicted an increase in worldwide advertising/merchandising support for all products of about 20%, to $520 million for fiscal 1984. Quaker, by tradition, has been allocating a line amount of more than 16.5% of world sales to advertising and related promotional costs.

Quaker is structured into four major segments: U.S. grocery products, which produces nearly half of Quaker's total sales and almost two-thirds of its operating income; international grocery products, about one-third of sales and a fifth of operating income; Fisher-Price toy division, good for about 13% of sales and 10% of operating income, and specialty retailing group, about 5% each of sales and operating income.

Advertising support in 1983 was never more apparent than with new and revised products alone. Expenditures for new and revised products, most in Quaker's U.S. grocery products group, rose 28%, to $66 million for fiscal 1983, the company said.

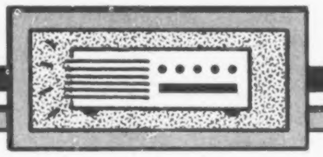
This year, Quaker came to the nation's retailers with perhaps the largest number of new products it ever has introduced in a single year. Some are new, such as Raisin Life; some are restaged and reformulated, such as Ken-L Ration Kibbles 'n Bits 'n Bits 'n Bits.

The list includes a new flavor of Quaker instant Oatmeal, peaches and cream; Choco Crunch cereal, chocolate cousin to Cap 'n Crunch; Granola Dipps, chocolate-covered chewy granola bars; three new flavors of Quaker Chewy granola bars, chunky nut and raisin, peanut butter and chocolate chip, and a s'mores-like bar, chocolate, graham cracker and marshmallow; Mr. T cereal, a presweetened, T-shaped ready-to-eat cereal for children.

The company offered new dog foods, Ken-L Ration Puppy Kibbles 'n Bits 'n Bits 'n Bits, Ken-L Ration Snausages, a sausage-like snack in beef and liver flavors, and Ken-L Ration 100 Percent Natural Treats dog biscuits. Other restaged and reformulated products were two pet foods, Ken-L Ration Love Me Tender Chunks for dogs and Puss 'n Boots Pounce for cats.

Also during the year, Quaker went into two test markets, Pittsfield, Mass., and Eau Claire, Wis., with three types of Aunt Jemima toaster/microwave pancakes—plain, buttermilk and blueberry. An earlier version was tested during 1981.

Quaker's Dallas-based subsidiary, Wolf Brand Products, introduced two new products in June 1984—Extra



The top 25 network radio advertisers

Rank	Advertiser	Expenditures ($000) 1983	1982	1983 as % of total advertising exp.	1982 as % of total advertising exp.
1	Jeffrey Martin Inc.	$21,730.8	$32,837.2	41.5	54.7
2	Sears, Roebuck & Co.*	10,628.5	11,073.8	1.5	1.8
3	Cotter & Co. (TrueValue)	9,647.8	7,460.8	N/A	N/A
4	American Telephone & Telegraph Co.*	9,511.6	7,319.3	2.1	2.0
5	General Motors Corp.*	9,410.7	7,883.1	1.6	1.4
6	Dow Jones & Co.	8,611.1	7,970.8	N/A	N/A
7	Warner-Lambert Co.*	7,822.8	6,558.4	2.3	2.2
8	Campbell Soup Co.*	7,429.3	9,738.7	5.7	8.0
9	Ford Motor Co.*	7,185.6	6,462.4	1.5	2.1
10	Anheuser-Busch Cos.*	6,913.6	6,326.9	2.4	2.6
11	Nabisco Brands*	4,695.9	8,878.8	1.3	2.6
12	American Home Products Corp.*	3,888.1	1,725.2	1.2	0.5
13	U.S. Government*	3,687.8	6,440.5	1.6	3.1
14	RCA Corp.*	3,303.9	1,205.9	1.6	0.8
15	Dart & Kraft*	3,161.1	977.0	1.5	0.5
16	American Express Co.*	3,031.2	N/A	2.8	N/A
17	Hartz Mountain Industries	2,977.6	4,657.1	N/A	N/A
18	Wm. Wrigley Jr. Co.*	2,908.0	1,733.2	4.5	2.6
19	Chrysler Corp.*	2,858.0	2,919.3	1.2	1.7
20	Schering-Plough Corp.*	2,829.8	3,603.7	2.5	2.9
21	Purex Industries	2,787.6	1,725.4	N/A	N/A
22	Gillette Co.*	2,691.6	N/A	1.5	N/A
23	State Farm Mutual Auto. Ins.	2,662.7	2,073.5	N/A	N/A
24	Miles Laboratories*	2,660.3	N/A	3.0	N/A
25	American Honda Motor Co.*	2,636.1	1,238.9	2.3	1.3

Source: Net time and program costs from Broadcast Advertisers Reports and supplied to Leading National Advertisers
*indicates a 100 Leading National Advertiser

Spicy Chili with and without beans—its first introductions in 16 years. Wolf Brand commands a 42.2% market share in its area of concentration—a six-state southwestern region (Louisiana to Arizona). In that market, Geo. A. Hormel & Co., the nation's over-all market leader, has a 19.9% share of market, and Beatrice Cos. subsidiary Gebhardt Mexican Foods has 10.4%.

From the Fisher-Price toy subsidiary, East Aurora, N.Y., came three new product lines in 1983, children's furniture, clothing and computer software.

Securities analysts looking at Quaker see a steady and calculated move toward new-product development and growth. John Bierbusse, assistant vp at Duff & Phelps, Chicago, expects total advertising expenditures for the U.S. grocery products group to increase $70 million a year—about the same as this year, largely because of new product support. Ronald Morrow, vp at Smith Barney Harris Upham & Co., New York, said he believes that Quaker will continue ad spending increases, especially for food and the Fisher-Price subsidiary, but the increases will be closer to 15% a year than this year's 28% leap.

Quaker had good income and volume increases from its food service division, which supplies the food-serving industry with Quaker products and includes four groups: Bakery group (biscuits, crackers, etc.); Quaker base business (cereals, mixes, chili, frozen foods); specialty products distribution group (for products such as Knott's Berry Farm spreads), and Ardmore Farms, maker of portion-sized fruit juices.

The Stokely-Van Camp acquisition, in its first year of operation as part of Quaker, gave a good account of itself. Total sales for fiscal 1984 were $467.3 million, and operating income was $40 million. Both of the principal Stokely products, Gatorade thirst quencher and Van Camp's pork and beans, exceeded expectations for their sales volumes. Quaker purchased the Indianapolis food processor in July, 1983, for $238 million.

In measured media advertising for 1983, Quaker spent more than $4.7 million combined on the Stokely-Van Camp line, including $836,600 for Van Camp's pork and beans and Van Camp's Beanee Weenee. Another $3.87 million went for the four types of Gatorade, noncarbonated, carbonated, punch and instant.

Van Camp's pork and beans has about 33% of the $465 million market for the category, the largest share of any canner. Although canned pork and beans is regarded as a mature if not static field, Quaker is expected to pursue a strategy of expanding distribution geographically—into the Northeast, for example—and switching from the short-term product management typical of that industry toward consistent volume and income.

For Gatorade, the trick will be to get the concentration out of just the Southeast and Southwest U.S. and get the product into the hands of women and children countrywide.

Sixty per cent of the thirst quencher now is sold in the Sunbelt states and 85% to "heavy users," mostly men. To get a bigger franchise in this $1.03 billion single-strength juice drink category, Quaker will increase market support up to 50%, building in Gatorade's present strong markets while reintroducing it to other markets.

The Fisher-Price toy division, which accounts for about 13% of Quaker's sales, had a good year last year largely because of cost-cutting programs and a hot Christmas buying season for next Christmas by merchants. Sales in fiscal 1983 were up 14%, to a record $383.4 million; operating income jumped 46%, to $43.6 million.

Up to now, Fisher-Price has been serving a $550 million toy market, but now is moving into other areas of merchandise for its young clients. Ad budget for toys and dolls was up 25% in 1983, to $12.4 million.

Fisher-Price's first venture beyond toys is 10 new items in a line of juvenile furniture to be backed by heavy promotion, including in-store displays, co-op advertising and programs for retailers. Also, the toy maker this year signed licensing agreements with the Activity Center Inc., New York, to design and market children's clothing. It inked a pact with Spinnaker Software, Cambridge, Mass., to market children's computer educational software under the Fisher-Price name.

In the clothing program, the Activity Center will make and distribute an innovative line of play clothes for children wearing 12 months to size 7. Fisher-Price is to get royalties based on estimated sales of $15 million the first year. The Fisher-Price Learning Software will be available in 11 programs for two age groups, 3 to 8 years and 6 to 12 years.

Included in Quaker's direct-to-consumer division (also called specialty retailing group) are four companies, Jos. A. Bank Clothiers, Brookstone, Herrschner's and Eyelab Inc.

While Quaker has stated that the sales goal for the direct-to-consumer division was to be 20% of total Quaker sales, some analysts have been skeptical about the possibility of reaching that goal. The division now is producing about 5% of Quaker's sales and 5.5% of the operating income, results that have been considered good. Sales are up 22%, to $157 million, and operating income jumped 7%, to $16.8 million. There is a belief among observers that if Quaker found a good mail-order company, it would be open to further expansion.

During the year, Jos. A. Bank, Baltimore-based and also strong in mail order, opened four new stores for a total of 19 on the Atlantic seaboard, in the Midwest and in Texas. Brookstone, a Peterborough, N.H., housewares and specialty-tool seller, also is in mail order as well as retailing, and this year opened five new stores for a total of 20 in the East, South and Midwest. The two companies had slight operating income declines in 1983, but they were offset by record results from Herrschner's mail order needlecraft business and the effect of including Quaker's newest acquisition, Eyelab Inc., in the totals for the retailing group.

Quaker bought the Paramus, N.J., eyewear company in November, 1983, for about $10 million. It liked the company's department store approach to selling optical goods. Eyelab's sales last year were $10 million in four stores, and while there now are four U.S. optical chains, only 20% of all eyewear is sold through them. Eyelab since has opened three new stores for a total of seven.

For fiscal 1983, the total expenditures for Quaker advertising in six measured media is $84.8 million, up 30% from 1982. Unmeasured spending is estimated at 75% of measured for Quaker.

Quaker's measured spending was down 28% for newspapers, to $1.3 million; up 67% for magazines, to $11.4 million; a dramatic 745% increase for outdoor, to $387,800 and a 38.9% increase for network tv, to $48 million.

Technically known as a flour and meal processor, Quaker has its strongest profit center in the foods division of U.S. grocery products. Within that group are the Quaker hot cereals, which together lead the category in the U.S.

It is on this hot cereal foundation that the company is building various flanker products, such as the flavors of Instant Oatmeal, whose measured-media advertising is funded this year by a 17% increase, to $6.6 million. Total for all the hot cereals is $10.1 million, up 1% from 1982.

Far from such dominance but still impressive are Quaker's ready-to-eat cereals, which have a market share of about 9% to 10%. Measured total here is $23.7 million for 1983, up 7% from 1982.

To counter its heavyweight competition in cold cereals, Quaker offers the Cap'n Crunch family and Halfsies with its half sugar/half NutraSweet formula, its "natural" granolas, and the Life series. After successfully marketing regular Life since 1961 and Cinnamon Life since 1980, Quaker went to a raisin addition to create another flanker because, in the past four years, the market share for fruit cereals has climbed

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45%, but for regular cereals it is up just 2%.

Similar reasoning created Granola Dipps backed by a $24 million ad budget—more than for either Quaker's own Chewy Granola bars or General Mills' Nature Valley Chewy. The market segment for cereal meal bars has jumped 110% since 1980 and now stands at about $385 million. Ad spending for Quaker Snack foods shot up 367% from 1982 and now totals $13.4 million.

Quaker's business with the oatmeal, the Aunt Jemima mixes and Flake pie crust mix, the grits and corn meals is solid and cash-producing. Advertising for these products is down 16% from 1982, now standing at $5.14 million.

Also good for growth is the pet food category, where a 37% ad spending increase for 1983 brought the total to $10.6 million. Here, Quaker faces the near-$5 billion market for pet foods and is bringing about a half-dozen new or revised dog and cat foods to the market in a single year. One approach Quaker is following is the value-added product for those pet owners who will pay a little more to pamper their pet. The Ken-L Ration pet food line was established in 1923 and acquired by Quaker in 1946. Quaker's share of the pet food market has dropped from 7.7% in 1982 to 5.6% in 1983.

Major changes in Quaker personnel for 1983 include the elevation of Frank J. Morgan from exec vp-marketing, U.S. grocery products group, to president-chief operating officer—the immediate associate of Quaker chairman-ceo William D. Smithburg; the naming of Charles E. Decker as vp-advertising, and the resignation of Dudley M. Ruch as vp-marketing research and his replacement by John Blair, already a Quaker staff member.

During fiscal 1983, Quaker made several changes in product advertising assignments and in ad agencies. Corn Bran cereal was moved from BBDO, New York, to Quaker's in-house agency, AdCom, Chicago, where Gatorade also was assigned, and Celeste pizza was shifted out of AdCom to a new agency for Quaker, Backer & Spielvogel, New York, which also was assigned responsibility for a new-product category.

Granola Dipps went to J. Walter Thompson USA, Chicago. Another new agency for Quaker ad work this year is Tatham-Laird & Kudner, Chicago, which also has new product advertising. And the association with Zylke & Associates, Chicago, which handled chemical advertising, was ended when Quaker left that field by divestiture in 1983.

In February, Quaker announced it would build a new corporate headquarters in Chicago called Quaker-Riverfront Park, located two blocks east along the same north bank of the Chicago River where it currently is headquartered in the Merchandise Mart.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,341,000	$1,865,500
Magazines	11,433,400	6,832,100
Spot tv	21,468,300	21,217,300
Network tv	47,980,300	34,541,700
Spot radio	2,213,000	159,900
Outdoor	387,800	45,900
Total measured	84,823,800	64,662,400
Unmeasured	63,617,850	41,409,100
Estimated total	148,441,650	106,071,500

QUAKER OATS CO.

William D. Smithburg, chairman-ceo
Frank J. Morgan, president-coo

U.S. GROCERY PRODUCTS GROUP

Marketing Personnel

Robert N. Thurston, exec vp
Charles E. Decker, vp-adv
J. Byron Felter, vp-sales
William P. Brown, director-media
Peter C. Consolazio, group mgr-promo
Max M. Lomont, vp-art and packaging
Katherine E. Smith, vp-consumer affairs

Foods Division

H.E. Rhodes, president
James A. Criss, Philip A. Marineau, vp-prod mgmt
Barbara R. Allen, M. Catherine Jaros, Frederick J. Fritz, J. Scott Talgo, directors-prod mgmt
Elaine D. Bolle, S.M. Posa, prod group mgrs

Pet Foods Division

Douglas M. Mills, president
Nancy S. Pitz, vp-prod mgmt
Peter J. Vitulli, director-prod mgmt
Angie Jarrett-Smith, prod group mgr

Wolf Brand Products

U.B. Shockley, president
Kenneth Barrons, director-mktg

Food Service Division

Russell L. Jones, president
Paul V. Baron, director-mktg
Robert D. Stoothoff, director-natl sales

INTERNATIONAL GROCERY PRODUCTS GROUP

Fisher-Price

Paul E. Price, exec vp
R. Bruce Sampsell, president
James R. Tindall, vp-genl mgr, U.S.
James Arnold-Baker, vp-mng director, Europe
Sandra R. Danon, vp-U.S. mktg
David B. Fisher, vp-genl mgr, diversified prods

SPECIALTY RETAILING

Richard Chollet, exec vp

Brookstone Co.

Douglas D. Anderson, president

Jos. A. Bank Clothiers

Leonard A. Ginsberg, president

Eyelab Inc.

Robert S. Hillman, Lawrence E. Kohan, co-presidents

Herschners Inc.

Bob A. Thomas, president

Advertising Agencies

AdCom, Chicago—Cap'n Crunch, Mr. T, presweetened cereals, Regular and Instant Oatmeal, Corn Bran, Gatorade, Chewy granola bars, new prods—Gary Bayer, president-creative director; Joan G. Stark, vp-media director; Dennis Roy, director-acct mgmt.

Backer & Spielvogel, New York—Celeste pizza and new prods—Ted LamOntagne, senior vp-mgmt super.

BBDO, New York—Life cereal, Ken-L Ration Tender Chunks, Puffed cereals, Shredded Wheat, 100% Natural cereals, Puss'n Boots cat foods; new prods—Rick Swanson, vp-mgmt super.

BBDM Advertising, Chicago—industrial cereals—Lee Wolf, acct super.

Berry-Brown Advertising, Dallas, Wolf Brand prods, Quaker Corn Goods and Grits—Robert E. Berry, chairman.

Campbell-Mithun, Chicago—food service prods—David R. Seibel, president.

Conill & Associates, New York—Hispanic Advertising—Rafael Conill, president.

Jordan, Case & McGrath, New York—new food prods—Jack Taylor, exec vp.

J. Walter Thompson USA, Chicago—Granola Dipps, Aunt Jemima breakfast prods, mixes and syrup, Ken-L Ration dog foods—Lloyd Stein, Ben Gilmore, senior vp-mgmt super.

Tatham-Laird & Kudner, Chicago—new prods—John Wells, senior partner.

Waring & LaRosa, New York—Fisher-Price toys—Saul Waring, president.

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Vice President
Product Group Director
Hennessy Cognac

Ralston Purina Co.

	1983	1982
Sales*	$4,900,000,000	$4,800,000,000
Earnings*	256,000,000	69,100,000
U.S. Advertising	285,667,400	220,000,000

*Worldwide, fiscal years ended Sept. 30

Ralston Purina Co., St. Louis, the 21st largest national advertiser, increased domestic advertising spending in 1983 to an estimated $285.7 million, up 30% from 1982.

While 1983 net sales increased 2%, to nearly $4.9 billion in 1983, net earnings soared to $256 million, up from $69.1 million in 1982, which includes writeoffs related to the divestiture of unprofitable businesses. Excluding those items, earnings were up 30%.

The country's top marketer of pet foods, Ralston Purina's operations comprise four main units: Grocery products, agricultural products, restaurants and diversified businesses.

Operating profit from grocery products, which include pet and human food, reached record levels during the year, at $327 million, up from $84.2 million in 1982. Sales were down slightly because of the company's divestment of pet foods in several major markets overseas and reduced tuna sales prices of the company's leading Chicken of the Sea brand.

Several new products were introduced during 1983 and this year, including Alley Cat dry cat food in October and Donkey Kong Jr. cereal at the end of the year following the introduction of Donkey Kong Cereal in April. Only the latter, with measured spending of $5.8 million, had enough time during the year to generate strong media support.

"We're concentrating our advertising on our major brands," said William Claggett, division vp-director advertising and marketing services.

That translates into the Purina dog and cat food lines and the company's Chex cereals, and it meant a more focused media mix that puts more emphasis on spot tv and magazines. Spot tv as a percentage of national media advertising rose from 20% ($23.5 million) in 1982 to 25% in 1983 ($35.8 million) as total buying in the media mix increased 25.4%, to $146.5 million. Magazine buying was up 75%, to $14.6 million. Network tv was up 14%, to $94.4 million, according to Leading National Advertisers. Continuing the trend, Ralston Purina increased its spot tv spending 211% in the first quarter of the year.

"Our basic strategy is to manage our existing brands to optimize profitability," said William Lacey, president, grocery products division. "At the same time, we will continue to develop and introduce unique new consumer products, driven by a strong research and development effort."

New products introduced in the first nine months of fiscal 1984 promise to raise sales and earnings in the company's grocery products division even higher.

The products include S'mores chewy granola bar, which was distributed to a "substantial portion" of the country in July. MCA Advertising, New York, handles a multimedia campaign, estimated at between $19 million and $24 million.

Gremlins ready-to-eat presweetened cereal, introduced in July, is being promoted via Don Tennant Co., Chicago. Ralston licensed the name from Warner Communications' summer film. Advertising includes tv, newspapers and couponed Sunday inserts.

Among the Ralston product main line in the grocery group, dog and cat foods heavily influenced advertising spending. Leaders among cat products were Cat Chow with media spending of $10.3 million, down 21%; Happy Cat Moist cat food $12.9 million, unmeasured in 1982; Meow Mix brands $8.2 million, down 5%, and Tender Vittles, $8.5 million, up 4%.

Dog food brand leaders included Praise dry dog food $10.7 million, up from $2,400; Puppy Chow dry dog food $8.1 million, down 7%; Purina Dog Chow $7.4 million, down 30%; Chuck Wagon dog food $6.7 million, down 19%; Hi-Pro dry dog foods $4.6 million, down 2%, and Fit & Trim dry dog food $3.6 million, up 227%.

Cereals attracted $22.8 million in media advertising, up 70%, with emphasis on the Chex cereal line—$15.7 million, up from $7.3 million—and the Donkey Kong new product launch.

The company licensed the Cracker Jack name from Borden Inc. in the beginning of 1984 and introduced Cracker Jack cereal to 40% of the country. Advertising, handled by TBWA, St. Louis, includes tv and print.

Operating profit from agricultural products increased significantly for the year, to $105.6 million, up 9.3%, with a less than 1% increase in sales, to $2.1 billion. Several new feed products and related services were introduced during the year, which contributed to the increases.

Although the company sold its 72-unit Continental Restaurant Systems division to Denver-based VICORP Restaurants in 1983, sales and operating profit from the restaurants reached record levels during the year, with sales of $669.3 million, up 7.2%. Operating profit was $58.5 million, up 25.6%.

The company's Jack-in-the-Box restaurants posted a sales increase per unit from $613,000 in 1982 to $700,000. A company spokesman said the increase was largely because of the introduction of new menu items such as Dinner-in-the-Box, nachos and shrimp salad. The chain consists of 780 units, and the company is planning to open "several" new locations by the end of 1984.

Jack-in-the-Box media advertising also registered a sizable jump from $8.8 million in 1982 to $15.2 million in 1983.

Higher sales and operating profit from Ralston's protein technologies division were the major contributing factors to improved performance in the diversified businesses division of the company, which reported $236.9 million in sales, up 9.2%, and $33.6 million in operating profit, up 24%.

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ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$3,170,300	$2,588,700
Magazines	14,579,400	8,926,800
Farm publications	1,654,300	864,000
Spot tv	35,744,800	23,535,800
Network tv	94,438,500	82,570,700
Spot radio	8,829,500	5,756,900
Outdoor	287,300	135,700
Total measured	158,704,100	124,378,600
Unmeasured	126,963,300	95,621,400
Estimated total	285,667,400	220,000,000

GROCERY PRODUCTS

W.H. Lacey, president

Marketing Personnel

W.P. McGinnis, exec vp
W.M. Claggett, div vp/director-adv/mktg services
T.E. Touhill, div vp/director-mktg, cat food group
T.J. Caskanett, div vp/director-mktg, breakfast food group
T.E. Block, director-mktg, dry dog foods
J.A. Nichols, director-mktg, new prods and dog snacks

Advertising Agencies

Avrett, Free & Ginsberg, New York—Kitten Chow, Cat Chow, Sun-Maid instant hot cereal, new prods—Norman Sherman, senior vp/director-client services.

Don Tennant Co., Chicago—Praise dog food, Thrive cat foods, Donkey Kong, Donkey Kong Junior, Cookie-Crisp, Gremlins cereals, new prods—Allen Moser, vp-mgmt/director of client services.

Della Femina Travisano & Partners, New York—Meow Mix cat food—Matthew Mansfield, vp-mgmt super; Ken Gilbert, acct super.

Gardner Advertising Co., St. Louis—Pet Line, Puppy Chow, Fit & Trim, Alley Cat—John Fox, vp-senior acct director; Mark Harmon, acct director. Sea Dog —Bill Lahrman, vp and mgmt rep. Chuck Wagon, John Fox, vp-senior acct director; Ray McLaughlin, acct director; Jim Callahan, asst acct mgr. Bonz dog snacks—Jim Lucas, vp and acct director; Nancy Winchester, acct mgr.

MCA Advertising, New York—Mainstay dog food, Purina Hi-Pro dog meal, Ralston brand S'mores chewy granola bars and new prods—Warren Dechter, exec vp.

TBWA Advertising, New York—Chicken of the Sea tuna, Cracker Jack cereal, new prods—Serge Prengle, acct super; Sheila O'Brien, acct exec, new prods (dog food); Mark Polan, mgmt super; Marie Beltrametti, acct exec, new prods (cereals)—Bill Oakey, mgmt super.

Tatham-Laird & Kudner, Chicago—Happy Cat cat food, Top Secret cat litter deodorizer, new prods—John Wells, senior partner and group acct director.

Wells, Rich, Greene, New York—Purina Dog Chow, Butcher's Blend, Moist 'n Chunky dog foods, Tender Vittles cat food, Chex cereals, new prods—Jim Weinstein, senior vp-acct group head.

RESTAURANT DIVISION

FOODMAKER INC.

J.W. Goodall Jr., president-ceo, Foodmaker

Marketing Personnel

R.A. Pearce, corp vp-mktg, Jack-in-the-Box

Advertising Agencies

WRG/West, Los Angeles—Jack-in-the-Box—Barry Klein, acct super.

AGRIPRODUCTS DIVISION

W.M. Jones, president

Marketing Personnel

Chow

B.M. Lutz, vp-director-mktg and rsch

Advertising Agencies

Fletcher/Mayo, St. Joseph, Mo.—Ed Clement, acct super.

BFV&L Advertising, St. Louis—health industries—Tom Birkenmeier, mgmt rep.

Checkerboard Advertising Co., St. Louis (house agency)—Lifestyle horse feed, special projects, Hog Chow, Cattle Chow, Dairy Chow, Horse Care line.

Dorf/MJH, New York—prod publicity projects—Alex Stanton, acct super.

Valentine Radford, Kansas City—dealer adv—Alan McClure, acct super.

RALSTON PURINA INTERNATIONAL

P.H. Hatfield, president

Marketing personnel

C.E. Scott, president-ceo, Ralston Purina, Canada Inc.
R.A. Green, director-mktg
D.A. Mefford, div vp-mng director, Agri-Products Europe/Asia Pacific, sales, mfg and engr
R.N. Morrow, div vp-mng director, Mexican div
L.A. Van Houten, division vp-mng director, South and Central American div
A.V.L. Brokaw, director-consumer prod mktg

DIVERSIFIED BUSINESSES DIVISION

P.H. Hatfield, president

Marketing Personnel

A.C. Edwards, div vp-mng director
J.V. Heinz, director-sales
R.M. Moeller, new business

Advertising Agencies

Burson-Marsteller, Chicago—protein systems—Erik Olson, director.

Mandabach & Simms, Chicago—food service—Ron W. Plummer, vp-director.

KEYSTONE

R.A. Maynard, president
J.D. Jones, vp
J. Pavisha, exec vp

Advertising Agencies

Heckler Associates, Seattle—Keystone—Terry Heckler, president.

Checkerboard Advertising Co. (house agency), St. Louis—media for Keystone.

RCA Corp.

	1983	1982
Sales*........	$8,977,300,000	$8,016,000,000
Earnings*.....	240,800,000	222,600,000
U.S. Advertising	212,300,000	160,102,200

*Worldwide

RCA Corp., the 29th largest national advertiser, boosted its total ad spending 33%, to $212.3 million in 1983.

On a global scale, RCA's 1983 revenues hit a record $8.98 billion, up 12%, with sales in the U.S. accounting for $8.01 billion, up 13%. Earnings in 1983 grew 8.2%, to $240.8 million.

Advertising was up about $25 million in measured expenditures—magazines, spot and network tv, newspapers and network radio—and about $28 million in unmeasured media—direct mail, point of purchase, promotion and co-op advertising.

Several of RCA's leading products accounted for about $15 million of the increase in measured media as monitored by Leading National Advertisers. LNA, which tracks six media, showed Hertz Rent-A-Car system spending $12.2 million in 1983, up 27%; NBC Television Network, $19.1 million, up 24%; RCA color tv sets, $7.1 million, up 26%; RCA music service, $6.6 million, up 214%; RCA Selectavision tv videotape system, $3.9 million, up 584%. Another big advertised item, RCA videodisc system, spent $9.6 million in measured media, down 3% from 1982.

RCA pointed out that it has improved its financial picture since 1981 by turning away from previous "overexpansion and overdiversification" efforts and returning to its roots, namely electronics, communications and entertainment.

During 1983, the consumer electronics, government systems, service company, records and broadcasting operations posted healthy sales and earnings results. The performance of those operations continued to gain steam into the new fiscal year. Net income for the second quarter, ended June 30, soared 75%, to a record $109.9 million, on revenues of $2.48 billion, up 13%. For the 1984 first half, net income climbed by 75%, to $160.2 million, as sales rose 15%, to $4.85 billion. Broadcasting (NBC) and electronics operations (the latter paced by tv sets and videocassette sales) posted record sales and earnings results in the second quarter.

In 1983, consumer electronics and broadcasting continued to represent the two largest sources of RCA's revenues and profits (about 27% and 23%, respectively).

Other major slices of the RCA sales pie are transportation services and government electronics (each about 15%), commercial electronics (13%) and communications (4%). During the year, electronics sales totaled $4.8 billion, up 11%, broadcasting approached $2.1 billion, up 17%, and transportation services rose 3%, to nearly $1.4 billion. Within electronics, RCA said its video products (meaning tv and vcr sets, cameras, disc players and disc programs) topped $1.6 billion, up from nearly $1.4 billion in 1982.

The chief sour note of recent years has been RCA's SelectaVision videodisc venture, which suffered a "significant" loss in 1983 and was shut down earlier this year. That was the second disaster RCA suffered in the past year in the new video technology sector, the first having occurred early in 1983 with the folding of Entertainment Channel, a pay tv service in which RCA was a partner with Rockefeller Center TV. However, its videocassette operations and music video category are performing well. RCA also is among the eight companies approved by the FCC for entry into the potentially lucrative direct broadcast satellite business.

Even two noncore RCA businesses, Hertz Corp. and Coronet Industries, enjoyed record sales levels and healthy income gains; RCA recently sold C.I.T. Financial Corp. to Manufacturers Hanover Trust Co. for $1.5 billion in its ongoing effort to concentrate its focus; C.I.T. was not a heavy ad spender, having spent only $700,000 or so in measured media during its last full year under RCA.

Lately, RCA has been saying Hertz, while not a core business, is No. 1 in its market and profitable, and thus transportation qualifies as a "dynamic" market, and one that "does not create a drain on RCA's management or finances."

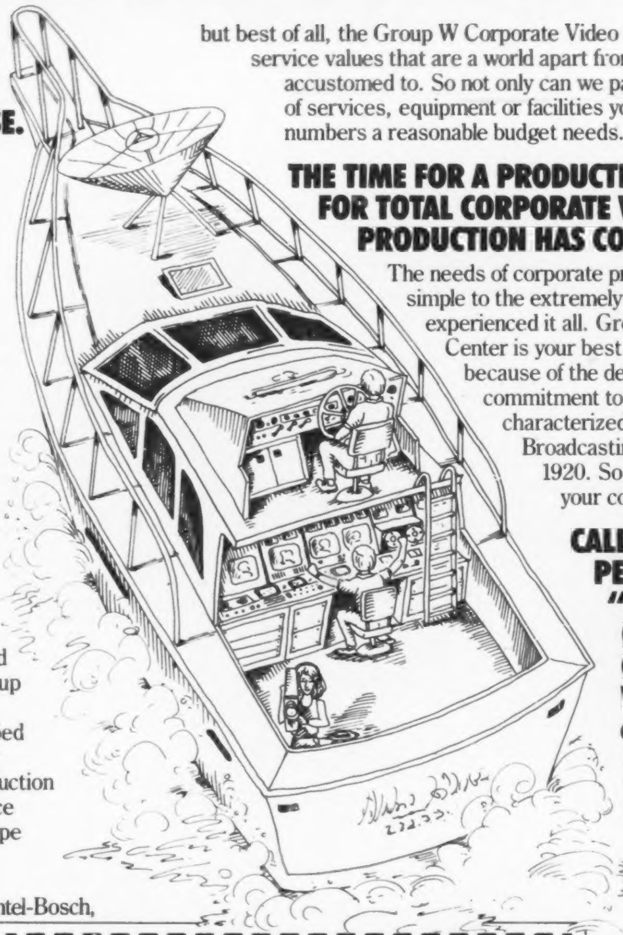
Although RCA has pulled out of the videodisc market, it remains a major factor in home video, through both its SelectaVision vcr line and its joint global programing distribution venture, the Burbank-based RCA/Columbia Pictures Home Video (the latter listed by LNA as having spent just $100,000 in measured media).

The latter's latest releases included the film "The Big Chill" and "Pat Benatar Hit Videos." Meanwhile, RCA, one of the first record companies to use video clips as a promotional tool at the retail point of sale, has formed RCA Video Productions, one of whose ambitious projects will be "the first rock video cliffhanger action-adventure serial." Aimed at the cable, home video and possibly theatrical markets, this serial will be called "The Phantom Empire," starring a rock group of that name.

RCA, which was the videodisc market leader, estimated that consumers in the U.S. had bought 500,000 units of the hardware and 10 million program discs between the introduction of the discs in early 1981 through the end of 1983; 250,000 of those players were sold in 1983 alone.

As recently as May, 1983, Thornton Bradshaw—who will relinquish his RCA chairmanship within a year to Robert Frederick, president-chief operating officer—had predicted that RCA's disc operations could turn a profit in 1985.

Other industry sources, however, long had warned that the playback-only disc could not compete with the record-and-playback vcr industry. Indeed, RCA's vcr is among the beneficiaries of the bullish home video marketplace, where about 7 million vcrs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were sold last year, well ahead of projections.

Looking ahead, Mr. Bradshaw indicated RCA may try the home computer and small-business computer markets. RCA first entered the computer field in the 1960s, via mainframe computers, but wrote that effort off in 1971.

The SelectaVision vcr's $5.6 million in measured ad backing in 1983 included sizable outlays for the deluxe VKP900, with a budget described as well beyond the $4 million spent to launch SelectaVision in 1977 and included not only the usual print but also tv.

Hertz, which ordered a record 154,000 new cars for its domestic fleet in the 1984 model year, spent $12 million in the six media measured by LNA last year. It ended an admittedly costly gift giveaway program in mid-1983, one which was begun "to counter the effect of ongoing competitors' programs and to protect market share." Airline trips and videogames were among the gifts offered in the rental car companies' multi-million-dollar advertising; Hertz used O.J. Simpson and Arnold Palmer as spokesmen for the gift effort as well as other advertising run on tv and in in-flight airline programing.

Since then, Hertz has focused on service, value and product. Hertz, whose market share is estimated at about 38% of the rental car business, last year moved its Yellow Pages account ($3 million in billings) to Doyle Dane Bernbach from Richard Bandler Co.

NBC tallied its highest profit ever with the tv network alone scoring record ad sales for the 11th consecutive year. For the 1984-85 season, the Big 3 tv networks all enjoyed unusually brisk upfront ad sales (advance, long-term sponsorship commitments made by advertisers for the upcoming season) in all major dayparts. In prime time alone, NBC booked $800 million in upfront sales, which the network claimed topped its rivals' volumes.

The tv network allocated $19.1 million in ad spending to magazines last year (primarily *TV Guide*); the radio network spent $338,000 in measured media; the owned tv stations about $99,000, and the owned radio stations nearly $3.3 million (of which WYNY-FM, New York, received slightly more than $1 million and WNBC-AM almost $800,000). RCA Records spent $2.4 million on its records and tapes, while RCA Music Service backed its record/tape club with $6.6 million in advertising. RCA Direct Marketing spent $1.4 million, with the book club operation allocating $1.2 million. Direct Marketing was reorganized in May, 1984, to encompass the record/tape and book club operations.

RCA Records' major coup in the past year was the signing of singer Kenny Rogers to a recording pact. The best-selling artist recently scored with fellow RCA performer Dolly Parton on a hit single and album. RCA, a major factor in country music with those acts and others such as Ronnie Milsap and the group Alabama, also did well on the rock charts last year with Eurythmics and Hall & Oates, the latter getting an unusually hefty $2 million-plus in ad and promo support for its greatest-hits album late last year.

RCA Records also has a major tie-in promotion, which began in June and will run through September, with Pepsi-Cola Co.'s Mountain Dew, whereby consumers can get discounts on specific albums. In June, RCA reached a preliminary agreement whereby its global record, music publishing and music video operations would be merged with those of West Germany's Bertelsmann AG.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$31,716,300	$28,273,300
Magazines	35,301,500	23,362,100
Spot tv	10,430,900	8,776,700
Network tv	24,273,200	19,126,500
Spot radio	3,512,000	3,331,400
Network radio	3,303,900	1,205,900
Outdoor	385,900	298,750
Total measured	108,923,700	84,374,600
Unmeasured	103,376,300	75,727,600
Estimated total	212,300,000	160,102,200

Corporate Marketing Staff
Thomas B. Ross, senior vp-corp affairs
Samuel Convissor, staff vp-corp relations
Joel Wolk, director-adv, liaison & media services

Advertising Agencies

Needham, Harper & Steers, New York—RCA corporate adv—Peter Heinz, mgmt super; Jenny Johnson, acct super.

Uniworld Group, New York—RCA community affairs—Herb Kemp, president; Bernard Baskett, acct super; Wayne Shealy, acct exec.

CONSUMER ELECTRONICS

Marketing Personnel
Stephen S. Stepnes, division vp-mktg
William S. Beres, vp-adv & sales promo
David Croner, vp-mktg operations

Advertising Agency

Leo Burnett USA, Chicago—Dennis Dunlap, vp-mgmt director; Jackson Brown, vp-acct director-color tv and vcr; John Kerastas, acct exec, tv; Jim McNitt, acct exec, vcr.

RCA LTD. (CANADA)

Marketing Personnel
Laurence Small, retail & Canadian adv mgr

RCA SERVICE CO.

Marketing Personnel
E.A. Malm, div vp-telephone systems & data services
L.D. Chitwood, div vp-commercial prods mktg
R. Zieselman, mktg services mgr

Advertising Agency

Al Paul Lefton Co., New York and Philadelphia—J.W. North, mgmt super; Herb Rose, acct super; Robert Ellis, acct exec.

Richard Bandler Co., New York—William Young, vp.

DISTRIBUTOR & SPECIAL PRODUCTS DIVISION

Marketing Personnel
D. Weisenstein, div vp-merch
A.D. Ricketti, mgr-adv & sales promo

Advertising Agency

Al Paul Lefton Co., Philadelphia—Ken Haverstick, acct exec.

RCA PICTURE TUBE DIVISION

Marketing Personnel
Charles A. Quinn, div vp-genl mgr
Robert Lorch, div vp

SOLID STATE DIVISION

Marketing Personnel
Lon Cantor, director-comms & adv
D.W. Ludlum, mgr-adv & sales promo, solid state

Advertising Agency

Cappiello & Chabrowe, New York—Terry Chabrowe, acct super.

RCA RECORDS

Marketing Personnel
John Ford, division vp-RCA Records, U.S. and Canada
Jack Chudnoff, division vp-creative services
Lawrence Gallagher, vp-sales
Michael Omansky, director-mktg
Barbara Sisilli, director-adv media
Devarajan S. Puthukarai, division vp-direct mktg

Advertising Agency

Grey Advertising, New York—Len Fogge, acct exec.

HERTZ CORP.

Marketing Personnel
Brian Kennedy, vp-mktg

Advertising Agency

Scali, McCabe, Sloves, New York—car div—Murray Gaylord, mgmt super; Steve Friedman, acct super.

NATIONAL BROADCASTING CO./ NBC ENTERTAINMENT

Marketing Personnel
Steve Sohmer, senior vp, NBC Entertainment
Robert Niles, vp-mktg
John Miller, vp-adv & promo, West Coast
Noel Engler, vp-adv & promo, East Coast
Jay Michelis, vp-talent relations & creative services
John Luma, vp-on-air promo
Jenness Brewer, vp-print adv
Chuck Stepner, vp-special promo projects (West Coast)
Frank Pintauro, vp-special projects, adv & pub (East Coast)
Martha Stanville, vp-affiliate/promo services
Joseph Gerardi Jr., director-adv operations
Don Eddy, director-mktg services
Hal Alterman, director-mktg projects
Charles V. Blake, director-adv & publicity, East Coast
Paula Mermelstein, creative director, adv & promo, East Coast
Robert Blackmore, senior vp-sales, NBC-TV Network
Larry Hoffner, vp-natl sales, NBC-TV Network

Advertising Agency

Diener/Hauser/Bates, Los Angeles—NBC-TV Network adv—Barry Orell, acct exec.

BROADCAST SYSTEMS DIVISIONS

Marketing Personnel
W.A. Taylor, div vp-mktg
Miles Moon, creative services mgr

Advertising Agency

RCA Creative Services (in-house)—Miles Moon, dept mgr; A.M. Hilliard, adv & sales promo dept mgr.

RCA GLOBAL COMMUNICATIONS

Marketing Personnel
Ken Gross, vp-mktg & sales
Dan Dwyer, senior ad rep
Jon Plet, senior adv admin

Advertising Agency

Ronald B. Mitchell Advertising, Bethesda, Md.—Ron Mitchell, president.

RCA AMERICAN COMMUNICATIONS

Marketing Personnel
John Williamson, director-public affairs

Advertising Agency

Hammond & Farrell, New York—Jeff Kaumeyer, vp.

Ally & Gargano, New York—John Wood, vp-mgmt super.

GOVERNMENT SYSTEMS DIVISION

Marketing Personnel
F.H. Stelter, div vp-mktg
J.G. Mullen, mgr, mktg rel & adv
N.F. Pensiero, director-public affairs

Advertising Agency

Al Paul Lefton Co., Philadelphia—Richard Rossi, acct exec.

Revlon Inc.

	1983	1982
Sales*	$2,378,867,000	$2,350,988,000
Earnings*	111,203,000	111,140,000
U.S. Advertising	123,968,889	112,952,100

*Worldwide

Revlon Inc., New York, the 53rd largest national advertiser, increased domestic advertising by 16.2% in 1983 to an estimated $124 million.

Sales increased slightly to $2.379 billion, up less than 1% from 1982, while earnings inched upward to $111.2 million, from $111.14 million.

This improvement, slight as it was, allowed Revlon chairman Michel Bergerac to tell shareholders, that Revlon began to "bounce back" in 1983. Slim proof of the turnaround were first-quarter 1984 results in which sales rose 2%, to $564 million, from the first quarter of 1983, and earnings rose to $24.5 million, up 3.4%.

The company's economic stagnation prompted numerous takeover rumors throughout the first half and into the second half of 1984, a pot further stirred by the addition of so-called golden parachute clauses to contracts for Mr. Bergerac and several of his key executives. A golden parachute is an extremely generous severance and compensation package for top managers should the company be merged or acquired and they are fired.

Revlon, segmented into beauty products and healthcare, budgets most of its advertising for beauty products. However, its healthcare segment, marketing such items as soft contact lenses, lens solutions, NoSalt salt substitute, Oxy acne remedy and Tums brands, generated $1.26 billion in sales (53% of the total) and split company-wide net income with beauty products.

The U.S. cosmetics division accounted for about 35% of earnings, while international cosmetics contributed 3%, U.S. ethicals 11%, international ethicals 13%, diagnostics 17%, optical 13% and other about 8%.

Worldwide ad expenditures were $238.9 million, a 6.9% increase over the previous year.

Revlon, which recorded national measured media spending of $80.5 million, up 22% from 1982, as monitored by Leading National Advertisers, concentrated $28.2 million on cosmetics (makeup, eye makeup, lipstick, nail polish). The lion's share of that portion—$19 million—went for the almost generic Revlon brand lines for makeup, mascara and nail polish, and $4.2 million credited to the Ultima II cosmetic products line. Revlon spent $18.1 million in measured media on cosmetics in 1982, which included $2.5 million on Ultima II cosmetic products and $2.5 million on the Natural Wonder line.

Measured spending for colognes and perfumes (Charlie, Chaz for Men, Bill Blass, Intimate, Ivoire de Balmain, Jontue, Scoundrel) totaled $14.3 million. Jontue, Charlie and Scoundrel each received more than $3 million in ad support. In 1982, colognes and perfumes attracted $15.3 million in media. In department stores, Revlon sales give it a total fragrance share of 10% with such mainline brands as Blass and Balmain. Its share in mass merchandise outlets is 15%, down from 18-19% a year ago.

Revlon spent $10.8 million on haircare products (shampoos, rinses, conditioners and hair sprays), with the biggest outlays assigned to Flex Balsam & Protein Conditioner ($4.9 million) and Flex shampoo ($1.9 million). In 1982, $8.7 million was spent on haircare products.

The company spent $4.5 million on skincare products (creams and lotions, facial treatments), placing almost $3 million of that on its European Collagen cream and lotion products, compared with $3.9 million spent on collagen products in 1982.

In 1983, the beauty product category in the U.S. and abroad had sales of $1.12 billion, down 3.5%. Operating profit dropped 10.2% to $111.8 million. Beauty products, which have been steadily declining as a percentage of total company sales, accounted for 47% of worldwide sales; healthcare products contributed the remainder.

Healthcare products percentage of total sales have advanced from 47% in 1981 and 51% in 1982. Beauty product sales in the U.S. in 1983 were $790.6, or 47.6% of total U.S. sales of $1.66 billion.

Revlon's Group I, which sells mass market cosmetics and fragrances, saw sales of its European Collagen Complex skincare line and Pure Radiance makeup reach about $20 million each in 1983. Revlon's three color cosmetics lines together had U.S. sales of more than $135 million. But all three—Revlon, Moon Drops and Natural Wonder—continued to be under market share pressure in their respective cosmetics segments.

To strengthen its cosmetics business, Revlon, which still has the largest over-all cosmetics share in the U.S.—20% of makeup sales among the nation's drug, food and mass merchandisers— began paring back items in its lines, built a new 106,000-sq.-ft. cosmetics research center and began a new advertising campaign called, "We've got your color." Revlon also named model Kim Alexis as spokeswoman for Ultima II, part of Group III, in print advertising.

In Group I, Revlon introduced several new products, including Flex Appeal Lash Loving mascara, Custom Eyes eyeshadows, a personalized refillable eyeshadow product that allows consumers to select their colors, Skin Balancing makeup and European Collagen Complex Lip Repair cream.

Group I fragrance sales dropped during 1983, with Charlie now at about $41 million, and Jontue at $33 million. Only Scoundrel advanced at all, from about $16 million in 1982 to $21 million in 1983 with the help of new spokeswoman Joan Collins. However, Revlon began rolling national a sampling program designed to increase Jontue's sales and market share. In a Los Angeles test, it boosted Jontue's local market share to more than 9.5% in that market, according to Revlon execs. In 1983, Revlon spent $5.6 million on Charlie, $3.7 million on Jontue and $3.9 million on Scoundrel nationally.

In early 1984, the company also introduced a new line of fragrances called Fleurs de Jontue, after first testing the scents in 1983. Group III sales rose over-all but weak sales of fragrances held the group's volume down.

Also in 1984, Revlon introduced Hair's Daily Requirement, a higher price shampoo and conditioner line than Revlon's Flex brand, whose shampoo has dropped from a 6%-plus share of market to less than 6% and whose conditioner has dropped from more than 8% to about 7.8%. Still, Revlon maintains that Flex shampoo is the leading cosmetic shampoo.

Overseas, Revlon introduced Ebene de Balmain, a new high-price men's fragrance.

About 74% of total earnings came from the U.S. and Canada, 15% from Europe, the Mideast and Africa and 10% from other parts of the world.

Worldwide net sales of Revlon's healthcare businesses rose to $1.26 billion, up 6% over 1982. Operating profit reached $188.4 million, 17% more than 1982.

In the healthcare group, the big ad dollars supported such products as Tums antacid tablets ($8.9 million, up from $5 million), Esoterica face cream ($1.3 million, down from $1.7 million), Oxy-10 acne remedy ($2.3 million, up from $1.9 million), and NoSalt salt substitute ($1.8 million, down from $6.2 million).

NoSalt, a salt alternative introduced in 1981, had improved sales but has been a disappointment, according to retail sources who think it is possible Revlon may drop the brand.

Tums is being distributed in 1984 through Nabisco's Life Savers division, which should help boost its sales.

Vision care sales in the healthcare group rose 21%, to $211.3 million, while operating income increased 34%, to $40 million. The division's Hydrocurve lens products have maintained a 31% market unit share, according to Salomon Brothers analyst Diana Temple, compared with CopperVision's Permalens, which has built a 40% share since its entry in 1981, and Bausch & Lomb, which has built a share of 23% since its entry into the market in late 1983.

In dollars, Ms. Temple said, Hydrocurve has a 50% share due to higher prices. According to Revlon, Hydrocurve II 55 remains the most prescribed extended-wear soft contact lens in the U.S., and during 1983 the company increased over-all share as the No. 2 U.S. contact lens company. Revlon spent $7.1 million in measured media to boost Hydrocurve in 1983, up from $3.1 million in 1982.

Ms. Temple cited Barnes-Hind as the most disappointing segment of Revlon's optical group. The division's hard lens solution has a 35% market share, but the soft lens solution has only a 5% share, yielding for Revlon a 15% share in the total market for lens solutions. Barnes-Hind also provided only minimum ad support for its lens solutions.

In 1983, Barnes-Hind introduced a new extended-wear soft contact lens for astigmatism and a complete line of soft lens products for sensitive eyes.

In the Coburn Professional Products division, manufacturing techniques were developed that allowed Coburn to produce new and innovative implants (intraocular lenses). Coburn's Lens division introduced hard coated plastic lenses to reduce scratches and provide a more durable plastic lens.

USV/Armour, the ethical products division of the healthcare group, expects sizable sales from its newly launched Lozol, the first of a new class of drugs competing as a Step-1 antihypertensive. Sales of Lozol reached $5 million in 1983 but are expected to hit $20 million by 1985. Armour strengthened its position as a leading company in the treatment of hemophilia with the introduction of Stimate, the first nonblood derivative product available for the treatment of mild to moderate forms of hemophilia.

Other developments include the launch of Calcimax, a calcium vitamin supplement.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$710,900	$488,200
Magazines	16,401,700	14,229,200
Spot tv	15,601,900	15,760,900
Network tv	47,100,800	33,913,200
Spot radio	851,100	398,500
Network radio	1,413,700	1,709,300
Total measured	82,000,100	66,499,300
Unmeasured	41,888,789	46,452,800
Estimated total	123,968,889	112,952,100

REVLON INC.
New York

Marketing Personnel
Sanford Buchsbaum, exec vp-adv
George W. Feld, vp-adv services
Kenneth Angel, adv director
Anthony Cozzolino, media/budget director
John Maisano, president, Group I
Harvey Schwartz, president, Group II
Lawrence Wechsler, president, Group III

Advertising Agencies

Grey Advertising, New York—all Classic Revlon eye makeup, Natural Wonder prods, Flex, Hair's Daily Requirement, Jontue, Ivoire, Scoundrel, Eterna 27, European Collagen Complex—Robert Zimmern, exec vp.

50th Floor Workshop, Revlon's in-house agency—Revlon lipstick, nail enamel and face makeup, Chaz, Ultima II, Ciara, Cerissa, Norell, Princess Marcella Borghese, Bill Blass—Martin Stevens, senior vp-creative services; George W. Feld, vp-adv services; Rita Grisman, vp-creative director.

Scali, McCabe, Sloves—Charlie, Mitchum—Phil Cohen, acct super.

PROFESSIONAL PRODUCTS GROUP
New York

Irving J. Bottner, president
Robert Crane, senior vp-mktg
Mitchell Levy, vp-creative services

Advertising Agency

Merchandising Workshop, New York—Joanie Curcio, senior vp.

USV LABORATORIES DOMESTIC
Tarrytown, N.Y.
Marketing Personnel

James O'Brien, president
Robert Beckman vp-mktg services

Advertising Agencies

Klemtner Advertising, New York—Hygroton, Regroton, Lozol, MVI—Jay Conlan, exec mgmt director.

Thomas G. Ferguson Associates, Parsippany, N.J.—Calcimar, Nicobid, DDAVP—Jean Pankow, senior vp-mgmt super.

NORCLIFF-THAYER
Tarrytown, N.Y.
Marketing Personnel

Charles A. Pergola, president
Theodore N. Williams senior vp
Lawrence D. White, vp-mktg
Frank J. Coppola, vp-sales

Advertising Agencies

Jordan, Case & McGrath, New York—Tums—Claudia Horty, senior vp.

Specht, Gilbert & Partners, New York—Oxy line—Don Gilbert, president; Robert Patton, partner.

Marschalk Co., New York—Esoterica, Nature's Remedy—Peter Detels, senior vp.

Cadwell Davis & Partners, New York—NoSalt—Bob Michaels, vp-acct super.

Carrafiello, Diehl & Associates, Irvington, N.Y.—A-200 Pyrinate, Liquiprin—John Muhlfeld, vp.

TECHNICON CORP.
Tarrytown, N.Y.
Marketing Personnel

Dr. Henry Simon, president
Frederick Stubbins, director-mktg communications

Advertising Agency

All advertising done in-house.

ARMOUR PHARMACEUTICAL
Tarrytown, N.Y.
Marketing Personnel

Jim O'Brien, president
Robert Beckman, vp-mktg and sales

Advertising Agency

Botto, Rossner, Horne & Messinger—Thomas Vargas, vp-account super

BARNES-HIND/HYDROCURVE
Sunnyvale, Cal.
Marketing Personnel

Kevin J. Ryan, president
Richard Wright, exec vp
George McCrary, vp-mktg
Robert Pace, vp-sales

Advertising Agencies

Grey Advertising, New York—extended wear contact lenses and contact lens solution prods—Mike Ouimette, William Deval, vp-acct supers

Zechman & Associates, Chicago—specialist prods—Bud Davis, vp-acct services.

NATIONAL HEALTH LABORATORIES
La Jolla, Cal.
Marketing Personnel

Robert E. Draper, president

Advertising Agency

All advertising is done in-house.

MELOY LABORATORIES
Springfield, Va.
Marketing Personnel

William Terry, president

R.J. Reynolds Industries

	1983	1982
Sales*........	$13,533,000,000	$11,492,000,000
Earnings*.....	835,000,000	791,000,000
U.S. Advertising	593,350,300	530,261,800

*Worldwide

R.J. Reynolds Industries, Winston-Salem, N.C., the nation's fifth largest advertiser, flashed its consumer-marketing power by increasing ad spending to $593.4 million in 1983, up 11.9% from 1982.

Since the beginning of the decade, the tobacco company has proved to be an acquisition-hungry conglomerate with an appetite for consumer package goods. Merger partners have sated the hunger by feeding RJR a diet of food and beverage units until today the company counts more than 110 brands and lines in its corporate roster.

Those brands—from the familiar Winston cigarets and Kentucky Fried Chicken to the more obscure T.J. Swann wines—produced sales of $13.53 billion in 1983, an increase of 17.8% from 1982. Net earnings, however, rose more slowly, gaining 5.6%, to $835 million.

For the first six months of 1984, the company had earnings of $406 million, up 10.3% from the year-earlier period, on sales of $6.88 billion, up 3%.

Although the company has been diversifying its lineup for decades, it is becoming clearer that it wants to put its resources in consumer-product marketing. During the past year, RJR spun off its Sea-Land shipping unit into a separate company and considered selling Aminoil Inc., an energy subsidiary.

On the other side of the ledger, the company acquired Bear Creek Corp., the direct marketer known for its Harry & David fruit-of-the-month club, and Canada Dry, the beverage marketer. They join Del Monte Corp. and Heublein Inc. as acquisitions RJR has made since 1979. Speculation holds that another company, Buckingham Corp., a distilled spirits subsidiary of Beatrice Cos., is the next target.

The company's executives like to portray their purchases as a strategy of filling in the spots necessary to power an increasingly marketing-driven company. The Canada Dry purchase from Dr Pepper Co., for instance, puts RJR into the soft-drink business to go along with the fresh and prepared foods and beverages brought by the Del Monte and Heublein acquisitions.

The Canada Dry move, which came in March, is significant for another reason, however. It brings to the RJR family a business that the company's chief competitor, Philip Morris Inc., has been in for years with Seven-Up Co.

Put the two companies side by side now, and there are striking marketing similarities, with each having tobacco, wine or beer and soft drinks as primary products.

But it is only in tobacco that the two companies match move for move. And here, 1983 marked the first time in decades that RJR, through its R.J. Reynolds Tobacco Co. domestic marketing arm, fell from the No. 1 slot. Philip Morris, slowly gaining market share in recent years, managed to wrestle top honor by increasing its share to 34.4% of the market in 1983, compared with RJR's 31.9%.

The coup, however, came in a context that could not have cheered any cigaret marketers, which already are dealing with a slow-growth industry. Rising prices that were spurred by increased federal excise taxes and continued health concerns over cigaret smoking contributed to a slide in industry sales. John C. Maxwell, managing partner with A.G. Becker Paribas, New York, estimated that total domestic sales dropped about 4% from 1982, to 595 billion units.

That may be a reason the biggest advertising splash RJR made during the year came not for any brand, but in a $7 million corporate campaign addressing the smoking issue. Controversial ads, created by Leber Katz Partners, New York, called for "an open debate about smoking," presenting RJR's views on scientific studies, youth smoking, health hazards and other issues.

The ads touched of a flurry of angry responses, especially from the American Cancer Society, American Lung Assn. and American Heart Assn. They charged that cigaret companies were spending more than a billion dollars a year for advertising that "cons" adults and "brainwashes" children "before they can read. We don't need a debate on smoking."

Another nonbrand advertising issue of significance was the company's move this year to bring much of its media-buying operations in-house. Because RJR is one of the nation's largest advertisers, this strategy, which involves RJR's other subsidiaries and affords cost savings, could have far-reaching implications in the ad agency business.

More conventional advertising news, of course, came for the cigaret brands themselves. In 1983 and into this year, these ads and pr helped support new products RJR introduced in what have become the hot segments of the industry: 25-per-pack cigarets, premium-image smokes, and generics or

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abc
Los Angeles
1984

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private-label brands.

Century, the 25-smokes-per-pack rolled out in July, 1983, is moving toward national availability, although state laws prohibiting unit sales in multiples of other than 10 have hampered expansion. RJR early in August began running national ads for the brand, available in 46 states. The company said that at the end of 1983, the brand had achieved a 0.8% share in the 34 states in which it was available. (A 0.5% share is considered a success by industry standards.)

Other marketers have introduced 25-per-pack brands. Brown & Williamson, Louisville, Ky., has been marketing Richland for about as long as Century has been on the market, and Philip Morris is coming out with a version for its flagship brand, Marlboro. The brands are positioned as "value" items because they sell for about the same price as conventional packs.

By its own standards, RJR has not supported Century with the kind of heavy advertising traditionally handed to a new product. In 1983, the company laid out $13.2 million in measured media spending, divided among newspapers, newspaper supplements and outdoor.

By contrast, Bright mint-flavored cigarets received $40.3 million in measured media support. Introduced in 1982, the brand has had trouble making headway, mustering only a 0.3% share in the second quarter of this year, according to Mr. Maxwell.

RJR's new entry in the premium end of the market came in April this year with the national rollout of Sterling, a direct competitor to PM's Players. Advertising for the product, which registered a 0.5% share of market in the second quarter, seeks to give it a classy, elegant image.

In the generic-private label market, dominated by Liggett & Myers Tobacco Co., RJR is rolling out Doral as a branded smoke at a generic price. Though there are indications that the market is peaking, analyst Mr. Maxwell said he believes it could reach as much as 10% of all sales, compared with the 4.1% it now brings in. RJR expects it to peak at between 7% and 9%.

Doral was a brand given up for dead after it failed to succeed in its first incarnation and in a later reformulation as Doral II. The latest move with the brand is another attempt at taking advantage of the market segmentation that has colored the tobacco industry in recent years.

This new product activity is designed to bolster RJR's other brands, four of which are among the top 10 in the U.S. Each continued to receive relatively the same support in measured media ad spending from 1982.

Winston, No. 2 to PM's Marlboro, registered a declining 12.0% share, compared with Marlboro's nearly one-fifth of the market. As the company's biggest tobacco product, Winston received $36.9 million in measured media ad support, the most among established brands.

Salem, No. 3 over-all and the best-selling menthol domestically, came in with an 8.2% share and $34.6 million in support.

Camel, the long-established brand that has been the subject of renewed corporate attention in recent years, saw its share decline just slightly, to 4.4%. Ad support for the line amounted to $25.8 million.

And Vantage, the low-tar entry, also witnessed a slight share decline, to 3.7%, with support reaching $31.5 million. RJR also maintained about the same level of support for its other two brands—More and ultralow-tar Now—as it allocated last year. The More family, which includes the beige (soon to turn darker) More Lights, received $27.7 million in ads. Now checked in at $17.6 million.

These sizable outlays for cigarets often overshadow RJR's activities in its other businesses, but the company is devoting considerable time to give them a distinctive RJR stamp. Foods and beverages accounted for 33% of the company's sales, compared with only 23% just four years ago. Over the same period, tobacco's share declined from 62% to 54%.

Hence, the attention paid to such units as Del Monte Corp. In a continuing effort to streamline the Del Monte operation and give it marketing sustenance, RJR this year reorganized the specialty grocery products division. With products coming with the acquisition of Heublein, RJR sought to rationalize this business, not the least of which was to move headquarters from Farmington, Conn. (Heublein's headquarters), to San Francisco, combining it with the Del Monte frozen food group. The resulting combination was named Del Monte specialty and frozen food group.

The Del Monte brand continued to receive more marketing life, with RJR pumping $12.3 million in support for the various lines. Almost half went to advertising for Lite canned fruit. Since being acquired by RJR in 1980, Del Monte's ad budgets have increased steadily.

The brand is attempting to enter the active frozen food category by gradually testing and expanding a midprice line. In addition, Del Monte is embarking on what it says is its largest vegetable advertising campaign in history, saying Del Monte vegetables are as nutritious as fresh cooked.

Among other specialty brands, RJR gave the most advertising support to A.1 steak sauce ($9.3 million) and Hawaiian Punch ($9.9 million), which became available nationally in aseptic packaging.

At Heublein, the continuing decline in distilled spirits sales has dulled prospects for the kind of growth the company would like to see, with Heublein spirits capturing a 2.1% share of the market in U.S. case volume.

The slow growth, exacerbated by intensive public concern about alcohol and moderation, prompted the introduction of lighter cocktails, including Smirnoff vodka and tonic, gin and tonic, Bloody Mary and others. The company professes to be pleased with their progress.

The best performing single brand—the one that showed the most growth, 20% from 1982, among all spirits with more than 1 million cases in volume—was Jose Cuervo tequila. The country's best-selling tequila, Jose Cuervo received $2.1 million in measured support in 1983.

Smirnoff vodka, which experienced flat sales at 7.3 million cases, continued to be the company's top seller and No. 2 to Bacardi rum over-all. It also received the most support among Heublein spirits, $9.5 million.

Black Velvet whisky, which received $3.8 million in support, had 2 million in case sales, a slight increase of 1.1% in a category that declined 5.3% in domestic brands.

Heublein's wine operation also was hit hard by slow growth. In fact, Heublein divested its low-price wines and concentrated on its premium brands, primarily Inglenook.

Partly as a result, the nation's No. 3 vintner—behind E&J Gallo Winery and Seagram Wines—saw its market share decline from 8.7% in 1982 to 7% in 1983, according to Mr. Maxwell, who also tracks the wine industry.

Inglenook, the most heavily advertised wine in the company's lineup, received $6.9 million in measured support in 1983, while Harvey's Bristol Cream sherry and Lancers were bolstered by $3.4 million and $3.2 million, respectively.

Heublein also is making a foray into the growing wine cooler categories by testing a brand called Citronet. It is this segment of the market that has helped save the entire wine market from declining.

The final consumer behemoth in the RJR family is Kentucky Fried Chicken Corp., which in 1983 had systemwide sales of $2.6 billion, making it the third largest fast-food operation in the nation, next to McDonald's and Burger King.

KFC, with 50% of the chicken segment, has sales five times larger than its closest chicken competitor, Church's Fried Chicken. McDonald's is the second largest seller of chicken, with its Chicken McNuggets.

KFC opened 322 new stores worldwide in 1983. KFC-USA itself opened 196 company-owned and franchised units, bringing the total to 4,471, of which 998 are company-owned.

The "do things right" company, after a period of top-to-bottom remaking, is on a solid growth curve. Sales rose 18% in 1983 from the previous year, compared with the 11% growth registered by the industry as a whole.

The one new product KFC introduced over the past year—with apparent success—is made-from-scratch biscuits. The company said it bakes more than 2 million biscuits daily.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$112,343,000	$123,174,800
Magazines	155,062,800	111,102,600
Spot tv	39,642,000	47,738,100
Network tv	69,907,200	56,862,700
Spot radio	3,851,200	2,776,900
Outdoor	88,919,600	77,233,200
Total measured	469,725,800	418,808,330
Unmeasured	123,624,500	111,373,500
Total	593,350,300	530,261,800

R.J. REYNOLDS TOBACCO CO.

Marketing Personnel

G.H. Long, president-coo
John Winebrenner, group mktg director
John Shostak, brand mktg director
Jerry McKenna, brand mktg director
Dan Pearson, director-media
M.L. Orlowsky, senior vp-mktg
Harry Lees, vp-established brands
George Baroody, group director-mktg services
Sally MacKinnon, director-new brands
Sid Wooten, director-specialty tobacco
David B. Fishel, director-pr

Advertising Agencies

William Esty Co., New York—Winston, Salem—Laurence M. Wassong, exec vp-acct group head; John E. Neal, senior vp-associate group head; Philip Shaner, Jim B. White, vp-acct super.

McCann-Erickson, New York—Camel—John Bergin, vice-chairman; Edward G.A. Bathon, exec vp; Simon Marlow, senior vp.

Leber Katz Partners, New York—Vantage, More, Now, Bright, public issues campaign—Stanley H. Katz, chairman; Jerome L. Davidow, exec vp-director of client services; Robert Hirsch, senior vp-mgmt super; Janice Lee, vp-acct group super; Richard Maddock, vp-acct super.

Tatham-Laird & Kudner, Chicago—Century, smoking and chewing tobacco, special projects—Charlotte Beers, ceo-managing partner; Bill Youngclaus, senior partner, group acct director; Bob Hielscher, Kirk Berland, senior partners; Jim Hill, acct super; Jerry Golinske, Steve Hanika, acct execs.

Ted Bates Advertising/New York—Sterling—Lawrence Light, exec vp; Sharon Mosse, senior vp-mgmt rep; Howard Sonner, vp-acct super.

Long, Haymes & Carr, Winston-Salem, N.C.—Doral, special events—Donald N. Adams, exec vp-mgmt super; Francie Thompson, acct exec.

R.J. REYNOLDS
TOBACCO INTERNATIONAL

Marketing Personnel

Lester W. Pullen, president-ceo
Dale F. Sisel, exec vp
Rouben V. Chakalian, exec vp
Peter J. Hoult, vp-mktg
G.E. Harlow, mktg director-devel mkts
T.L. Ogburn Jr., mktg director-established mkts
Ron Field, director-pr

Advertising Agencies

McCann-Erickson, New York and international affiliates—Camel worldwide.

Other brands handled through a variety of agency assignments country by country.

DEL MONTE CORP.

Robert A. Fox, president-ceo

Worldwide Fresh Fruit

Sam Gordon, president
Ben Klein, senior vp-mktg, beverages
G.F. Norwood, vp-mktg, pineapple

Frozen & Specialty Products

John Beggs, president
Charles Weiss, vp-mktg
John C. Mitchell, mktg director
Brenda Bock, mktg director

Franchise Beverage Products

Jack W. Argabright, president
Fran Mullin, president-Canada Dry USA
Roy Lockyer, president-Canada Dry, Canada
Neville Williams, president-Canada Dry Intl

Dry Grocery and Beverage Products

Fernando Gumucio, president
Stephen Rothschild, vp-mktg
Richard Lynch, mktg director-seasonal prods
Frank Cheli, mktg director-Hawaiian Punch
John Creel, mktg director-dry mix beverages, dried fruit, single serving

International Grocery Products

Robert Kroll, president
John Corbani, vp-mktg
Robert McDougall, mktg director-formulated and seasonal food prods
Don F. Chmiel, mktg director-beverages

Advertising Agencies

Marschalk Co., New York—A.1, Brer Rabbit, College Inn, Davis baking powder, Grey Poupon Dijon mustard, My-T-Fine, Ortega, Regina wine vinegar, Vermont Maid syrup—Dan Cohen, exec vp; Jeff Adams, senior vp-mgmt super; Jim Chandler, John Most, Barbara Caufman, acct supers.

McCann-Erickson, San Francisco—canned fruits and vegetables, tomato prods, consumer promos—Ewan Macdonald, senior vp-dept mgr; Wayne Fulcher, Ross Heil, vps-acct supers; Nancy Jamison, acct super.

BBDO/West, San Francisco—Del Monte juices, Hawaiian Punch—Joseph Barret, president-acct group mgmt super; Walter B. Menzel, vp-mgmt super; Scott Liddey, acct super; Denise Bina, acct exec.

Young & Rubicam, Chicago—Canada Dry, Chun King, Del Monte Main Meals, Morton, Patio—Bill Thompson, exec vp; Steve Keenan, Jim Fisher, Duncan Pollock, vps-mgmt supers; Patricia Brichta, Harry Mosher, Sharm Healey, acct supers; Sara Hurlbut, acct exec.

Mandabach & Simms, Chicago—frozen foodservice—James Coari, vp-gen mgr; Robert Johnson, acct super.

DeVine & Partners, Norwell, Mass.—specialty grocery foodservice—Hugh DeVine, president; Matthew DeVine, vp-acct super; Christine Kuendig, acct exec.

Caravetta-Allen-Kimbrough/BBDO, Coral Gables, Fla.—fresh fruit—John Powers, Jean Walker, vp-acct supers.

HEUBLEIN INC.

Marketing Personnel

John A. Powers, president-ceo
Robert M. Furek, exec vp-sales & mktg
William R. Henn, exec vp-devel
Barry M. Rowles, exec vp-intl
Ronald B. Schlossberg, senior vp-spirits mktg worldwide
Frank McCarthy, senior vp-wines mktg worldwide
James W. Marsh, senior vp-worldwide sales
David Eickholt, vp-mktg services
Erik J. Pierce, vp-pr
Robert M. Ward, director-adv services

Advertising Agencies

Marschalk Co., New York—Arrow cordials, Beaulieu Vineyard, Boggs cranberry liqueur, Popov vodka, Relska vodka, Smirnoff vodka, Smirnoff Silver vodka, Smirnoff de Czar Special Reserve vodka, Steel Peppermint Schnapps, Yukon Jack Canadian liqueur—Dan Cohen, exec vp-mgmt services director.

Laurence, Charles & Free, New York—American Creme, Black & White scotch, Black Velvet Canadian whisky, Centenario tequila, Club Cocktails, Harbor Lights, Heublein Cocktails, Irish Mist liqueur, Jeremiah Weed bourbon liqueur, Jose Cuervo tequila, Lancers wine, McMasters Canadian, McMasters scotch, Valbon wine—Martin Smith, exec vp; Robert Adler, senior vp.

Castor Spanish International, New York—Hispanic adv—Smirnoff vodka, Don Q rum, Jose Cuervo tequila, Black Velvet Canadian whisky, Viejo Vergel Mexican brandy—Castor Fernandez, president-creative director; Arturo Andrade, exec vp.

UniWorld Group, New York—ethnic and general adv—Smirnoff vodka, Harvey's Bristol Cream, Club Cocktails, Brass Monkey, Don Q rum—Byron Lewis, president; Herman Moles, vp-business manager.

Scali, McCabe, Sloves, New York—Harvey's Bristol Cream, Don Q rum—Sam Scali, vice-chairman-creative director; Richard Roth, exec vp-director; Ted Donohue, vp-mgmt super.

DYR, Los Angeles—Inglenook wine, Citronet—Richard Wittstadt, vp-media director; Bill Lyddan, senior vp-director of client services.

KENTUCKY FRIED CHICKEN CORP.

Marketing Personnel

Richard Mayer, chairman-ceo
Robert Hiatt, president-KFC Intl
Donald E. Doyle, president-KFC Mgmt Co.
Richard Campbell, vp-Zantiago Restaurants
Mick McGraw, senior vp-Worldwide Services
Robert Lee, vp-field mktg
Scott Conner, vp-prod devel mktg
Gregg M. Reynolds, vp-public affairs

Advertising Agencies

Young & Rubicam, New York—Kentucky Fried Chicken Corp. national co-op and company-owned outlets—John P. McGarry, exec vp-group director.

Mingo-Jones, New York—Kentucky Fried Chicken Corp. black media—Samuel Chisholm, vp-mgmt super.

Richardson-Vicks

	1983	1982
Sales*	$1,280,500,000	1,115,700,000
Earnings*	71,900,000	51,400,000
U.S. Advertising	150,813,900	129,289,400

*Worldwide, fiscal years 1984 and 1983 ended June 30

Richardson-Vicks, Wilton, Conn., the 41st largest national advertiser, increased its domestic advertising to an estimated $150.8 million in 1983, up 16.6% from 1982.

The acquisition of the Vidal Sassoon line of haircare products in May, 1983, and the accompanying ad expenditures, which included $14.1 million in measured media spending for the year, accounted for most of the increase. Excluding Sassoon spending of $14.2 million in measured media, the company is estimated to have increased its ad expenditures about 5%.

In 1984, ad spending continues on the upswing, thanks mostly to recent new product launches. The gains have restored it to the 1981 level ($149 million), following the 1982 cut that dropped it 13%, to $129.3 million.

During fiscal 1984, which ended June 30, 1984, worldwide sales were up nearly 15%, to $1.28 billion, and net income rose sharply to $71.9 million, up 40%, reversing two years of successive declines.

Fiscal 1984's gains—like the ad hike—came largely as a result of the acquisition of Sassoon and its annual sales of $110 million. Also, because 80% of Sassoon's sales are domestic, the move has helped accomplish a Richardson-Vicks strategic objective of tipping the balance of over-all sales in favor of the domestic side. Domestic sales for fiscal 1984 constituted 60% of the total. In 1983, domestic sales reached $570 million; 1984 sales are estimated at $740 million.

The Sassoon acquisition was preceded by the January, 1983, purchase of the Pantene products line. Those back-to-back acquisitions, together with the July, 1982, purchase of the Mill Creek brand, established Richardson-Vicks as a major force in the $3 billion a year domestic haircare market.

It's a presence that also covers each segment of the haircare market: The Sassoon line aimed at the mass market, the Pantene line aimed at the upscale market, and Mill Creek for those who prefer natural products.

Its U.S. entry in the haircare field is news, but in European markets, the company's Hegor, Clearasil, and Petrole Hahn hair care products are established lines. More significantly, its entry in the domestic haircare market makes personal care the company's largest business segment. It now accounts for almost half of the company's annual sales.

At this point, Richardson-Vicks is well-seasoned in developing acquired product lines. With the exception of its original Vicks cold-care product line, it has entered all its other business segments via acquisitions. Historically, its most noteworthy acquisition is Oil of Olay (1970), which entered it in the moisterizers market. Before that, there were the acquisitions of Clearasil (1960), entry to the teen skincare business, and Fasteeth and Fixodent (1969), entering it in the denture care market.

More recently, there have been the acquisitions of Formby's line of homecare products (1978), launching it in the do-it-yourself market, and the Percogesic line (1982), dipping Richardson-Vicks into the analgesic market.

Along with acquiring product lines, Richardson-Vicks also has been busy home-growing them as it continues to broaden its product base. Its original cough and cold remedy base now accounts for about one-third of the company's total sales volume.

Since the start of 1983, Richardson-Vicks has entered the men's skincare market by introducing Saxon aftershave, the facial cleansing market with the introduction of Olay beauty bar, and the mass-market vitamin field with Lifestage multivitamins. It also went national with Tempo, its first entry in the antacid market, and strengthened its cough products line with Cremacoat cough medicines.

Ad spending for new entries has been substantial and includes expenditures in 1983 of between $6 million and $7 million for the "Saxon reaction" introductory campaign, $11.5 million for the introductory push for Lifestage vitamins, $4 million for its opening ad splash for the Oil of Olay beauty bar, $8 million in measured media support for Tempo and $4.6 million in measured support for Cremacoat.

The campaign introducing the four-formula Cremacoat line says it soothes and relieves coughs better than conventional syrups and that "four years of development and clinical testing proved it." The campaign got a big boost when its claims were substantiated by the National Advertising Division of the Council of Better Business Bureaus' monitoring program.

Richardson-Vicks' most heavily advertised product continues to be Oil of Olay, which received $22 million in measured media spending last year, down from $26.1 million, according to Leading National Advertisers. It remains the market's top seller in its category but dropped another percentage point in market share last year. Three years ago it had a 34% share of market. That went to 31% in 1982 and now 30%. Night of Olay cream was backed with $2 million in measured spending, up from $1.5 million.

In the skin medication sector, Clearasil was backed with $3.1 million in measured spending, down from $3.9 million.

Cold-care product sales for fiscal 1983 were flat for a second straight year because of the low level of flu incidence but for the just-ended fiscal 1984, sales are up. Nyquil, backed by $7.8 million in measured media spending last year, down from $8 million, held onto its market share. Formula 44D, backed with nearly $6 million in measured spending, up from $5.7 million, however, lost some ground. The Sinex nasal sprays line, meanwhile, was backed with $3 million in measured spending, down from $4.4 million.

Headway tablets, introduced two years ago with a big ad splash, had no measured spending in 1983. Also getting no measured support last year was a 1982 entry, Denquel, a toothpaste for sensitive teeth.

In the Homecare Products Division, ad spending for the Formby's line of woodcare and refinishing products received $5 million in measured spending, down from $5.5 million. New lines of interior finishes also were introduced under the Formby's and Thompson's brand names.

Fixodent and Fasteeth sales were up. Together, they capture more than one-third of the denture adhesives market. Fasteeth was backed with $1.5 million in measured spending and Fixodent with $2.4 million.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	—	$14,200
Magazines	$12,130,500	8,126,500
Spot tv	20,928,000	13,778,400
Network tv	59,139,100	48,475,600
Spot radio	812,900	168,000
Network radio	919,000	726,100
Total measured	93,929,500	71,289,400
Unmeasured	56,884,400	58,000,000
Estimated total	150,813,900	129,289,400

HEALTH CARE PRODUCTS DIVISION

Marketing Personnel

R.A. Ahrens, president-genl mgr
Stephen E. Bear, mktg director
W.J. O'Neill, vp-mktg director
W.S. McGranahan, vp-mktg service

Advertising Agencies

Benton & Bowles, New York—Lifestage vitamins, Cremacoat cough medicines, Day-Care cold medicine, NyQuil, Sinex, Vaporub, Vicks Blue cough drops, Victor's cough drops, Vick's cough drops—Richard Hopple, senior vp-acct director; Alan Goltz, senior vp-mgmt super.

Young & Rubicam, New York—Tempo, Formula 44D—Robert Gleckler, senior vp-mgmt super.

Slater Hanft Martin, New York—Percogesic analgesic—Jerry Martin, chairman-mgmt super; Rick Dorin, acct super.

PERSONAL CARE PRODUCTS DIVISION

J.D. Auty, president—genl mgr
P.L. Wilson, vp-mktg director
W.S. McGranahan, vp-mktg services
R. Rogge, vp-mktg director

Advertising Agencies

Benton & Bowles, New York—Clearasil, denture prods—Richard Hopple, senior vp-acct super; Pat Doody, senior vp-mgmt super.

Young & Rubicam, New York—Olay products—Robert Gleckler, senior vp-mgmt super.

North Castle Partners, Greenwich, Conn. —Lavoris.

Carrafiello-Diehl & Associates, Irvington-on-Hudson, N.Y.—Fasteeth, Fixodent, Complete, Denquel, oral health prods—Pat Mandarano, vp-mgmt super; Tom Heigl, acct exec.

Leber Katz Partners, New York—Saxon aftershave, Pantene prods—Cynthia Perry, acct group super, Vivian Loewenstein, acct exec.

VIDAL SASSOON INC.

Marketing Personnel

J.M. Solomon, president

Advertising Agency

Peter Rogers Associates, New York—Sassoon shampoos, conditioners, rinses, coordinators—Peter Rogers, president; Len Favara, creative director; Gerry Tabaczyk, senior vp-acct services director.

NATURAL CARE PRODUCTS DIVISION

Marketing Personnel

D. Hoffmeister, vp-genl mgr
R.E. Carter, mktg mgr
G.J. Grabner, natl sales mgr

J.T. BAKER CHEMICAL CO.

Marketing Personnel

T.M. McGuire, chairman
B.M. Rein, vp-mktg, specialty chemicals
J.L. Zapf, director-mktg admin

Advertising Agencies

Cunningham & Walsh, Chicago—Andrea Barr, acct super; Jim Davidson, mgmt super.

Stiegler Wells Agency, Allentown, Pa.—Daniel C. Wells, president; Jo Ann Petro, acct exec.

Rosston, Kremer & Slawter, New York—Abraham Kremer, president-acct exec; Paul Slawter, acct exec.

BAKER INSTRUMENTS CORP

Marketing Personnel

J.R. Kelsey, president-genl mgr
R.A. Sullivan, vp-mktg
D.J.Hollan, vp-sales
M.G. Hossom, vp-mgr, chemistry systems

Advertising Agencies

Barbetta Miller, Fairfield, N.J.—Rebel Robertson III, acct super.

HOME CARE PRODUCTS DIVISION

Marketing Personnel

J.B. Cappio, president-genl mgr
J.D. Mitchell, director-mktg and sales
W.P. Melvin, director-mktg and sales
S.G. Staves, mktg mgr
B. Sharpe, mktg mgr

Advertising Agency

Slater Hanft Martin, New York—Formby's furniture refinisher, paint remover, Tri-Flow lubricant, Thompson's Water Seal—Jerry Martin, chairman-mgmt super; Rick Dorin, acct exec.

VICKS EUROPE/-AFRICA DIVISION

Marketing Personnel

J.R. Markley, president-genl mgr
N. Matt, mktg director

AMERICAS/FAR EAST DIVISION

Marketing Personnel

L.P. Mattis, president-genl mgr
C. Nash, exec vp-mktg director
W.A. Crowther, mktg director-communications
P. Draper, director-mktg rsch

Schering-Plough Corp.

	1983	1982
Sales*	$1,808,500,000	$1,729,200,000
Earnings*	190,100,000	183,500,000
U.S. Advertising	117,914,210	123,932,700

*Worldwide

Schering-Plough Corp., Madison, N.J., which entered a divestiture phase in 1983 that continues into 1984 in order to concentrate on its core businesses—pharmaceuticals and consumer products—is the nation's 59th largest advertiser with estimated total advertising expenditures of $117.9 million in 1983, down 4.8% from 1982.

Over-all, sales were $1.808 billion, an increase of 4.6% from 1982, while net income was $190.1 million, up 3.6%.

Of the total advertising expenditures, measured media in 1983 was $69.36 million, down 4.5%. Most of that was spent on consumer products in the U.S., a product group accounting for $514 million in sales out of worldwide consumer product sales of $812 million.

Consumer product sales trail those of Schering-Plough's pharmaceutical business, which recorded worldwide sales of $995.9 million, or 55% of the company total in 1983. The U.S. accounts for 41% of the pharmaceutical group sales.

The divestiture of businesses no longer fitting into Schering-Plough's long-term plans began with the sale in 1983 of DAP home products, netting

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the company $70 million. In 1984, the company has sold two Plough Broadcasting radio stations and has reached an agreement to sell the remaining 10.

Within the consumer product sector, Maybelline cosmetics line, which had sales of $202.8 million, up 12%, snared the biggest ad expenditure, $29.95 million, an increase of 7%. Actress Lynda Carter, best known for her role as the super heroine Wonder Woman, was spokeswoman. The 1983 media mix for Maybelline advertising was 39.4% magazines, 49.9% network tv, and 10.7% spot tv.

According to company claims, during 1983, the Maybelline line became the U.S. leader in retail dollar sales of mass-distributed decorative cosmetics. Mascara takes up the lion's share of the Maybelline ad budget, accounting for $10.6 million—most of that for tv time.

Ad spending on Maybelline's Moisture Whip line declined slightly to $6.4 million, a drop of 8% from 1982, and that comes hard on the heels of a 24% decline from the 1981 level. Spending actually increased for lipstick and makeup, up 21% and 4.7%, respectively, but the company seems to have lost all confidence in creams and lotions, which saw ad expenditures plummet from $2.9 million in 1981 to $1.8 million in 1982 and $334,800 in 1983.

Schering-Plough, however, continued its strategy of exploiting the highly recognizable Maybelline name by adding new products to that line. One such new product in 1983 was Shine Free makeup, a line aimed at women with oily skin. Leading National Advertisers counted $661,800 in magazine advertising for the products, powder blush, pressed powder and Cover Stick products.

Other new products introduced in 1983 were the Long Wearing line of lipsticks and foundation makeup, and Expert Eyes shadow kit and liner pencil.

The company attempted to salvage its Daydreams entry in the perfume market by repackaging it. Introduced in mid-1982, the perfume was able to muster only a dismal 1% share. The company also increased advertising on the product by 10.3%, to $4.6 million.

Hoping to snare yet an even larger portion of the $240 million-a-year suncare market, Schering-Plough, which already markets the leading Coppertone line and the Tropical Blend tanning products line, launched the la Solaire suncare line in 1983, a more lavishly packaged and expensively priced line to be competitive with Charles of the Ritz Group's Bain Du Soleil. It remains to be seen how successful the la Solaire marketing strategy will be.

Many of Schering-Plough's competitors, while conceding that the company's lines remain the undisputed top sellers, say its total share has dropped slightly, citing price resistance to the Tropical Blend line as a problem.

However, that price resistance has not deterred Schering-Plough from adding a new fragrance, Tequila Sunrise, to the Tropical line.

Schering-Plough says it spent more than $19 million on advertising and promotion for its suncare products in 1983. But the portion that went into measured media declined considerably from 1982 levels, according to Leading National Advertisers. Coppertone's ad spending was $4.7 million, down 11.2%, while Solarcaine products ad spending was down 60%, to $514,800; Tropical Blend Tanning Products was down 49%, to $1.04 million, and For Faces Only products was down 49%, to $935,700.

Schering-Plough's strategy of associating new products with highly popular ones carried over into the footcare market as the company added Pro Comfort, a specialty line of protective and sports-injury prevention products, to the Dr. Scholl's line.

Aimed at active, younger people, the company promoted the line by sponsoring a nationwide series of 10-kilometer races that featured many of the country's top-ranked runners.

Meanwhile, the Dr. Scholl's line, which has a vise-like grip on the footcare market, had sales of $107.8 million in 1983, up 4% over the previous year.

Also, Dr. Scholl's Odor Attackers was introduced in 1983, and in 1984, the division expects to introduce a foot-grooming line and a comfort insole for women's open-toed shoes.

The company says Duration, a nasal spray that had $2.8 million spent on advertising in 1983, maintained its leading position among advertised products in its category.

Spending on the St. Joseph's children's aspirin line increased 81%, to $2.8 million in 1983. The company also spent an additional $3.4 million advertising St. Joseph's maximum strength aspirin-free tablets. The product was introduced at the end of 1982 to take advantage of the Tylenol scare, but thus far it has been unable to achieve any significant market share.

In the pharmaceutical field, the company specializes in anti-infectives, cardiovasculars, anti-imflammatories and anti-allergenics.

Probably the most publicized aspect of Schering-Plough's pharmaceutical operations is interferon, a drug still in the research stage. At one time, interferon was hailed as a wonder drug that would cure everything from cancer to the common cold, but it has hit so many snags during research that some wonder if it ever will reach the market. Still, more than 20 companies are involved in the race to find commercial applications for it.

But the two with the most riding on it are F. Hoffmann-LaRoche & Co. and Schering-Plough. The latter especially had been vociferous in extolling its virtues and may have forced itself into a position of putting up or shutting up. In late 1983, the company filed for two anticancer indications with the Food & Drug Administration and said it expects to file for use in combatting the common cold sometime in 1984.

Schering Plough got a step closer to marketing interferon in mid-August, 1984, when Geneva, Switzerland-based Biogen Inc., with whom Schering Plough has a worldwide exchange license (SP does the scale up and process development), received a generic patent for alpha interferon from the European Patent Office. Approval to release the product, however, has yet to be received from drug regulatory bodies in developed countries in which SP has applied to market interferon. "It is very positive that the Europeans granted the generic patent," says a SP spokesman, who did not think the patent would necessarily set a precedent for other countries to follow. The "generic" patent designation, however, is expected to precipitate a long legal battle with Hoffmann-LaRoche, which contends the Biogen patent covers only a "precursor" of the alpha interferon product, not the mature form.

As a cold medicine, there is a major obstacle Schering-Plough must overcome to get FDA approval: The elimination of side effects such as nose bleeds that most people complain about after using the drug. Once it attains approval, the company has to figure out how to market interferon, because it is a preventive medicine that must be administered before a cold is contracted.

In 1983, Drixoral adult cold tablets, the largest selling prescription medicine of its kind in 1982, were converted to an over-the-counter product. The company claims it has become the No. 1 seller in pharmacies and is increasing its share in the large nonprescription adult cold market.

During the year, the company changed the ad agencies handling prescription products, dropping Pro-Clinics and adding both Robert A. Becker and William Douglas McAdams. All three agencies are in New York.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$94,106	$259,200
Magazines	18,926,000	16,860,700
Farm publications	432,500	514,100
Spot tv	5,497,000	5,293,800
Network tv	37,878,800	42,947,900
Spot radio	2,094,100	1,246,000
Network radio	2,829,800	3,603,700
Outdoor	1,609,000	1,907,300
Total measured	69,361,300	72,632,700
Unmeasured	48,552,910	51,300,000
Estimated total	117,914,210	12[illegible]32,700

LAKE-SPIRE-SHURMAN
In-house Advertising Agency
Avron Spiro Jr., president
Gene Camerik, vp-media resources
Lewis Nolan, vp-communications
Lynn Sanders, vp-natl media
Jerry Williams, vp-genl mgr, American Image Productions
Robert Maxwell, director-mktg services

DR. SCHOLL'S
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Edward McManic, senior vp-operations
James Roudebush, vp-mktg
Ken Shaw, vp-adv
Don Anderson, mktg director
Alan Beychok, director-new prod
Frank Wirth, group prod mgr
Mark Hagen, Scott Connor, Sherrie Terry, Rich Weaver, prod mgrs

U.S. PROPRIETARY DRUGS & TOILETRIES
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Russell Elliot, senior vp-adv and mktg rsch
William Manley, adv director
Tony Guiliano, mktg director-Suncare Products
JoAnne Brown, mktg director-Proprietary Drug Products
Bill Stratton, mktg director-new ventures

Sales Personnel
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Charley Naff, senior vp-sales devel
Ray Wojcik, senior vp-direct sales
Joe Edmondson, senior vp-sales admin and planning

U.S. COSMETICS DIVISION
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Bob Schreiber, vp-adv
Chris Berry, vp-mktg, eyes & fragrance
John Conte, vp-mktg, face/lips/nails
Roz Daiboch, vp-prod devel
Geoff Crane, mktg director-fragrance
Nick Andrus, mktg director-eye prod
Curt Hicks, mktg director-face/lip/nail prod
Roger Lewis, mktg director-MW Cos./skin care/accessories

SCHERING LABORATORIES SCHERING DIVISION
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H. Weintraub, vp-sales
Tom Battaglini, director-Rx adv and sales promo
Michael Walsh, senior director-otc prod
Van Knox, senior director-Rx prod
Arnold Burstein, director-mktg services
Daniel Tousman, senior director, business devel
J.P. Garnier, senior director-mktg operations

Advertising Agencies

Lake-Spiro-Sherman, Memphis—all Plough, Maybelline & Scholl media placements in the U.S.

Warwick Advertising, New York—St. Joseph's prod, Feen-a-Mint, Duration, Sardo, Artra, Sulfer-8 line, Black & White line, Coppertone prod, QT prod, Correctol laxative, Mexsana medicated powder, Aspergum, Sudden Tan—Charles Levy, mgmt super; Peter Black.

Ted Bates Advertising/New York—Maybelline eye cosmetics and nail enamel, Dr. Scholl's—Lynn King, acct super; Joan Rothberg, exec vp.

Bloom Agency, Dallas—Moisture Whip, Aftate, Feen-a-Mint, Solarcaine, Tropical Blend—Sherri Babcock, acct super.

Rolf Werner Rosenthal, New York—prescription prod—Rolf W. Rosenthal, president/ceo; Ronald J. Souza, senior vp-director, client services, Phil Brady, vp-acct group super; Paul Schnieder, acct super.

Robert A. Becker, New York—prescription prod—Robert A. Becker, president; Raymont Perry, senior vp, mgmt super; Doug Frank acct exec.

Ketchum Advertising, New York—medical, paramedical, trade and consumer promo-otc prod—Paul J. Abrams, senior vp-director, sales promo; Donald W. Burkett, senior vp-mgr, acct super; Greg Faust, acct super.

Lewis, Gilman & Kynett, Philadelphia—prescription prod—Charles Mathias, vp-acct super; Warren Dordine, acct exec.

Bergelt Advertising, New York—Schering veterinary ethical products—Edward Bergelt, chairman; Robert Trybus, president; John Fraoli, vp-art director; Jay Levy, acct exec.

Bryant, Lahey, & Barnes, Overland Park, Kan.—Continental Animal Health and American Scientific Laboratories—Forrest Bryant, president; Lorraine Barnes, vp-acct super.

William Douglas McAdams, New York—prescription prods—Irwin Gerson, president; Anthony D'Onofrio, senior vp; Joseph Carobene, vp-acct super; Irving Swab, acct super.

Jos. E. Seagram & Sons

	1983	1982
Sales*	$2,647,552,000	$2,826,184,000
Earnings*	117,500,000	115,000,000
U.S. Advertising	119,604,400	153,000,000

*Worldwide, fiscal years 1984 and 1983 ended Jan. 31

Jos. E. Seagram & Sons, New York, a subsidiary of Seagram Co. Ltd., Montreal, was the 57th largest national advertiser in 1983 with estimated advertising of $119.6 million, a decrease of 21.8% from the previous year.

Worldwide sales for fiscal 1984 were $2.65 billion, a 6.4% drop from 1983, while net income advanced 2%, to $117.5 million. U.S. sales of $1.639 billion in 1983 remained flat.

Sales at Seagram began to rebound in fiscal 1984 with first quarter sales ended April 30 up 9% to $625.6 million, and net income up 64% to $89.3 million, a figure that includes dividends from Seagram's 22% ownership in Du Pont. Operating income, void of those dividends, was $48.3 million, up 7%. Fiscal totals for the comparable period in 1983 are difficult to make because Seagram has just switched to a new fiscal year ending Jan. 31.

Seagram blamed its sluggish performance in 1983 on the lingering impact of the recession and intense competition within the spirits industry.

For the year, Seagram pursued a dual marketing strategy. It sought to maintain the market share of its top-selling Scotch whiskys, long the backbone of the company, while moving more aggressively into the new categories likely to dominate the market in the years ahead: Creams, rums, liqueurs and wines.

Generally sluggish sales led to major ad cutbacks except in wines and new

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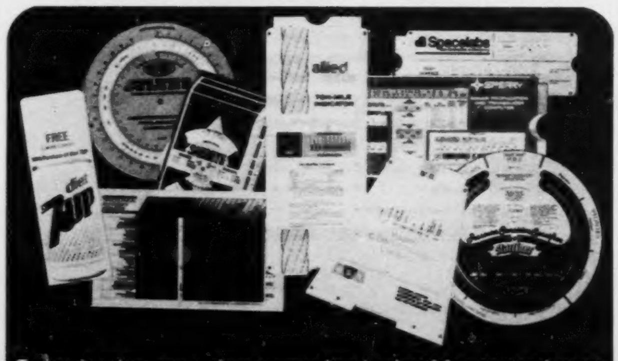

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LNA

products.

Seagram slashed ad spending in all measured media. Media expenditures of $80.8 million in 1983 were 26.7% below expenditures of $102.4 million as measured by Leading National Advertisers (LNA). Magazines continued to garner a majority of the company's media budget, despite a 26% drop in magazine spending, to $45.6 million. Magazines accounted for 56% of all measured spending by Seagram, equal to its share last year, but down from 60% in 1981 and 75% in 1980. Tv, newspapers and outdoor all have gained proportionally over the past few years.

Industrywide liquor sales dropped 1.6% in 1983, compared with a 3.2% decline in 1982. Experts see sales flattening in 1984 as the recovery continues, although higher drinking ages and anti-alcohol publicity could cut into sales.

Seagram's top five brands showed little or no growth during the year. Sales of 7 Crown whisky, the third best selling liquor in the country, were down 6.8% from 1982. V.O. whisky dropped to No. 7 among all liquors from No. 5 the year earlier, with sales down 8.2%. Seagram's gin checked in at No. 10 on the best-seller list as it did in 1982, with sales up 0.5% (after an 11.6% drop in 1982) and rose from the No. 35 ranking in 1982. Crown Royal whisky, No. 34 among all liquors, gained 4.5% in sales (after a 5.6% drop in 1982). Wolfschmidt vodka, No. 35, gained 0.4% in sales but couldn't hang on to its No. 33 slot of the previous year. (Rankings by sales are from Lehman Brothers research.)

Seagram spent $6.7 million in measured media for 7 Crown, down 27% from 1982; $7.4 million for V.O., down 29.5%; $3.6 million on Seagram's gin, down 10%; $5.9 million for Crown Royal, down 33%; and $2.2 million for Wolfschmidt, down 29%, according to LNA.

New activity for Seagram in 1983 focused on wines, liqueurs and rums. Late in 1983, Seagram bought the Wine Spectrum, including its flagship Taylor California Cellars brand, from Coca-Cola for $237.8 million.

The move established the company as the second largest domestic wine producer in the United States. Paul Masson wines received $7 million, down 16%, in ad support, while Taylor received $3.2 million, down from $13.5 million in 1982. E&J Gallo Winery maintained a strong dominance (27% share) of the U.S. market. Seagram continued to put more dollars behind Taylor in early 1984, pushing spending toward the $13.5 million levels maintained by Coca-Cola in 1982). Competitor Gallo spent $34.7 million in 1983.

Paul Masson light wines, backed by $1.5 million in tv spots after a $6.3 million introduction in 1982, retained the top market share in the light wine category, but the category as a whole has not developed as fast as expected. Ads for Masson Light play up its reduced caloric and alcoholic content. Taylor Light holds the No. 2 niche in the market.

Other 1983 ad expenditures on Seagram wines included: $3.2 million for Black Tower; $2.4 million for Partager, down 11%, billed as "the country wine from France" in tv spots showing fun-loving French peasants, and $1.1 million for B&G french wines, the same as in 1982.

Seagram began regional testing of Belle Bonne cream liqueur in 1983, pushing the new chocolate almond creme in the hope of gaining a foothold in the burgeoning market for creams—expected to be a major area of growth in the 1980s and beyond. The company spent $3.2 million advertising Myers's Original rum cream, another entry in this category, introduced in 1982 and now rated by Seagram as "one of the most successful new product introductions in recent spirits history." Measured spending for the Myers's rum brand dropped from $5.4 million in 1982 to $2.4 million, although spending for a line extension, Myers's Jamaican rum, rose from $5,700 to $1.3 million.

Big product news in 1983 for Seagram, though, was the introduction of Captain Morgan spiced rum, backed by almost $4 million in ad spending. Magazine spending of $1.6 million and $2.3 million in outdoor helped make the swashbuckling figure of the Captain himself—a pirate with a partying soul—familiar to consumers across the country.

The drink is targeted chiefly at younger people—presumably the 21-to-34-year-olds who are leading the movement away from heavier, darker, traditional liquors. Early sales results were promising. *Impact*, the industry newsletter, forecasts eventual sales of 1 million cases a year. Sales for 1983 were estimated by industry sources at 150,000 cases, or $12.6 million.

Another new product introduced regionally late in 1983 was Seagram's Imported Vodka—"without the imported price," as ads declared. The new vodka aims to go against Stolichnaya, Absolut and other imports with its $6.50 to $7 retail price tag. It will go national this year behind a "significant" marketing budget, the company said.

Success for Seagram depends heavily on these new drinks. A survey by SRI Research found that among all liquor advertisers in 1982, Seagram brands ranked cumulatively highest in brand awareness, but this awareness was highest among older consumers. The new drinks represent Seagram's attempt to capture a younger generation of drinkers.

Despite these new-product trends, the bulk of Seagram ad dollars still went to support existing brands in more traditional categories. Some of the big-ticket items were: Chivas Regal scotch, $4.3 million, down 12%; Lord Calvert whisky, $2.6 million, down 19%; Kessler blended whisky, $2 million, down 17%, and Glenlivet scotch, $1.7 million, down 23%.

Two other major developments made headlines for Seagram in 1983. One was the sale in the spring of Fromm & Sichel, the Seagram subsidiary that marketed Christian Brothers brandy and wine. The Napa Valley-based company was sold to a group of private investors.

Seagram had spent $4.3 million to advertise Christian Brothers' products in 1982. The sale leaves Seagram with two brands left in that category, Paul Masson and Leroux.

Another development was the successful national rollout of Seagram mixers. Seagram licensed its name to Coca-Cola Bottling Co. of New York, the bottler, distributor and marketer of the mixers, in return for royalties on sales.

The success of the mixers has been a mixed blessing, cutting into Seagram's ability to sponsor co-op advertising with makers of other mixers. Schweppes canceled its longtime co-op campaign with Seagram's gin ($1.5 million in 1982) as soon as Seagram's mixers made their debut in the East.

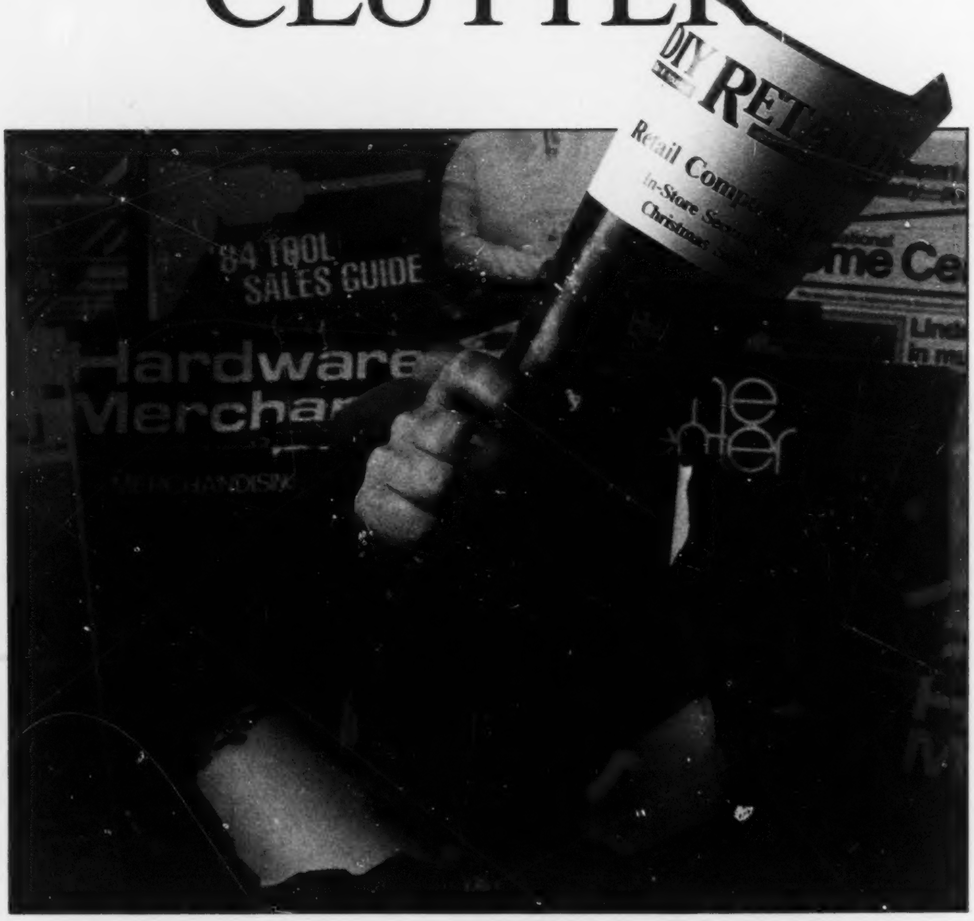
Coca-Cola Bottling Co. of New York is advertising the ginger ale (regular and sugar-free), club soda, tonic (regular and sugar-free), seltzer, bitter lemon, collins and grapefruit-lemon drink as "the first mixers good enough to be called Seagram's." The mixers were backed last year by $1.6 million in measured spending by Coca-Cola Bottling.

In the corporate offices, the departure of Mary Cunningham, vp-strategic planning, received considerable press attention. She left to work full-time with husband, Bill Agee, on their venture-capital business, Semper Corp. Ms. Cunningham claims responsibility for plotting Seagram's expansionary moves in the wine business.

Seagram continued to be an industry leader in advertising for drinking with moderation, a role that may serve the company well in a time of widespread anti-alcohol sentiment in Washington and elsewhere.

One Seagram print ad that drew wide attention, featured a picture of four jiggers of whisky, four glasses of beer, and four of wine, joined by an equal sign. The headline says "Surprised?" The copy informed readers that the alcohol content of the three groups was equal, and concluded: "Even if it looks light, it shouldn't be taken lightly."

BREAKING THROUGH THE CLUTTER



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ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$8,476,600	$9,851,300
Magazines	45,643,300	62,024,000
Spot tv	7,233,100	8,410,300
Network tv	10,739,900	13,754,600
Spot radio	64,600	84,600
Outdoor	15,766,800	16,064,200
Total measured	87,924,300	110,189,000
Unmeasured	31,680,100	42,811,000
Estimated total	119,604,400	153,000,000

JOS. E SEAGRAM & SONS INC.

Marketing Personnel

Philip E. Beekman, president
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Jerome S. Mann, senior vp
Robert Beller, vp-mkt rsch
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M. Jacqueline McCurdy, vp-industry relations
William K. Friedman, vp-corp affairs
Bernard Stolbof, vp-OUTCO and director, media services
Lawrence Weiss, vp-natl acct sales

HOUSE OF SEAGRAM

Edgar Bronfman Jr., president

SEAGRAM DISTILLERS CO.

New York

Marketing Personnel

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Thomas K. McInerney, exec vp-mktg
Victor S. Samaha, vp-director admin
Richard D. McCarthy, vp-group mktg director
Bernadette Moran, director-mktg services
Donald R. Keeton, director-sales services
Albert F. Sprung, director-mktg analysis
Mark Gothberg, senior prod mgr, Seagram's V.O.
Vincent R. Partridge, senior prod mgr, Crown Royal
Jonathan B. Giesberg, senior prod mgr, Seagram's 7 Crown
Carl Horton, natl prod mgr, Seagram's gin
Peter Mihalos, prod mgr, Myers's rums
Deborah Chertok, prod mgr, Myers's Original rum cream
Laurie Rovner, prod mgr, Seagram's imported vodka
Robert Taylor, prod mgr, Wolfschmidt vodka, The Glenlivet
Dorothy J. Lebach, Martin Johnson, prod mgr, new prods
John H Reese, Arthur Gertz, group sales promo mgr
Joe A. Buckhalter Jr., mgr military sales/Seagram sports award program

Advertising Agencies

Warwick Advertising, New york—Seagram's 7 Crown, Crown Royal, Seagram's Extra Dry gin, Glenlivet scotch, Seagram's imported vodka—James Driscoll, exec vp; Michael Graham, senior vp-mgmt super; Leigh Schmalz, Sam Sebree, vps; Leon Hanson, Joe Friel, vps-acct supers.

William Esty Co., New York—Wolfschmidt vodka, Myers's rum, Myers's Original rum cream—John Scott, mgmt super; Stan Joyce, acct super, rum, Myers's rum cream; Richard Rack, acct super, rum.

Ogilvy & Mather, New York—Seagram's V.O.—Cliff Angers, senior vp-group director; Mike Newbrand, senior vp-mgmt super.

CALVERT DISTILLERS CO.

Marketing Personnel

Marty H. Bart, president
Sheldon Katz, exec vp-sales
Mark Taxel, exec vp-mktg
Steven J. Kalagher, vp-mktg planning
Jules Erwin, mktg communications mgr
David Newman, Rodger De Sarno, vps-directors mktg
Sam Ellias, mktg director, new prods
James Spillane, vp-natl programing
David I. Grossman, director mktg analysis
Marvin Steinhardt, natl sales promo mgr
Fred Ronai, natl prod mgr, Passport scotch
Martin Atlas, senior natl prod mgr, Lord Calvert Canadian
Dennis Brophy, natl prod mgr, Kessler whisky, Crown Russe vodka
Margaret Heffernan, natl prod mgr, Captain Morgan spiced rum
Arthur Brenner, vp-chain sales
David McEwan, natl prod mgr, Jameson Irish whisky
Patricia Oehler, natl prod mgr, Burnett's gin
Robert Tubin, natl prod mgr, Calvert Extra

Advertising Agencies

Doyle Dane Bernbach, New York—Calvert Extra, Lord Calvert Canadian, Calvert gin, Crown Russe vodka, Passport scotch, Jameson Irish whisky—Martin Kreston, group senior vp; Stephen Donenfeld, vp-mgmt super; Stanley Burger, Charles Rollins, vp-acct supers.

William Esty Co., New York—Burnett's gin—Leonard Faupel, senior vp-mgmt super; Arlo Demetrio, vp-acct super.

Warwick Advertising, New York—Kessler whisky, Tuaca liqueur—James Driscoll, senior vp-mgmt super; Joseph Friel Jr., vp-acct super; Howard Hersh, vp.

North Castle Partners, Greenwich, Conn. —Len Ferraguzzi, senior vp-acct director, mgmt super; Evelyn Coghlan, acct super; Mark Grayson, acct exec.

Mingo-Jones Advertising, New York—minority adv for Lord Calvert Canadian, Burnett's gin and Calvert Extra—Sam Chisholm, vp-mgmt super; Roger Green, acct super.

GENERAL WINE AND SPIRITS CO.

Marketing Personnel

Seymour L. Leikind, president
Gerald N. Friedman, exec vp-sales
Gil Schy, exec vp-mktg
Robert Vosswinkel, vp-admin
Mac Taub, Richard P. Shaw, vps-directors mktg
Robert A. Watkins, vp-natl programing
Stephen LaScala, mktg budget mgr
Robert Dow, Arthur Kayser, natl sales promo mgrs
Robert Regulinski, mgr-mktg analysis
Robert L. Hinton, natl prod mgr, Nickolai vodka, Harwood Canadian
Anthony Moore, natl prod mgr, Eagle Rare bourbon, Royal Paisley scotch
Anthony Bongiovanni, senior prod mgr, Leroux cordials and brandy
John Hartrey, senior prod mgr, Ronrico rum
Errol Holt, natl prod mgr, Royal Salute scotch and Belle Bonne liqueur
Ellice Matsil, natl prod mgr, Dr. McGuillicuddy's mentholmint schnapps
Gil Solnin, natl prod mgr, Mumm cognac, Boodles gin
William Carr, natl prod mgr, Tropina, Lochan Ora

Advertising Agencies

Doyle Dane Bernbach, New York—Chivas Regal, Royal Salute, Ronrico rum, Royal Pasley, Lochan Ora liqueur—Martin Kreston, exec vp; Steve Donenfeld, vp-mgmt super; Joe Trombino, Herb Jacobs, vp-acct supers; Hope Kaye, acct exec.

William Esty Co., New York—Leroux cordials—Len Faupel, mgmt super; Carlo Demetrio, acct super; Robert Adams, acct exec.

Warwick Advertising, New York—Eagle Rare bourbon, Harwood Canadian Tropina, Nikolai vodka and Boodles gin—Jim Driscoll, exec vp; Joseph Friel Jr., vp-acct super; Leigh Schmalz, vp-acct super.

North Castle Partners, Greenwich, Conn. —Dr. McGillicuddy's mentholmint schnapps Belle Bonne almond cream—Len Ferraguzzi, exec vp; Bob Pallotta, vp-acct director; Evelyn Coghlan, vp-acct super; Mark Grayson, acct exec.

SEAGRAM CHATEAU & ESTATE WINES CO.

New York

Marketing Personnel

Abdallah H. Simon, president
David S. Milligan, vp-sales
Charles K. Frankel, vp-admin
John W. Laird, vp-mktg
Maurice Lartigau, vp-metro N.Y.

Advertising Agency

William Esty Co., New York—Chateau Larose Trintaudon, Les Charmes white burgundy, Perrier-Jouet champagnes, Sandeman Armada cream sherry—Leonard Faupel, mgmt super; Carlo Demetrio, acct super.

SEAGRAM CLASSICS WINE CO.

Sam Bronfman II, president
Kenneth L. Onish, exec vp-sales

SEAGRAM WINE CO.

Richard L. Maher, president
C. Richard Coffey, exec vp-sales
Anna Resnik, exec vp-finance and admin
Louis Keyes, Kevin MacDougall, Arthur Michael, prod group directors
Robert O. Dowd, director, sales services

Advertising Agencies

Doyle Dane Bernbach, New York—Paul Masson Vineyards, all brands—Martin Kreston, group senior vp; Charles Traynor, vp-mgmt super; Greg Argand, vp-acct super; Virginia Pirie, acct exec; Pat Willis, asst acct exec. B&G wines, Partage, Mumm champagnes, Nectarose—Martin Kreston, group senior vp; Charles Traynor, vp-mgmt super; Ardean Fishman, acct exec.

William Esty Co., New York—Gold Seal champagnes and wines, Henri Marchant champagne—Leonard Faupel, mgmt super; Carlo Demetrio, acct super; Robert Adams, acct exec. Black Tower—Stanley Joyce, Karen Tully, acct supers.

SUMMIT SALES CO.

Marketing Personnel

Robert A. Monroe, president
Thomas M. Collins, vp-admin and planning
Thomas P. Cekay, natl sales mgr
Robert C. Zukowski, operations mgr

Advertising Agency

Mingo-Jones Advertising, New York—Cherry Kijafa, Something Special scotch—Sam Chisholm, vp-mgmt super; Martin Fortes, acct super.

SEAGRAM INTERNATIONAL

Marketing Personnel

Edward F. McDonnell, president
Richard J. Denmark, director mktg
Michael Cliff, exec vp-mktg devel
John Griffin vp-finance and planning

Sears, Roebuck & Co.

	1983	1982
Sales*	$35,883,000,000	$30,020,000,000
Earnings*	1,342,000,000	861,000,000
U.S. Advertising	732,500,000	631,514,000

*Worldwide

Sears, Roebuck & Co., Chicago, the nation's largest retailer and second largest advertiser, increased national ad spending about 16% in 1983, to $732.5 million, as it continued its merchandising focus on the "Store of the Future" concept.

Known by an estimated 36 million customers for its department stores and catalogs, the company also is a holding corporation for several retailing and financial service and trading entities: Sears Merchandise Group, which manages the department stores; Allstate Insurance Group, a prominent personal and commercial insurance underwriter; Coldwell Banker Real Estate Group, a nationwide realtor; Dean Witter Financial Services Group, a nationwide stock brokerage, and Sears World Trade Inc., an international goods and services trading company.

Several of the financial services operate together as Sears Financial Network based in Sears department stores. Operating revenue for the retailing and financial services company increased 19.5%, to nearly $35.9 billion in 1983. Net income also grew, up 44.2%, to more than $1.3 billion.

By far the largest and most important of the subsidiaries, Sears Merchandising Group led the company in revenues, generating $25.1 billion, an increase of about 21.4% over 1982, and produced net income of $781 million, up 80.8% over 1982. The group also dominated national media ad spending, accounting for most of the $219.33 million monitored by Leading National Advertisers.

Last month, the merchandising-group also provided leadership to the parent company. On August 15, Edward A. Brennan, former chairman of the merchandising group, was named president and chief operating officer of the conglomerate. William I. Bass was then named chairman and ceo of the merchandise group to replace Mr. Brennan.

Other groupings and corresponding media expenditures include the Allstate Insurance Group, which produced revenues of $8.1 billion, up 8.9% from 1982, and net income of $555 million, up 16.8% from 1982. Allstate spent $25.7 million in national media, up 35%.

Dean Witter Financial Service Group produced $2.1 billion in 1983 revenues, up about 32%. Net income grew to $100 million from $27 million in 1982. Dean Witter spent $7.5 million in national media, up from $3.2 million.

Coldwell Banker Real Estate generated $704 million in revenues, a 49.7% increase over 1982. Net income dropped 8.7%, to $48 million. The real estate firm spent $2.2 million, up from $809,000.

In its first full year of operation, Sears World Trade Inc. generated $79 million in revenues.

The Merchandise Group's national media spending of $219.33 million was an increase of 19% over 1982. That heavy media activity included 66% in network tv, 13.4% in spot tv, 15.3% in magazines, 4.9% in network radio and the remainder in outdoor and newspaper supplements, according to LNA.

The Sears Merchandising Group continued to establish "Stores of the Future," the retailing and marketing concept that eventually will dominate the group, according to G. Joseph Reddington, who was named vp-marketing for the merchandising group this spring. Mr. Reddington had been general manager of the Washington, D.C., Sears stores since 1982.

The new retail concept involves a store within a store by establishing "boutiques" for soft and hard-line goods within the major body of the store. Since the first of the stores was opened last year in King of Prussia, Pa., Sears announced an unprecedented $1.7 billion capital expansion plan that will be used for the remodeling of 600 stores and the constructing of 62 new stores, including more of the stores of the future.

In 1983, the group added six new stores of the future and remodeled five others to bring the total to 12 for the year. In 1984, Mr. Reddington said Sears will remodel 85 more stores.

"The 'Store of the Future' is really where the marketing of the merchandise group is at right now," Mr. Reddington said. "We are moving steadily forward with the project and expect it will be a highlight of the group's 100th anniversary in 1986."

The group, however, also is introducing a couple of other new retailing operations in 1984. So far this year, Sears has opened 100 business system computer stores around the country and will open another 50 in 1985, Mr. Reddington said. The group also opened five paint and hardware specialty stores so far this year.

Product line expansion continues to be a major marketing concern for the group, which continues to add non-Sears products in both apparel and electronics specialties such as telephones.

Though hardware sales continue to dominate, providing nearly 70% of a store's yield, the group continued its promotion of new lines of men's and women's sportswear under the Arnold Palmer, Cheryl Tiegs and Evonne Goolagong names, lines that generated more than $200 million in sales over each of the past two years.

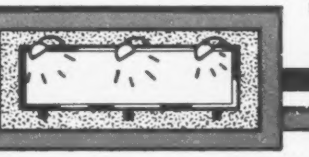
The merchandise groups split its advertising into two major areas, with "hard goods," handled by Ogilvy & Mather, and "soft goods," managed by Chicago-based Needham, Harper & Steers.

Though tv advertising continues the theme of "There's more for your life, at Sears," the company began a slow move to modernize its image, according to Mr. Reddington, with the introduction of a new, more modern logo, beginning July 1. More will be coming, as part of a multi-million-dollar image campaign coordinated by NHS/USA.

Sears Financial Network, the combined financial service operations based in Sears stores, was the company's other major electronic media project. Tv commercials for the corporate umbrella project, featuring Hal Holbrook as spokesman, broke in mid-1983. They were produced by Foote, Cone & Belding, Chicago. The company would not disclose the advertising budget for the project, but expenditures previously were estimated at up to $40 million.

Allstate Insurance Co. also revamped its marketing by establishing a new corporate market development and planning division with its personal property and casualty division.

The reorganization had no effect on the assignment of advertising to All-



The top 25 outdoor advertisers

Rank	Advertiser	Expenditures ($000)			
		1983	1982	1983 as% of total advertising exp.	1982 as% of total advertising exp.
1	R.J. Reynolds Industries*	$88,919.6	$77,233.2	15.0	14.6
2	Philip Morris Inc.*	55,210.5	50,538.0	10.5	10.1
3	Loews Corp.*	37,103.7	23,661.8	27.5	22.9
4	Batus Inc.*	22,420.4	42,537.1	15.3	18.1
5	Jos. E. Seagram & Sons*	15,766.8	16,064.2	13.2	10.5
6	American Brands*	12,949.9	12,314.4	17.1	17.0
7	Hiram Walker Resources Ltd.	7,558.6	8,931.8	N/A	N/A
8	Brown-Forman Distillers*	6,182.1	7,680.1	8.8	10.4
9	National Distillers & Chemical Corp.	5,203.5	6,459.1	N/A	N/A
10	GrandMet U.S.A.*	4,933.1	4,652.0	8.9	8.6
11	Beatrice Cos.*	4,421.5	N/A	0.7	N/A
12	McDonald's Corp.*	4,295.0	4,142.9	1.4	1.6
13	General Motors Corp.*	4,183.3	5,009.0	0.7	0.9
14	Rapid-American Corp.	4,071.4	4,719.9	N/A	N/A
15	Anheuser-Busch Cos.*	4,053.3	4,820.1	1.4	2.0
16	Coca-Cola Co.*	3,284.4	3,189.4	1.2	1.2
17	Holiday Inns	2,898.8	2,570.4	N/A	N/A
18	Gannett Co.	2,508.4	831.3	N/A	N/A
19	Eastern Air Lines*	2,468.8	2,499.4	3.5	4.4
20	American Honda Motor Co.*	2,450.7	2,631.1	2.1	2.8
21	Toyota Motor Sales U.S.A.*	2,284.1	2 111.8	2.0	1.9
22	Bacardi Corp.	2,216.7	2,105.7	N/A	N/A
23	Moet-Hennessy	1,975.0	1,475.1	N/A	N/A
24	G. Heileman Brewing Co.	1,958.8	2,083.7	N/A	N/A
25	PepsiCo Inc.*	1,923.5	1,133.5	0.5	0.4

Source: Leading National Advertisers, in cooperation with the Institute of Outdoor Advertisers and Outdoor Advertising Assn. of America.

*Indicates a 100 Leading National Advertiser

state's consumer advertising agency, Leo Burnett USA, and its direct marketing agency Stone & Adler, Chicago.

The department's stated purpose, according to Allstate officials, is to coordinate Allstate corporate advertising, Allstate Motor Club, direct response, research, environmental analysis, strategic planning and market development.

Allstate also added another entry to its publishing operations. Already the publisher of *Discovery*, a publication for members of the Allstate Motor club, Allstate Enterprises Holdings, a Glenview-based subsidiary holding company, also began publishing *Mature Outlook*, a magazine for consumers 55 years and older.

The new quarterly magazine and supplementary newsletters offer readers auto safety checks at Sears Automotive Centers, discount memberships in the Allstate Motor Club and information on Allstate Insurance discounts. Leo Burnett USA will handle the direct marketing tv campaign, which will begin later this year, and Foote, Cone & Belding, Chicago will handle a direct marketing magazine campaign.

Allstate also changed the name of its California-based savings and loan affiliate from Allstate Savings & Loan Assn. to Sears Savings Bank to capitalize on enhanced name recognition.

ADVERTISING EXPENDITURES

	1983	1982
Magazines	$33,629,000	$51,179,400
Farm publications	—	257,100
Spot tv	29,315,500	17,529,400
Network tv	145,006,800	102,563,800
Spot radio	5,496,600	5,577,400
Network radio	10,628,500	11,073,800
Outdoor	339,000	5,100
Total measured	224,416,300	188,186,000
Unmeasured	508,083,700	443,328,000
Estimated total	732,500,000	631,514,000

SEARS, ROEBUCK & CO.

Marketing Personnel

William I. Bass, chairman and ceo-merch
Joseph Batogowski, senior exec vp-merch
G. Joseph Reddington, vp-mktg
Ralph Hoch, natl retail merch mgr
Theodore Weldon, natl catalog merch mgr
William Cora, natl retail adv mgr

Advertising Agencies

Foote, Cone & Belding, Chicago—Sears Financial Network—Paul Vernon, group mgmt super; Lance Hecker, vp; Dottie Holic, acct exec.

Hispania Advertising, subsidiary of J. Walter Thompson USA, New York—Caroline Demy, genl mgr; Chris Loffler, mgr-Hispania, Chicago; Kathleen Nicolini, acct rep.

Ogilvy & Mather, Chicago—hard lines—Hank Bernhard, vice-chairman, O&M US; Bill Whitney, senior vp-mgmt director; Jeff Woll, group mgmt super; Allan Mager, mgmt super. Sears Business Systems Center.

Needham, Harper & Steers, Chicago—apparel, home fashion, merchandise group—Robert Levin, senior vp-group acct director. Apparel: Tom Hanft, mgmt rep; Walter Menzel, acct super, womenswear and menswear; Val Gleason, acct exec, womenswear; Jerry McCann, acct exec, menswear; Karen Wagenknecht, acct super, children's apparel; Nancy Bernstein, acct exec, children's apparel. Home fashion: Carole Black, acct super; Peggy Anderson, acct exec. Merchandise Group: Karen Wagenknecht, acct super; Nancy Bernstein, acct exec.

Vince Cullers Advertising, Chicago—Black consumer adv—Jeffery Cullers, mgmt super.

Nellson-Woodward Inc., Chicago—Yellow Pages adv—Garry Woodward, acct exec.

Stern Walters/Earle Ludgin Inc., Chicago—Sears catalogs and contract sales—Tom Radloff, acct super.

Stone & Adler Inc., Chicago—direct mktg—Catherine Bartholow, vp-acct super.

Sony Corp. of America

	1983	1982
Sales*	$4,747,953,000	$4,759,985,100
Earnings*	127,312,000	195,814,510
U.S.Advertising	97,283,200	57,158,200

*Worldwide

Sony Corp. of America, New York, the nation's 70th largest advertiser, increased advertising expenditures to an estimated $97.3 million, a 70.2% increase over 1982.

Worldwide, earnings in 1983 dropped 35%, to $127.3 million, as sales fell about 0.25%, to $4.748 billion. Domestic sales for fiscal 1983, which ended Oct. 31, slipped to $1.36 billion, a 1.1% decrease from 1982.

Advertising expenditures increased largely from additional support supplied colored tv sets, recording tapes, the Walkman stereo and Watchman tv, with the greatest increases and outlays going to newspapers and spot tv.

Sony spent $11.6 million on newspapers, more than twice the amount spent in 1982, according to Media Records Inc. Spot tv jumped from $1.6 million in 1982 to $9.8 million, reports Leading National Advertisers.

Video equipment sales, down 3.6% in dollars, accounted for 41.1% of total sales in 1983; audio equipment sales declined 2.9% in dollars, accounted for 22.1% of over-all sales.

Reginold Duquesnoy, an analyst at New York-based Arnhold & S. Bleichroeder, said, "1983 was an absolute disaster for the company—it was the year Betamax fell apart."

Consumer products, he said, account for about 85% of the company's revenues, and the legal battle between Sony and Universal City Studios/Walt Disney Productions over fair use of the Betamax taping devices has decreased Sony's worldwide market share in the videocassette recorder market to 25% in 1983, adding to the market pressure Sony felt from vcr competitors like Zenith.

Betamax has been losing sales in Japan and overseas to the rival VHS-format system, which has a different tape size and format than Betamax. VHS systems moved to longer recording times faster than Sony.

In early April, 1984, Backer & Spielvogel lost tne Betamax account to Marschalk Co., New York, which is preparing a campaign to air this month on tv and spot radio and in magazines and newspapers. New machine features will be addressed in the ads, according to Sony.

In 1983, Sony backed its Betamax tv videotape system with $6.2 million in measured spending, about 50% in spot tv, compared with a media buy of $6.34 million in 1982, 66% of which was in network tv.

In the domestic market, the Beta format, pioneered by Sony, is holding its own against competitors such as Zenith in the VHS line. The espousers of Beta—since Zenith's move to VHS, which is only Sony and Sears, Roebuck & Co.—are said to be losing sales.

The Beta format accounts for about 35% of the world's vcr business, and last year, 42% of Sony's total sales were from its vcrs, as were about 60% of the company's profits.

The tv segment of Sony was the only one to see over-all growth, with sales accounting for 24.1% of worldwide sales, up 1.5%. Color tv sales in particular increased, accounting for 21.6% of the tv segment's net sales.

In 1983, Sony continued to push its color tv sets on network tv, allotting $4.7 million of the product's $5.9 million measured ad budget to network tv promotion. Sony spent $3.8 million in measured media on color tvs in 1982.

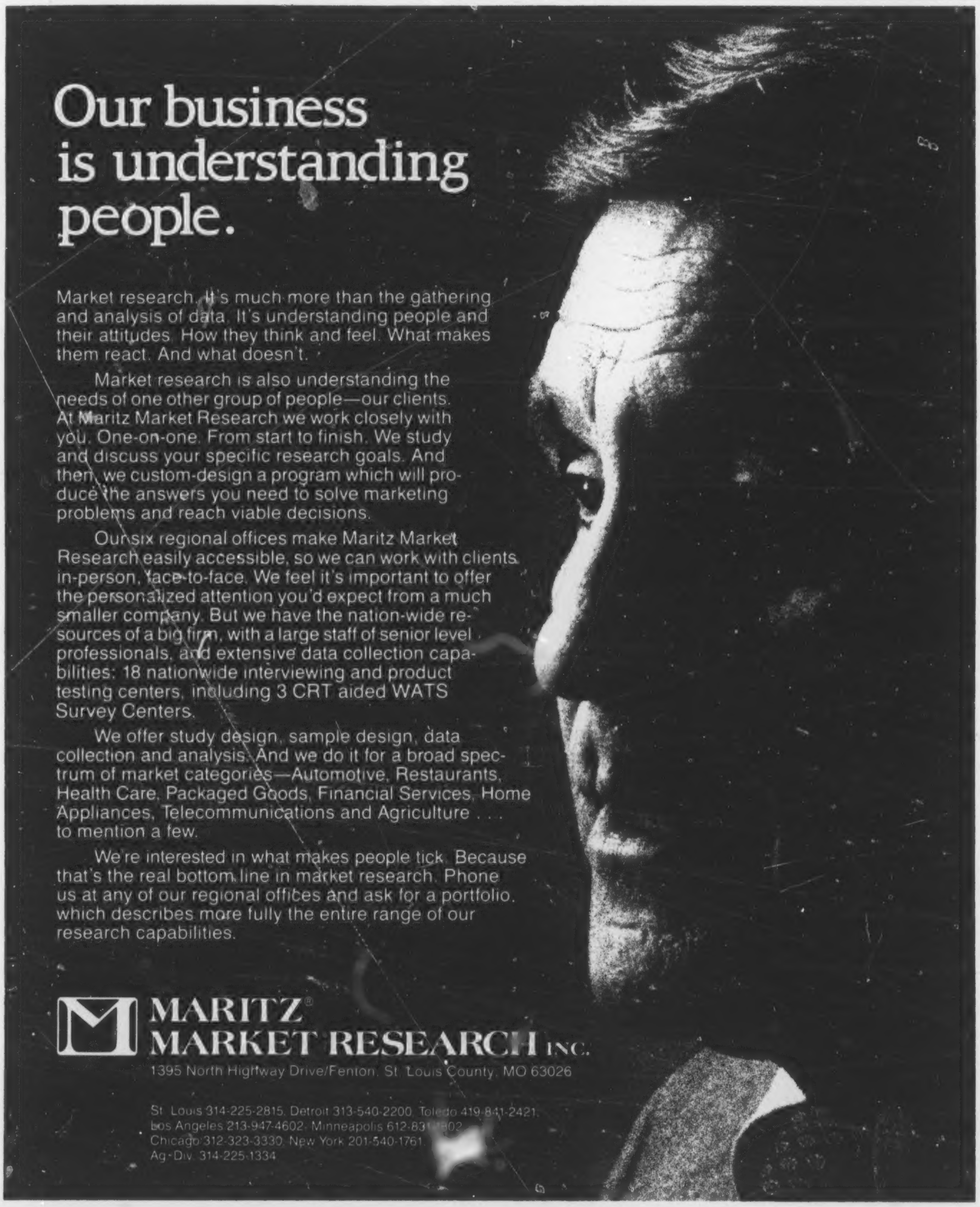
The new Sony Walkman cassette tape player and am/fm radio stereo received $4.6 million, up from $914,000 in spending in 1982. Virtually all was spent on spot tv.

Sony representatives and industry observers seem to agree that Sony is bouncing back from the turbulent 1983. Jeff Brooks, national advertising manager for Sony's consumer line, said the development of new products and the introduction of an intensive "Sony, the one and only" ad campaign will lead to a prosperous 1984.

"We covered up some past erosion [in sales of consumer products] by introducing the Beta Hi-Fi and the Betamovie and we've given people a reason to come back to the Beta format," Mr. Brooks said.

The Betamovie is a compact color video camera and tape recorder in a single unit. The Beta Hi-Fi is a vcr using high-speed rotating heads. Sony put almost all of its Betamovie camera spending of $986,200 in measured media into spot tv ads in 1983.

According to Mr. Brooks, the budget for consumer advertising was about $22 million in 1983. Of that total, 70% was poured into broadcast ads, 25% into consumer print and the remaining 5% was budgeted for promotional



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trade and radio advertising. Consumer products account for 85% of Sony's sales, according to Mr. Duquesnoy.

Sony's almost nonstop introduction of new recording products has led it to delve more heavily into tapes.

In 1983, the Sony tape division concentrated on promoting an ultra-high quality tape, which maintains recorded material longer than lower quality tape, according to Robert Basso, national advertising manager for the tapes.

Sony recording tapes, which were allotted only $655,700 in advertising in 1982, garnered a $2.4 million advertising budget in 1983, which Sony invested in a magazine campaign.

Mr. Basso said that, despite the trend toward the high-quality tape, lower quality tape is still a big seller for Sony. He said lower quality tape now is "almost an impulse buy, so what we're trying to do is use more point-of-sale materials and less consumer print."

However, he said most of the tape advertising dollars still are poured into consumer print. Tape sales are on a steady climb, Mr. Basso said, with the sales volume up as much as 157% over 1983.

Sony's industrial trade division is another steadily growing area, in keeping with the trend toward more automated offices, said Barbara Ela, advertising manager for Sony's video and professional audio division.

The industrial products have been successful sellers, Mr. Duquesnoy said, and the corporation is looking to increase its involvement in industrial products.

The 3.5-in. floppy disc was one of 1983's main developments in the industrial line, and Sony got a big break when the product was adopted by the American National Standards Institute as its standard. Sony also has a two-year contract with Hewlett-Packard, and by Nov. 1, 1983, Sony had shipped about 50,000 disc drives for Hewlett-Packard's personal computers.

Other new products introduced in 1983 include a digital tv receiving system that, with the help of Sony's semiconductors and digital processing equipment, displays a high-quality picture.

In November of last year, Sony introduced its Cable Digital Audio Data Transmission system, which will expand the applications of existing cable tv.

Sony will promote the new system to cable tv companies, hotels, schools and hospitals.

The company is increasing its industrial business, and Noria Ohga, president of the company, has been quoted as saying he hopes Sony eventually will collect 50% of its sales from non-consumer business.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	11,619,700	5,041,497
Magazines	9,497,000	8,414,300
Spot tv	9,775,500	1,565,100
Network tv	8,087,700	7,137,300
Spot radio	290,600	594,800
Network radio	——	374,500
Outdoor	12,700	30,700
Total measured	39,283,200	23,158,200
Unmeasured	58,000,000	34,000,000
Estimated total	97,283,200	57,158,200

SONY CONSUMER PRODUCTS CO.

Advertising Personnel

Roland Martin, vp-communications

SONY TAPE CO.

Robert Basso, mgr-adv and promotion

SONY BROADCAST CO.

Ron Petty, director-mktg services

SONY COMMUNICATIONS PRODUCTS CO.

Jason Farrow, director-adv and promo

Advertising Agencies

Ammirati & Puris, New York—Sony consumer prods, Sony broadcast prods, Sony communications prods—Steven Hoechster, acct super; Shelly Rosenfeld, Jonathan Brody, Susan Gold, acct execs.

McCann-Erickson, New York—Sony consumer prods—Tom Fischgrund, acct super; David Katz, acct exec.

Marschalk Co., New York—Betamax—Roger Stone, senior vp-mgmt super.

Waring & LaRosa, New York—tape sales co., audio tape div and videotape div—John Kassano, acct super.

Sterling Drug

	1983	1982
Sales*	$1,901,171,000	$1,796,153,000
Earnings*	136,844,000	129,511,000
U.S. Advertising	171,828,100	140,149,500

*Worldwide

The nation's 38th largest advertiser, Sterling Drug, New York, spent an estimated $171.8 million on U.S. advertising during 1983, a 22.5% increase over 1982.

Worldwide sales increased 6%, to $1.9 billion, up for the first time in two years. Net income in 1982 was $137 million, a 4% increase.

Continued weakness of foreign currencies in relation to the U.S. dollar unfavorably affected Sterling financial results. The percentage of sales derived from abroad has declined steadily since 1980, sliding from 47% then to 37% in 1983.

U.S. sales rose 11% in 1983, to $1.2 billion, an increase attributed to aggressive marketing. U.S. operating profits increased 9.6%, to $171 million. Sterling reported it spent $347.7 million in advertising worldwide, an increase of 31% over the previous year.

The company reported earnings increased 9% for the first quarter of fiscal 1984 on sales that squeezed out a 1% improvement, a performance influenced by price increases during the comparative period for 1983.

Sterling's U.S. operations are divided into five business areas: Pharmaceutical specialties, proprietary products, household and personal products, chemicals and other products, and environmental control.

In the proprietary products area, sales shot up 30%, to $300 million in 1983. Operating profits for the area increased 8.7% to $41 million in 1983.

During the year, Sterling's Glenbrook Laboratories division added to its three pain-reliever product lines. The Panadol line, which was introduced in 1982 in the U.S. after 25 years in markets abroad, added aspirin-free products for children. It is now in liquid and tablet form for children and tablet and capsule form for adults. Measured spending for the adult line reached an estimated $12.2 million in its first full-year of monitoring by LNA. Industry sources estimate that during the introductory period in 1982, Sterling may have budgeted as much as $100 million for Panadol products, largely in unmeasured support. The company started advertising the children's Panadol line in early 1984. In the first quarter of this year, the company claimed a 12% share of the $1.36 billion analgesics market.

Advertising began on two other products in 1983: Cosperin, an enteric-release aspirin (it passes through the stomach and dissolves in the intestines), and Majoral, a line of aspirin and nonaspirin products long known in Latin America.

Glenbrook continued to build on its Bayer line, promoting the micro-thin coated tablet, which had rolled national in 1982, and repositioning its arthritis-strength aspirin. Maximum Strength Bayer aspirin was introduced in 1983, with $9.9 million spent on advertising—74% on network tv, 18% on spot tv. Total advertising for Bayer products increased 20%, to $19.2 million in 1983. In July, 1983, the Federal Trade Commission lifted a 10-year-old consent order that had barred the company from making comparative claims on Vanquish and other over-the-counter products.

Other Glenbrook products showing improvement during 1983 include Diaperene baby powder and Phillips Milk of Magnesia products. The company spent $5.3 million on advertising the four Phillips products, the bulk of which was spent on network tv. In the first year under the Glenbrook division, after being transferred from the Lehn & Fink group, Stri-Dex medicated pads retained the same spending level of $2 million for measured media after expenditures doubled from 1981 to 1982.

Winthrop Labs' consumer division showed good sales gains over 1982 with sales for the Neo-Synephrine brand line of nasal decongestants up substantially over the past year. A maximum strength nasal spray in that line was introduced. Ad spending declined from $5.1 million during the mild winter year of 1982 to $2.6 million in 1983.

In the household and personal products area, the Lehn & Fink group, which accounts for almost all of the area's domestic business, showed a 13.2% increase in sales, to $479 million in 1983. Operating profits in this area rose 5.4%, to $78 million in 1983. Increased advertising and marketing expenditures were offset by internal cost containment programs.

All five established Lysol-brand products were up in sales during 1983. In its first full year of national distribution, Lysol Pine Action held its own. The product's ad money went from $114,000 in 1982 to $8.3 million, with most spent on network tv. Lysol spray disinfectant ad spending reached $11 million in 1983, up 9% over 1982. Total ad spending on the Lysol line reached $33.3 million in 1983.

In the Love My Carpet rug and room deodorant line, a fifth scent was added and the company reported improved sales. Ad spending exceeded $2 million, including $1.5 million in network tv and $596,000 in spot tv.

An aggressive advertising campaign, for Perk floor care products, for which Lehn & Fink spent $10.4 million, debuted in 1983.

In Lehn & Fink's d-Con line, a steady stream of new products were introduced, including d-Con flea and tick killer and d-Con Exact roach and ant killer. The pet flea and tick spray ad money for 1983 totaled $649,300, all spent on spot tv. D-Con Fogger 1983 ad spending came to $3.5 million, including $3 million in spot tv. Spot tv was also big for the d-Con Flea Kill Fogger, hitting $783,000 in 1983. While the total ad spending for d-Con products came to $7.5 million, 59% was concentrated on spot tv.

Other new Lehn & Fink products included the Minwax Co.'s two additions to its wood finishes and preservatives products. Advertising hit $2.2 million for the product line, which showed sales growth attributed to continued U.S. economic recovery. In the personal products area, Ogilvie haircare products and Tussy deodorant and antiperspirants contributed to the area's all-time high sales. Ad spending on Ogilvie home permanents came to $3.7 million. Tussy spending hit $2.1 million. Spending for both products was concentrated in network tv.

In the pharmaceutical specialties area, in which medicines prescribed by doctors as well as those used in hospitals and dentistry are included, sales increased 12.3%, to $260 million in 1983. The area's operating profits rose to $44 million in 1983—a 16% gain.

Two major laboratories in the division were merged to serve as a strong marketing unit in early 1984. Winthrop Laboratories and Breon Laboratories became Winthrop-Breon Laboratories. The pharmaceuticals specialties division showed a 3% gain in sales during the first quarter of 1984.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$288,300	$498,800
Magazines	6,631,500	8,191,200
Spot tv	24,375,200	15,941,700
Network tv	82,660,000	66,383,700
Spot radio	820,400	235,900
Network radio	——	2,142,600
Outdoor	70,700	39,100
Total measured	114,828,100	93,433,000
Unmeasured	57,000,000	46,716,500
Estimated total	171,828,100	140,149,500

GLENBROOK LABORATORIES DIVISION

Marketing Personnel

Gerard P. Mattimore, vp-director of sales promo and mktg services
J.C. Marshall, mkt rsch director
M. Guarini, group prod mgr
A. Kelly, group prod mgr
Robert A. Perlman, director-mktg
H.J. Muessen, prod mgr-Phillips' line, Fletcher's
B. Straus, prod mgr-Arthritis Bayer, Bayer children's line
E. Redden, prod mgr-Panadol
B. Seiden, prod mgr-Midol, Vanquish
S. Johnson, prod mgr-Genuine Bayer, Maximum Bayer
P. Kalikstein, director-new prods
C.S. Perlman, A. Kidder, new prods

Advertising Agencies

SSC&B, New York—Bayer line, Panadol—Spencer Plavoukos, acct super.

Thompson-Koch Co., New York—Midol—J. Klapmuts, acct super.

Cunningham & Walsh, New York—Phillips' line—M. Hussey, mgmt super; Hank Malfa, exec vp.

Warwick Advertising, New York—Stridex—Wilder D. Baker, president-mgmt super; Bradford Moses, vp-acct super, C. Scholz, acct exec.

N W Ayer, New York—Diaparene line, Lo-Sal antacid—Stan Mattison, exec acct director; Bob Schultz, acct super.

Font & Vaamonde (Spanish), New York—Bayer line, Phillips' line, Panadol—Pedro Font, president.

Dugan/Farley Communications Associates, Montvale, N.J.—medical communications—John P. Dugan, president.

LEHN & FINK PRODUCTS GROUP

Marketing Personnel

Personal Products division

Herb Waller, president
Peter Stearns, vp-mktg
Dean Reeves, natl sales mgr

Parfums Givenchy division

David Chinn Jr., exec vp-genl mgr
Annikki Karkkainen, vp-sales

Consumer Products division

Michael R. Gallagher, president
Leonard Suskin, vp-mktg
Joseph Healy, director-mktg
F.M. Fox, vp-sales

Industrial Products division

S. Ray Mitchell, president
Stephen D. Hinden, director-mktg
Donald Nowlin, vp-sales

Minwax Co.

Donald H. Henderson, president
Peter Black, exec vp
Ridgely W. Harrison III, vp-sales
Paul R. Righter, vp-construction prods div

d-Con Co.

Earle K. Borman, president
John J. McFadden, vp-sales director
John Harwood, new prods director
William Hogate, director-new prods
Craig Karasin, prod mgr-Resolve
Marvin Matises, director-mktg
John Caputo, prod line mgr, rodenticides
Semo Sennas, senior prod mgr, insecticides
Rita Polchin, mktg asst

Advertising Agencies

SSC&B, New York—Lysol prods, Love My Carpet, Beacon Wax, Mop & Glo, Wet Ones—Robert Wadsworth, exec vp; Elliot Dorfman, vp-mgmt super; Bruce Kravetz, John Barnes, vp-acct supers; Steve Barcan, acct super.

Geers Gross, New York—Tussy, Ogilvie, Dorothy Gray—Don Kurtz, Dick Tarlow, deputy chairmen; Chris Hanson, senior vp-mgmt super; Joseph Pascale, vp-acct super; Nancy Gerber, acct exec.

Levine, Huntley, Schmidt & Beaver, New York—Parfums Givenchy—Leslie Marshall, acct super.

Gilbert, Whitney & Johns, Morristown, N.J.—Minwax consumer and industrial prods—John Mimmaugh, exec vp.

Thompson-Koch Co., New York—d-Con line, Rid-X septic tank condition, Energine line, House & Garden bug killer, Stay Away outdoor fogger, Warpath powder spray, Ant/Roach killer, Ant-Prufe, Four/Gone (indoor fogger), wasp and hornet killer, Double Power, Roach Traps—E.J. Eberie, acct super; John Klapmuts, Joshua Martin, acct execs.

Avrett, Free & Ginsberg, New York—Pie Action—Jack Avrett, president; Barbara Hill, acct super.

WINTHROP-BREON LABORATORIES

Marketing Personnel

Joseph Scarlata, president
Herbert E. Smith, vp-sales
Michael P. Trepicchio, director-mktg, Breon prods
Robert J. DeLuccia, vp-mktg, Winthrop prods

Advertising Agency

Frank J. Corbett Inc., Chicago—all Breon ethical prods—F.J. Corbett, mgmt super; John M. Alderman, acct super.

Lavey/Wolff/Swift, New York—Neg-Gram, Danocrine, Demerol, pHisoHex, Hypaque, Telepaque, Bilopaque, Amipaque—Charles Rockefeller, senior vp.

Robert A. Becker, New York—Talacen, Talwin NX, Talwin Injection—Norbert Lampert, vp-acct super; Edward Maitland, exec vp.

Kallir, Philips, Ross Inc., New York—Inocor I.V.—J. Kallir, president; N. Cooper, exec vp.

WINTHROP VETERINARY

Marketing Personnel

H. Dwight Koger, director-mktg and sales

Advertising Agency

Sawyer Advertising, Gainesville, Ga.—veterinary pharmaceuticals and disinfectants—Louis Sawyer, acct exec; Richard Riley, acct super.

COOK-WAITE LABORATORIES

Marketing Personnel

Larry A. Falls, president
W. McKinney Dean Jr., D.D.S, vp-dental director
Jim Laufer, Mary Lee Belleville, div mgrs

Advertising Agency

Paul A. De Jesse Inc., Freehold, N.J.—Periograf, Alveograf, Carbocaine, Carbocaine with Neo-Cobefin, Marcaine with Epinephrine; other local anesthetic solutions, Carpule aspirator syringe, Greene Trans-View and Darc-View X-ray film mounts, Greene filmholders, record cards—Paul A. De Jesse, president.

Stroh Brewery Co.

	1983*	1982*
Sales*	$1,646,000,000	$1,318,000,000
Earnings*	N/A	N/A
U.S. Advertising	73,532,400	55,548,800

*Worldwide fiscal years ended March 31, 1984 and 1983

Stroh Brewery Co., Detroit, the 82nd largest national advertiser, boosted its advertising 32.4% in 1983, to an estimated $73.5 million, a bigger per-barrel ad expenditure than that of any of its major competitors.

Sales at the privately held brewer rose 24.9%, to $1.65 billion, enabling Stroh to leap from its usual seventh place ranking among national brewers to third in 1982. Stroh does not release earnings.

Following the May, 1982, acquisition of Jos. Schlitz Brewing Co., Stroh became a leader of second-tier brewers, behind the two national giants, Anheuser-Busch (No. 1) and Miller Brewing Co. (No. 2).

Market share rose from 13% in 1982 to 13.6% in 1983. Over-all barrelage kept pace with other gains, rising 6.1% in 1983. Stroh sold 24.3 million bbls. during the 1983 fiscal year, up from 22.9 million bbls. in 1982.

The brewer's largest advertising increase was in network tv, where the company spent $37.8 million in 1983, quadrupling the 1982 total of $9.4 million. Stroh's second biggest medium was spot tv, despite a cut to $14.3 million, from $20.7 million in 1982.

"The addition of Schlitz, Schlitz malt liquor and Old Milwaukee brands, coupled with Stroh and Schaefer products, gives us excellent representation with quality beers in all segments of the market," chairman Peter W. Stroh said. Stroh Brewery was able to reduce its $330 million debt from the Schlitz acquisition by $120 million in the last six months of 1982. It since has paid off about two-thirds of the total.

Expansion of Stroh's new superpremium beer, Signature, and further penetration of Stroh's and Stroh Light into the Northeast and Southwest also helped.

Expansion into Louisiana began in January for Stroh's and Stroh's Light. That was followed by entry into Texas and New England. It was the first major step west of the Mississippi in Stroh's trek toward national distribution. Stroh competed directly with Adolph Coors Co. in Texas for the first time.

Old Milwaukee, Stroh Brewery's strongest and best-selling brand, got national advertising for the first time. Smaller regional beers, including Schaefer, Piels and Goebels, were sold as low-price beers east of the Mississippi to keep plants at capacity and to fend off attacks from price-cutting brewers such as G. Heileman Brewing, according to Tom Schwalm, group marketing director at Stroh.

Stroh began to market Stroh's and Stroh Light in California and New York City in the spring of 1984. California distribution required adding fire-brewing to the Los Angeles plant purchased in the Schlitz deal.

Signature, in the meantime, exceeded sales expectations in Michigan and was tested in Washington, D.C., and Chicago in mid-1983.

In early 1984, Adolph Coors Co. and Stroh Brewery expanded into Minnesota with their premium flagship brews, dueling with other second-tier brewers, including G. Heileman Brewing and Pabst Brewing Co.

Stroh began distributing cents-off coupons in the Southeast in early February. It broke a coupon ad in January in Sunday supplements throughout the country on behalf of Old Milwaukee and its light counterpart. Couponing was confined to the Milwaukee brands, although the idea was tested for Stroh Light. The company feared that a premium brand would be tarnished by coupons. Anheuser-Busch and Miller kept out of the couponing fray with the stated belief that couponing was for smaller brewers with a wider stable of popular-price and regional brands.

Reasons for the plunge into beer couponing were attributed to the shift in beer drinking habits, as people were scaling down and becoming more price-sensitive, and women, an increasingly important target to the beer industry, because most coupons were serviced at food stores where women historically do the shopping.

In May, Pabst Brewing, hoping to gain exposure in the Southeast, signed an agreement to exchange its brewing facility in St. Paul for Stroh's plant in Tampa, Fla. The plan did not involve any financial outlay.

In June, Stroh threatened to sue ABC Television Network and NBC Television Network for restraint of trade over the practice of selling product category exclusivities in sports programing, specifically United States Football League games and professional basketball. In July, the brewery hired David C. Martin, the top broadcast media exec at Campbell-Ewald, to head its media operation and to play a leading role in its battle with the networks. Stroh also sent its emissaries to meet with Justice Department officials in Washington to complain that exclusivities are anticompetitive.

In August, 1983, Stroh signed deals to sponsor on a nonexclusive basis "Monday Night Baseball" on ABC in 1984, two heavyweight championship boxing matches on NBC, and the "International Race of Champions" auto race series on CBS for the spring of 1984. Stroh also participated in NFL games in the fall of 1983 and purchased a sponsorship of the National Collegiate Athletic Assn. football games, both on CBS.

Stroh was able to buy sponsorships because both Miller and A-B were Olympic tv sponsors and had fewer remaining sports dollars. Peter Stroh said the brewer's advertising buys did not change his belief that the selling of product exclusivities in live-action sports violated antitrust laws. The FCC still is investigating.

In November, foes of beer, wine and liquor advertising pressed the Federal Trade Commission to consider bans on ads "targeted" to youths and heavy drinkers. They wanted the commission to adopt rules for alcoholic beverage advertising similar to restrictions placed on cigaret advertising.

The rules proposed by the 29 consumer and health groups in the Center for Science in the Public Interest coalition would ban broadcast and print ads reaching a large number of young people and heavy drinkers; force ads to carry health hazard warnings; ban youth-oriented marketing tactics; bar life-style ads, and ban use of celebrities in alcoholic beverage ads that encourage "excessive" consumption.

Stroh was concerned about the proposed rules because 80% of its ad dollars were spent on tv commercials.

Stroh began to look at more new products in late 1983, eyeing such potentials as an import, plus low-alcohol and flavored beers. The brewer wanted to compensate for unfavorable demographic trends (aging baby boomers). Stroh also considered flavored and low-alcohol beers for the nation's nonbeer lovers.

In the spring of 1984, Stroh introduced its low-alcohol beer, Schaefer LA, with the theme: "The one beer to have when you're having more than one." The Stroh LA label opened the door to legal disputes with Anheuser-Busch, which had introduced its LA brand (Low-Alcohol) beer earlier in the year. A-B maintained that LA is its trademark. Stroh as well as Heileman, which also introduced an LA beer, maintained that LA was a generic or designative term that could not be trademarked. The two lost in court, however. Other brands continue to use the L.A. designation while litigation continues.

In the meantime, Stroh marketed its brands to various growth segments to reach a higher market share. Signature was aimed upscale, leaving room below it for Erlanger, a narrow-distribution superpremium. Stroh's first priority was in strengthening existing brands, including the nameplate Stroh's and Schlitz. John Bissell, group vp-marketing, saw no conflict between the two regular beer brands.

"Stroh tends to have a younger, more upscale kind of consumer, and Schlitz tends to attract blue-collar and ethnic kinds of customers," Mr. Bissell said.

Stroh aimed Schlitz at blue-collar youth through such youth-oriented promotions as rock bands. Old Milwaukee, an intermediate-price brand, which Stroh has positioned against Budweiser and Miller in the marketplace and on the race track, "has terrific opportunity" since it was still a minor brand in the Central and Northeast states, according to Mr. Bissell.

Another acquisition, F&M Schaefer Brewing Co., plugged a hole at the low end. "In New York and Philadelphia, where advertising has been heavy, it's an intermediate brand," Mr. Bissell said. In Puerto Rico, Schaefer was a premium beer and the sponsor of the Olympic team. For the rest of the nation, it remained an unadvertised price brand, much like Goebel from Stroh and Piels from Schaefer.

In early 1983, Stroh put a hold on its Schlitz marketing effort. The brewer allowed the troubled premium beer, Stroh's weakest national brand, to continue it sales slide, estimated at 30% a year. MCA Advertising won the Schlitz account on the theme: "America, your gusto is coming back." The account was resigned in the fall of 1982 by J. Walter Thompson USA.

Stroh named a new group marketing director to head its renewed efforts for Schlitz, Charles M. Hardin, who came from S.C. Johnson & Son. Until spring, the only marketing effort for Schlitz was through sponsorship of touring rock groups, such as The Who.

The first major marketing attack for the Schlitz brand began in April, with a strategy targeting the beer toward young, blue-collar drinkers.

The new campaign resurrected the "gusto" magic by incorporating it within the theme line: "Go for it, America, you've got the gusto now." Stroh continued to concentrate sales efforts in the Southeast, Southwest and "heartland" regions, where the brand suffered some erosion but remained relatively strong.

Packaging for Schlitz was changed with the relaunch. A brighter red was used on the label, and 12-pack and case cartons carried "beauty shots" of mugs of beer. Bottle shapes also changed. The Schlitz aim at blue-collar workers was meant to keep it somewhat away from the Stroh's brand market so the two did not compete directly.

"Bert and Harry Piel"—Bob Elliott and Ray Goulding-created characters—returned in a spot radio and outdoor drive in March. The theme was the 100th anniversary of both the Brooklyn Bridge and Piels beer. Wyse Advertising's effort for Piels carried the salute, "To the Bridge!" and "This calls for a small celebration!"

In April, Stroh increased Schlitz malt liquor ad spending more than 35%. In another move, Stroh tested tv versions of radio spots with the theme, "I can count on my friends and my Strohs." Stroh's brand got about $20 million of the ad budget.

Nonhumorous ads were tested in Cleveland, Birmingham, Ala., and part of West Virginia, all born from radio spots. The humorous "beer lover" campaign couldn't be translated from tv into radio. The brewer said it had to be careful the ads didn't become too witty. "There is some danger there and we have been working hard to shape the campaign in such a way as to present what we think are its greatest strengths," Mr. Bissell said.

Meanwhile, Stroh continued to use a humorous approach in its national tv advertising, including the spot where poker-playing beer drinkers send the dog to fetch a beer from the refrigerator. The ads were discontinued in July, 1984, however, because "we never intended for him to be a long-term spokesdog," Mr. Bissell said. Another

UPWARDLY
MOBILE.

When you're the richest million people in Northern California, you don't spend it all in one place.

They may board a plane or ship in San Francisco. But the place-of-residence of Northern California's richest, most travelled million people is the San Jose PMSA (Santa Clara County), 50 miles to the south of San Francisco.

Santa Clara County is the Bay Area leader in generating air travel—28% of all resident business and over 28% of resident non-business air travel in the entire 9-county San Francisco Bay Area.*

In the past year, 48% of Santa Clara County men and the same percentage of women have taken a commercial flight[2] Living and working amid the world's greatest concentration of high technology companies, they travel to earn—and enjoy—an impressive $33,050 average household EBI[3]

The only way to effectively reach this high-flying travel market is with the Mercury News. The complete Travel Section in an average Sunday edition reaches 63% of Santa Clara County adults. Weekdays, the Mercury News enjoys a 5-issue reach of 66%[2]

The San Francisco Sunday Chronicle/Examiner's meager 12% reach will hardly get you off the ground.

If you want travel volume, you have to reach for the people who are going places in this world. That's why so many travel advertisers choose the Mercury News as their carrier.

THE SAN JOSE MERCURY NEWS
Reaching Northern California's richest million people!

*MTC, 1980. [1]Based on average household EBI, California Metro Markets. [2]San Jose "Continuing Market Study," 1983, Belden. [3]Sales and Marketing Management Survey of Buying Power, 1983. Represented by KNIGHT-RIDDER NEWSPAPER SALES.

worry was that Alex might come to overshadow the Stroh brand in the same way that Morris the Cat was believed by some to outshine 9-Lives catfood. A "non-Alex" supplementary spot then used Vincent Price as the voice of the devil.

In mid-December, Stroh ran newspaper ads to counterattack rumors that it supported presidential candidate Jesse Jackson. "Stroh offers $25,000 to stop rumors," was the headline in ads that broke in Chicago, downstate Illinois and northwest Indiana. The ads, done in-house, said the rumors were "attempts to discredit Stroh and to hurt sales of Stroh products." A $25,000 reward was offered for the identification of those who started circulating the allegations. Similar ads appeared in newspapers nationwide.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$767,300	$412,400
Magazines	264,600	551,400
Spot tv	14,303,900	20,735,900
Network tv	37,774,200	9,403,900
Spot radio	10,532,400	12,667,400
Network radio	825,700	20,000
Outdoor	1,313,200	1,757,800
Total measured	65,781,300	45,548,800
Unmeasured	7,751,100	10,000,000
Estimated total	73,532,400	55,548,800

STROH BREWERY CO.
Marketing Personnel

John Bissell, group vp-mktg
Huner Hastings, vp-brand mgmt
John Hellweg, vp-sales promo
David Martin, vp-Stroh Media Services director corporate media
Marsha Atwater, brand director—Schlitz malt liquor, Schlitz, Signature, new prods
Raymond Gross, director, mkt rsch & planning
Charles M. Hardin, mktg director, Schiltz
Mike Jaeger, brand director—Stroh's, Stroh's Light
Stu Portnoy, director-mktg admin
Charles Powell, director—Old Milwaukee, Old Milwaukee Light
Barry Gesserman, brand mgr-Signature
Marilyn Hammond, brand mgr-new prods
Dick Hunsberger, brand mgr-Schlitz, Schlitz Light
Ed Kopecky, brand manager-Schaefer, Schaefer Light
Ray Kowalski, brand manager-Goebel, Goebel Light, Piels
Wayne Sindelar, brand manager-Schlitz Malt Liquor

Advertising Agencies

Badillo/Compton, New York—Schaefer Export—Jorge Rodriguez, vp; Juan Charana, acct exec.

BBDO, New York—Old Milwaukee, Old Milwaukee Light—Mike Levine, acct super; Lisa Patrick, acct exec.

Benton & Bowles, New York—Schlitz malt liquor—Ron Campbell, acct super; David Brophy, acct exec.

Bermudez & Associates, Los Angeles—Hispanic advertising on various brands—Edwardo Bermudez, president; Antonio Tamayo, acct exec.

Burrell Advertising, Chicago—Black advertising on various brands—Eugene Morris, mgmt super; Julius Jones, acct exec.

Marschalk Co., New York—Stroh's and Stroh Light—Frank Mangan, vp-mgmt service director; Paul Norwich, Rob Peterson, acct supers; Marc Rappin, acct exec.

MCA Advertising, New York—Schlitz, Schlitz Light, Signature, Schaefer and Schaefer Light—Richard Sellers, exec vp; Chuck Curry, vp-acct director.

Ohlmeyer Communications, New York—special assignments—Phil Howarth, president and ceo.

Wyse Advertising, Cleveland—Goebel, Goebel Light and Piels—John Jefferson, acct super.

Tandy Corp.

	1983	1982
Sales*	$2,780,000,000	$2,510,000,000
Earnings*	281,900,000	278,521,000
U.S. Advertising	156,728,000	126,985,000

*Worldwide, fiscal years 1984 and 1983 ended June 30.

Tandy Corp., Fort Worth, the 40th leading advertiser, increased its advertising expenditures 23.4% in 1983, to $156.7 million.

Sales of the world's largest consumer electronics retailer continued to improve for fiscal 1984, increasing 11% to $2.78 billion, but net income squeezed out only a 1.2% gain to $281.9 million.

Sales and income were heavily influenced by a poor 1984 fourth quarter in which net income dropped 21.6%, due in particular to poor sales of personal computers, especially the TRS-80 Model 4, which accounts for a quarter of Tandy's computer sales. Sharp cuts in Apple Computer Inc.'s competing Apple IIe unit (from $1,999 to $1,299) and in several of IBM's models cut into the TRS-80 market.

During 1983, Tandy Corp. registered national media advertising of $43.8 million, an increase of 29%. Retail advertising, which is not monitored for this issue, gets Tandy's top ad dollar of $42.4 million in 1983. This largely local retail advertising expenditure was up 25.1% over the previous year. It was not included in the Tandy total. Network tv is Tandy's No. 2 medium, monitored at $27.7 million, up from $22.2 million in 1982, according to LNA.

Despite its gains, Tandy continues to face erosion of market share in the area that propelled it to its giant status: Computers. Although sales remain strong in that arena—contributing more than $1 billion in sales in 1983—increased competition from better known brand names has pushed Tandy to further product innovation and a more aggressive marketing stance.

Competitors in the personal computer market, such as IBM, Compaq and Apple Computers, have made great strides in increasing share of market. Tandy, on the other hand, says it continues to be profitable in segments of the market where competitors—most notably Atari and Texas Instruments—have posted considerable losses. Further, Tandy continues to have a formidable advantage in distribution, through its nearly 1,000 Radio Shack stores.

Its Computer Centers—including stand-alones and expanded departments in Radio Shacks, known as Plus Computer Centers—now total more than 1,400.

This year, Tandy introduced its TRS-80 2000 business computer in a headlong attack against IBM. The introduction signals two major changes in Tandy's marketing philosophy. First, it bears the name Tandy, rather than Radio Shack, and secondly, the machine is to a degree IBM compatible, reflecting a trend in the marketplace toward standardization among computer users.

Ads for the Model 2000 tout its superiority to the IBM PC.

Additionally, in 1983 the company launched the TRS-80 Model 100, a portable computer, with a measured media buy of $1.5 million. Preprogramed and able to use standard phone equipment, the computer is acknowledged to be superior to many previous briefcase models. But Tandy officials are not apt to sit still in other product development areas.

Although computers have been the growth product for Tandy, the company is still powerful in other areas of the $20 billion consumer electronics market.

Computer related sales contributed 34.6% of 1983 worldwide warehouse shipments (compared with 9.5% in 1979), followed by audio equipment and related accessories, with 18.2%. Shipments in the electronic parts category, including batteries and test equipment, were 13.2%, and toys, antennas, security devices, timers and calculators accounted for 12.5% of shipments.

The balance of shipments was in radios, phonographs, tv sets and other electronics, such as telephones and intercoms.

Telephones are emerging as a new growth area. The company, which tested four Radio Shack Telephone Centers, specializing in key systems for small businesses, expects to introduce 21 more—either individually or paired with its Computer Center outlets—in 1984.

Additionally, it is testing such equipment as a $999 computer unit that links ordinary phones with switching systems, transferring calls, call forwarding and conference calls. It expects such phone systems to become popular for home use.

Recently, Tandy entered an agreement with Mobira Corp., a leader in Scandinavian mobile phone technology. Jointly, the two will manufacture and market cellular telephones, to be distributed in Radio Shack stores.

Other developments included an agreement with United States Communications Inc., New York, by which Radio Shack became the retail agent for direct satellite-to-home broadcast.

ADVERTISING EXPENDITURES

	1983	1982
Magazines	$4,944,400	$3,946,320
Farm publications	322,700	258,200
Business pubs	3,155,600	2,524,400
Spot tv	4,237,700	3,390,160
Network tv	27,715,800	22,172,600
Spot radio	3,496,900	1,719,600
Outdoor	200	160
Total Measured	43,873,300	34,011,400
Unmeasured	112,854,700	92,973,600
Estimated Total	156,728,000	126,985,000

TANDY CORP.
Radio Shack
Marketing Personnel

Bernard Appel, president
Robert Keto, exec vp-retail operations
Ron Stegall, senior vp-business prods
Robert Miller, vp-merch
David Beckerman, vp-adv
Mark Yamagata, director-merch, business computers
Ed Juge, director-mktg information
Mike Wood, genl adv mgr
Fred Roeben, admin adv mgr
Vincent Isgro, creative adv director

Advertising Agency

Central Advertising Agency (house agency), Fort Worth—Greg Lincoln, media director; Gail Graham, asst media director.

Texas Instruments

	1983	1982
Sales*	$4,579,800,000	$4,326,600,000
Earnings*	(145,400,000)	144,000,000
U.S. Advertising	129,042,000	70,720,000

*Worldwide

Texas Instruments, Dallas, is the 51st largest national advertiser, with $129 million in total advertising in 1983 for a dramatic year-to-year increase of 82.5%.

The cause of the spurt in advertising—home computers—also was cause for the company's sizable decline in earnings for the year in which TI suffered a loss of $145.4 million, compared with a gain of $144 million the previous year, on sales of $4.58 billion, up 5.8%.

TI spent an estimated $23.4 million through most of 1983 promoting its extremely low-priced 99/4A home computer, but on Oct. 31, it ceased production of the computer, citing heavy losses as reason for the pullout.

The company continues to advertise the 99/4A, albeit nominally, and has slashed its prices to clear inventory.

Industry estimates show that during the life span of the 99/4A, between 1 million and 1.5 million of the home computers were sold, making the machine the second most widely owned machine after the Commodore VIC-20 and slightly ahead of the Apple II line.

TI entered the home computer business in 1979 with a machine selling for more than $1,000. That was a failure. When the price wars on home computers began to escalate in late 1982, TI was an eager participant. When the prices dropped to $200, sales started to soar, and so did expenses.

TI began selling its 99/4A at $99 to $149 retail and a $50 rebate. It soon became evident that the prices were too low and TI was losing money. Meanwhile, Commodore International, its chief rival, could continue to produce its VIC-20 at a relatively comparable price and at a profit. It was estimated that the machine TI was selling at a $150 retail price was costing $200 to $250 to make.

For the future, TI's computer division is emphasizing its professional computer. The TI entry in that category was introduced in early 1983 with a $10 million advertising campaign directed by McCann-Erickson, Dallas. More than 25,000 units were sold in 1983, and it is competing successfully in the IBM-dominated marketplace.

"There is no question that the basis for the increase in advertising was due to the heavy effort in marketing the 99/4A," said Peter A. Field, vp-corporate marketing, TI.

There were a number of campaigns—all under the direction of McCann-Erickson—that were aimed at marketing the 99/4A. The last series stressed the educational aspects that could be derived from the computer.

Now that it is out of the mass market for computers, TI is going back to its origins as a more industrial oriented company, concentrating on its semiconductors, data systems, metallurgical materials and electrical controls as well as government electronics and geophysical services.

In marketing TI's professional computer, Mr. Field said, the company late last spring launched a "Dare to Compare" ad campaign in which TI's professional computer is positioned next to IBM's for a side-by-side comparison of features.

Mr. Field says the campaign evolved from a series of articles done in a computer trade publication that concluded TI's computer is the one IBM should have built.

The comparison does not mention price—for a good reason, he said. "Price is a tricky thing to handle because we can't control the price at the retail level. So we expect the consumer to do his own price comparison."

Mr. Field said TI had a heavy advertising schedule in a combination of computer enthusiast, trade and business publications.

While the company will not release figures on how many units have been sold, Mr. Field said officials expect a "significant increase in sales in year two vs. year one."

The company also is placing considerable emphasis on its 26 calculators, the largest line in its consumer products group, despite its small share of over-all sales.

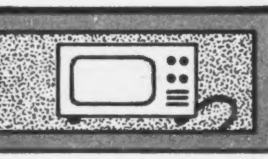
The company spent slightly more than $1.5 million in advertising the calculators, ranging in price from $5.95 to more than $100.

TI appears to be intent on revamping its marketing approach—a sign many industry leaders consider healthy in that they believe TI's major flaw was in consumer marketing.

In personnel changes, TI hired Mr. Field, a top marketing official at Procter & Gamble, to develop and coordinate its marketing strategies in September, 1983.

Early in 1984, Fred Bucy was named ceo, taking over the position held by Mark Shepherd Jr., who remained chairman of the company.

A move in 1980 to consolidate TI's marketing and advertising efforts from the jurisdiction of 27 agencies into McCann-Erickson, Dallas, still is paying off in terms of the company gaining a cohesive image and campaign strategy, Mr. Field said.



The top 25 cable advertisers

Rank	Advertiser	Expenditures ($000) 1983	1982	1983 as % of total advertising exp.	1982 as % of total advertising exp.
1	Anheuser-Busch Cos.*	$15,760.9	$ 9,231.6	5.4	3.8
2	Procter & Gamble Co.*	15,172.2	6,779.0	2.0	0.9
3	General Foods Corp.*	11,290.3	10,242.0	3.1	2.4
4	General Mills*	10,258.8	4,143.1	3.8	1.7
5	Bristol-Myers Co.*	6,505.5	4,276.4	2.8	2.1
6	Time Inc.*	5,517.7	5,160.3	4.6	4.0
7	Toyota Motor Sales U.S.A.*	5,247.6	2,920.3	4.6	2.6
8	Ford Motor Co.*	5,087.0	2,791.9	1.1	0.9
9	General Motors Corp.*	4,549.3	3,834.6	0.1	0.7
10	American Home Products Corp.*	4,387.2	4,431.5	1.3	1.4
11	Eastern Air Lines*	3,342.8	1,632.7	4.8	2.8
12	Beatrice Cos.*†	3,213.0	N/A	0.5	N/A
13	American Telephone & Telegraph Co.*	2,789.3	864.3	0.6	0.2
14	Coca-Cola Co.*	2,604.5	1,482.9	0.9	0.6
15	Sears, Roebuck & Co.*	2,565.7	1,242.2	0.4	0.2
16	Wm. Wrigley Jr. Co.*	2,514.4	1,798.3	3.9	2.7
17	Kellogg Co.*	2,461.5	3,339.4	1.4	2.2
18	Bank America	2,247.2	433.8	N/A	N/A
19	Philip Morris Inc.*	2,181.6	2,364.2	0.4	0.5
20	Urban General Corp.	2,099.9	1,823.6	N/A	N/A
21	Clorox Co.*	2,093.7	369.6	3.0	0.5
22	Colgate-Palmolive Co.*	2,019.3	1,777.4	0.8	0.7
23	Warner-Lambert Co.*	1,996.7	1,503.5	0.6	0.5
24	Jeffrey Martin Inc.	1,845.6	6,844.8	3.5	11.4
25	Noxell Corp.*	1,811.6	403.3	3.1	0.8

Source: Broadcast Advertiser Reports
*indicates a 100 Leading National Advertiser
†includes Esmark

ADVERTISING EXPENDITURES*

	1983	1982
Newspapers	$6,500,000	$5,500,000
Magazines	37,270,000	11,114,000
Spot tv	26,600,000	16,600,000
Network tv	12,000,000	—
Spot radio	2,394,000	300,000
Total measured	85,162,000	33,514,000
Unmeasured	43,880,000	37,206,000
Estimated total	129,042,000	70,720,000

*Provided by TI

ADVERTISING EXPENDITURES†

	1983	1982
Newspapers	$16,871,600	$3,319,141
Magazines	11,695,200	2,196,600
Spot tv	18,080,000	13,283,200
Network tv	17,808,400	—
Spot radio	3,423,600	192,800
Total measured	67,878,900	18,991,741
Unmeasured	61,163,100	51,728,259
Estimated total	129,042,000	70,720,000

†From AA's usual sources

TEXAS INSTRUMENTS
Marketing Personnel

Peter A. Field, vp-corp mktg
Donald Scharringhausen, mgr-worldwide corp mktg communications
Dana Houghton, Digital Systems Group merch mgr
Dave Huffman, Semiconductor Group merch mgr
Ken Kessler, Consumer Group merch mgr
Edward Morrett, Industrial and Government Products Group merch mgr

Advertising Agency

McCann-Erickson, Dallas—Ron Reagan, Semiconductor acct exec; Alex Resley, Consumer acct exec; Lanny Houillion, Digital Systems acct exec; Hal Briscoe, Industrial and Government Products acct exec; Cormac Ryan, worldwide acct exec; Hermann Poertner, European mktg communications mgr; Masahiro Miki, Far Eastern mktg communications mgr.

Time Inc.

	1983	1982
Sales*	$2,717,000,000	$2,371,000,000
Earnings*	143,000,000	123,000,000
U.S. Advertising	119,785,000	130,124,000

*Worldwide

Time Inc., New York, the 56th largest national advertiser, decreased its advertising expenditures in 1983 to $119.8 million, a drop of 8% from 1982.

The company had income from continuing operations of $143.2 million, an increase of 17%, on sales of $2.7 billion, a 13% increase over restated revenues of $2.4 billion in 1982.

The 1983 earnings reflect a $47 million loss from *TV-Cable Week*, which the company discontinued after only six months of publication, and a gain of $24 million achieved through the sale of WOTV in Grand Rapids, Mich.

Time Inc. continued its fast-paced growth in fiscal 1984 with first quarter earnings from continuing operations of $43.5 million, more than double the $21.9 million from the corresponding period a year earlier. Revenues were $693.8 million, an increase of 15%.

The year was marked by the company's concentration on its bread-and-butter business—media and communications. A major step toward this goal was the spinning off of its forest products operations, which accounted for 32% of the company's 1982 sales.

Time Inc.'s new goal is to achieve profitable growth in its two remaining businesses, publishing and video, as well as develop and acquire compatible new business that will yield high returns.

As Time Inc. celebrated its 60th year in the magazine business during 1984, the various magazines posted increases in rate base totaling 905,000. At the same time its share of the magazine advertising market rose to 21.4%. Revenues from the magazine group were $1.13 billion, up from $941 million in 1982.

Income from the magazine group of $106 million, however, was docked the $47 million in losses attributed to the defunct *TV-Cable Week*.

The largest advertisers in the magazine group included *People*, with a measured media spending of $13.8 million, up 7%, and *Time*, which spent $12.9 million, down 16%. For both publications, ad spending was concentrated in spot tv.

Time Inc. publications were once again among the industry leaders in attracting advertising. *Time*, with worldwide advertising revenues of $397 million, ranked ahead of all other magazines for the 14th consecutive year. At the same time, it raised its rate base from 4.4 million to 4.6 million copies a week in 1983.

Sports Illustrated had advertising revenues of $183 million, placing it fourth among all magazines. It also raised its rate base to a new high of 2,425,000 from 2,325,000.

Other magazines, including *Money, Discover* and *Life*, raised their rate bases as well. Nearly all of them recorded sizable gains in advertising pages and revenues.

By contrast, Time-Life Books had a disappointing year. The division sustained heavy losses, much of it attributed to the costs of overhauling its operations in Japan. The Books division had revenues of $485 million, down 21% from 1982 revenues. As one of the company's major ad spenders, the division budgeted $12.9 million in measured media spending to Time-Life Books, up 13%. Book-of-the-Month Club products got $5 million, down 13.8%; $3.2 million for Little Brown & Co., down 33%, and $1.1 million for The Quality Paperback Book Club, down 15%.

In many ways, the company's most spectacular and profitable area continues to be video. The Video group had earnings of $215 million on total revenues of $1.09 billion. The video group operates American Television and Communications (ATC)—the nation's largest cable television company—and Home Box Office (HBO), the largest pay cable service in the industry.

ATC, which serves subscribers in 464 municipalities in 31 states, raised its total subscriber count to 2.4 million in 1983, up 14% from the previous year. Significantly, ATC refrained from joining the franchise scramble during the past year, primarily on the determination that municipal government demands preclude a fair return from new systems.

However, the company did not stay away from new opportunities. In partnership with several British companies, it won approval for cable franchises in Aberdeen, Scotland, and the Westminister section of London.

Time Inc.'s HBO operation continued to dominate the pay cable landscape, with its signals being beamed to over 13.5 million subscribers in 5,400 cable systems located in every state. However, the company continued to be concerned by the high "churn" factor, the rate at which subscribers left the system.

One reason for the high churn may be disaffection with HBO programing. HBO's own productions, such as "The Far Pavilions," received little critical praise. In fact, many of them found limited viewership as well. At the same time, viewer complaints about the repetition of HBO programs and the poor quality of many of these programs may have contributed to the churn.

HBO spent $9.7 million in measured media in pushing its programs, down 15.5%. HBO's poorer cousin, Cinemax—third in the pay-cable universe—spent $3.8 million in measured media, compared to about $1 million in media in 1982. Cinemax added 700,000 subscribers in 1983 to boost its total subscriber count to 2.7 million.

Amid all this, the company also pulled back from a number of video-related ventures. It concluded its experiment with teletext—a service providing data and entertainment on demand to home tv screens. It also ended its involvement with on-air television.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$11,427,800	$20,186,700
Magazines	35,338,200	30,206,700
Spot tv	31,327,600	31,339,900
Network tv	5,012,800	10,861,900
Spot radio	624,600	2,286,500
Network radio	925,900	123,500
Outdoor	122,900	317,900
Total measured	$84,779,800	$94,323,100
Unmeasured	35,005,200	35,801,900
Estimated total	119,785,000	130,124,000

TIME INC.
Marketing Personnel
TIME

John A. Meyers, vp-publisher
Richard B. Thomas, vp-associate publisher, worldwide adv sales director
Robert B. Sweeney, worldwide public affairs director
George Berger, promo director
Robert D. McCoach, circulation director

The 1984
Ad Dollar Summary

Year-End '83
Only
$100.00

- The only complete listing of all brands active in six major media: consumer magazines, national newspaper supplements, network and spot television, network radio, outdoor.
- Expenditures for more than 30,000 brands—listed in alphabetical order with parent company identification and media used.

PLUS

- The top 1000 companies with Ad Dollars listed by media.
- The top 10 brands in each of 243 product categories with category total.

A complete summary of Ad Dollars from the PIB Service, BAR Broadcast Services, LNA Outdoor. The official industry figures prepared for MPA, TVB, RAB, OAAA used by every major advertiser and their advertising agencies.

1984—HAVE THE COMPETITIVE EDGE

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136 Madison Ave. 5th Floor
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Yes, I want to know what my competition is doing.
☐ Send me_______ 1984 AD $ SUMMARY Quarterly Service @ $175.00 per year
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☐ Enclosed check, m.o. ☐ Bill me
☐ Send further information

Signed
Name & Title
Company
Street & No.
State Zip

PEOPLE

S. Christopher Meigher II, vp-publisher
Daniel E. Zucchi, associate publisher
William S. Myers, adv sales director
Robert B. Kyle Jr., promo director
Michael J. Owen, circulation director

FORTUNE

Edward Patrick Lenahan, vp-publisher
James B Hoefer, associate publisher and adv sales director
Jeremy B. Koch, circulation director
David L. Nimz, promo director

DISCOVER

James B. Hayes, publisher
John Jay, adv sales director
Mitchell Rothschield, circulation director

MONEY

William M. Kelly Jr., publisher
Charles Rubens II, adv sales director
Michael Rich, promo director
Ruth Shields, circulation director

SPORTS ILLUSTRATED

Robert L. Miller, publisher
Donald J. Barr, associate publisher-adv sales director
John Heyd, promo director
Jan Volk, circulation director

LIFE

Charles A. Whittingham, publisher
Allen Wragg, adv sales director
Gilbert Lesser, promo director
H. McLean Smith, circulation director

TIME-LIFE BOOKS

William Henry, senior vp-mktg

BOOK-OF-THE-MONTH CLUB

Lewis M. Smith Jr., senior vp-mktg director

LITTLE, BROWN & CO.

David Goehring, mktg mgr, trade div
William A. Guthrie, adv director, trade div
Doreen Doe Rasio, publicity director
Timothy Robinson, genl mgr, law div
Leigh Stoecker, mktg mgr, medical div
Janet Carlson, mktg director, college div

HOME BOX OFFICE

Frank Biandi, president, HBO Network group
John Billoc, senior vp-mktg
Richard Thomas, vp-affiliate mktg & mktg services

TIME-LIFE VIDEO

Dorothy Dunbar, adv and promo director

SELLING AREAS-MARKETING INC. (SAMI)

Carlyle C. Daniel, president
Charles B. Butler, vp-sales
Alan B. Miller Jr., vp-sales services mgr

Advertising Agencies

Ally & Gargano, New York—*Time* (circulation promo)—Peter Bates, mgmt super.

N W Ayer/Ayer Direct, New York—Time-Life Books—Carrie Hoodkiss, acct super, Gina Buttofoco, media super.

Ted Bates Advertising, New York—Home Box Office Inc.—Sharon Mosse, vp-acct super (HBO); Lyn Feinman, vp-acct super (Cinemax), *TV-Cable Week*—John Noakes, exec vp; Sheila Patterson, mgmt rep; Tim Corrigan, acct super; Mark Wynkoop, acct exec.

Creamer Inc., New York—Selling Areas-Marketing Inc. (SAMI)—Harvey Dreyer, acct super.

A. Eicoff & Co., Chicago—Time-Life Books—Ron Bliwas, president-mgmt super; Francie Barson, vp-media director.

John Emmerling Inc., New York—*Money* (adv promo)—Jim Guthrie, acct super.

Geer, DuBois, New York—*Life* (adv promo)—Doria Steedman, acct super; Loyd Hayes, Dawn Dresher, acct execs; Kath Reps, media super. *Life* (circulation promo) —John Allen, acct super; Barbi Zakin, acct exec. Time-Life Video—John Allen, acct super.

Holland & Callaway Advertising, New York—*People* (circulation promo)—Jim Callaway, president-acct exec; Ron Holland, vp-acct super.

Ogilvy & Mather Partners, New York—*Sports Illustrated* (adv promo)—Sheri Ridgeway, acct exec; Barbara Smith, vp-mgmt super; Peter Walsh, acct exec.

Richards Group, Dallas—*Sports Illustrated* (circulation promo)—Brad Todd, mgmt super; Danny Green, acct exec.

Franklin Spier Inc., New York—Little, Brown & Co.—Erin McHugh, acct exec; Helen Strauss, media director.

Wunderman International, Montreal—*Time International* (circulation)—Alan R. Brodeur, vp-acct super.

Wunderman, Ricotta & Kline, New York-*Time* (circulation promo)—Worth Linen, vp-mgmt super; Jean Alexander, Michael Darling, acct execs. Time-Life Books—Worth Linen, vp-mgmt super; Judy Keane, acct super; Michael Darling, acct exec. Time-Life Records—Worth Linen-vp-mgmt super; David Henderson, acct exec.

Young & Rubicam, New York—*Discover* (circulation and adv promo)—Tom Spangenberg, mgmt super; Ron Neumenz, acct super; Terry Pranses, acct exec. *Fortune*—Tom Spangenberg, mgmt super; Terry Pranses, acct exec. *People* (adv promo)—James Tyrell, acct super; Robert D. Boucher, acct exec. *Time* (circulation promo)—Tom Spangenberg, mgmt super; Bernadette Murray, acct exec. *Time* (adv promo)—James Tyrell, acct super.

Toyota Motor Sales U.S.A.

	1983	1982
Sales*........	$20,386,099,000	$15,096,252,000
Earnings*.....	839,050,000	555,249,000
U.S. Advertising	113,649,000	111,342,300

*Worldwide

Toyota Motor Sales U.S.A., Torrance, Cal., which holds a 23.4% share of the U.S. import market and 6.1% of the total market, is the 62nd leading national advertiser with advertising of $113.6 million, up 2% from the previous year.

The company is a subsidiary of Toyota Motor Corp., a new corporate entity formed in 1982 with the merger of Toyota Motor Co. and Toyota Motor Sales Ltd. of Japan. The parent reported 1983 worldwide sales of $20.3 billion, the highest in Toyota's history, up more than $5.2 billion from 1982.

Sales in Japan account for 54% of net sales; exports the remainder. The company currently ranks third in worldwide production behind General Motors and Ford and is followed by Nissan in fourth place.

Total worldwide unit sales were 3,182,614, an increase of 0.9% over the previous year. But exports declined 1.1%, reflecting the global recession, the slump in demand in worldwide markets and import limits imposed by various countries, including the U.S.

Toyota set a U.S. total vehicle sales record in 1983 for the sixth consecutive year, with 726,818 units—555,766 cars and 171,052 trucks—up 7.7% over 1982 and topping the previous record of 714,020 set in 1981.

U.S. truck sales also set a record high for the ninth consecutive year, an 18.5% increase over 1982. The company wound up the year with a 2% decline in its share of the U.S. import market share, to 23.4%, and a 9% erosion in its share of the total market, to 6.1%.

Despite the market share drop, Toyota increased its measured advertising spending in 1983, although only slightly. The company spent $80.1 million in six media monitored by Leading National Advertisers, up marginally from $79.3 million in 1982. Toyota spent $42.5 million on spot tv, $22.9 million on network tv, $12.4 million in magazines, $2.3 million in outdoor and modest amounts in network radio and newspaper supplements. The tv expenditure was a flip-flop of the spending pattern set by competitor Mazda, which spent $27.2 million in network and $2.3 million in spot.

The Corolla once again was Toyota's U.S. sales leader, accounting for 143,430 units. Introduced in 1966, the Corolla has gained wide acceptance among drivers both in Japan and overseas. In March, 1983, cumulative production of the Corolla reached 10 million units, making it the first Japanese auto series to attain this level of production, a mark reached only by Ford's Model T, Chevrolet's Chevrolet and Volkswagon's Beetle. Measured spending for the Corolla was $18 million, down from $19.4 million in 1982. Spot and network tv grabbed 83% of the measured spending.

Toyota advertising for the 1984 model line was built around the idea that Toyota owners get special satisfaction from their vehicles. To convey this message, the company continued its use of the "Oh, what a feeling" theme. The redesigned Corolla model, which now includes front-wheel-drive family sedans and rear-wheel-drive models, was introduced with a series of tv spots set to the theme "Corolla, Reborn."

Toyota's fuel-efficient small truck line, also redesigned for 1984, received strong measured advertising support of $28.5 million, some 66% of which was in spot tv and much of the remainder in network tv. This was up from $23 million in 1982, an increase reflecting the continuing battle with Nissan, Mazda, Isuzu and its U.S. competitors for a bigger share of the small-truck market. Both LNA expenditure figures were just for trucks. An additional $13.1 million was laid out for joint promotions of cars and trucks.

The campaign theme for trucks was "Toyota is turning the truck world upside down," a slogan that emphasized major changes in the truck product, including the addition of a larger Xtracab model.

Current truck ads continue that theme with the slogan, "Toyota is standing the truck world on its rear."

Two new products also received strong advertising support in the 1984 model year. The Toyota van was introduced with a "Wonderwagon" campaign ($500,000 in measured media for the year) that stressed its handling and maneuverability.

Toyota's new sport-utility vehicle, the 4Runner, was introduced in midyear with magazine ads illustrating its off-road versatility, recreational applications and five-passenger capacity.

Measured spending support of $8 million also was provided for the Celica line, down from $15.9 million in 1982.

An attention-grabbing device that appeared consistently throughout all of Toyota's tv advertising during the 1984 model year was the intermingling of consumer-oriented stories with product information. One such story showed Casey and the Mudville nine using their Tercel liftback to get them to the ballpark on time.

Highlights of Toyota's tv advertising schedule included spots on some of network tv's top series, including "Dallas," "60 Minutes," "Trapper John, M.D." and "The A Team." Toyota had exclusive automotive sponsorship of individual quarters of NFL games on CBS-TV during the regular football season, as well as on the Super Bowl.

Nearly $5 million in the Toyota budget went to cable tv. Toyota, for example, bought packages on the sports-oriented USA Cable Network and super station WTBS. These figures make Toyota one of cable's most bullish sponsors.

In print advertising, Toyota ran gatefold spectaculars introducing new models in some of the nation's leading magazines. These included *Life, Motor Trend, Newsweek, People, Playboy, Sports Illustrated* and *Time*. Toyota advertises in some 40 national magazines.

Going into 1984, "Campaign buttons," a new syndicated package of 230 tv inserts, was acquired to obtain high visibility through the election year. Scheduled to air through January, the series of vignettes bearing Toyota advertising is sold to local tv stations and focuses on U.S. presidents and their races through historical news footage and rare footage from home movies of presidents.

Among the featured vignettes are Jimmy Carter's upset victory at the New Hampshire primary, Lyndon Johnson's decision not to seek reelection and Warren G. Harding's front porch campaign.

Early this year, the FTC gave final approval to a consent decree that cleared the way for Toyota and General Motors Corp. to jointly produce cars in the U.S. The project calls for annual production of 250,000 subcompacts for sale by GM, as well as an unspecified number of units by Toyota. The joint venture is expected to produce cars for 12 years, starting early in the 1985 model year, at a former GM plant in Fremont, Cal.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$12,570,700	$15,611,100
Magazines........	12,416,400	10,890,800
Spot tv..........	42,505,900	44,792,100
Network tv........	22,852,500	21,244,000
Spot radio........	3,342,800	3,633,900
Network radio.....	20,000	249,600
Outdoor..........	2,284,100	2,111,800
Total measured..	95,992,400	98,533,300
Unmeasured....	17,656,600	12,809,000
Estimated total..	113,649,000	111,342,300

Marketing Personnel

B. McCurry, group vp-sales, mktg and distribution
W.E. Christell, vp-mktg
W.G. Warner, corp mktg operations mgr
E.B. Brogan, corp public affairs mgr
J.C. Collins, natl adv mgr
J.R. Corey, adv mgr-creative
S.S. Voegele, adv mgr-media

Advertising Agency

Dancer Fitzgerald Sample, Torrance, Cal. —Stuart Upson, chairman-ceo; Norm Lauchner, mng director; Jim Lindsey, mgmt super

Trans World Corp.

	1983	1982
Sales*........	$5,240,000,000	$5,107,900,000
Earnings*.....	(7,700,000)	29,900,000
U.S. Advertising	101,503,300	91,614,900

*Worldwide: TWC and TWA combined.

Trans World Corp., New York, the nation's 68th leading advertiser, spent $101.5 million on advertising in 1983, an 11% increase over 1982. Advertising spending figures for 1983 include advertising for Trans World Airlines.

At the end of 1983, Trans World Corp. spun off TWA, resulting in the creation of two financially independent entities. The two companies issued separate annual reports for 1983.

Separately, TWC reported a 5.6% increase in revenues, to $1.89 billion. Net income was $144 million—a 17% increase over 1982. When new income from the airline is factored in, however, net income actually becomes a loss of $7.7 million.

TWA, in its first report as an independent corporation, reported revenues of $3.35 billion, with a net loss for the year of $12.4 million. The results marked a 60% improvement over the 1982 loss of $30.8 million.

The airline's results were also somewhat deceptive, because for all intents and purposes TWA ran two different airlines in 1983: A cash-draining domestic system and a profitable international system.

TWA's domestic pretax loss was $191 million, 29% worse than in 1982. Economic recovery boosted the popularity of air travel, the company said, but also prompted extensive discount pricing to lure consumers returning to the market. As a result, increased travel did not result in increased revenues.

Internationally, however, U.S. tourists capitalized on the strong dollar to create what TWA called "a banner year in the trans-Atlantic market." Pretax profits from international flights totaled a record $155 million.

The airline in mid-August, 1984, underwent a major senior management realignment. Richard D. Pearson, earlier appointed exec vp and chief operating officer, in effect picked his management team, which involved moving some European-based executives to domestic positions and vice versa. Neil Effman, senior vp-marketing, who arrived at the airline in 1981 and implemented some of its major strategies such as making St. Louis its hub, lost out in the shakeup and resigned. Mr. Pearson reports to C.E. Meyer Jr., president and ceo, who will concentrate on longer-term concerns including the exploration of broader business strategies.

In 1983, TWA was the only unprofitable subsidiary of TWC, which retained other subsidiaries—Century 21 Real Estate, Hilton International Hotels, Canteen Corp. and Spartan Food Services.

The spinoff was somewhat ironic because TWC had been formed in 1979 as a holding company for the airline and its subsidiaries, such as Hilton. By 1983, the airline itself had become a major drain on the holding company.

In efforts to restore the airline to profitability, TWA has laid off more than 3,500 employes—including 1,250 flight attendants—and asked many of the remaining 26,000 employes to take pay cuts. It also considered selling its Kansas City, Mo., maintenance base, to be replaced by the use of independent contractors who would service TWA planes.

Other moves include a shift away from discount pricing in the direction of standard per-mile pricing, and a corresponding shift in ad emphasis. Early 1984 campaigns have stressed service rather than price, playing up the airline's business class seats and wide-body aircraft.

Perhaps most important of all is a route expansion initiated in April, 1984. In an attempt to lure domestic passengers into more profitable international travel, TWA added 12 cities to its network, so more passengers now can make international connections through TWA's Kennedy Airport hub.

The airline's domestic hub in St. Louis remains a site of concern to some analysts. Comparatively speaking, St. Louis is an isolated market lacking the air traffic of a number of Midwest cities used as hubs for other airlines.

Total ad spending for TWA was in the range of $65 million to $70 million, about a 25% increase from 1982. Company executives expected a slight increase in 1984.

Media strategy continued to emphasize spot tv and newspapers in 1983, with an increased emphasis on network tv in 1984, to attract premium travelers likely to respond to the airline's pitch. TWA spent $8.4 million on spot tv in 1983, down 17%. It accounted for most of TWC's $21.9 million in national newspaper advertising monitored by Media Records Inc.

Spartan Food Systems was the leading profit maker for TWC in 1983, reporting a pretax net of $48.7 million on $354.8 million in sales—a 24.4% gain in profits achieved by rapid expansion in the growing southern U.S. marketplace. Spartan operates 430 Hardee's franchises in the South, as well as the Quincy Family Steak House chain.

Spartan expects major growth from both chains, leading to a doubling of profitability within a few years. Spartan spent very little in national advertising for Hardee's, most spending being local. National spending in 1983 was about $400,000.

Canteen Corp., a provider of restaurant, cafeteria and vending food services, increased profitability by 22%, to $27.6 million, despite an increase of only 2% in revenues, to $750 million. The explanation lay largely with Canteen's continuing shift away from industrial cafeteria outlets and toward recreational and executive dining facilities, areas that promise more growth and deliver higher profits.

Hilton International, operator of some 90 hotels worldwide, delivered $43.1 million in profits on $710 million in sales. Profit dropped 23%.

Slack overseas economies contributed to a 1% decline in occupancy rates, and exchange rate translations into the strong dollar skewed the actual performance.

The company hopes that increasing foreign travel will help bring profits back up, as will continuing expansion into the continental U.S.

Hilton International owns and operates the Vista International chain, with existing hotels in New York and Washington and three soon-to-open facilities in the Midwest. Hilton had only minimal measured ad spending of $515,100.

Century 21 Real Estate had an excellent year, as home sales took off. Profits were $20 million, compared with $6 million in 1982, on sales of $55.2 million, up 64%. Century 21 claims an 11% market share in the home buying market.

Century 21 should continue to thrive as long as the economy does. Ad spending totaled $14.4 million, according to Leading National Advertisers, with network tv accounting for the majority of dollars. Spending was up from $11.4 million in 1982, a 21% increase.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$21,925,300	$19,857,300
Magazines........	6,817,100	4,354,300
Spot tv..........	13,034,500	13,392,700
Network tv........	9,991,100	8,057,600
Spot radio........	7,160,300	7,971,700
Network radio.....	723,200	185,200
Outdoor..........	851,800	543,900
Total measured..	60,503,300	54,362,700
Unmeasured....	41,000,000	37,252,200
Estimated total..	101,503,300	91,614,900

TRANS WORLD AIRLINES

Marketing Personnel

Peter T. McHugh, vp-passenger marketing

Advertising Agency

Ogilvy & Mather, New York—domestic/intl passenger services—Tim Elliott, senior vp; Mark Goldman, vp.

UAL Inc.

	1983	1982
Sales*........	$6,021,840,000	$5,319,709,000
Earnings*.....	142,045,000	30,762,000
U.S. Advertising	77,200,000	78,749,700

*Worldwide

UAL Inc., Elk Grove Township, Ill., the 78th largest national advertiser in 1983, spent an estimated $77.2 million, down 2% from 1982's expenditure.

UAL is a holding company with four principal subsidiaries: United Airlines, Westin Hotels, Mauna Kea Properties (including the Mauna Kea Beach resort hotel and real estate holdings) and GAB Business Services (an insurance services and claims adjusting company).

The holding company reported $6.02 billion in consolidated revenues in 1983, up 13% from 1982, reflecting revenue gains in all four lines of business, but dominated by United Airlines.

The airline division improved its average revenue per passenger mile and increased its air traffic.

Revenue per passenger mile increased to 10.7 cents, from 10.4 cents in 1982. The revenue per passenger mile, however, still falls behind the industry at large, which generated 11.6 cents per passenger mile in 1983, but was comparable to other large carriers, according to airline executives.

Consolidated net earnings more than quadrupled in 1983 to $142 million, from $30.8 million in 1982.

That pace has been maintained the first half of fiscal 1984, ended June 30, in which net income increased to $148 million, from $22.8 million a year earlier, and revenues increased 28%, to $3.5 billion.

The airline's portion of that net income was $137.5 million. Airline officials, however, note the pace likely will slacken during the second half as U.S. travelers with their strong dollars seek European vacation spots and the economic recovery begins to slow.

Despite continuing air travel industry competition, United Airlines was the company's main reason for its strong rebound in 1983. Air travel traffic improved along with the nation's economic recovery, boosting revenues 14%, to $5.37 billion. Net earnings from airline operations after taxes jumped to $120.7 million, from only $2.2 million.

Part of the reason for the dramatic revenue gains, the company said, was the development of a strong hub-and-spoke schedule pattern at Denver, Chicago and San Francisco. The new schedule pattern designed to maximize United's revenue potential and take advantage of expanded flight connections.

In 1983, these airports alone accounted for 40% of United's total revenue passenger miles, up from 34% five years ago.

United also improved its economy by adding new "spokes," nonstop flights from its hub airports adding frequency on busy routes such as Chicago to New York, and by adding one-stop service to new cities at minimum cost by extending existing flights.

Fuel expenses declined 2% in 1983, even though United's capacity increased 10%, thanks to fuel price decreases, and productivity measures increased 5% per employe.

UAL's hotels businesses, including Westin and Mauna Kea, for the first time in several years did not provide the bulk of the holding company's earnings.

The hotel operations generated a 5% increase in revenues, to $485.3 million in 1983. Net earnings, lagging about six months behind economic recovery, according to company officials, dropped 34.3% in 1983, to $19.8 million.

GAB Business Services also posted revenue gains, but barely. The subsidiary reported operating revenue of $163.8 million in 1983, up only 1%, but reported net earnings of $1.5 million, compared with a net loss of about $1.7 million the year earlier.

During the year, United Airlines grew faster than the rest of the highly competitive air travel industry. United began service at 18 domestic and six foreign airports in 1983 including several new routes from the airline's three main hubs in Chicago, Denver and San Francisco, the new West Coast base.

The route expansion and increased traffic also allowed the airline to begin recalling employes laid off since the 1979 peak year.

The airline active employe head count increased 8% since 1982, to 44,800. The total is 18% less than the 1979 peak.

United's industry share of the 36-carrier market also increased by 0.4%, to 18.8%, according to the company.

Though UAL total measured advertising dropped about 10%, to $57.6 million, the company increased unmeasured marketing efforts, particularly in the airline subsidiary.

"One thing that has certainly improved at United is its more aggressive over-all marketing posture," said Al Norling, vp at the securities firm of Kidder Peabody where he monitors airline activity.

Much of the improvement, he said, was various nonmeasured areas such as air terminal and travel agent displays and computer improvements that improved travel agent efficiency.

United also initiated three new advertising campaigns in 1983, spotlighting the Summer Olympics in Los Angeles, winter travel to Florida and its national "You're not just flying, you're flying the friendly skies" tv campaign.

The Olympic campaign, which was initiated in October, 1983, used former Olympic runners to offer the "5 million-mile challenge" to fliers.

The promotion promised that the airline would contribute one mile of air travel to the U.S. Olympics for every passenger flying United to the Olympics.

The airline calculated it fell just short of 5 million passengers but boosted traffic more than 15%, said United advertising and promotion director William F. Alenson.

The scheme generated 5 million travel miles, which United donated to the U.S. Olympic team at a corporate cost of about $500,000.

Olympic-linked tv spots featured "Parents," a salute to the parents of Olympic contenders; "Starting Blocks," featuring a business traveler, and "Big Shot," featuring a struggling weight lifter.

This summer the company introduced "Fever," featuring middle-aged people fantasizing about competing in the Olympics.

The "United shines to Florida" advertising, also introduced in late 1983 and continued in early 1984, was successful, Mr. Alenson said. The campaign, devised by Leo Burnett USA, as was the Olympic promotion, was meant to be a more aggressive replacement for its Al E. Gator animated campaign that had been used in previous winter vacation periods.

"We positioned ourselves as the leading carrier to Florida and added new flights and departure times accordingly," Mr. Alenson said.

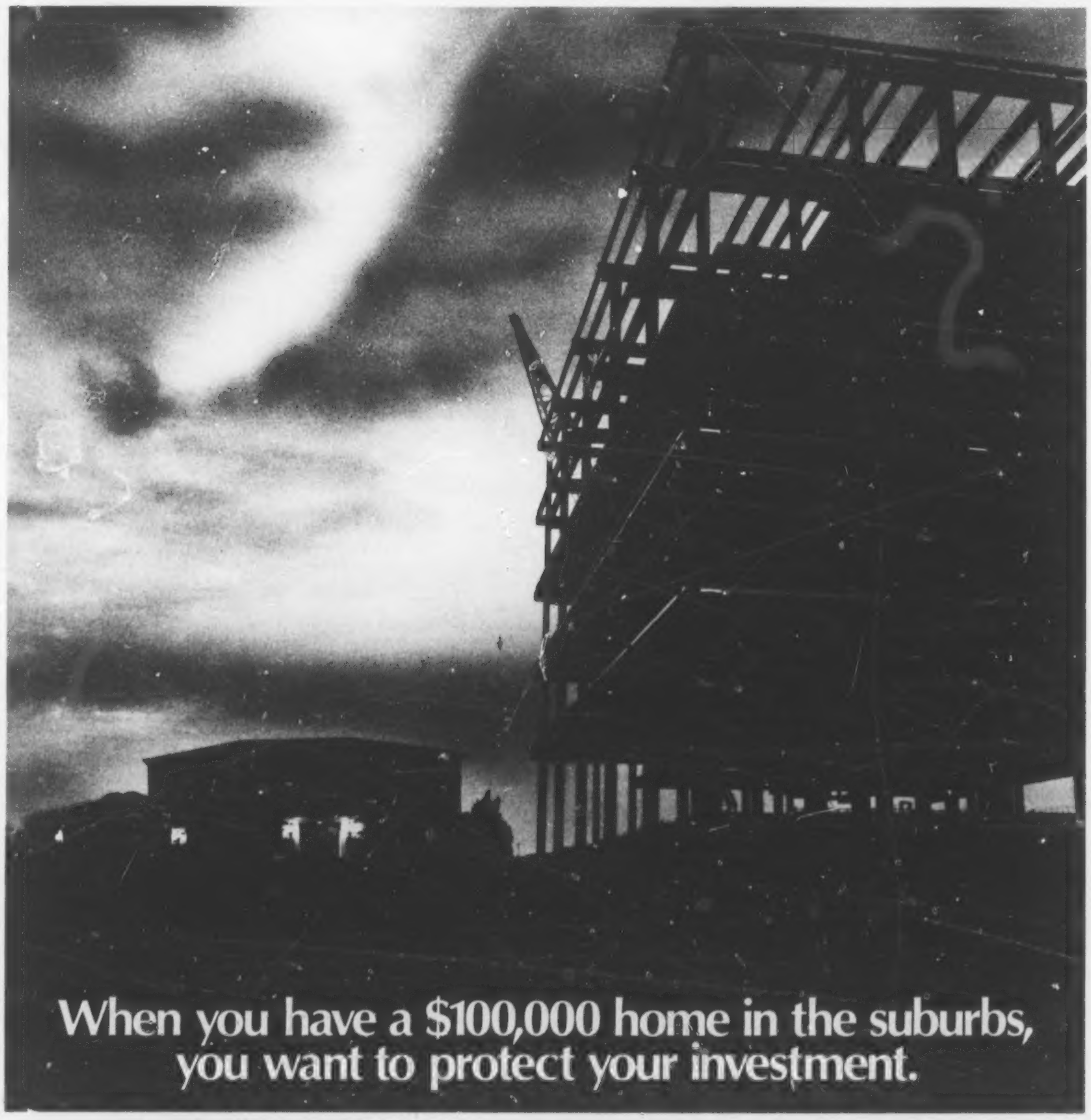
United is pleased with results so far, he said, and the campaign did generate more passengers, though he would not reveal how much traffic increased.

United's new national tv campaign probably will be the airline's main identifier for several years, according to Mr. Alenson, and the format by which it will introduce further promotions, such as the $119 transcontinental fare introduced in July, 1984.

UAL's Westin hotel operation in 1983 opened hotels in Copley Place, Boston, the Galleria Dallas and in Ottawa, Canada. Hoteles Camino Real, S.A., Westin's Mexican affiliate, also assumed management for the world-famous Las Hadas resort in Manzanillo last year.

The Westin Hotel O'Hare, just outside of Chicago, opened in January, 1984, and the company plans a new hotel this year in Denver and an addition to the Century Plaza, in Los Angeles.

The Westin Man-Westin Woman print campaign run by Westin in 1983 to emphasize the new company name has evolved into a more traditional



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hotel-product direction playing upon the individual hotels, their facilities and services. The group spent $2.5 million in measured media in 1983, up 56%.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$5,431,900	$5,996,700
Magazines	4,704,000	3,855,600
Spot tv	23,539,300	25,825,100
Network tv	8,175,000	13,792,800
Spot radio	14,635,600	14,135,900
Network radio	846,600	495,200
Outdoor	293,000	117,600
Total measured	57,625,400	64,218,900
Unmeasured	19,574,600	14,430,800
Estimated total	77,200,000	78,749,700

Marketing Personnel

UNITED AIRLINES

J.R. Zeeman, senior vp-mktg
J.E. Ruhaak, vp-adv and promo
J.C. Blackman, vp-genl sales mgr
D.C Moonjian, vp-mktg mgmt

WESTIN HOTELS

W.P. Newman, senior vp-mktg
D.R. Evans, vp
U. Schwartz, vp
R.D. Olstad, vp
H. Cannova, mgr-reservations system
J. Weiss, mgr-travel industry sales

GAB BUSINESS SERVICES

Paul Dougherty, senior vp-mktg

Advertising Personnel

UNITED AIRLINES

W.F. Alenson, director-adv and promo
A.E Sortwell, mgr-adv
W.D. Groundwater, mgr-adv
R.A. Veatch, mgr-promo
J.P. Grember, special projects mgr
L.K. Davis, mgr-Mileage Plus

WESTIN HOTELS

R.D. LaRue, director-adv and pr
Barbara Sand, adv mgr
Michele Holter, asst to director of pr

GAB BUSINESS SERVICES

Michael Gron, mgr-mktg

Advertising Agencies

Leo Burnett USA—United Airlines—Jim Thompson, vp-acct director; John Goad, vp-acct super; Ashton Lee, Jim Dotter, acct supers; Anne McBeth, Dave Palmer, Suzanne Farrand, acct execs.

Cole & Weber, Seattle—Westin Hotels—Lee Bartlett vice-chairman; Sharon Lee, acct group mgr.

Marsteller Inc., New York—GAB Business Services—Tony Price, acct super.

Unilever U.S.

	1983	1982
Sales*	$3,328,000,000	$2,954,900,000
Earnings*	125,800,000	91,766,000
U.S. Advertising	324,865,800	304,582,200

*Worldwide

Unilever U.S., New York, which includes Lever Bros., Thomas J. Lipton Inc. and National Starch & Chemical Corp., is the nation's 15th largest advertiser, spending an estimated $324.9 million in advertising in 1983, up 6.7% from 1982.

Combined sales of the three companies totaled $3.33 billion, up 13% over 1982. Net income rose 37%, to $125.8 million.

Earlier this year, Kenneth Durham. chairman, Unilever PLC, highlighted the results produced in 1983 by the multinational's U.S. businesses. He said Lever became profitable after five years of losses; National Starch recovered from difficulties a year earlier, and Lipton showed continued good progress.

National Starch net income rose 26%, to $46.7 million. Sales totaled $757 million, up 10%.

Lever, the largest Unilever U.S. operation, showed a net profit of $14.6 million, an improvement of nearly $19 million over 1982 and the first profitable year since 1977. Sales rose 16%, to $1.565 billion.

Lever's household products division, the largest of the company's businesses exceeding $1 billion in sales for the first time, made gains in both established and new products. In laundry detergents, Wisk, the No. 1 liquid, continued to make gains, rising to 8% at yearend in the $3 billion laundry detergent market. Concentrated All, the company's leading powder detergent, held at about 5% market share.

Wisk received $14.5 million in measured media and Concentrated All $12 million. Investing $2.1 million in measured media for Liquid All, the company resumed some tv advertising for the product, although it remains positioned as a "value brand." The company also revived the Surf name to launch a high-suds deodorizing detergent in Houston.

In dishwashing liquids, Lever capitalized on the successful Sunlight name by rolling out a companion automatic dishwasher detergent. The liquid has moved into fifth place in that $950 million category, with an estimated 9% market share. Dove and Lux liquids, which together add another 5% to Lever's share, are unadvertised brands. Spending for Sunlight liquid was $13.6 million.

The lemon-scented dishwasher detergent, which by yearend was in only 25% of the country, is positioned as especially effective for dishes that have been sitting. In some markets the brand has captured more than 20% of the category, cutting heavily into Procter & Gamble's Cascade. Nationally, the brand appears to be headed for a share in the high teens. Measured media spending last year totaled $1.6 million.

Lever bar soaps also performed well, with Dove growing to 8.5% (in cases), a unit measure of market shares, and Caress to just more than 4% of the bar soap market. In keeping with the declining trend in deodorant soaps, Shield fell slightly to about 3.5%. Heaviest spending went into supporting Dove with $13.4 million, followed by Shield at $10.1 million and Caress at $6.9 million. In an effort to put new life into Shield, Lever shifted the brand from J. Walter Thompson USA to SSC&B.

Lever continued its string of new product successes with Snuggle fabric softener, a brand positioned as offering softness comparable to the leading brand but at a lower price. The product has outperformed all of Lever's earlier projections, and there are plans to extend the line with a fabric softener sheet used in the dryer.

Snuggle has captured about 20% of the market. Spending last year totaled less than $1 million as the brand began its rollout. Lever's Final Touch fabric softener, an established brand, rose to more than 15% of the category. Some $9 million was invested in measured media for that brand.

Lever struggled to maintain a 20% toothpaste share as rivals P&G and Colgate-Palmolive finally introduced gel line extensions. The company also trailed those two competitors in adding a pump to its line. Aim gel in a pump dispenser is being rolled out.

As Lever's single largest advertised brand, Aim received $16.5 million in measured media spending. Close-Up received $10.8 million, but Pepsodent, the company's oldest brand, did not appear on the measured spending list.

Among other personal products, the company captured 6% of the highly fragmented shampoo market with Dimension and began testing a conditioner under the same name. Spending totaled $6.1 million. Lever also continued heavy support for Impulse body spray, the first to be sold in the U.S. Advertising in measured media was $7.6 million.

Spending for Signal mouthwash continued to decline to $3.2 million in 1983 as the brand's share dropped to less than 10%.

In the foods division, Mrs. Butterworth's pancake mix was expanded into new markets and Imperial Light margarine rolled out nationally. The company this year also bought Shedd's margarine from Beatrice Cos., adding about $200 million in sales.

The biggest spending went into Imperial ($2 million) and Mrs. Butterworth's syrup ($2.7 million).

Unilever's major food entries in the U.S. come from Lipton, which reported sales of $1.01 billion and net income of $64.5 million.

The leading marketer of dry soups and teas, Lipton is expanding into a number of segments in the beverage business and is the exclusive distributor of G.D. Searle & Co.'s low-calorie sweetener Equal in food stores.

Lipton continued to pour heavy media dollars, $15 million, into teas, with tea bags receiving $7.2 million; iced tea mix, $3.3 million; herbal teas, $2.3 million, and $1.1 million for flavored teas and bags.

Lipton was the first major tea marketer to introduce a low-caffeine tea product into several areas of the country. Tv spots show a husband and wife who "have found the newest way to be a Lipton tea lover" with 97% caffeine-free "100% real" tea. Lipton also markets English Blend tea and instant tea.

The company described Lipton iced tea mix with G.D. Searle's NutraSweet as its "pride and joy in the beverage division." Sales were 2.5 times greater than expected.

Lipton spent $15.4 million to support its line of soups, including $8.3 million for regular dry soups, $6.1 million for Cup-a-Soup and $1.1 million for Trim low-calorie soups.

The company introduced its first tomato-based dry soup, Tomato-Onion recipe soup mix this year and continued to phase in its no artificial ingredient formula throughout its line. In the Cup-a-Soup line, Lipton added two new Lots-a-Noodles varieties, tomato vegetable and cream of chicken.

Lipton repackaged and repositioned Wish-Bone salad dressing to regain momentum in a hotly contested category. The company invested $4.9 million in measured media to support the brand, which was shifted to Foote, Cone & Belding, New York, from Bozell & Jacobs, Chicago.

Other brands receiving measured media support included Knox gelatin ($1.4 million), the Lawry's line ($2.5 million), mostly for seasonings, and Sunkist items ($3.5 million).

Lipton introduced 17 different chilled and frozen juice beverages under the Sunkist name, related to a licensing agreement with Sunkist Growers. The company also tested a line of fruit rolls under the Sunkist name as well as Flavor Tree and Sahadi.

Late last year, Lipton began testing a three-item line of refrigerated sour cream dips.

Although the Good Humor line of ice cream products received minimal measured media support, the company is aiming to rejuvenate the business with new products, packaging and graphics.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$4,608,800	$5,336,500
Magazines	13,020,400	17,684,200
Spot tv	55,789,200	43,765,000
Network tv	110,302,600	111,811,700
Spot radio	335,700	152,700
Network radio	683,300	766,800
Outdoor	45,800	65,300
Total measured	184,865,800	179,582,200
Unmeasured	140,000,000	125,000,000
Estimated total	324,865,800	304,582,200

LEVER BROS. CO.

Marketing Personnel

Richard C. Butler, director, Lever Media Group

HOUSEHOLD PRODUCTS DIVISION

Marketing Personnel

John R. Cookson, president
Andrew Seth, mktg vp
John R. Speirs, director-mktg
Richard A. Bachman, mktg mgr-bar soaps
Shelley A. Bigelman, mktg mgr-hard surface cleaners
George T. Mayer, mktg mgr-laundry detergents
David B. Sharp, mktg mgr-fabric softeners
George J. Franzen Jr., sales vp
Edward L. Kiefhaber, genl sales mgr
Gloria B. Deragon, mktg rsch director
Bonnie J. Carlson, director-promo services

Advertising Agencies

Ogilvy & Mather, New York—Dove bar, Final Touch—Jack Reed, senior vp-group director; Gerry Lantz, vp-mgmt super; Steve Carter, vp-acct super, Final Touch; Lea Della Morte, acct exec, Dove; Lynne Brooks, acct exec, Final Touch.

J. Walter Thompson USA, New York—Lux, Dove liquid—John Maher, mgmt director; Steve Dworin, acct director; Gary Steele, Eileen Laymon, Dean Schwartz, acct supers.

SSC&B, New York—Concentrated All, Liquid All, Dishwasher All, Shield, Lifebuoy, Snuggle—Terry Rosenquist, exec vp; Claire Berkley, vp-mgmt super; Tom Eley, account super, Concentrated All; Lisa Blonkvist, acct exec, Concentrated All; Nancy Korda, acct super, Snuggle; Andrea Strone, acct exec, Snuggle; Linda Stotter, account super, Dishwasher All and Shield; Jack Flannery, acct exec, Dishwasher All and Snuggle.

BBDO, New York—Wisk, Sunlight, Caress, Lux liquid, Breeze—Ken Rogers, exec vp-senior mgmt rep; David Seal, vp-mgmt super; Alex Carlin, vp-acct super; Gary Bernstein, Anne Farrow, King Lai, Walter Fellows, acct execs.

Sudler & Hennessey, New York—professional promo, Dove bar—Bob Brancaccio, mgmt super; Peter Christopher, group director; Ted Laurence, acct exec.

PERSONAL PRODUCTS DIVISION

Marketing Personnel

Arthur C. Unger, president
Donald E. Karlson, mktg vp
Stephen B. Galasso, mktg mgr-hair, skin, fragrance, oral
Eugene C. Marotta, mktg mgr-oral hygiene
Paul E. Regan, sales vp
Patrick J. Peters Jr., genl sales mgr
James D. Clokey, mktg rsch director
Carl J. Napor, promo planning director

Advertising Agencies

Ogilvy & Mather, New York—Aim, Dimension—Cliff Angers, senior vp-group director; Penny Bernstein, vp-mgmt super; Patti Lyon, acct super.

J. Walter Thompson USA, New York—Close Up, Impulse—Peter Schweitzer, mgmt director; Steve Dworin, acct director; Bea Lothrop, Bill Gross, senior acct supers; Ivy Wolpin, Mary Ann Rothberg, Sabina Tobler, acct reps.

SSC&B, New York—Pepsodent dentifrice, Pepsodent and Life Line toothbrushes—Alan Grazio, exec vp-sr mgmt officer; Gunnar Wilmot, senior vp-mgmt super; Linda McCreight, account super.

BBDO, New York—Signal—Ken Rogers, exec vp-senior mgmt rep; Margaret Evans, vp-mgmt super; Men Runkel, vp-acct super; Lauren Abbe, acct exec.

Sudler & Hennessey, New York—professional programs for Aim—Bob Brancaccio, mgmt super; Peter Christopher, group director; Ted Laurence, acct exec.

FOODS DIVISION

Marketing Personnel

William G. Pietersen, president
Richard F. Gaccione, mktg vp
Michael E. Bauer, mktg mgr
Simon J. Rothon, mktg mgr
Celene Varasano, mktg mgr
Leonard C. Giambrone, sales vp
Geraldine Russo, mktg rsch director

Advertising Agencies

Ogilvy & Mather, New York-Imperial margarines—Cliff Angers, senior vp-group director; Penny Bernstein, vp-mgmt super; Catalin Kovago, acct super.

SSC&B, New York—Autumn—Alan Grazio, exec vp-senior mgmt officer; Gunnar Wilmot, senior vp-mgmt super; Linda McCreight, acct super.

McCann-Erickson, New York—Promise margarine—John Boyd, senior mgmt rep; Ted Donahue vp-acct director; Wendy Ross, acct exec.

BBDO, New York—Mrs. Butterworth's—Ken Rogers, exec vp-senior mgmt rep; Margaret Evans, vp-mgmt super; Ken Runkel, vp-acct super; Lauren Abbe, acct exec.

Stone & Simons, Southfield, Mich.—Shedd's spread, Country Crock spread—Charles Stone, president-mgmt super; Christopher Gaffield, exec vp; Howard Dembs, acct super; Doug Stone, acct exec.

SPECIAL MARKETS DIVISION

Marketing Personnel

Gerald V. Batti, vp
Edward R. Sherwood, mktg director
Richard H. Schaefer, mkt devel mgr
James J. Barone Jr., genl sales mgr (armed forces domestic)
Thurlow C. Morgan, genl sales mgr (civilian markets)

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S. Ray Marks, sales planning director

Advertising Agencies

Cadwell-Reingold Group, New York—military market, Hawaii, Alaska, Guam—Harry Reingold, exec vp-mgmt super.

SSC&B, New York—selected brands for Puerto Rico, Virgin Islands.

INDUSTRIAL DIVISION

Marketing Personnel

Conrad W. Petersen, genl mgr
Riley N. Stone Jr., mktg mgr
Harold W. Jackson, sales mgr (detergents & chemical toiletries)
Joseph P. Kysel, mgr (detergent & chemical prods)
Anthony F. Del Balso, sales mgr (government accts)

Advertising Agency

Richard Lewis Corp., Scarsdale, N.Y.—Richard Byer, president.

THOMAS J. LIPTON

Marketing Personnel

Dolph W. von Arx, exec vp-genl mgmt group
Gerald B. Boycks, vp-beverage div
James W. Benson, vp-foods div
Edmund Ladendorff Jr., vp-mktg support & devel
Max J. Ballard, genl mgr-Good Humor
Peter Newton, genl mgr-Food Service
Walton Alder, director-sales promo and coordination
Vivian Bruno, director-mkt rsch
Bruce Hoenig, director-media services
Theodore Labiner, director-creative services
David P. Bell, director-soup and meals
Allen L. Carlson, director, beverage mixes/new projects
Franklin H. Claire, director-ready-to-drink beverages
Arthur P. Gonis, director-regular and herbal tea prods
Richard P. Kundrat, director-new food projects
Angelo Lamantia, director-snack foods Anthony G. Montuori, director-condiments and desserts
Daniel J. Morrison, director-pasta and side dishes

Advertising Agencies

SSC&B, New York—Teas, Cup-A-Soup, Good Humor Ice Cream—Harold Rover, vice chairman; Donald Linton, Edward Parker, senior vps-mgmt supers; Linda McCreight, Robert Nadelman, Jody Wiethoff, R. Douglas Harting, vps-acct supers.

Rumrill-Hoyt, New York—Flavor Tree Fruit Roll and Snacks—Henry E. Dunn, senior vp-director of admin.

Albert Jay Rosenthal & Co., New York—Food Service—Marvin Haas, mgmt super.

Bozell & Jacobs, Chicago—Lipton Noodles & Sauce, Lipton Rice & Sauce, Pennsylvania Dutch Egg Noodles, Knox Gelatin—Jerome Reshkin, senior vp-mgmt super; Joseph Lapcewich, senior vp-acct super; Michael Peroff, vp-mgmt super; Sven Welander, acct super.

Foote, Cone & Belding, New York—Wish-Bone Salad Dressing, Sunkist Juices, Juice Drinks and Fruit Rolls—Charles R. Evans Jr., senior vp-group mgmt director; Nancy Beck, vp-mgmt director.

Young & Rubicam, New York—Lipton Soup Mix—John Hatheway, exec vp-group director; Edward Concannon, vp-acct super; Cathy McCarthy, acct exec.

Dailey & Associates, Los Angeles—Lawry's Foods—Stephen Chabre, exec vp, acct group director; John Hartig, acct exec.

Union Carbide Corp.

	1983	1982
Sales*........	$9,001,000,000	$9,061,000,000
Earnings*.....	79,000,000	310,000,000
U.S. Advertising	$88,000,000	83,699,000

*Worldwide

Union Carbide Corp., Danbury, Conn., which recorded $9 billion in worldwide revenues, off 0.7% from the previous year, was the nation's 73rd largest advertiser with $88 million in estimated advertising expenditures, up 5.1% from the previous year.

The largely industrial company concentrates its ad spending on consumer product lines for Eveready batteries, Glad bags, Prestone and Simoniz. Revenues from this product area were nearly $1.9 billion, or 21% of total revenues, a decline of 2% from 1982.

The U.S. contribution to sales was $6.189 billion, up 2.3% from 1982. The U.S. also represents 70% of worldwide advertising expenditures of $126 million.

Union Carbide's 1983 net income did not reflect the year's recovering economy. Net income worldwide in 1983 was $79 million, although it includes a non-recurring facilities closing charge. Otherwise, net income would have been $219 million. Still, that represents the fourth straight year that net income has dropped since 1980's earnings fo $673 million.

Union Carbide, however, in the first half of fiscal 1984 seems to be gaining momentum. It reported net income of $233 million on sales of $4.8 billion, compared with net income of $110 million on sales of $4.3 billion the first half of fiscal 1983.

Last year, measured ad expenditures in the U.S. totaled $51.8 million, down slightly from 1982's $52.4 million.

Seventy-seven per cent of ad expenditures went to tv. However, Union Carbide's use of the medium continued to level after jumping a whopping $10.6 million in 1981, to $42.4 million. Last year, tv ad spending was slightly less than $40 million. A little more than half was for battery products.

According to Leading National Advertisers, Eveready's six-media total registered almost $22.4 million, an increase of 3.8% over 1982.

The Energizer battery received most of the line's ad outlay. Its tv campaign features slice-of-life situations in which the battery is required. In the last quarter of the year, the company supplemented support for the battery with a series of testimonials from satisfied users.

Eastman Kodak Co.'s new line of batteries, due in 1985, may increase competition between the battery market leaders, Duracell and Energizer. Kodak's introductory advertising is budgeted for about $20 million.

Measured media support for the Glad bag line declined 21.7%, to $14 million, according to LNA. The Glad line includes bags for food storage, sandwiches, trash and garbage. Union Carbide claims it is the No. 1 brand in food stores.

Last year was a busy one as Glad introduced six products, including bags that smell good, Snap Lock-brand bags, and bags that tie with their own handles.

"Happy Days" tv star Tom Bosley is spokesman and was featured prominently in the campaign to introduce the new Handle-Tie products.

During the year, Glad added coupon inserts in Sunday newspapers to its media mix. Glad also uses direct mail and other forms of couponing to stimulate consumer purchase.

Prestone antifreeze, the leading seller in its market, received $7.5 million in measured media, an increase of 21.3% from 1982.

Tv sports programs figure prominently in the company's campaign to reach that product's user group. The focus of the campaign begins in late summer, stretching through the baseball playoffs and World Series, and crossing to "Monday Night Football."

For promoting its Simoniz car wax line, Union Carbide combines tv time during the spring and a racing sponsorship program, which included sponsoring a car in the Indianapolis 500.

Union Carbide increased its six-media total for Simoniz by 364%, to $2.3 million. Almost $1.8 million of

KNOW THY COMPETITION

See page 137

LNA

NATION
Economic indicators steady
LOCAL
Support of education strong
BUSINESS
Tech corridor expands
Rocky Mountain News
126th year
Every Morning
Denver, Colorado
Where Denver turns for News...

Advertisers turn for results.

The Rocky Mountain News, where the quantity and quality of audience delivered, brings advertisers results!

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#1 In Quality: The News has more daily readers among college grads, professional/managerial occupations and households with incomes of $50,000 plus, than the Post.

Turn to the Rocky Mountain News for results now . . . call Paul Campbell, Manager, General Advertising—(303) 892-5304.

Source: Simmons 1982 National Study of Local Newspaper ratings-SMSA

A SCRIPPS-HOWARD NEWSPAPER REPRESENTED NATIONALLY BY: STORY & KELLY-SMITH, INC.
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that increase was in promoting the new Simoniz Bodygard car wax on network tv.

Union Carbide's industrial businesses generated the remaining 79% of total sales for the company last year. Petrochemicals contributed the largest chunk, $2.55 billion.

In recent years, Union Carbide has been emphasizing its service and engineering capabilities. Last year, the company formed an engineering and technology services division to act as the spearhead for its aggressive thrust in that direction.

In addition to marketing the company's products, the new division will license Union Carbide's technologies and engineering skills. It also will provide project management for licensees.

Initially, Union Carbide has faced widespread criticism for licensing its technology, but the company says such a strategy allows it to enlarge its international presence in processing industries through technology and marketing capabilities rather than by spending vast amounts of capital.

Probably the company's technology in most demand is the Unipol process to produce polyethylene and polypropylene plastics. Among its commercial applications, the process is used in making products for the Glad line.

Union Carbide also entered the electronic market in 1983, with the opening of a plant that produces polycrystalline silicon, which is used for the production of semiconductors.

During the year, Union Carbide moved $3 million worth of Simoniz and Prestone carcare spending to Ally & Gargano, New York, from Leo Burnett USA, Chicago. Burnett retains the $5.5 million Prestone antifreeze account.

Union Carbide also added Mintz & Hoke, Avon, Conn., to handle molecular sieves, catalysts and process systems division, and Ogilvy & Mather, Atlanta, to oversee agricultural products.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$1,802,500	$1,167,700
Magazines	714,900	754,100
Farm publications	1,722,800	1,614,900
Spot tv	4,419,500	4,017,000
Network tv	39,994,400	40,914,300
Spot radio	2,847,400	3,838,900
Network radio	300,000	104,400
Outdoor	—	14,100
Total measured	51,801,500	52,425,400
Unmeasured	36,198,500	31,274,400
Estimated total	88,000,000	83,699,800

Marketing Personnel

Corporate

J.W. Goetz, director-corp communications
E.J. O'Keeffe, director-headquarters operations

Divisions

W.J. McDermott, director-adv and sales promo, home auto prods
G.D. Klein, mktg mgr-adv, battery prods div
D.A. Koss, super-mktg communications, electronics div, components dept
J.S. Witemeyer, mgr-communications, silicones urethane intermediates div
J.D. Secor Jr., director-communications, Linde div
P.J. Lavelle, mgr-communications, specialty polymers composites
W.E. Mainella, mgr-communications, specialty chemicals div; solvents and coatings materials div and UCAR emulsion systems
J.A. Moore, mgr-communications, ethylene oxide/glycol div
L.A. Agnello, director-communications, polyolefins div and unipol systems
E. Jusko, mgr-communications, engineering and technology services div
R.A. Mariani, mgr-communications process systems and services, catalysts and process systems div
James F. Haskins, mgr-communications agricultural prods
John Crane, mgr-communications, metals div
H. Garcia, mktg communication mgr, molecular sieves, catalysts & process systems div
R.W. Badger, mktg communications mgr, cyrogenics equipment, engineering prods div
C.R. McKinsey, mgr-mktg services, coatings services, engineering prods div
P.A. Liptrot, mgr-mkt services, electrode systems div

Advertising Agencies

Young & Rubicam, New York—Linde div telephone directory adv.

Bozell & Jacobs, New York—corp issues—Dave Venghaus, mgmt super.

STG Marketing Communications, Fairfield, Conn.—electrode systems div—George Crosby, vp-acct super.

Fletcher/Mayo/Associates, Atlanta—agricultural prods div—Dennis Eilers, acct super.

Needham, Harper & Steers, New York—chemicals and plastics—H.F. Berteau, acct super; Abby Mann, acct exec.

Poppe Tyson, division of D'Arcy MacManus Masius, New York—chemicals, Linde div, carbon fibers—F. Messner, Howard Gauvain, Diane Frattine, W. Mustschler, acct excs.

Marquardt & Roche, Stamford, Conn.—engineering prods and processes—Bill Hinds, acct exec.

J.P. Hogan Inc., Knoxville, Tenn.—chemicals & plastics—R.J. Luedeka, acct super.

Leo Burnett USA, Chicago—home and automotive prods—Bill Haljun, mgmt director; Neil Lichtman, vp-acct super; Paula McLeod, Warren Guthrie, acct execs, Glad prods; Hank Feeley, mgmt director; David Smith, acct super; Mike Peters, acct exec, Prestone Anti-Freeze.

Ally & Gargano, New York— Simoniz car waxes and Prestone car care products—Dennis Visich, mgmt director; Louis Killeffer, vp-acct super.

Garrison Jasper, Rose & Co., Indianapolis—coatings service, cyrogenic equipment, engineering prods and Linde div—Tom Jasper, Jim Gray, acct execs.

Manning & Associates, San Diego—materials group electronics div—Donald S. Manning, acct mgr.

Downs Group, Charlotte, N.C.—electronics div—Tyler Glen, acct exec.

William Esty Co., New York—battery prods div—Richard Van den Bosch, senior vp-mgmt super; S.E. Moynahan, vp-mgmt super; Whitney Beebe, vp-acct super; D.J. Jordan, senior acct exec; M.J. Nelson, W. Gibbons, acct execs.

Mintz & Hoke, Avon, Conn.—molecular sieves, catalysts and process systems div—Joseph M. Hoke, president-creative director; Dale Kesel, exec vp-genl mgr.

Ogilvy & Mather, Atlanta—agricultural prods div (specialty markets)—Ed Brown, acct super.

U.S. Government

	1983	1982
Sales	N/A	N/A
Earnings	N/A	N/A
U.S. Advertising	228,857,200	205,453,100

Robust spending by the U.S. Postal Service and Amtrak set the pace for an 11.4% increase in U.S. government ad expenditures during 1983, pushing the total federal ad budget to $228.9 million. Even with an unexpected decline in military ad spending, a strong showing in other government sectors broke a two-year pattern of single-digit government ad growth and established Uncle Sam as the nation's 28th largest advertiser.

Although military spending remains the centerpiece of government ad expenditures—it comprised about 67 cents of every federal ad dollar spent in 1983—it was the government's entrepreneurial operations that scored the largest advertising increases last year. Quasi-private sector enterprises such as the U.S. Postal Service and Amtrak notched ad budget increases of 47% and 21%, respectively, while military ad spending dropped by about 1%.

Pentagon ad personnel note the Reagan administration's support for over-all military spending remains steady, but say the President's budget experts are putting the squeeze on the military's spiraling ad contracts. For example, three of the seven armed forces ad programs had budgets trimmed in 1983.

Despite the decline in military ad spending, the Pentagon continues to outspend all other government advertisers by a margin of 2 to 1. In 1983, the military ad budget totaled $153.8 million, down slightly from 1982.

A breakdown of Pentagon ad spending highlights the winners and losers in fiscal 1983 ad spending:

- The Army (N W Ayer, New York), led all government advertisers with an $85.1 million budget, up 4.3% from 1982. Over-all spending was divided between the active Army, $62.5 million; Army ROTC, $6.4 million, and the Army Reserve, $16.2 million.
- Navy (Ted Bates Advertising/New York), $16.5 million, down 4.2% from 1982. Next year's budget is expected to dip to an estimated $12.9 million.
- Marine Corps (J. Walter Thompson USA, Washington) $11.9 million, down 16% from 1982.
- Air Force (D'Arcy MacManus Masius, New York) $15.3 million, up 5.5% from 1982.
- Army National Guard, $3.5 million, and Air Force National Guard, $1.2 million (both Needham, Harper & Steers, Washington). The Guard witnessed the largest ad decline in 1983, down 53% from 1982. A slight increase is expected for the 1984 fiscal year.
- The joint military recruitment campaign (Grey Advertising, New York) notched a 6% increase over 1982, to $19.3 million.
- The Coast Guard (Thomas Buffington & Associates, Washington) up 53% to $1 million.

Compensating for the decline in military spending were paid campaigns by nonmilitary government advertisers and a slew of smaller public service ad campaigns produced by federal agencies.

The USPS continued to deliver strong ad spending during 1983. Its $29.6 million ad budget was a substantial increase over its $20 million allocation in 1982. Although the Postal Service refuses to elaborate where its ad dollars are spent, some estimates say that about two-thirds of all advertising went to promote its Express Mail overnight service.

The Postal Service ad campaign also centered on its E-COM electronic mail system and other business and consumer services using both paid and public service advertising. This year's ad budget will be about $38 million, USPS officials said.

Amtrak ad spending steamed ahead in 1983 with the help of higher passenger volume and an estimated revenue increase between 15% and 20%. Officials for the government-subsidized passenger rail system said advertising expenditures increased 21%, to $20.8 million in 1983. A comparable increase is expected this year.

Officials for the rail system said its Needham, Harper & Steers-produced "All Aboard Amtrak" campaign has been successful in luring long-distance travelers who would otherwise take air transportation. Although Amtrak notes the number of passengers is up only slightly, the average price per ticket sale is higher than in previous years.

The U.S. Mint's Olympic Coin program, which began in 1983 with a modest ad budget of $5.5 million, peaked this year. Using the theme "Support the Home Team," the $22 million national tv campaign ran throughout the summer. In addition, the Mint expects to resume a national ad campaign for its dormant U.S. Gold campaign, which spent about $2 million in 1983.

Also expected to break this year is an estimated $1 million overseas campaign sponsored by the U.S. Travel & Tourism Administration. The tourism campaign will mark the first time in more than five years the government has embarked on an international campaign of this nature.

Additional paid government ad activity centered on other business-oriented agencies. The Federal Crop Insurance program spent $4.8 million through Burson-Marsteller, Chicago, but Crop Insurance officials note its ad budget will be trimmed in 1984 to $1.6 million. Another paid advertiser, the Public Broadcasting Service, saw its 1983 ad allocation from the Corporation for Public Broadcasting cut in half to $600,000.

The Overseas Private Investment Corp., which provides insurance and financing for U.S. companies investing abroad, launched an $800,000 campaign in 1982, but reduced its total to $450,000 in 1983. Print ads geared toward small business are placed in general business magazines and trade journals and are backed up by an OPIC direct mail effort.

Another agency established to boost U.S. investments abroad also is weighing a possible ad campaign. The U.S. Export-Import Bank sealed a deal with Needham Porter Novelli, Washington, in April to initiate a new marketing program. Eximbank officials say it is too early to determine whether the marketing plan will have a sizable advertising component.

Aside from the government's massive paid advertising roster, Uncle Sam continued support for an array of public service ad campaigns.

Spending for product costs for public service campaigns through The Advertising Council—a private sector coalition of ad agencies that donates creative services to government public service advertisers—tripled in 1983, to $3.8 million.

Although the Ad Council lost its single largest client in April when the Treasury Department's U.S. Savings Bond division said it would contract its own agency to handle the $1 million account, support for the council's 11 government clients scored substantial increases last year.

New Ad Council campaigns included a $550,000 anti-drunken driving effort for the Department of Transportation (Leber Katz) and a $219,000 drug awareness campaign for the Department of Health & Human Services (Needham, Harper & Steers). The new Ad Council entries are in addition to other hallmark accounts such as the Forest Service's Smokey Bear campaign (Foote, Cone & Belding) efforts for the Peace Corps and ACTION, (Ted Bates), the Treasury Department's direct deposit campaign for Social Security recipients (McCann-Erickson) and Employer Support of Guard and Reserves (D'Arcy MacManus Masius).

Other large public service campaigns, not sponsored by the Ad Council, included a $200,000 campaign for the Department of Transportation, urging drivers to wear seat belts; a $528,000 antismoking campaign produced for the Office of Smoking & Health, and a $535,000 effort by the National Cancer Institute warning viewers about heart and lung disease.

The Selective Service, using a rock video ad theme, launched a $130,000 radio and tv effort urging 18-year-olds to register for the draft, and the Internal Revenue Service reminded taxpayers to file their annual returns with a $284,000 package of 40 radio and 14 tv psas cut in both English and Spanish.

The Forest Service again sponsored its "Woodsie Owl" conservation campaign with a 1983 production budget of $87,500. The new Woodsie spots, which in the past have been geared exclusively to children, now target adult audiences as well. The new breed of conservation spots are equipped with new adult-oriented copy and will be placed in prime time tv slots.

The Federal Trade Commission maintained its series of consumer awareness campaigns with three new public service ads during 1983. Spots informing consumers about new regulations for morticians, care labeling instructions on clothing and a series of travel tips were produced at a cost of $176,000.

Two new smaller psa campaigns also broke last year—a $38,000 effort by the Government Printing Office highlighting the Federal Depository System and a $54,000 campaign for the U.S. Consumer Information Center.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$5,306,200	$6,753,600
Magazines	25,498,800	31,868,000
Spot tv	16,257,900	18,246,900
Network tv	30,063,000	27,139,600
Cable tv	495,100	316,000
Spot radio	5,679,200	7,342,500
Network radio	9,293,200	9,213,000
Outdoor	1,474,300	871,900
Total measured	94,067,700	101,751,500
Unmeasured	134,789,500	103,701,600
Estimated total	228,857,200	205,453,100

DEPARTMENT OF DEFENSE

Marketing Personnel

Lawrence J. Korb, asst secretary-man power, installations and logistics
James H. Webb, asst secretary-reserve affairs
G. Thomas Sicilia, director-accession (recruiting) policy

U.S. Army/Army Reserve

Devert Spurlock, asst secretary for man power and reserve affairs
Lt. Gen. Robert M. Elton, deputy chief

Staff personnel

Maj. Gen. Jack O. Bradshaw, commanding general, U.S. Army recruiting command
Col. Donald Borden, director—advertising and sales promo, U.S. Army recruiting command

U.S. Army

ROTC

Maj. Gen. John P. Prillaman, deputy chief of staff-ROTC, U.S. Army Training and Doctrine Command
Col. Michael C. Schmidtman, chief-adv and media division

U.S. Navy

Capt. L.A. Halye, director-recruiting adv
Cdr. Allen Sherwood, director-adv operations division

U.S. Marine Corps

Col. C.E. McDaniel, director-personnel procurement div
Maj. David J. Turner, head-mktg branch

U.S. Air Force

Brig. Gen. Robert L. Rutherford, commander, U.S. Air Force Recruiting Service
Col. Melvyn Cummings, director-Air Force recruiting adv and publicity

National Guard

Lt. Col. Norman Goldstein, Chief-Bureau Advertising Support Center
Lt. Col. Durward M. Rushforth, Chief-Army Recruiting and Retention Management Center
Lt. Col. Larry W. Martin, Chief-Air Recuiting and Retention Branch

Transportation Dept
(Coast Guard)

Capt. G.F. Van Nebel, chief-recruiting div
Lt. Cmdr. Charles Winfrey, chief-recruiting adv branch

Joint Recruiting

Lynn Lucchetti, director
Maj. Yolan Laporte, USAF, chief-joint adv operations
Maj. John Schlegel, financial mgmt officer
Capt. George Last, USMC, program adv mgr

Advertising Agencies

N W Ayer, New York—Army, Army Reserve, Army ROTC—George Eversman, exec acct director; Lamarr LeMonte, mgmt super; Wm. P. Kelly, acct super—ROTC; James Stone, acct super—active Army; Ephraim Goldstein, acct super—strategic planning and rsch; Richard May, mgmt super; David Harris, acct super—Army Reserve; Phoebe Moore, acct super—direct mktg and pr; Richard Tobin, acct super—Army field force; Joseph Petito, acct super—budget and admin.

Ted Bates Advertising, New York—Navy—Jack Costello, mgmt rep; Dennis Zolnierzak, acct director.

D'Arcy MacManus Masius, New York—Air Force—Steven Seiter, mgmt rep; Doug Laughlin, acct super; Jim Bridges, business mgr; Shari Bleier, acct exec.

Grey Advertising—joint recruiting program—John G. Marder, mgmt rep; Harvey Robinson, mgmt super; Gary Niebauer, mgmt super; Len Susman, acct super; James Lewis, acct super; Sherman Landwehr, senior acct exec.

Lockhart & Pettus, New York—minority recruiting—Ron D. Harris, senior vp.

Needham, Harper & Steers/Washington—Army and Air National Guards—Chris Shead, mgmt super; Phil Trigg; acct super; Ron Owens acct exec—Army National Guard; Fred Jaffke, acct exec, Air National Guard.

Sosa & Associates, San Antonio—Army Hispanic Recruiting—Lionel Sosa, president.

J. Walter Thompson USA, Washington—Marines—Jeff White, mgmt super; Hal Chase, acct super.

U.S. POSTAL SERVICE

Marketing Personnel

William Morison, asst postmaster general-customer services
John Wargo, director-commercial mktg
Gary Stevens, mgr-adv services branch

Advertising Agency

Young & Rubicam, New York, Bud Hall, mgmt rep; Richard Kebbon, Bill McGorry, Terry Pranses, acct supers; Bryce Ott, Jack Lipton, Josh Moritz, acct execs.

AMTRAK

Marketing Personnel

William S. Norman, vp-mktg and corp planning
Robert E. Gall, vp-transportation mktg
William Castleberry, director-adv

Advertising Agency

Needham, Harper & Steers, New York—Warren Ruden, mgmt rep; Cheryl Wright, acct super.

TREASURY DEPARTMENT
BUREAU OF THE MINT

Marketing Personnel

Olympic medal sales—Dean Mitchell, exec dir-Olympic Coin Program
U.S. Gold—Francis Frere, asst director-mktg

Advertising Agency

D'Arcy MacManus Masius, New York—Charles McConnell, project director; John Roth, acct super; Jim Bridges, business mgr.

Volkswagen of America

	1983	1982
Sales*	$16,027,530,626	$14,966,116,798
Earnings*	(23,493,047)	15,323,134
U.S. Advertising	112,500,000	**103,000,000

*Worldwide, Volkswagenwerk AG **Restated

Volkswagen of America, Troy, Mich., a subsidiary of Volkswagenwerk AG, Wolfsburg, West Germany, increased its U.S. advertising spending in 1983 by 9.2%, to an estimated $112.5 million, making it the 63rd largest national advertiser.

In 1983, the Volkswagen Group delivered 2,110,672 vehicles worldwide, showing a 0.3% decline. VW unit sales of 230,928 in the U.S. in 1983, a 14.3% increase over the previous year, represented 2.5% of the over-all U.S. market.

Although VW AG reported a worldwide loss for 1983, the company's U.S. division (VOA) came back from a $140 million loss in 1982 to report $41.5 million in earnings for 1983. Company execs attribute the dramatic turnaround to "internal efficiencies [staff reduction] and public acceptance of both Audis and the new Jetta," as well as the effectiveness of positioning and advertising.

(VW figures for both 1983 and 1982 were translated from the West German DM to U.S. dollars at the rate of 2.5 DM equals $1.)

Throughout 1984 and 1985 VW advertising will follow trends begun in 1983, emphasizing German engineering. "Volkswagens are designed with a Germanic passion for driving performance and technical excellence," VOA ad manager Michael Kaptuch said.

"This year's campaign is more a fine tuning of last year's than a complete rethinking," said Mr. Kaptuch. The headline "It's not a car, it's a Volkswagen" will continue to be used. Copy will capitalize on VW's image of durability that began with the Beetle.

In mid-November, VOA will introduce the new Golf and Jetta lines in the U.S. with what Mr. Kaptuch called "the largest introduction ever by VOA with the most media behind it." It is expected to spend upward of $20 million on the campaign.

The campaign will consist of "very extensive magazine advertising" including gatefolds in newsweeklies and large magazine spreads, according to Michael Howe, manager-VW advertising. VOA also has purchased a major sponsorship of the CBS miniseries "Ellis Island" in November, co-starring the late Richard Burton among others. Mr. Howe said VW will be the major automotive sponsor.

VOA plans to continue the launch campaign in January, in addition to advertising for carryover products and revamped lines.

The Rabbit GTI sports car has been renamed the Volkswagen GTI to distinguish its market from the traditional Rabbit market. "When we analyzed the buyers we found that those buyers interested in the Rabbit GTI were not considering the Rabbit at all," Mr. Howe said. VOA is planning heavy ad spending on its new GTI in addition to spending on the promotion of the new Jetta GLI, a sportier version of Jetta that will be introduced next April.

Also in 1985, the Rabbit convertible will be renamed the Cabriolet. The car will continue in its present styling and will receive heavy ad support. "We're trying to make that into a cult vehicle," Mr. Howe said.

To capitalize on dramatic sales increases of some other European station wagons, VOA also is planning more promotion for its Quantum. The station wagon will have revised equipment and styling.

VOA's 2.5% share of the U.S. auto market in 1983 dropped from 2.86% in 1982. But through the first seven months of 1984, VOA's market share is back up (2.68%) and VW execs explain the 1983 drop as a delayed effect of the recession and not a reflection of actual sales.

According to Mr. Kaptuch, VOA had a large supply of small and diesel cars when the worst of the recession hit. When the market began to recover, VOA started to sell more cars, but the market turned around so fast as a whole that even though vehicle sales were rising, VOA's market share dropped.

Heaviest ad dollars—nearly $20 million and about the same spent in 1982—were spent on the Rabbit. The ads effectively pushed the sporty Rabbit GTI in 1983, showing sales nearly equal to 1982, which VOA execs consider especially good because this is the phaseout year before the car becomes the Volkswagon GTI. As of Aug. 10, unit sales for the Rabbit were up 2.8% over the similar period a year earlier.

But the sport car's Rabbit styling is now out of production for good, being replaced by the new Golf models with a new designation as a compact car. (The Rabbit is a subcompact.)

VW marketers say the hatchback Golf is doing well, but the "notchback [Jetta] is where the market seems to be heading," Mr. Kaptuch said. "We see that as being the volume market." The auto maker spent nearly $9 million in measured spending promoting the Jetta in 1983, virtually the same as in 1982. In VOA parlance, notchback means a car with a trunk instead of a hatchback. The Jetta also has 12% more interior space.

Unit sales of the Jetta are up 112% from 1983, and VW is having trouble meeting the demand for the car, part of the problem, other than demand, being the July, 1984, metal workers strike in West Germany that shut down plants for six weeks, company execs said. Audis also are scarce.

The Porsche-Audi division of VOA lost Porsche as of Aug. 31, ending the 15-year partnership that in 1983 sold 70,000 units, of which 47,934 were Audis and 22,066 were Porsches. Until now, VOA was the sole importer of Porsches into the U.S. and VOA execs hope Audi—with unit sales up 60.8% for the first seven months of 1984—will make up the difference. Audi executives are hoping to sell 80,000 units in 1984.

The "Audi: The Art of engineering" campaign is aimed at a highly educated upscale market. "It very clearly has a leadership oriented copy line," said James Lawler, manager-Porsche/Audi advertising. "We have the innovations to back it up."

According to Leading National Advertisers, VOA spent more than $15 million advertising Audis, up 30% from 1982. LNA totals for some VW models include $6 million for the Quantum, down 33%; $5 million for the Scirocco, an increase of 19%; $3 million for the Vanagon, an increase of 15%, and $5.5 million for the Wolfsburg Limited Edition.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$9,947,400	$16,025,300
Magazines	37,902,200	28,599,500
Spot tv	16,921,800	17,156,500
Network tv	22,177,600	23,028,200
Spot radio	2,984,600	2,104,400
Network radio	—	2,400
Outdoor	4,300	53,200
Total measured	89,937,900	86,967,100
Unmeasured	22,562,100	16,032,900
Estimated total	112,500,000	103,000,000

VOLKSWAGEN OF AMERICA

Peter Weiher, exec vp-sales and mktg
James R. Fuller, vp-Volkswagen div
Peter Fischer, vp-Porsche/Audi div
Richard Marcy, mgr-Volkswagen mktg

HONDA
TOYOTA
Ford
VW
BUICK
JAGUAR
Dodge

How they got more mileage out of their ad budget.

Virtually every auto manufacturer pulls into the Herald.

Sure, they may buy the other major Los Angeles newspaper first. But then they turbocharge their metropolitan penetration with the Herald as a 2nd buy.

(Much smarter than chugging along through L.A. County, picking up one suburban paper at a time.)

Almost 200 individual dealers also use the Herald, along with a who's-who of other blue chip advertisers. From fast cars to fast food. That's why our ad sales are more than double the two leading suburban dailies—combined.

In Los Angeles, there's just one first choice for a 2nd buy.

And that's the point we want to drive home.

LOS ANGELES HERALD EXAMINER

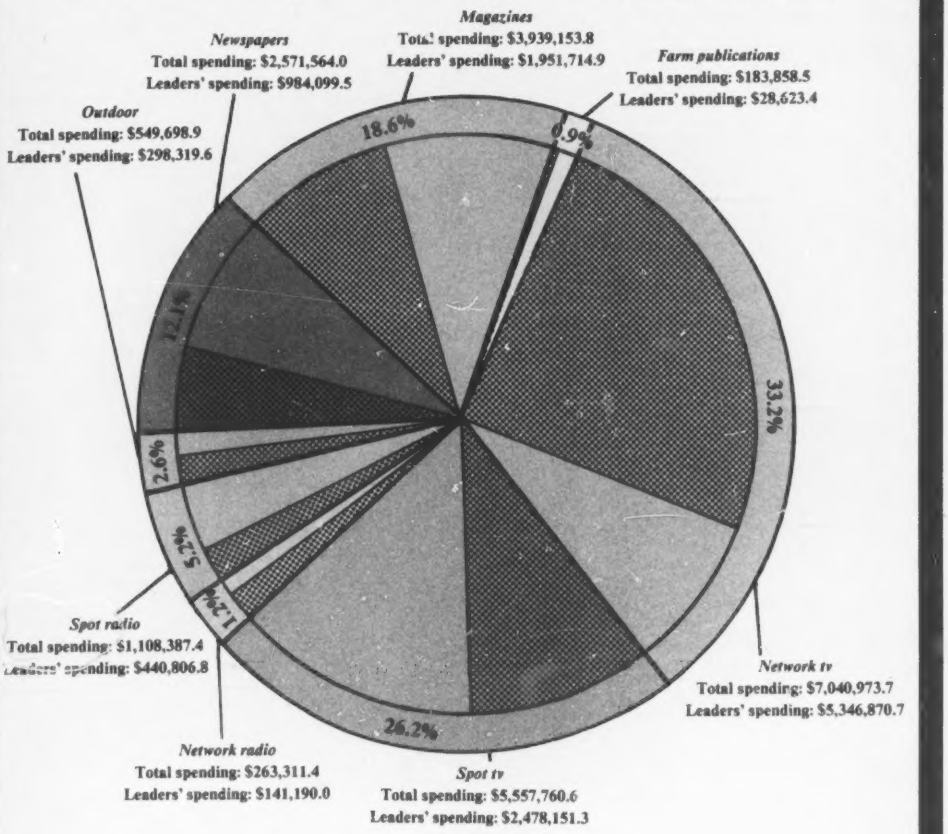
L.A.'s 1st Rate 2nd Buy

Source: Media Records

100 Leading National Advertisers' share of measured advertising expenditures ($000)*

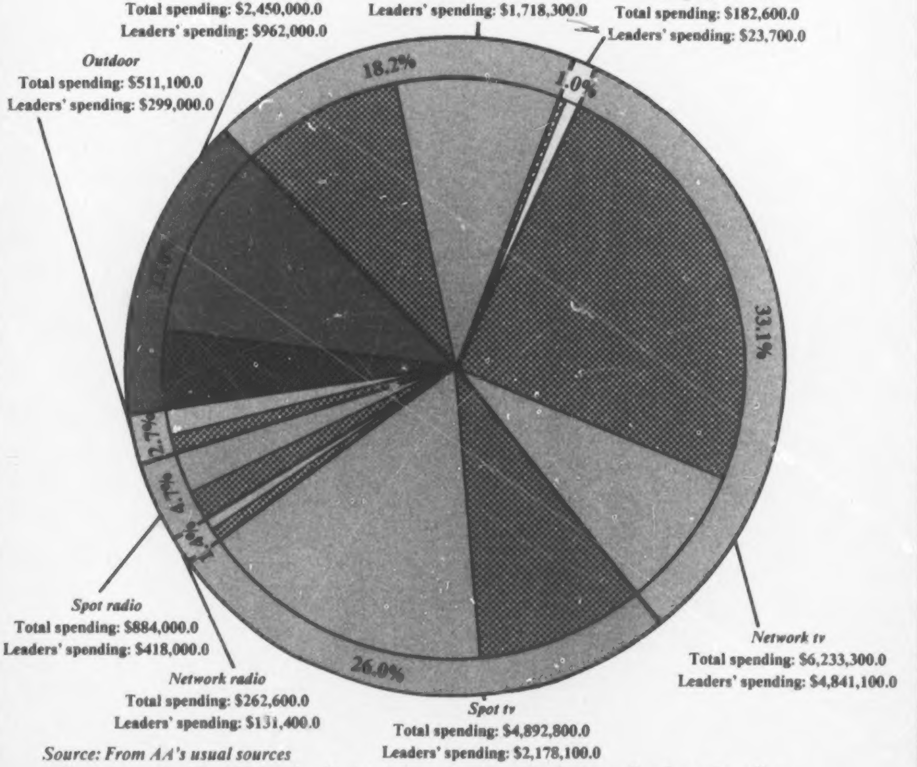
1983

Total measured ad spending: $21,184,083.0
Total 100 Leaders' measured ad spending: $11,673,426.9†



1982**

Total measured ad spending: $18,837,600.0
Total 100 Leaders' measured ad spending: $10,571,600.0



Source: From AA's usual sources

** Shaded area signifies 100 Leading National Advertisers' combined ad spending for each medium*

*** 1982 figures are based on the 100 Leading National Advertisers*

† includes U.S. government cable spending of $495,100 and Tandy Corp. business publication spending at $3,155,600

Michael Howe, mgr-Volkswagen adv
Michael Kaptuch, Volkswagen adv mgr
Bruce Butzier, Volkswagen creative adv mgr
Fred Wallace, mgr-Porsche/Audi mktg
James Lawler, mgr-Porsche/Audi adv
George Pizzo, Porsche/Audi creative adv mgr

Advertising Agency

Doyle Dane Bernbach, Troy, Mich. —Robert Rees, president; Al Steiner, senior vp-mgmt super, VW; Willie Hopkins, senior vp-mgmt super, P/A; Sal Triano, vp-acct super, VW; Lawrence Wallace, vp-acct super, P/A; Ron Rogginger, vp-acct super, VW; Jack Cooney, vp-acct super, P/A; Peter Toundas, senior acct exec, VW; Ron Zarowitz, acct super,.VW.

Warner Communications

	1983	1982
Sales*........	$3,425,272,000	$4,090,651,000
Earnings*.....	(417,803,000)	257,811,000
U.S. Advertising	251,049,600	232,228,100

*Worldwide

Warner Communications, New York, the 25th largest national advertiser, spent an estimated $251.0 million on advertising, an increase of 8% over 1982.

However, advertising from this entertainment and media conglomerate no doubt will decline significantly next year, as the company recently sold two of its major divisions, Atari and Warner Cosmetics. Together these two subsidiaries comprised more than half of the company's total advertising expenditures. The company sunk about $66.3 million into advertising Atari products alone, far more than it has spent on any other subsidiary.

After an 18-month rebuilding effort, in early July, Warner gave up on Atari and sold it to a new company headed by Jack Tramiel, former chief executive of rival Commodore International Ltd. As a result of the sale and writedowns, Warner reported a second-quarter loss in fiscal 1984 of $437.6 million on sales of $475.5 million, the latter an increase of 28%.

In 1983, Warner lost $417 million on operating revenues of $3.4 billion. Losses chiefly were attributed to Atari and Warner Amex Cable Communications, a joint venture between Warner Communications and American Express.

Warner Amex operates cable systems and two cable programing services: MTV:Music Television and Nickelodeon. Warner Communications also has equity in Showtime/The Movie Channel, two pay tv channels run by a consortium with Viacom and American Express.

Under terms of the Atari deal with Mr. Tramiel, Warner will receive no cash for the company, but $240 million in long-term notes and warrants for a 32% interest in Mr. Tramiel's new venture.

In return, Mr. Tramiel will receive warrants giving him the right to purchase 1 million shares of Warner common stock at $22 a share. Warner is retaining two parts of Atari, which make up about 20% of the company: The coin-operated games division and Ataritel, the division addressing on telecommunications.

Last year, Atari had an operating loss of $539 million on reported revenues of $1.1 billion. Many of Atari's problems were caused by increased competition in the videogame market as well as a decline in the market's over-all growth.

In addition, late last year the company raised the prices of its complete line of home computer and videogame hardware. This move was aimed unsuccessfully at reversing the downward spiral that affected the industry during the year.

In other areas of the company, Warner announced in January, 1984, the sale of Warner Cosmetics to Cosmair for $146 million. Warner expects a pretax profit of $100 million from the sale to appear in its 1984 returns.

During 1983, Warner Cosmetics had spent about $25.5 million advertising such products as its Vanderbilt perfume ($7.2 million) and Chaps cologne for men ($4.1 million). Spending was divided primarily between magazines and tv.

There also have been plenty of changes at Warner Amex. The company decided to take its MTV and Nickelodeon cable services public. Under the new name, MTV Networks Inc., the company is looking to sell 5.13 million shares at $16 to $18 each. The offering is designed to raise at least $75 million. Warner Communications and American Express will retain 66.1% of MTV Networks Inc.

According to the prospectus, MTV and Nickelodeon have lost $79 million since January, 1980, but both services became profitable for the first time this year.

For the first quarter of 1984, MTV showed an operating profit of $3.4 million. Nickelodeon had an operating profit of $498,000.

In September, 1983, Warner Amex's other cable service, The Movie Channel, merged with Viacom's Showtime in an effort to seek economies of scale. However, the two channels continue to operate as two separate 24-hour movie services.

The cable systems side of Warner Amex continues to be plagued with problems. In 1983, mounting losses reached $99 million in pretax deficit. Attempts to improve productivity were implemented throughout the year, including laying off more than 200 employes.

Warner also is trying to renegotiate its lofty franchise promises made in such cities as Milwaukee and Dallas.

In addition, the company folded its regional sports service in Pittsburgh and has agreed to sell its system there to Denver-based Tele-Communications Inc.

On the positive side, 1983 was a good year for Warner's film subsidiary, which spent about $35 million advertising 21 films. Among its biggest hits were: "Sudden Impact" ($3.2 million in measured national advertising), "Never Say Never Again," ($4.2 million) "Risky Business" ($2.6 million) and "Superman III" ($3.6 million).

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$15,717,900	$18,875,600
Magazines........	25,608,700	24,929,600
Spot tv...........	27,444,700	27,154,800
Network television.	84,243,600	75,533,000
Spot radio........	2,248,700	820,300
Network radio.....	485,800	1,178,000
Outdoor..........	300,200	59,500
Total measured..	156,049,600	148,550,800
Unmeasured....	95,000,000	83,677,300
Estimated total..	251,049,600	232,228,100

WARNER BROS.

Marketing Personnel

Sandy Reisenbach, exec vp-worldwide adv and publicity
Rick Kallet, director-co-op adv
Joe Hyams, vp-publicity
Mardi Marand, vp-director of media

Advertising Agency

Grey Advertising, New York—Don Foley, mgmt super; Len Fogge, acct super; Frank Pellegrino, acct exec.

WARNER BROS. TELEVISION

Marketing Personnel

Marsha Greenberg, director-adv and publicity
Doug Duitsman, vp-senior adv, publicity and promo exec
Ken Fournier, vp-adv, publicity and promo
Eric Frankel, director-pay tv mktg
Stanley Solson, vp-pay tv mktg
Jeffrey Calman, vp-sales devel

Advertising Agency

Pearlman, Rowe, Kolomatsky, New York —Gerald E. Rowe, chairman.

WARNER BROS. RECORDS

Marketing Personnel

Lou Dennis, vp-sales
Russ Thyret, senior vp-mktg
Tom Draper, vp-black music
Sophie Beauvy, ad director
Adam Somers, vp-creative services and operations
Pete Johnson, vp-creative director of adv
Howard Rosen, vp-promo
Vic Faraci, vp-country music mktg
Jeff Ayeroff, vp-creative mktg

Advertising Agency

Burbank Agency (inhouse)—Sophie Beauvy, director-adv.

ELEKTRA/ASYLUM RECORDS

Marketing Personnel

Lou Maglia, exec vp-mktg
Randy Edwards, vp-creative services
Mike Bone, vp-promo
Greg Peck, vp-special markets
Dave Urso, vp-pop promo
Eddie Gilreath, vp-sales
Bryn Bridenthal, vp-publicity and artist devel
Bill Berger, vp-intl

Dave Cline, West Coast genl mgr, regional mktg mgr

ATLANTIC RECORDS

Marketing Personnel

David Glew, exec vp-genl mgr
Mark Schulman, vp-adv
Sal Uterano, vp-sales
Larry Yasgar, vp-singles sales
Hank Caldwell, vp-black music mktg
James Gallo, director-merch

Advertising Agency

East/West Advertising (inhouse)—Marsha Green, media director.

WARNER AMEX CABLE

Marketing Personnel

John C. Charlton, senior vp-programing, mktg and sales
William Phillips, vp-sales and mktg admin

MTV NETWORKS INC.

Marketing Personnel

David H. Horowitz, president-ceo
Robert W. Pittman, exec vp-coo
Domenick Fioravanti, senior vp-genl mgr, MTV:Music Television, Nickelodeon
Robert Roganti, senior vp-genl mgr, adv sales

Advertising Agencies

LPG Pon, subsidiary of Lois Pitts Gershon, New York—MTV—Dale Pon, president-LPG Pon; Dick Gershon, president-LPG; Leslia Fenn, acct exec.

Scali, McCabe, Sloves, New York—the Movie Channel, Nickelodeon—Patrick Hillman, vp-mgmt super; Donald Jackson, acct super; Ann Allerhand, acct exec; Susan Gordon, Stella Barisic, asst acct execs.

WARNER BOOKS

Marketing Personnel

Howard Kaminsky, president
Dorothy Crouch, vp-genl mgr
Bill Shinker, vp-mktg

Advertising Agency

Publishers Advertising Associates (inhouse)—Mark Greenberg, president.

WEA CORP.

Marketing Personnel

Robert Moering, natl director-mktg services
George Rossi, exec vp-sales, promo
Russ Bach, exec vp-mktg devel
Skid Weiss, natl director-communications
Barbara Burns, natl adv director
Alan Perper, natl director-product mgmt
Earl Sayles, director-black music mktg
Jody Raithel, natl special projects coordinator
Fran Aliberte, director-natl sales
Dave Mount, natl video sales mgr

Advertising Agency

WEA Advertising (inhouse)—Barbara Burns, natl adv director.

WARNER SPECIAL PRODUCTS

Marketing Personnel

Michael Kapp, president
Tony Pipitone, exec vp-treasurer

LICENSING CORP. OF AMERICA

Marketing Personnel

Robert F. Bell, exec vp
Leonard F. Reitner, director-mktg

Advertising Agency

Ferber, Janklow, Chimbel & Bender, New York—Bruce Janklow, president.

PANAVISION

Marketing Personnel

Jac Holzman, chairman
Frank Vogelsang, senior vp

WARNER HOME VIDEO

Marketing Personnel

Warren Leiberfarb, exec vp-genl mgr, worldwide
Gary Marenzi, director-natl sales
Barbara O'Sullivan, vp-adv and promo

FRANKLIN MINT

Marketing Personnel

Martin Breisblatt, vp-mktg, U.S.

Advertising Agency

Franklin Advertising (inhouse)—Martin Breisblatt, vp.

DC COMICS

Marketing Personnel

Jenette Kahn, president-publisher
Paul Levitz, vp-operations
Bruce Bristow, mktg director

Advertising Agency

Sanford Schwarz & Co., New York—Bernie Slotnik, adv rep.

MAD MAGAZINE

Marketing Personnel

William Ganes, president

WARNER PUBLISHER SERVICES

Marketing Personnel

Sol Himmelman, vice-chairman
Lee Rodgers, president
Pat Flaherty, vp-mktg
Mark Greenberg, vp-adv/pr

Advertising Agency

Publishers Advertising Associates (inhouse)—Mark Greenberg, president.

WARNER THEATRE PRODUCTIONS

Marketing Personnel

Claire Nichtern, president

PITTSBURGH PIRATES

Marketing Personnel

Jack Schrom, vp-pr and mktg

LEISURE DEVELOPMENT CORP. OF AMERICA

Marketing Personnel

Norm Elder, vp-mktg

Advertising Agency

Berenter, Elgort and Greenhouse, New York—Bill Berenter, acct exec.

Warner-Lambert Co.

	1983	1982
Sales*........	$3,100,325,000	$3,245,967,000
Earnings*.....	200,496,000	174,970,000
U.S. Advertising	343,553,500	294,742,000

*Worldwide

Warner Lambert, Morris Plains, N.J., the 13th largest national advertiser, increased its domestic advertising nearly 16.6% to an estimated $343.6 million in 1983.

The company's worldwide sales fell for the second year in a row, dropping 4%, to $3.1 billion. However, net income rose 15%, to more than $200.5 million. The drop in sales primarily reflected the effect of foreign exchange rates and the sale of Entenmann's Inc., a baked goods company, to General Foods in 1982.

Improved sales worldwide were registered in ethical products, including prescription pharmaceutical and health technologies, as well as consumer healthcare products.

Warner-Lambert results in the second quarter of fiscal 1984 show continued improvement in sales and earnings. Worldwide net income increased 12%, to $62 million, on sales of $797 million, up 2% from the corresponding quarter a year earlier (5% excluding the effects of foreign exchange rates). All segments of the company's domestic business registered higher sales, a reflection of the improved U.S. economy.

The Consumer Products Group went through a structural change in 1983 in an effort to further distinguish between the marketing and distribution functions within the group. W-L established two separate operating groups—Consumer Health Products and American Chicle.

Jay M. Gwynne, president, W-L's Japan region, was named to head the Consumer Health Products Group. John C. Carroll, vp-marketing, American Chicle, was named president of the group. Edward Marlowe, vp, was promoted to president of the Consumer Products Research and Development Division.

The Consumer Products Division attracts the heavy ad spending at Warner-Lambert, which had a companywide total measured spending of $132.3 million monitored by Leading National Advertisers for six media.

Within it's Consumer Health Products division, W-L introduced a variety of products in 1983. It initiated test marketing of Mediquell, an alternative to cough syrup. Mediquell is a chewable tablet that delivers eight hours of cough relief in a two-tablet dose.

Last year, the company also began test marketing Remegel, an antacid tablet with the high efficacy of liquids. W-L is positioning Remegel to compete against liquids on the basis of greater convenience, palatability and uniformity of dose.

The company, sustaining its leadership position among early pregnancy tests for home use in 1983, introduced its advanced home pregnancy test, e.p.t.-Plus in the first quarter of 1984. Through a color-change system, e.p.t.-Plus simplifies test administration and interpretation. W-L spent $1.9 million in measured advertising on e.p.t.

Last March, the company also introduced Listermint with fluoride, a dental rinse/mouthwash that combines a mouthwash with the anticavity protection of fluoride. The introduction followed in the footsteps of Johnson & Johnson's new ACT fluoride mouth rinse. Before being introduced in the U.S., Listermint with fluoride was marketed in Canada and Venezuela.

Accounting for more than 25% of the company's sales are its chewing gums, breath mints, razors and blades and pet products. W-L currently holds the No. 2 spot worldwide for sales of chewing gum.

In 1983, Trident regained its leading position among sugarless gums. Sugarless gums now account for about 25% of all gum consumed in the U.S. Sales of Trident in the U.S. increased by nearly 30% in 1983, the company reported. In the fourth quarter of 1983, W-L completed its U.S. rollout of a square-shaped sugarless bubblegum under the Trident name.

To augment its limited position in sugared stick gums, W-L test marketed two new gum products. FreshMint, a stick gum with natural mint, and Sticklets, a smaller-size stick gum, which is packaged with nine sticks to a pack, will compete directly with market segment leader Wm. Wrigley Jr. Co.

Ads for FreshMint say the gum combines the taste of eight mint leaves. The company is using tv, freestanding inserts, and a buy-one-get-one free offer. While in test markets, the company reportedly is spending at a national ad rate of $12 million. The two-item Sticklets line, in peppermint and spearmint flavors, was introduced into test in Portland, Ore., and Seattle, Wash.

Certs, the leading breath mint, had increased sales in 1983, due in part to the introduction of Sugarless Certs. In the breath mint category, W-L also introduced Ultamints, a triple-layered, high flavor mint. Ultamints is being aimed at those consumers who desire a stronger-tasting mint.

In the razor and blade category, W-L introduced the Schick Disposable, a new disposable razor featuring a sliding safety cap. Its introduction was supported by an estimated $12 million in advertising. By the end of 1983, Schick Disposable reportedly held about 2% of the disposable market. Gillette, by far the leader in the category, holds 60% of the market in dollar volume and 50% of unit sales in the $650 million retail blade/razor market. Disposable razors account for less than 40% of that market.

The company's most heavily advertised product in 1983, according to LNA, was Listerine antiseptic, which received nearly $14 million in measured spending, up $2 million over 1982. One factor in the increase was a new study by W-L indicating that rinsing twice daily with Listerine antiseptic reduced development of dental plaque up to 50%.

Other heavily advertised products included Trident sugarless gum, with $11.7 million in measured media support; Certs regular and sugarfree mints, $9.5 million, Efferdent denture cleaner, $7 million; Sinutab Sinus Remedy, $6.6 million; Bubblicious bubble gum, $5.37 million; Benylin cough syrup, $6 million; Clorets gums and mints, $5 million, and Halls Mentho-Lyptus cough drops, $7 million.

Advertising for e.p.t. was cut by more than one-third, to less than $2 million. Spending on the Personal Touch ladies razor dropped from $3.4 million to $1.5 million. The Schick Super II cartridge shaver system, with $4.3 million in 1982 was all but dropped in 1983, getting a meager $12,800 in measured spending.

Last August, W-L announced the discovery of an antitumor antibiotic that was found effective against leukemia in small laboratory animals. Coded CI-920, the experimental compound was developed by W-L's Parke-Davis Pharmaceutical Research division in Ann Arbor, Mich. The company said experimental work with CI-920 is continuing and a Phase I clinical study is expected.

In response to the increasing awareness of the general public to the problem of tampering with medicines, W-L introduced the first two advances in capsule technology. Its new Coni-Snap Supro, a two-piece hard capsule, cannot be opened without it sustaining noticeable damage. TP Sealing, a new process, discourages tampering by fusing the two halves of a capsule together.

The company's health technologies business experienced good growth in 1983 as a result of a strong sales performance by IMED, a leader in intravenous infusion systems. IMED was acquired by W-L in 1982. IMED sales in 1983 rose an estimated 35%, to $124 million.

Adding to its health technologies business, W-L acquired McBain Instruments Inc.'s high precision microscopy business. Following the acquisition, McBain, based in Chatsworth, Cal., became a unit of the AO-Reichert operation. AO-Reichert markets the company's microscopes and optical instruments for use in industrial, research, medical and teaching laboratories.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers.......	$1,505,600	$1,298,700
Magazines........	7,266,100	7,936,400
Spot tv...........	39,438,700	32,907,200
Network tv........	74,638,900	81,015,400
Spot radio........	1,660,500	1,853,100
Network radio.....	7,822,800	6,558,400
Total measured..	132,332,600	131,569,200
Unmeasured....	211,220,900	163,172,800
Estimated total..	343,553,500	294,742,000

WARNER LAMBERT CO.

Corporate Personnel

Ward S. Hagan, chairman-ceo
Joseph D. Williams, president-coo
George Hromadko, vice chairman, chief financial officer

AMERICAN CHICLE GROUP

Marketing Personnel

John C. Carroll, president
Frederick E. Finlayson, vp-sales

CONSUMER HEALTH PRODUCTS GROUP

Marketing Personnel

Jay M. Gwynne, president
John F. Walsh, vp-product mgmt
Theodore G. Schable, vp-sales

Advertising Agencies

Ted Bates Advertising, New York—Bubblicious, Halls cough tablets, Mediquell, Rolaids, Trident gum and mints, Efferdent, Effergrip, Listermint—Larry Epting, exec vp; Mike Townsend, senior vp-mgmt rep; Tom Hedrick, vp-acct super; Gail Cerminaro, Shelley Diamond, Carl Nichols, vp-acct supers.

J. Walter Thompson USA, New York—Chewels, Clorets, Listerine antiseptic, e.p.t., Sinutab, Lubriderm, Schick shaving systems and Personal Touch—Jack Morrissey, senior vp-group acct director; Jerry Gottliev, senior vp-mgmt super; Dolly Bodick, Anne Allen, acct supers; Marty Susz, vp-acct super.

Young & Rubicam, New York—Certs, Dentyne—Bill Thompson, group super; Tom Spangenberg, mgmt super; Arlene Brickner, acct super.

PARKE-DAVIS GROUP

Marketing Personnel

James E. Wavle Jr., president
Cal J. Cowles, vp-mktg
Donald A. Swanson, vp-sales
Wayne L. Dickerson, group prod director
Robert A. Anderson, group prod director
Russ Moran, group prod director, otc products

Advertising Agencies

Sudler & Hennessey (medical group), New York—Donald Masterson, exec vp-mgmt super; John Rinaldi, William Butler, James Carlson, senior vp-acct super; Wendy Mantel, acct exec; Pam Goldman, associate media director.

Sudler & Hennessey (consumer group), New York—Arthur Rosen, exec vp-group director, Hano Fuchs, senior vp-group creative director; Walter Bernd, vp-acct super; Mark Merriman, acct super; Lisa Blumenstein, acct exec; Ken Kopas, media director.

J. Walter Thompson USA, New York—Jack Morrissey, senior vp-mgmt director; Jerry Gottlieb, senior vp-mgmt super; Anne Allen, Dolly Bodick, Marty Susz, acct supers; Peggy Yervanian, assoc media director.

HEALTH TECHNOLOGIES GROUP

Marketing Personnel

Donald E. O'Neill, president
Kirk Merritt, vp-business plan and devel

DIAGNOSTICS DIVISION

Marketing Personal

S. Morgan Morton, president
Richard Walsh, vp-mktg, intl diagnostics and General Diagnostics
Edward Whitehill, genl mgr, Nuclear-Medical Laboratories
Joseph A. Centofante, Charles E. Coyle, senior product mgrs, General Diagnostics
C.K. Gibbs, group product mgr, Nuclear-Medical Laboratories

Advertising Agency

MED Communications, Woodbridge, N.J.—Robert Portman, president; Al Marchioni, vp; Robert Curtis, acct super.

DESERET MEDICAL INC.

Marketing Personnel

John C. Sifers, president
Michael S. Fleming, vp-U.S. mktg

Advertising Agencies

Tom Ferguson Associates, Parsippany, N.J.—Tom Ferguson, president.

Baxter, Gurian and Mazzei, Beverly Hills, Cal.—J.J. Gurian, president.

IMED CORP.

Marketing Personnel

Richard E. Schmidt, president
Mark McKenna, director-product mgmt
William Peukert, director-natl field sales

Advertising Agency

Maher, Kaump & Clark, Hollywood, Cal.—Norman Maher and Bruce Kaump, principals and acct execs.

REICHERT SCIENTIFIC INSTRUMENTS DIVISION

Marketing Personnel

Paul Creager, president
Charles R. Krause, vp-genl mgr, ophthalmic and scientific instruments
Louis J. Rodino, director-mktg/sales
Andrew J. Liberty, mgr-adv and promo
Ron Bridge, genl mgr, fiber optics
John Schempp, mgr-mktg, fiber optics
Robert Yates, genl mgr, Reichert-McBain Instruments

Advertising Agency

Faller, Klenk & Quinlan, Getzville, N.Y.—scientific and ophthalmic instruments and fiber optics—Lawlor Quinlan, vp.

Wendy's International

	1983	1982
Sales*........	$1,922,913,000	$1,632,440,000
Earnings*.....	55,220,000	44,102,000
U.S. Advertising	64,445,000	44,875,000

*Worldwide

Wendy's International, Dublin, O., the nation's 90th largest advertiser, spent about $64.4 million on advertising in 1983, a 44% increase over 1982.

Although sales growth could not match the increase in advertising spending, 1983 was a solid year for the 15-year-old company. Systemwide sales for the 922 company-owned and 1,751 franchised stores open at yearend were $1.92 billion, an 18% increase over 1982. Average per-store sales in 1982 were $759,000, up 8% from the previous year.

While 1984 will be remembered for the phenomenal success of Wendy's "Where's the beef?" advertising campaign, 1983 was notable for almost everything but beef. Wendy's, which for many years had kept its menu limited to burgers, fries and chili, last year continued its menu-diversification program begun in 1982 with the addition of taco salad.

Menu-diversifications for 1983 included its reformulated french fries, an added bacon cheeseburger and an expanded salad bar, which it dubbed the "Wendy's Garden Spot."

In addition, it continued to test menus for two new dayparts. A breakfast menu was expanded to additional markets throughout the year, while several dinner platters were tested in Cincinnati. These included country-fried beef, filet of fish, chicken parmesan and beef with mushroom gravy.

The most important new-product introduction of the year was the November rollout of a five-variety line of stuffed baked potatoes. The "Hot Stuffed" line was coupled with a $10 million introductory advertising campaign that, for the first time, saw Wendy's advertising in consumer magazines.

The fast-food industry traditionally has had a male-intensive customer base, and, like the expanded salad bar, the baked potatoes were added as a draw for female customers. The product was greeted with competitors' skepticism but quickly proved to be such a success that several chains (such as Arby's and Ponderosa) began testing topped potatoes themselves. Wendy's now serves 600,000 baked potatoes a day.

The introductory advertising Wendy's used was almost as much of a marketing departure as the baked potatoes themselves. The jazzy musical score and new wave art direction were symptomatic of the more aggressive advertising posture Wendy's developed last year.

The baked potato campaign was only one of several different advertising efforts Wendy's used during the year.

In June, 1983, the chain unveiled its first comparative advertising, a series of humorous tv spots directed by Joe Sedelmaier depicting differences between Wendy's and its two major competitors, McDonald's and Burger King. The primary focus was on Wendy's use of fresh rather than frozen beef and its made-to-order products.

The $20 million campaign was Wendy's answer to the widely publicized Burger King comparative campaign launched in September, 1982.

Wendy's followed the humorous Sedelmaier-directed spots with a more mainstream campaign stressing the chain's chicken sandwich, salad bar and Frosty dessert. Tv spots featured patrons lip-syncing a song title "Only Wendy's" sung to The Platters' 1950s hit "Only you."

In September, the chain returned to the Sedelmaier spots before breaking the baked potato advertising. That led critics to wonder if Wendy's wasn't diffusing its message by varying its advertising too drastically and too often.

Exec vp William Welter defended the variety as being in line with the chain's belief in "event marketing." With a smaller advertising budget than either McDonald's or Burger King, Wendy's purposely has varied the look of its commercials and tied its advertising to specific events (new products or points of product difference) to maximize impact.

If Wendy's wanted impact from its advertising, it got almost more than it could handle in January, 1984, when it broke a second set of two humorous vignette tv spots directed by Mr. Sedelmaier. These ads were intended to counter the perception that McDonald's Big Mac and Burger King's Whopper were larger than Wendy's Single. Both spots carried the theme line "Where's the beef?" but one became a national phenomenon.

Clara Peller, one of three elderly ladies featured in one of the new spots, became a national celebrity. After Democratic presidential candidate Walter Mondale used the line to imply a lack of substance in challenger Gary Hart's proposed programs, "Where's the beef?" became a national chant.

The six-week campaign may have done more for Wendy's visibility than 14 years of product advertising. Consumer awareness of the chain's advertising rose from 37% in December to 53% in March, according to company research.

Sales benefited as well: Average per-store sales rose 20%. According to the Consumer Reports on Eating Share Trends, Wendy's share of the fast-food market rose 20%, to 11.6% of the market during 1984's first quarter.

A second "beef" commercial with Ms. Peller broke in the spring, and a third was planned for the fall ... in time to support the "Where's the beef" merchandise marketed as Christmas gifts.

The success of "Where's the beef?" may have solidified Wendy's relationship with its national agency, Dancer Fitzgerald Sample, New York, but Wendy's encountered problems in the past year with its local agencies. Several of its regional agencies—Burton-Campbell, Atlanta; Eisaman, Johns & Law, Los Angeles, and Clinton E. Frank Inc., Chicago—resigned their Wendy's assignments.

They were replaced by Stockton-West-Burkhart, Cincinnati, which was Wendy's first agency. It now handles the majority of company-store markets for the chain, and may pick up additional assignments should other regional agencies resign.

Wendy's long-range goal is to raise its per-store average sales to $1 million from the current $759,000. To achieve that goal, the chain plans to add more new products to broaden its customer base.

Also planned is an expansion of its national advertising presence. Toward that end, Wendy's operators last fall agreed to increase to 1.5% of sales from 1% their contributions to national advertising.

ADVERTISING EXPENDITURES

	1983	1982
Magazines	$467,200	—
Spot tv	31,224,200	$17,916,300
Network tv	18,683,400	13,817,300
Spot radio	899,600	1,119,900
Network radio	—	6,300
Outdoor	1,148,500	676,000
Total measured	52,422,900	33,535,800
Unmeasured	12,022,100	11,339,000
Estimated total	64,445,000	44,875,000

WENDY'S INTERNATIONAL
Marketing Personnel

William M. Welter, exec vp-mktg
Michael C. Claud, senior vp-mktg
Bruce M. Ley, vp-national mktg
Donald F. Calhoon, vp-field mktg
Daniel Dahlen, director-adv and sales promo
Michael Sapienza, senior director-mktg analysis, new prods.
Denny Lynch, vp-corp communications

Advertising Agency

Dancer Fitzgerald Sample, New York—Joe Mack, exec vp-mgmt dir; Charles Rath, senior vp-mgmt super; Robert Reed, senior vp-mgmt super.

Burson-Marsteller, New York—(corporate pr)—Fred Thompson, vp-group mgr.

SISTERS CHICKEN & BISCUITS
Marketing Personnel

J.W. Near; president and coo

Advertising Agency

Stockton, West, Burkhart, Cincinnati—Ron Klein, acct super.

Wm. Wrigley Jr. Co.

	1983	1982
Sales*	$581,688,000	$581,459,000
Earnings*	39,164,000	35,811,000
U.S. Advertising	63,948,200	67,028,200

*Worldwide

Wm. Wrigley Jr. Co., Chicago, the nation's 91st largest advertiser, spent an estimated $63.9 million on measured advertising in 1983, down 5% from 1982.

Net earnings for the year were $39.2 million, up 9.5% over 1982. Net sales, which declined slightly between 1981 and 1982, showed a fractional gain in 1983 to $581.7 million, compared with $581.5 million in 1982. The company said the stagnation was due to the reduced value of overseas sales revenues when converted into strong U.S. dollars. A constant dollar value in 1983 would have improved net sales $18 million, the company said.

Wrigley sales, which command about 44% of the estimated $1.8 billion in total gum market sales, continue to be led by Doublemint, Spearmint, Juicy Fruit and Big Red, for which it collectively spent about $40 million in measured advertising in 1983. The four account for more than half of the sugared chewing gum market.

U.S. chewing gum sales revenues of $406.5 million up 3% from 1982, benefitted from slightly higher unit volume and improved multipack pricing. Shipments of established brands increased over 1982, resulting from continued gains by Big Red chewing gum, which got slightly more than $9 million in ad support in 1983, and a stronger performance by Wrigley's Spearmint gum, spurred by its current ad campaign begun in 1982, themed, "Really keeps you hummin'."

Doublemint's longstanding "double your pleasure" ad campaign began getting a new updated, contemporary look in 1983, a trend that continues in 1984.

Both Spearmint and Doublemint continued to rely heavily on network and spot tv in 1983, which resulted in their collectively receiving more of the marketing dollars earmarked for Wrigley's four major gums.

Juicy Fruit gum, which claims about 8% of the chewing gum market, received its first new campaign in three years late in 1983, targeted at teens with the jingle theme, "The taste that's gonna move ya." Indications so far in 1984 are that the campaign has been well-received and worked effectively to broaden Juicy Fruit's demographic appeal.

The gum was allowed broadcast clearance by the tv networks in children's time periods for the first time in about five years. Juicy Fruit's previous spots, themed, "Nothing like the flavor," were not allowed by network censors in children's time. The ability to buy ad time in more of a variety of dayparts such as daytime has allowed Wrigley to maintain about the same spending level for the brand despite the launch of a new campaign.

Freedent chewing gum continued its solid growth in 1983, according to the company, with its estimated $11 million advertising effort emphasizing its breath-freshening and nonstick qualities. A little additional print support was thrown behind Freedent in January, 1984, with the introduction of its new cinnamon flavor. Hubba Bubba soft bubble gum maintained its volume and share in a very competitive and segmented market.

The limited market testing late last year of Extra, a sugar-free chewing gum containing NutraSweet, led to the company's decision this summer to introduce the product nationally.

Sources say Wrigley plans to spend as much as $15 million or $20 million in initial advertising support for Extra.

The campaign is set to break in the latter half of 1984, depending upon the progress of nationwide distribution of the gum this summer. Wrigley made an unsuccessful attempt to enter the sugar-free gum market in the late 1970s with Orbit.

Although Wrigley was the first major chewing gum company with aspartame-sweetened, sugar-free gum, it has found itself up against stiff competition.

Amurol Products, Wrigley's associated company that had record sales in 1983 principally with new products, also invested additional funds mainly in support of its Big League Chew and Tidal Wave (a liquid-center bubble gum) brands.

Late last year, Amurol introduced the liquid-center gum Binaca Blast, which capitalizes on the consumer's familiarity with Ciba-Geigy's Airwick Industries breath freshener, Binaca, and touts the gum's breath-freshening capabilities. Binaca test markets have included Des Moines, Seattle and Dallas.

Operations in the U.S. were primarily responsible for the earnings gain in 1983 with the parent company contributing much of the increase. Cost controls, slightly higher volume, a more favorable product mix and revised multipackage pricing all had a positive impact.

The consolidated gross profit margin improved to 52.3% in 1983 from 50.5% in 1982 and 48.6% in 1981. Improved margins resulted from higher pricing in several markets and cost-containment programs.

ADVERTISING EXPENDITURES

	1983	1982
Magazines	—	$15,100
Spot tv	$17,873,700	16,854,900
Network tv	42,342,700	47,515,300
Spot radio	23,800	94,100
Network radio	2,908,000	1,733,200
Outdoor	—	15,600
Total measured	63,148,200	66,228,200
Unmeasured	800,000	800,000
Estimated total	63,948,200	67,028,200

WM. WRIGLEY JR. CO.
Marketing Personnel

William Wrigley, president, ceo
Ronald O. Cox, vp-mktg
R. Darrell Ewers, group vp-intl
A. Cipollina, asst vp-sales
G. Bebee, mktg director
N. Hoegh-Guldberg, mktg director
R.O. Thurlow, genl sales mgr
J.C. Barger, southern district
James Johnson, southeastern district
George Palmer, western south district
H.J. Conklin, eastern district
H.F. Constant, midwestern district
J.E. Decker, western north district
H.W. Gray, southwestern district
E.L. Kimzey, mid-Atlantic district
L.R. Klein, west central district
J.M. Kroyer, north central district

Advertising Personnel

R.O. Cox, vp-mktg
H.J. Berchert, asst vp-adv graphics and design

Advertising Agencies

BBDO, Chicago—Doublemint, Spearmint, Big Red, Juicy Fruit, Freedent, Orbit, Extra—Eric Harkna, president; Andrew Donchak, vp-mgmt super; Walt Waschick, Rick Grant, acct supers.

Needham, Harper & Steers, Chicago—Hubba Bubba, Amurol prods, Big League Chew, Tidal Wave—Gene Yovetich, mgmt rep; Pam Mikulec, Tom Horne, Elizabeth Brennen, acct execs.

Xerox Corp.

	1983	1982
Sales*	$8,463,500,000	$8,455,600,000
Earnings*	466,400,000	423,700,000
U.S. Advertising	110,101,800	80,000,000

*Worldwide

Xerox Corp., Stamford, Conn., the country's 65th largest national advertiser, spent an estimated $110.1 million in 1983, an increase of nearly 38% over 1982.

The company attributes the increased advertising spending to support of the launch of its Series 10 copiers, its Memorywriter electronic typewriters and other new products.

Company sales and earnings for 1983 proved to be mixed. Operating revenues stood at $8.46 billion, less than a 0.1% increase over 1982. Profits rose to $466.4 million, up 10.1%.

Revenues in 1983 were affected adversely by the strength of the dollar, lower year-to-year price levels of about 4%, a mix of equipment installations skewed more toward rental than sales and weaknesses in the components businesses.

The largest advertising spending was devoted to Xerox copiers, on which more than $23 million in measured expenditure were spent. Nearly half of this was allocated to network tv. Another 43% went to magazines.

Xerox at the end of July reported that losses in its property and casualty insurance operations offset gains in its office equipment business, causing net profit in the second quarter to dip to nearly 38% over the similar period a year earlier. In the second quarter, the company earned $95.5 million on total revenues of $2.26 billion.

In the first six months of 1984, Xerox profits fell to $221.6 million on higher revenues of $4.39 billion, compared with earnings of $281.9 million on total revenues of $4.36 billion for the first six months of 1983.

Total sales revenues in 1983 were $3.9 billion, an increase of 12%. By contrast, rental revenues declined 17%, to $3.3 billion in 1983.

Income from the reprographics and information systems businesses was $348 million, a decline of 5% from 1982.

Even though earned premiums from its Crum & Forster insurance subsidiary increased 11%, operating income after taxes, before capital gains and losses, declined 5% from 1982 and, according to the company, reflects losses associated with Hurricane Alicia and the severe winter storms during December.

There were some brighter moments. In the Marathon Line, Xerox introduced two photocopiers—the 1048 and the 1055—that will sell for between $8,000 and $19,000. The new copiers are expected to fill a price gap between its three small and midsize models and the highest priced 1075, which sells for more than $50,000. The company also introduced a high volume duplicator, the 9900, that will sell for $129,775.

Part of the Marathon Line advertising and promotion campaign has been signing up runners to wear the Xerox logo. The company also is sponsoring marathon races and running races between staff and customers.

Xerox launched its portable battery-powered computer in 1983 but found the market unwilling to support the product. Not surprisingly, in May, 1984, the company abandoned its line of portable computers. Contract supplier for the portable computers, Sunrise Systems Inc. of Carrollton, Tex., later filed for bankruptcy.

In another move, Xerox announced late in 1983 that it planned to sell most of its retail stores and an assortment of computers to a group of Texas entrepreneurs. Xerox initially had expected the stores to complement its direct sales force. However, in the rapidly changing marketplace, the company found it easier to sell its products through retailers who assume overhead and marketing expenses.

ADVERTISING EXPENDITURES

	1983	1982
Newspapers	$13,824,300	$5,779,300
Magazines	15,650,100	18,062,700
Spot tv	2,997,400	865,800
Network tv	22,732,400	15,804,400
Spot radio	2,613,300	974,600
Network radio	874,800	1,657,900
Outdoor	4,000	13,100
Total measured	58,696,300	43,157,800
Unmeasured	51,405,500	36,842,200
Estimated total	110,101,800	80,000,000

XEROX CORP
Marketing Personnel

William Glavin, exec vp, president-Business Equipment Group
Michael Kirby, director-corp adv & promo
Joseph M. Cooper, mgr-corp adv & promo

Advertising Agencies

Needham, Harper & Steers/USA, New York—copiers/duplicators, electronic printers, professional work stations, information processors, personal computers, facsimile transceivers, local area network (Ethernet), computer services—Joseph Landy, exec vp, client services, all prods: Laurence Reynolds, Tom Hook, Bud Gilson, acct supers.

Young & Rubicam Special Markets, New York—retail store operations—Robert Graham, senior vp-director of mktg/client services; Walter Darragh, vp-client services, acct super.

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Subliminal ads: Threat or hoax?

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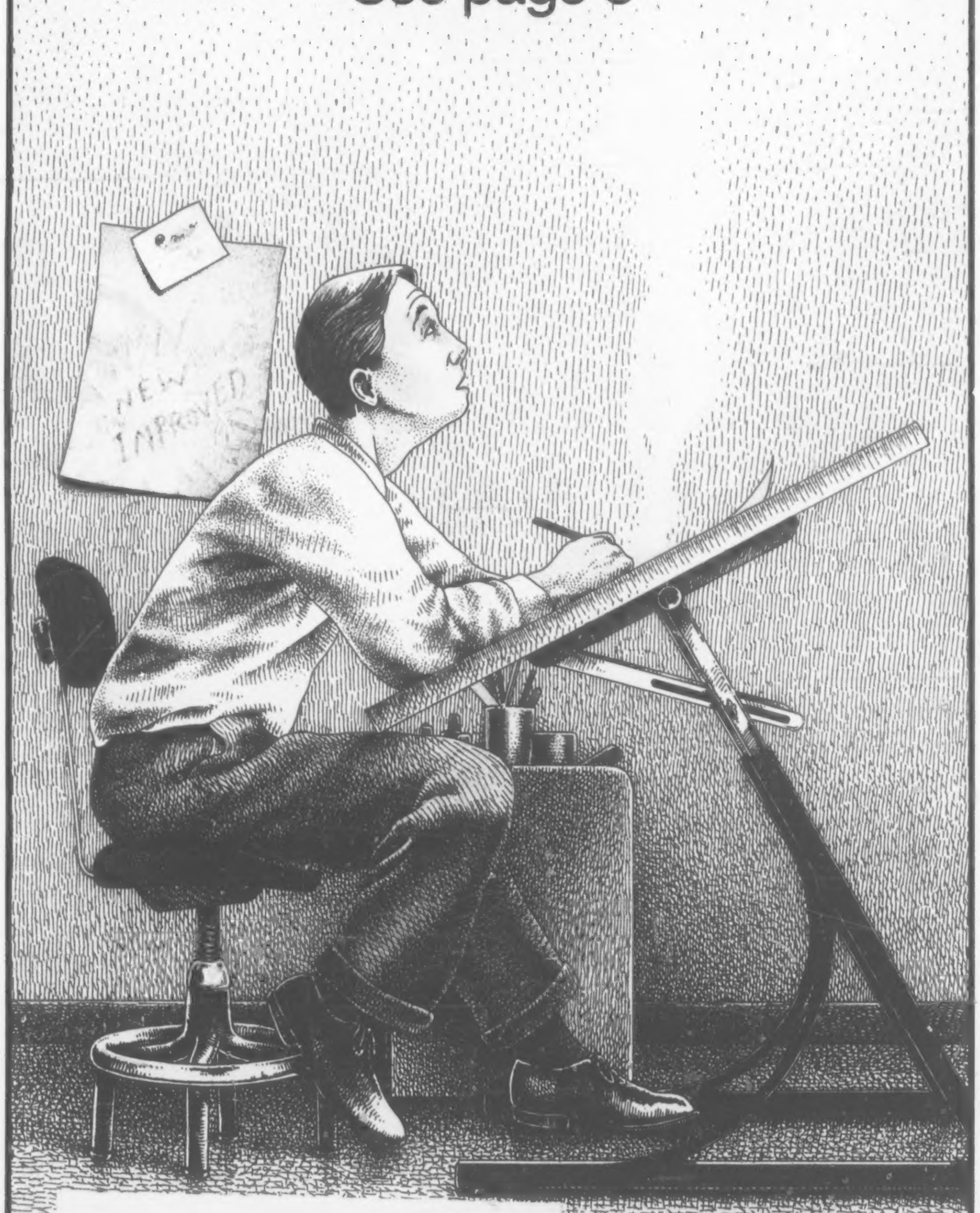

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NEWSPAPER

GM places ad agency costs under microscope

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Olympics play out as bargain for advertisers

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J.C. Penney adding dash to new look

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Down Under, LA beer flies

— International section

Nets, shops wary after RKO flap

By VERNE GAY

New York—The RKO Radio Networks scandal involving $5.9 million in overbillings to advertisers has rekindled doubts and suspicions that long have haunted the medium. Advertisers and industry experts now are wondering: Can it happen again?

The theoretical answer is a resounding "Yes."

"All networks are on guard," said a source who asked not to be identified.

The incident, in which RKO Radio Networks billed advertisers in 1983 for spots that never ran or ran in poorly rated programs, has prompted other radio networks to examine their own accounting procedures.

ABC Radio Networks reportedly called in a team of outside auditors to scour its books for any infractions.

"It can happen anywhere else," said Robert Welty, exec vp-corporate media director at Bozell & Jacobs, New York. "If someone wants to be dishonest and if you have some type of agreement with people to ignore good business practices, then sloppiness sets in."

Bozell & Jacobs, Ogilvy & Mather and Young & Rubicam are just a few of the agencies now saying they will conduct spot checks of network radio affiliates to independently confirm commercials ran when and where promised.

At the center of the hurricane is RADAR, a radio measurement

(Continued on Page 88)

Cooler's rising star rocks wine market

By RUTH STROUD

California Cooler Inc., a rags-to-riches story that sprang from a $10,000 bathtub operation, has vigorously stirred the wine industry's status quo this summer, touching off a flurry of reactions to the lightning growth of the wine-cooler category.

The 2½-year-old Stockton, Cal.-based company, which some call the Apple Computer of the wine industry, stunned analysts and competitors alike when its July shipments of California Cooler, the company's only product, measured second only to E. & J. Gallo Winery's total among California wine producers.

The company itself, in controlling 60% of the cooler market, ranked fourth among the state's wine companies in shipments for the year to date.

According to industry reports, California Cooler shipped more than 3.6 million gals. during July, compared with Gallo's nearly 9 million gals. The Cal Cooler figures represented a 350% increase over the previous July and capped months of continuous growth.

So far in 1984, the company has recorded more than 12 million gals. in shipments, and projections are that it will reach more than $80 million in sales by the end of the year.

With its sales curve rising steeply, Cal Cooler has powered the growth of the entire category, while saving the over-all wine industry from showing dramatically declining sales.

Wine coolers, which generally contain only about 50% wine and 5% to 6% alcohol, represented about 18% of California wine shipments in July and accounted for *all* the growth of the state's wine industry during that month and the entire year to date, according to Jon Fredrikson, editor of "The Gomberg Report," a highly regarded wine-marketing report. That compared with 3% of the industry in July, 1983.

Minus the coolers, Mr. Fredrikson's research reveals, shipments of conventional wines were off 15% in July, 13% in June and 6% for the first seven months. Adding the cooler volume, shipments grew 1% for the year. At the same time, imported wines, helped by the strong dollar, have grown 8%.

But the figures just begin to tell the story of the

(Continued on Page 86)

Highlights

The new chief executive of the Direct Marketing Assn. sees his major task as keeping pace with a burgeoning membership. *See Page 10.*

The consolidation of all advertising for Martell cognac at Burrell Advertising gives the nation's largest black-owned ad agency its first general-market account, but that doesn't change what the agency is about. *See Page 12.*

Ocean Spray Cranberries is running a national promotion to select the "greatest American woman athlete of the last 25 years." *See Page 24.*

Hiring good staff members and then keeping them makes good business sense. How can this be done? *See Page 44.*

Pontiac's five "image cars" are to get nearly all the ad attention this model year, while luxury and economy cars are put out to pasture. *See Page 81.*

AN EXCITING NEW DRIVER'S COUPE FROM AMERICA'S ROAD CAR COMPANY.
THE NEW PONTIAC GRAND AM

CORPORATE CLOSEUP

Top executives at Maclean Hunter, the Canadian media giant, are bullish on the U.S., where they see possibilities for expansion. *See Page 4.*

FORUM

Route 66, famed in song and story, is gone but not forgotten, and Tom Pew recalls this cross-country highway and its historic significance in his essay "Goodbye, apple pie." *See Page 20.*

Cover illustration by Tom Herzberg.

Apple & Eve: Or how to package a certain fruit and influence people. A fable, told in word and picture by new-product consultant Robert Pliskin. *See Page 20.*

In "Comedy effects—By cocaine," AA Editor Fred Danzig reports on what Bob Woodward's book, "Wired," tells us about cocaine and NBC-TV's success with the "Saturday Night Live" series. *See Page 20.*

INTERNATIONAL

Hollywood razzmatazz, glitz and glamor—on U.S. tv programs and in U.S.-made movies shown worldwide—threaten global marketing by undermining traditional values in foreign nations. *See Page 48.*

Low-alcohol beers are off to a slow start in the U.S., but in Australia, where tough drunk-driving laws allow police to administer random breath tests to motorists, the market is a hot one. *See Page 48.*

Chicago-style pizza, best known for its thick crust and generous portion of cheese, is already a hot item in London, Spain and France. And plans to launch the pizza in India, Ireland, Australia and Germany are under way. *See Page 50.*

A.C. Nielsen Co., continuing its expansion into Latin America, is buying more than 60% of Audi Market, the leading Brazilian market-research company. *See Page 50.*

VIDEOTECH

Fledgling Chelsea Productions has scored big by selling NBC Sports on a vignette program leading into the World Series. *See Page 70.*

Agencies expect this fall's new network tv shows to produce only a few hits and some revitalized acting careers. *See Page 73.*

COMING THURSDAY

SPECIAL REPORT

Fashion marketers, looking for ways to expand sales, are establishing bridge lines at lower prices, lending their names to licensed products and changing their images to attract more buyers.

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Coke rethinks its Tab ad pitch

By NANCY GIGES

Coca-Cola U.S.A. has postponed the follow-up campaign to "Let's taste new Tab" until next year but is replacing the current spots with a straightforward discourse: "You'll drink Tab now because you want to, not because you have to."

Starring model and aspiring actress Cindy Harrell, the new tv spot that broke Sept. 13 on ABC's "Glitter" features a head-and-shoulders shot of her noting, "I thought Tab was something you had to drink. You go on a diet, you go buy Tab, like it or not. But now Tab's got NutraSweet blend. I know NutraSweet is everywhere, but in Tab, it tastes terrific. It's crisp, refreshing. It's really satisfying. If you haven't tasted new Tab, you've got to try it. Do, and you won't drink Tab because you have to. You'll drink Tab because you want to." As the spot closes, the "Let's taste new Tab" music plays in the background, but without the words, which have raised criticism from the start.

Both company and agency admit they've had feedback that the theme has sometimes been misinterpreted as "*less* taste, new Tab." That theme was created by McCann-Erickson, New York, before the brand was switched to

(Continued on Page 86)

Cohen named new editor of 'Focus'

London—Stanley E. Cohen, vp of Crain Communications Inc. and Washington editor of Advertising Age, has been appointed editor of Advertising Age's *Focus*, the monthly magazine of European advertising and marketing.

Mr. Cohen succeeds Eugene Bacot, who has been editor since the publication's inception in 1982. Mr. Bacot will remain with *Focus* in the transition and serve as a consultant to the publication on special projects.

Mr. Cohen joined Crain as Washington editor of Ad Age in August, 1943. He is also chief of the Crain Washington bureau and editor of the Ad Age editorial page. He has been a vp of Crain since 1967.

Mr. Cohen is among the senior members of the Washington news corps and was one of five Washington journalists inducted last year into the Hall of Fame of the local Society of Professional Journalists chapter. His column, Washington Beat, was selected as first-place winner this year for best continuing feature column by the Chicago chapter of the American Society of Business Press Editors, and was the silver award winner in the recent 1984 national competition of the National Media Awards of the Consumer Federation of America.

S. Cohen

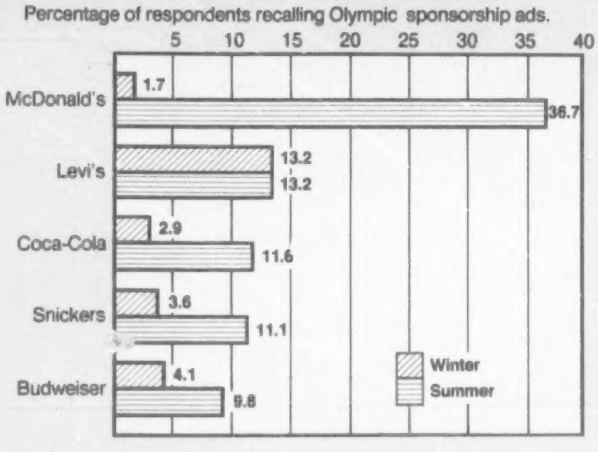
His professional activities include chairing the speakers committee of the National Press Club in 1982, where he was in charge of the club's nationally telecast speakers' luncheons.

"Stan Cohen's joining the staff of *Focus* indicates the commitment we have to *Focus* and to Europe," said Rance Crain, president of Crain Communications and editor-in-chief of Advertising Age. "Stan was my first boss, and I have the highest confidence and respect for his editorial ability. His job is to make *Focus* the most comprehensive and dependable magazine on pan-European advertising trends and developments, and I know he will accomplish that goal." #

ADWATCH

Top Olympic sponsors in awareness

Consumer awareness of Olympic sponsorship advertising during the summer games matched or exceeded recall levels from the winter games.
Source: SRI Research Center, Lincoln, Neb.



Olympic links prove bargains

By SCOTT HUME

There's a word for the millions of dollars some companies gave the Los Angeles Olympic Organizing Committee to become official sponsors of the summer games. It's "bargain."

Advertising touting corporate ties to the Olympics appearing before and during the games had very high consumer awareness, was well received and had a positive effect on buying patterns. Marketers can't ask for much more than that.

According to a study conducted last month for Advertising Age by SRI Research Center, Lincoln, Neb., 83% of the 1,255 adults polled recalled having seen, heard or read advertising mentioning Olympic sponsorship in July and August. By contrast, in a similar survey conducted during the Winter Olympics, 72% of respondents were aware of such advertising (AA, Feb. 6).

Additionally, better than four out of five persons polled were able to name at least one advertiser running an Olympics-themed message. During the Winter Olympics, 43% of respondents drew a blank when asked which Olympic sponsor's advertising first came to mind.

What remained the same between Winter and Summer Olympics was consumers favorable view of companies that sponsor the U.S. team. In last month's survey, 43% said Olympic sponsorship raises their opinion of the sponsoring company; 50% said sponsorship has no effect on their opinion; 4% said sponsorship lowers their opinion of a company and the remainder weren't sure how they felt.

Also matching the result from the Winter Olympics survey were the 30% of respondents last month who said they would be inclined

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Filipacchi, Murdoch a fashionable team

By STUART J. ELLIOTT

New York—Daniel Filipacchi and Rupert Murdoch, two of the world's publishing giants, are joining forces to tackle the lucrative, burgeoning women's fashion category of the U.S. magazine market.

It was disclosed last week that Hachette, Mr. Filipacchi's Paris-based company, and Mr. Murdoch's News Group Magazines here will launch in the fall of 1985 a regular monthly, English-language version of *Elle* (AA, Sept. 13), Hachette's popular weekly French women's fashion and life-style title. It is believed to be the first 50-50 partnership on a publishing venture for both Messrs. Filipacchi and Murdoch.

This arrangement replaces one that Edi Sept, a Hachette subsidiary, had since last December with The New Yorker Magazine Inc., which produced two test issues of a U.S. edition called *Elle International*. The two companies agreed to disagree in a variety of areas, leading Hachette to pick a new partner.

"Without The New Yorker, the magazine probably would not exist," said Didier Guerin, exec vp, Edi Sept, and publisher, *Elle International*, "but we agreed there was no way we could [proceed] together."

Hachette was "looking for something other than what we can give them," said Hoyt Spelman, publication director, The New Yorker.

The partnership with Mr. Murdoch "could be very interesting," said Mr. Guerin, noting that he and Mr. Filipacchi "have known each other for many years, and know each other well."

And it is "certainly not impossible the two groups could go further than *Elle International*," said Mr. Guerin, "other titles, other activities as well." But, he emphasized, for now only the one co-venture has been decided upon.

While details are still being worked out, plans call for News Group to assume, via its existing departments, responsibility for *Elle International's* circulation, finance, production and promotion, said Martin Singerman, president, News Group Magazines, which includes *New York*, *New Woman* and *Star* among its properties.

Departments handling editorial, Hachette's area of expertise, and advertising will be created; there are no details yet on editorial staffing, ad rates or rate base. Under the Hachette-New Yorker agreement, the former handled editorial and production while the latter handled ad sales and promotion.

The Hachette-News Group partnership will produce one more test issue of *Elle International*, dated spring/summer 1985, said Mr. Singerman, before regular monthly frequency begins, it is hoped, in September, 1985. September is the month when the U.S. women's fashion magazines bring forth their fat issues that usually set advertising-page and revenue records (AA, Sept. 10).

Is there room for an *Elle International* among those women's fashion books? "I think there is a marketplace in this country for another publication, with a different touch," said Mr. Singerman, "more interna-

(Continued on Page 83)

World News Roundup

Toronto—Unilever Cos. may be consolidating its $20 million account at Harrison, Young, Personen, Canada's largest media placement specialist. The bulk of it would come from J. Walter Thompson Co. The move is seen as part of a plan to form Unilever Canada, which would centrally control all the company's activities here.

Hamburg—Procter & Gamble last week picked Saatchi & Saatchi/Compton as the first agency to handle Valensina orange juice, which P&G acquired when it bought the Dittmeyer Co. in May.

New York—CBS/Broadcast Group Worldwide is negotiating with the government of India to sell CBS programing and coordinate advertising around it on Indian tv. Indian protectionist laws now restrict such an arrangement, but those restrictions may be eased, sources say. Also, IBM has signed up as the first advertiser for a package of programs CBS has sold to China Central TV (AA, July 30).

London—D'Arcy Direct, the direct-marketing arm of D'Arcy MacManus Masius Worldwide, opened an office in London last week, the second since its first opened in New York in June. It will function within Inter-Ad Group, the holding company of D'Arcy's second network.

Bangkok—Shell of Thailand moved part of its $700,000 consumer products account to J. Walter Thompson Co. from Amex & Grey

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Bloom gets 'youth' look

Dallas—Bloom Cos., of which the Bloom Agency is the major subsidiary, has realigned top management of the holding company and the agency to free them for more involvement with clients and new-business efforts.

C.A. (Tony) Wainwright, 50, chairman-chief executive officer of the agency, becomes president of Bloom Cos. In that post, he will assume broader corporate responsibilities, according to Robert Bloom, company chairman.

The move creates what Mr. Bloom refers to as a "youthful management" for the agency, with Dennis McClain, 36, president-creative director since 1983, succeeding Mr. Wainwright as chair-

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Can't ignore subliminal ad charges

Adfolk laugh, but students listen

By JACK HABERSTROH

Most of my professional advertising colleagues, I suspect, regard subliminal embedding as nothing more than a fictional flyspeck on a bookcase crammed with advertising memorabilia. The less said about Wilson Bryan Key, author of "Subliminal Seduction," and his fevered fantasies, the better.

Ignore him, conventional wisdom suggests, and, like the flasher he sees in your martini, he'll disappear when the ice melts.

The guy's a crackpot, some say. Finds S-E-X all over Ritz crackers. Penises in Parkay patty advertising. Orgies in cocktails. Male and female ice cubes. And fellatio on the ceiling of the Sistine Chapel.

Jack Haberstroh is a professor in the School of Mass Communications at Virginia Commonwealth University, Richmond.

Besides, they hint, his books will never sell. No one really believes any of his naughty nonsense. So just clam up and let him rest in peace.

The problem with this is: He and his notions *won't* go away!

A youngish 59 years old, Mr. Key has achieved a permanent place in American advertising folklore. Like him, loathe him, he's here to stay.

He now has written three well selling books on subliminal persuasion, and a fourth is near completion. His first, the watershed treatise on the subject, appeared in 1973. "Subliminal Seduction" now has sold nearly 1 million copies.

"Media Sexploitation" rolled off the press in 1976 and takes embedding a step further. Not only are subliminals being used in advertising, Mr. Key says, but also in products—including Ritz crackers. This book has sold more than 330,000 copies.

Nearly 200,000 copies of his latest, "The Clam-Plate Orgy," have been sold. The book appeared in 1980 and—for starters—finds S-E-X in Lincoln's beard, oral copulation in Michelangelo's Original Sin, a clam orgy on Howard Johnson placemats, an erect genital in Picasso's Woman Asleep, and a giant anamorphic skull in Holbein's Ambassadors.

"Subliminal Seduction" was christened with respectability when Marshall McLuhan wrote its meandering, but quite flattering, introduction. The book is enjoying its seventh printing and is being sold throughout Central and South America in a Spanish translation.

There are few American or Canadian college campuses that have been missed by the ubiquitous Mr. Key. Often appearing before large standing-room-only crowds, his illustrated lectures now command $3,000 fees. He will give between 80 and 90 such major lectures every year and appear in thousands of advertising classrooms along the way.

And although it may be fashionable along Madison Avenue to pooh-pooh the professor—he has taught at universities for 14 years—he continues to spread his controversial gospel on talk shows. Tv, radio and newspaper reviews of his books have appeared in major cities around the U.S.

Advertising practitioners ignore him at their own risk. Often that ignorance can be embarrassing. Thousands of students are graduating every year thoroughly conversant with Mr. Key, his books and his theories. Many may have seen or heard him personally. And some are quick to believe the worst about advertising and its practitioners.

Some support for this latter statement can be found in surveys I conducted of students in my classes to whom Mr. Key had lectured. One of every five thought that "the *majority* of artists and photographers and others involved in the creation of advertising" deliberately were placing subliminal words and symbols in advertising, and that 50% of the students to whom he lectured thought that at least *half* of all artists willfully were inserting subliminals.

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Consumer Magazine Ad Linage

Advertising pages for U.S., Canadian and foreign consumer publications

Art & Antiques

	Current month		Year-to-date	
	1984	1983	1984	1983
American Artist	88.1	51.3	636.5	563.9
Antiques	167.6	161.0	1,284.2	1,136.9
Antique Monthly	35.2	36.0	276.2	260.0
Art in America (11X)	152.0	132.0	938.0	735.0
Plate World (6X)	70.0	79.6	351.1	417.6
Southwest Art	78.5	82.8	748.1	718.5
Total Group	**591.4**	**542.7**	**4,234.1**	**3,831.9**
% change		**+8.9%**		**+10.5**

Auto/cycle/rec. vehicles

	Current month		Year-to-date	
	1984	1983	1984	1983
AutoWeek	107.8	110.7	1,153.6	1,120.0
Car & Driver	90.6	96.6	818.3	808.0
Car Collector & Car Classics	19.0	21.0	173.6	190.1
Car Craft	77.8	74.2	665.7	669.0
Cycle	37.5	34.3	423.8	580.7
Cycle Guide	19.3	32.8	393.6	440.4
Cycle World	32.2	24.9	486.6	498.9
Dune Buggies & Hot VWs	76.3	83.5	728.5	620.6
Family Motor Coaching	137.7	104.7	1,318.2	1,045.5
4 Wheel & Offroad	67.4	51.6	654.7	564.7
Four Wheeler	89.8	47.5	696.2	361.3
Hot Rod	71.0	60.1	564.2	524.9
Motorcyclist	31.2	18.4	340.0	360.9
Motor Trend	74.2	55.7	585.1	565.6
Motorhome	91.8	73.8	819.9	660.4
Pickup, Van & 4 WD	44.4	45.3	289.9	313.1
Road & Track	104.4	88.1	918.8	867.3
3 Wheeling	36.7	30.7	278.1	238.5
Trailer Life	110.1	101.6	1,132.8	973.0
Total Group	**1,318.9**	**1,155.5**	**12,441.6**	**11,402.9**
% change		**+14.1%**		**+9.1%**

Boating & yachting

	Current month		Year-to-date	
	1984	1983	1984	1983
Boating	128.7	116.1	1,261.8	1,039.6
Chesapeake Bay	33.0	26.5	253.8	243.8
Cruising World	149.0	133.6	1,239.9	1,186.4
Lakeland Boating	65.5	35.5	543.3	426.3
Motor Boating & Sailing	155.3	143.7	1,460.7	1,269.4
Sail	149.0	139.0	1,261.0	1,082.0
Sea & Pacific Skipper	61.9	55.6	538.0	614.1
Small Boat Journal (6X)	—	—	174.6	158.6
Trailer Boats	18.6	13.8	312.0	213.2
Western Boatman (6X)	19.0	19.8	124.8	94.8
Yachting	189.1	186.4	1,556.4	1,380.4
Total Group	**969.1**	**846.2**	**8,726.3**	**7,708.6**
% change		**+14.5%**		**+13.2%**

Canadian

	Current month		Year-to-date	
	1984	1983	1984	1983
L'Actualite	80.2	55.8	557.4	419.3
Chatelaine:				
English Edition A.	106.9	130.2	836.5	775.6
French Edition	95.8	108.7	707.0	683.9
City Woman (5X)	58.3	45.8	175.0	143.9
Equinox	47.0	47.0	203.3	196.3
Financial Post Magazine A.	53.2	43.4	371.1	280.2
Flare A	89.0	76.3	478.1	424.2
Homemaker's Magazine	67.7	97.7	500.1	603.1
Madam Au Foyer	53.5	84.0	455.9	479.8
Macleans (52X) A.	109.4	102.3	997.6	800.4
Quest Magazine (8X) A.	24.9	40.2	148.1	250.4
Reader's Digest:				
Canadian-English A.	49.0	40.1	600.9	556.3
Canadian-French A.	44.5	57.5	528.4	518.3
Toronto Life	114.2	137.7	757.5	748.5
Total Group	**993.6**	**1,066.7**	**7,316.9**	**6,880.2**
% change		**−6.9%**		**+6.3%**

Civic/fraternal

	Current month		Year-to-date	
	1984	1983	1984	1983
American Legion	20.9	24.3	214.4	246.3
Elks Magazine (10X)	20.4	23.3	178.0	201.2
Kiwanis Magazine	17.3	17.7	105.8	120.1
Lion (10X)	7.3	12.0	51.8	50.4
Moose Magazine	20.0	24.0	164.0	179.0
Rotarian	13.4	16.2	103.8	109.4
V.F.W. (11X)	26.5	29.7	241.5	253.7
Total Group	**125.8**	**147.2**	**1,059.3**	**1,160.1**
% change		**−14.5%**		**−8.8%**

Comics

	Current month		Year-to-date	
	1984	1983	1984	1983
Archie Comic Group (6X)	—	—	40.0	40.0
DC Comics	8.0	7.0	68.0	70.5
Marvel Comics Group	9.0	10.0	83.0	90.0
Total Group	**17.0**	**17.0**	**191.0**	**200.5**
% change		**0.0%**		**−4.6%**

General

	Current month		Year-to-date	
	1984	1983	1984	1983
American Health (10X)	40.6	44.8	277.9	202.7
American West (6X)	38.7	19.8	130.8	127.2
The Atlantic A.	45.4	50.5	394.7	345.9
Audubon Magazine (6X)	28.8	39.7	133.2	183.1
Bon Appetit A.	86.8	79.0	709.4	648.4
Changing Times	40.9	36.0	376.4	351.8
Cuisine Magazine	52.6	44.1	430.6	310.9
Ebony	93.7	84.4	803.0	786.0
Fifty Plus	51.7	21.7	319.9	239.1
Food & Wine	37.7	39.5	312.1	306.2
Games	21.9	26.8	187.4	244.3
Geo	45.4	30.2	303.2	230.2
Gourmet	76.3	73.2	650.9	588.8
Home Entertainment (6X)	34.5	33.0	153.2	111.5
Harper's Magazine	20.7	15.9	207.6	148.9
Life	45.8	32.8	516.0	475.0
Modern Maturity (6X)	—	—	159.6	155.3
Money	114.9	116.2	1,056.9	953.1
Moneysworth (4X)	—	—	51.8	40.0
Mother Earth News (6X)	54.2	66.2	262.9	315.1
Mother Jones	—	20.0	117.7	123.1
National Geographic	15.9	17.2	207.1	196.1
Prevention	63.1	83.1	616.8	680.6
Psychology Today	25.7	25.7	216.6	233.3
Reader's Digest A.	85.5	73.3	742.5	680.8
Saturday Evening Post (9X)	39.6	46.8	240.7	276.5
Signature	52.5	52.2	471.2	468.7
Smithsonian	72.3	83.4	705.4	615.0
Success	36.3	30.7	300.3	302.2
Town & Country	197.0	202.5	1,204.3	1,151.0
Travel/Holiday	27.3	36.1	384.6	361.0
Travel & Leisure	101.5	76.6	924.7	749.3
Vanity Fair	—	—	—	—
Video	64.0	58.3	602.4	543.7
Video Review	52.2	65.3	432.4	565.9
Writers Digest	24.6	43.7	216.5	239.9
Yankee	95.1	123.7	688.0	752.9
Total Group	**1,883.2**	**1,892.4**	**15,508.7**	**14,703.5**
% change		**−0.4%**		**+5.5%**

Home

	Current month		Year-to-date	
	1984	1983	1984	1983
Architectural Digest A.	141.1	140.9	1,113.2	1,043.9
Better Homes & Gardens	128.2	117.3	1,010.7	923.6
Colonial Homes (6X)	82.2	72.1	339.8	305.9
Country Journal	31.9	41.8	285.3	328.4
Country Living	70.1	64.2	567.4	437.9
Dallas/Ft. Worth Home & Garden	71.3	61.6	636.4	585.3
Early American Life (6X)	—	—	110.3	101.3
Family Food Garden (6X)	—	46.6	118.0	273.8
Family Handyman (10X) A.	79.2	83.9	559.0	521.0
Flower & Garden (6X)	—	—	155.1	164.2
Home	58.2	49.6	484.7	324.5
House Beautiful	101.5	99.0	800.5	723.2
House & Garden	118.4	72.5	743.6	531.4
Houston Home/Garden	105.2	100.9	892.3	867.2
Metropolitan Home	51.7	56.6	564.7	478.9
New Shelter (9X)	65.5	63.6	349.3	339.0
1001 Home Ideas	62.4	39.5	360.2	274.6
Organic Gardening	53.0	77.1	585.9	650.6
Phoenix Home/Garden	53.5	48.0	489.3	392.3
Southern Accents (6X)	91.9	—0	376.0	231.4
Southern Living	129.9	129.1	1,173.5	1,101.7
Sunset Magazine A.	107.8	135.4	1,199.5	1,194.3
Texas Homes	68.2	76.4	712.4	622.5
Workbench (6X)	61.2	77.4	296.5	322.7
Total Group	**1,732.4**	**1,653.5**	**13,923.6**	**12,739.6**
% change		**+4.8%**		**+9.3%**

In-flight & other passenger

	Current month		Year-to-date	
	1984	1983	1984	1983
Aboard Group (7) (4X)	—	—	64.4	53.6
Alaskafest	53.4	51.3	458.7	413.5
American Way	95.7	103.3	881.1	794.4
East/West Network:				
Amtrak Express	22.5	42.2	297.0	362.5
Continental	55.0	66.8	548.9	557.3
Eastern Review	116.2	119.2	1,029.6	887.2
Ozark	36.7	45.0	407.7	396.6
PSA Magazine	97.0	102.8	910.7	771.4
Pan Am Clipper	65.5	48.2	551.8	373.3
Republic Scene	54.2	65.7	532.6	487.3
United	120.0	119.7	1,026.8	831.3
USAir	61.8	74.2	541.3	538.5
Western's World	54.3	66.5	600.3	530.6
Halsey Publications:				
Air Cal	51.3	41.3	427.1	339.1
Braniff	27.0	—	162.1	—
Delta Sky	70.0	76.6	663.4	574.3
Frontier	28.3	35.0	277.1	312.0
Northwest Orient	36.0	44.7	286.6	319.9
Skylite	17.0	19.8	170.0	158.8
TWA Ambassador	55.1	53.7	536.5	451.5
Hawaii	21.2	14.6	195.1	152.4
Pace (6X)	102.8	36.8	569.1	206.2
Southwest Airlines	100.9	93.5	834.8	867.9
Spirit of Aloha	20.0	15.4	197.4	148.9
Total Group	**1,361.9**	**1,336.3**	**12,170.1**	**10,528.5**
% change		**+1.9%**		**+15.6%**

Men's

	Current month		Year-to-date	
	1984	1983	1984	1983
Esquire A.	174.0	133.1	879.0	808.5
Firehouse Magazine	68.7	90.7	480.2	488.6
Gentlemen's Quarterly A.	310.7	233.0	1,344.3	952.5
Penthouse A.	64.4	46.6	446.6	506.8
Playboy A.	70.1	69.9	629.1	725.5
Total Group	**687.9**	**573.3**	**3,779.2**	**3,481.9**
% change		**+20.0%**		**+8.5%**

Metropolitan

	Current month		Year-to-date	
	1984	1983	1984	1983
Aloha (6X)	29.7	40.2	145.9	140.2
Atlanta	72.3	67.4	511.7	472.7
Baltimore	77.3	64.8	542.3	518.9
Boston	163.8	146.4	1,242.1	1,146.2
Charlotte (10X)	18.3	18.0	133.9	167.3
Chicago	181.5	183.5	1,184.7	1,201.1
Chicago's North Shore	93.7	95.2	739.4	718.0
Cincinnati	52.8	58.1	441.0	454.2
Cleveland	85.4	107.8	671.6	648.4
Coast (38X)	383.4	293.6	2,462.8	2,401.4
Columbus Monthly	76.5	85.3	605.5	614.2
Commonwealth	44.5	39.3	340.5	301.6
Connecticut	79.9	67.2	721.7	584.5
Country Magazine	55.0	40.5	364.8	257.9
D/Magazine, Dallas/Ft. Worth	135.7	149.9	1,082.2	996.9
Denver	30.1	37.2	280.6	298.6
Exclusively Yours, Wisconsin (15X)	107.6	111.3	616.5	616.9
Grand Rapids	72.2	114.7	480.8	487.0
Gulfshore Life (10X)	—	—	507.4	406.7
Honolulu	59.3	58.1	524.4	553.6
Houston City	100.2	87.4	739.9	626.5
Indianapolis	33.6	27.7	368.1	347.9
Kansas City	38.3	31.4	296.0	256.7
Los Angeles	189.0	221.0	1,830.0	1,679.5
Louisiana Life (6X)	78.3	84.1	375.1	350.2
Madison	45.2	51.8	416.2	413.8
Metropolitan Detroit	80.9	—	467.0	—
Miami/South Florida	66.4	82.8	759.6	752.5
Milwaukee	61.4	31.5	378.6	153.0
Minneapolis/St. Paul	99.7	91.3	811.2	672.9
Monthly Detroit	70.9	59.6	552.2	484.9
Nashville	—	—	—	—
New Jersey Monthly	55.8	50.5	481.0	451.8
New Mexico	48.3	25.6	327.1	197.8
Ohio	140.2	106.3	582.3	462.9
Oregon	—	—	—	—
Orlando	70.3	83.8	757.5	679.9
Palm Beach Life	34.5	35.1	614.6	573.6
Palm Springs Life	296.7	245.6	1,127.9	1,043.8
Philadelphia	181.4	140.6	1,147.7	1,094.9
Phoenix	82.3	74.7	785.2	669.3
Pittsburgh	60.3	69.8	540.2	417.8
St. Louis	73.5	74.0	533.0	496.0
San Diego	150.6	145.1	1,318.5	1,192.8
San Francisco	100.7	62.2	657.5	529.9
San Francisco Focus	80.5	43.7	520.2	378.5
Tampa Bay Monthly	34.0	42.3	402.6	136.2
Texas Monthly	152.1	146.8	1,138.5	1,020.6
Twin Cities	59.2	56.6	570.5	447.6
Ultra	80.2	68.3	698.9	535.5
The Virginian	49.5	46.3	238.0	185.8
Washington Dossier D.	87.5	84.3	450.5	417.6
The Washingtonian	196.0	189.0	1,311.5	1,241.2
Total Group	**4,716.5**	**4,337.7**	**34,796.9**	**31,097.7**
% change		**+8.7%**		**+12.0%**

Movie/romance/radio/tv

	Current month		Year-to-date	
	1984	1983	1984	1983
Macfadden's Women's Group:				
Modern Romances	26.3	25.9	219.9	236.1
Secrets	26.3	25.9	219.9	236.1
True Confessions	26.3	25.9	219.9	236.1
True Experience	26.3	25.9	219.9	236.1
True Love	26.3	25.9	219.9	236.1
True Romance	26.3	25.9	219.9	236.1
Sterling Women's Group:				
Daytime TV	28.5	27.2	251.5	269.7
Modern Screen	—	30.2	81.0	181.9
Movie Mirror (6X)	—	30.2	82.0	150.1
Soap Opera Stars	—	24.5	89.5	195.5
TV Movie Screen (6X)	—	—	15.0	126.6
TV Picture Life (6X)	—	30.2	87.0	87.7
Teen Bag (6X)	4.6	—	48.1	28.9
Total Group	**190.9**	**297.7**	**1,973.5**	**2,457.0**
% change		**−35.9%**		**−19.7%**

Music/entertainment

	Current month		Year-to-date	
	1984	1983	1984	1983
American Film (10X)	25.5	39.0	192.9	205.2
Audio	62.3	54.8	547.9	453.9
Circus Magazine	39.7	23.9	321.7	245.7
Dance Magazine	54.2	59.0	554.1	556.2
Musician	50.0	80.0	540.1	579.4
Playbill	57.0	60.5	506.0	454.6
Record	28.2	8.1	208.5	76.9
Stereo Review	51.3	54.7	395.7	439.3
Total Group	**368.2**	**380.0**	**3,266.9**	**3,011.2**
% change		**−3.1%**		**+8.5%**

Newspaper, Sun. magazines

	Current month		Year-to-date	
	1984	1983	1984	1983
Family Weekly A.	70.9	69.7	603.2	642.4
Parade	61.4	65.5	478.9	591.6
Total Group	**132.3**	**135.2**	**1,082.1**	**1,234.0**
% change		**−2.1%**		**−12.3%**

Outdoor & sport

	Current month		Year-to-date	
	1984	1983	1984	1983
Alaska	44.2	43.8	371.6	369.0
American Hunter	37.9	38.5	179.5	173.6
American Rifleman	42.6	39.6	258.1	255.0
Backpacker (6X)	40.6	50.6	213.4	255.3
Bass Master (8X) A.	34.7	28.1	384.5	366.6
Bicycling (9X)	95.0	86.2	857.9	818.4
Field & Stream	66.3	84.6	753.8	806.2
Fins & Feathers A.	34.4	33.3	404.4	368.5
Fishing World (6X)	12.6	14.1	203.5	204.9
Florida Sportsman	61.6	50.8	778.8	622.9
Flying	55.2	33.3	418.1	361.5
Fur-Fish-Game	34.5	28.1	204.1	191.8
Golf Digest	93.8	90.3	855.0	820.7
Golf Magazine	27.3	34.3	667.1	601.5
Guns & Ammo	61.8	69.3	440.4	452.0
In-Fisherman	—	—	371.0	337.0
Muscle & Fitness	110.0	105.0	980.0	932.0
Outdoor Life	61.4	61.7	690.4	654.2
Outside Magazine E.	38.1	43.0	338.0	314.5

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. August figures were omitted from last month's report—should have been 53.3, '84, and 36.5, '83. E. August '84 figure was reported erroneously—should have been 35.5. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

(Continued on Page 60)

(Continued from Page 59)	Current month		Year-to-date	
	1984	1983	1984	1983
Petersen's Hunting	64.5	55.5	387.1	331.2
The Runner	41.7	46.6	401.3	356.1
Runner's World (13X)	52.5	36.5	468.7	424.7
Salt Water Sportsman	55.3	39.7	646.1	502.3
Shooting Times	49.1	47.6	399.4	327.1
Skiing (7X)	201.8	142.3	417.1	351.8
Skin Diver	63.1	58.9	697.1	656.2
Southern Outdoors (8X)	46.6	45.1	279.7	291.5
Sport	47.3	41.9	408.3	351.7
Sports Afield	86.9	81.1	775.9	739.0
Tennis	170.8	137.8	828.5	754.5
Western Outdoors (10X)	29.5	24.1	255.2	349.0
World Tennis	57.9	91.9	419.1	484.9
Total Group	**1,919.0**	**1,783.6**	**15,753.1**	**14,825.6**
% change		**+7.6%**		**+6.3%**

—— Photography ——

American Photographer	—	—	—	—
Petersen's Photographic	38.4	43.3	288.6	303.1
Popular Photography	92.3	107.1	862.3	1,015.2
Total Group	**130.7**	**150.4**	**1,150.9**	**1,318.3**
% change		**−13.0%**		**−12.7%**

—— Religious ——

BBI Jewish Monthly (10X)	33.0	36.5	182.7	170.7
Christian Herald	44.8	41.8	239.2	238.6
Christian Life	32.9	34.6	242.7	240.3
Christianity Today	93.0	66.7	591.8	553.2
Inside (4X)	98.8	83.8	251.3	218.5
Moody Monthly	48.7	54.3	397.7	400.6
Total Group	**351.2**	**317.7**	**1,905.4**	**1,821.9**
% change		**+10.5%**		**+4.6%**

—— Science/electronic/mechanic ——

Compute	60.0	147.9	685.8	1,211.0
Computers & Electronics	53.5	56.6	406.9	540.6
Creative Computing	101.4	168.0	1,062.4	1,568.7
Discover	30.2	36.6	317.4	373.8
InfoWorld	168.0	184.0	1,732.0	1,802.0
Mechanix Illustrated	62.1	68.4	616.5	598.9
Omni	70.9	80.5	550.9	544.1
Natural History	41.1	40.0	361.4	316.5
Personal Computing	164.9	226.4	1,372.9	1,765.7
Popular Mechanics	94.3	107.2	838.5	866.8
Popular Science	87.5	90.5	729.1	739.5
Science Digest	37.8	28.1	264.2	284.8
Science 84 (10X)	25.1	33.6	229.2	265.0
Scientific American	130.5	83.1	613.2	461.3
Spectrum	92.0	120.1	870.5	740.7
Total Group	**1,219.3**	**1,471.0**	**10,650.9**	**12,079.4**
% change		**−17.1%**		**−11.8%**

—— Women/fashion/service ——

Bride's Magazine (6X) A.	196.4	192.5	1,643.9	1,565.7
Cosmopolitan A.	243.8	231.1	1,874.3	1,775.0
Essence	102.6	78.1	753.7	709.4
Family Circle A.	134.9	122.0	1,245.5	1,251.3
Glamour	259.0	251.6	1,605.0	1,488.2
Good Housekeeping A.	182.1	197.8	1,399.5	1,444.3
Handmade (6X)	30.8	28.8	121.1	117.9
Harper's Bazaar	311.2	256.7	1,336.5	1,109.3
Health	35.6	30.8	326.1	285.1
Ladies' Home Journal	98.5	88.2	884.5	816.3
Ladycom	45.9	53.8	308.8	281.7
Lady's Circle	8.7	8.2	66.8	74.3
Mademoiselle	217.9	197.4	1,284.2	1,172.6
McCall's	103.5	101.9	811.6	758.9
Modern Bride (6X)	157.2	156.8	1,395.9	1,317.0
Ms.	60.5	47.5	455.9	375.5
New Woman	40.3	50.2	415.6	410.8
Parent's Magazine A.	81.3	82.7	661.6	648.7
Playgirl	29.0	34.0	304.6	345.1
Redbook	113.0	106.3	819.8	755.3
Self	125.9	107.6	870.7	672.1
Seventeen	137.7	107.8	1,202.8	1,013.9
Shape	81.0	82.0	533.0	486.0
Soap Opera Digest	29.9	29.0	266.5	232.4
'Teen Magazine	73.5	72.1	504.8	496.7
True Story A.	63.4	51.6	518.6	504.0
Vogue	602.1	543.3	2,430.2	2,110.7
W Magazine	143.7	133.9	956.9	827.2
Weight Watchers	32.4	28.8	261.8	229.8
Woman's Day A.	171.4	168.1	1,040.8	1,075.4
The Workbasket (10X)	40.3	34.5	295.8	297.7
Working Mother	72.4	76.1	620.3	576.3
Working Woman	178.8	146.3	929.8	808.2
Total Group	**4,204.7**	**3,897.5**	**28,146.9**	**26,032.8**
% change		**+7.9%**		**+8.1%**

—— Youth ——

Boys' Life	35.3	32.7	167.2	200.4
Campus Life	—	—	—	—
Total Group	**35.3**	**32.7**	**167.2**	**200.4**
% change		**+7.9%**		**−16.6%**

August

—— Business ——

	Current month		Year-to-date	
	1984	1983	1984	1983
Arizonia Bus. Gazette	21.2	16.4	198.9	125.7
Atlanta Bus. Chronicle (52X)	46.3	28.8	375.9	247.0
Austin Business Journal	43.5	41.5	355.6	—
Barron's (52X)	136.5	197.5	1,473.7	1,548.7
Boston Business Journal	76.8	72.0	716.6	500.4
Business Week (52X) A.	302.2	281.1	3,026.2	2,740.3
California Business	84.2	66.6	708.4	550.0
Capital District Bus. Review	29.3	31.4	359.5	278.9
Corporate Report/Kansas City	51.4	52.7	477.6	389.7
Corporate Report/Minnesota	64.7	64.3	661.0	629.0
Crain's Chicago Bus. (52X)	106.4	109.5	1,008.7	915.9
Crain's Cleveland Bus.	60.6	48.2	505.7	386.3
Dallas/Ft. Worth Bus. (52X)	42.6	40.5	336.0	272.5
Dun's Business Month	41.5	49.5	494.6	467.0
The Executive	—	—	—	—
Financial World (24X)	19.2	30.2	237.7	285.7
Florida Trend	52.8	47.8	672.1	567.5
Forbes (28X)	155.2	234.0	2,167.8	1,865.8
Fortune (26X) A.	249.8	226.2	2,119.7	1,811.5
Frequent Flyer	65.8	37.6	444.1	368.3
Futures	50.0	47.0	441.0	437.0
Hawaii Business	40.1	55.1	397.1	384.4
High Technology	28.0	21.9	250.6	214.2
Inc. Magazine A.	90.4	81.0	916.0	775.6
Income Opportunities (10X)	—	—	325.4	293.4
Industry Week (26X) A.	65.4	79.1	808.7	739.1
Indianapolis Business Journal	96.1	85.5	871.8	670.2
Minnesota Business Journal	33.9	38.8	395.0	306.0
Nation's Business A.	20.4	14.4	188.5	197.6
New England Bus. (20X) B.	—	—	—	—
New Jersey Success	—	—	—	—
New Orleans Citibusiness	—	—	—	—
Pacific Business News (52X)	91.4	117.2	810.2	775.8
Philadelphia Bus. Journal	84.4	78.6	822.1	475.8
Pittsburgh Bus. Times (52X)	38.8	45.3	420.6	370.0
Savvy	35.4	31.4	322.1	303.5
St. Louis Business Journal	117.0	109.4	1,070.3	843.5
Texas Business	93.3	43.6	566.9	433.1
Venture	95.6	65.9	638.7	442.2
Total Group	**2,631.2**	**2,590.0**	**25,566.8**	**21,611.6**
% change		**+1.6%**		**+18.3%**

—— Newspaper Sunday magazines* ——

Arizona Republic	—	—	—	—
Boston Globe	180.0	185.0	1,525.0	1,350.1
California Living	40.5	57.1	405.6	412.4
Chicago Tribune	57.6	59.3	536.7	608.8
Cincinnati Enquirer	61.5	75.8	562.6	566.2
Cleveland Plain Dealer	53.2	93.9	453.9	643.8
Columbus Dispatch	61.2	62.5	369.0	359.2
Dallas Times Herald	76.0	59.5	638.0	561.2
Denver Post	—	—	—	—
Detroit News	66.0	84.6	677.0	771.0
L.A. Times Home Magazine	83.1	74.2	825.5	666.0
Louisville Courier-Journal	—	—	—	—
Miami Herald	49.5	40.3	410.6	423.1
New York Times Magazine	394.0	411.7	2,729.3	2,431.5
Philadelphia Inquirer	16.2	15.0	53.2	58.0
Toledo Blade Magazine	66.1	34.6	396.2	360.5
Washington Post	—	—	—	—
Total Group	**1,204.9**	**1,253.5**	**9,582.6**	**9,211.8**
% change		**−3.9%**		**+4.0%**

—— Weeklies/bi-weeklies ——

The Advocate (25X)	128.2	128.9	803.2	859.9
Army Times Military Group:				
Air Force Times (52X)	127.2	143.3	1,171.1	1,137.4
Army Times (52X)	118.2	137.8	1,112.7	1,108.2
Navy Times (52X)	135.7	155.4	1,258.3	1,271.7
The Times Magazine	10.0	8.3	119.4	110.9
The Blood-Horse (52X)	367.8	350.9	3,707.4	3,495.7
Capper's Weekly (26X)	23.3	32.4	206.1	212.6
Commonweal (22X)	1.9	1.1	48.6	50.0
Golf World (43X)	82.4	61.7	670.5	674.7
Grit (52X) A.	20.4	18.3	184.2	197.5
National Journal	13.0	14.0	208.7	185.0
National Review	23.5	33.3	206.2	240.8
New Republic (48X)	20.1	33.9	234.7	249.4
New York Magazine (50X)	205.7	180.8	1,664.9	1,686.6
New Yorker (52X)	138.1	175.1	2,009.7	1,981.6
Newsweek (52X) A.	155.2	191.9	1,744.3	1,671.3
People (52X)	256.9	211.8	2,344.2	2,003.4
Rolling Stone (25X)	53.4	66.7	659.4	689.7
Sporting News (52X)	41.0	38.5	384.3	437.7
Sports Illustrated (52X) A.	215.0	168.9	1,943.5	1,694.0
Time (52X) A.	158.3	161.4	1,687.8	1,614.0
Travelhost (52X) C.	3,575.0	3,272.0	25,584.0	23,055.0
TV Guide (52X) A.	197.9	160.8	2,236.8	2,189.7
Us Magazine (26X)	35.7	36.0	301.5	360.0
Total Group	**6,103.9**	**5,783.2**	**50,491.5**	**47,176.8**
% change		**+5.5%**		**+7.2%**

—— Foreign ——

	Current month		Year-to-date	
	1984	1983	1984	1983
Good Housekeeping Foreign Editions:				
Australia	36.9	21.2	248.2	265.1
Japan	76.4	67.7	570.1	453.9
Great Britain	80.1	98.6	881.2	887.5
Buenhogar:				
Central America	2.3	2.0	12.2	14.0
Chile	1.3	1.0	6.7	8.0
Colombia	29.8	27.2	231.2	284.8
Dominican Republic	2.0	6.0	43.0	94.0
Ecuador	10.0	15.7	99.5	74.0
Mexico	42.0	26.0	282.5	303.7
Peru	7.0	18.3	117.5	160.7
Puerto Rico	13.3	5.3	119.2	99.2
U.S.	17.2	12.5	95.3	72.0
Venezuela	29.0	15.5	189.2	158.3
Geomundo:				
Central America	6.0	3.0	42.8	33.0
Chile	6.0	2.0	40.3	35.0
Colombia	9.5	6.0	66.5	76.5
Ecuador	4.0	2.0	28.0	29.0
Mexico	9.0	3.0	56.8	46.5
Peru	5.0	4.0	39.3	43.0
Puerto Rico	—	2.0	18.3	27.0
U.S.	8.0	4.0	38.5	25.0
Venezuela	7.0	7.0	83.3	85.7
Hombre De Mundo:				
Central America	5.0	2.0	47.0	41.3
Chile	4.0	3.0	46.0	41.0
Colombia	6.0	8.0	73.5	76.0
Ecuador	1.0	3.0	33.0	40.0
Mexico	11.0	13.0	100.5	85.8
Peru	3.0	4.0	44.0	37.0
Puerto Rico	4.0	7.0	67.0	42.3
U.S.	8.0	5.0	49.0	23.0
Venezuela	14.0	11.5	135.0	113.3
Ideas Para Su Hogar:				
Central America	—	—	1.5	2.0
Chile	—	—	1.0	—
Colombia	28.0	24.3	137.0	186.7
Ecuador	7.0	5.0	41.5	26.0
Mexico	9.7	5.8	63.2	106.7
Peru	7.5	12.5	47.0	48.0
Puerto Rico	0.5	—	5.0	6.0
U.S.	10.0	8.0	54.0	31.3
Venezuela	14.8	9.5	115.0	92.0
Mecanica Popular:				
Argentina	4.8	7.7	44.0	57.0
Central America	13.3	13.2	103.3	101.3
Chile	7.2	5.8	49.0	49.0
Colombia	16.3	13.3	111.0	137.3
Mexico	14.8	7.2	97.3	72.5
Peru	14.3	22.8	126.0	151.2
Puerto Rico	12.8	15.2	113.0	119.3
U.S.	6.2	4.3	36.0	24.3
Venezuela	17.7	15.2	130.2	162.8
The Ring en Espanol:				
Mexico	—	—	0.3	—
U.S.	6.0	4.3	32.3	26.3
Venezuela	3.0	2.0	10.0	6.0
Vanidades Continental:				
Central America	4.5	2.8	47.7	49.0
Chile	3.3	2.0	15.7	28.5
Colombia	63.7	72.7	429.3	472.0
Dominican Republic	8.7	8.3	59.5	137.3
Ecuador	22.5	23.5	137.7	97.7
Mexico	78.3	99.8	585.0	710.3
Peru	15.3	30.0	153.0	203.0
Puerto Rico	32.5	24.0	287.0	275.3
U.S.	50.5	41.0	331.2	350.7
Venezuela	39.0	31.8	312.0	349.0
Business Week Int'l.	113.0	82.0	1,019.2	1,037.6
Cosmopolitan Foreign Editions:				
Australia	59.1	46.1	425.4	446.3
Brazil	42.2	35.7	264.9	320.2
France	30.3	42.0	989.7	663.2
Germany	50.7	33.0	659.1	409.4
Great Britain	88.0	90.8	845.3	815.9
Greece	30.0	30.0	407.0	394.0
Holland	16.0	10.3	349.0	298.8
Italy	69.3	38.7	412.3	438.5
Japan	28.0	30.6	237.7	301.8
South Africa	120.0	—	463.5	—
Cosmopolitan en Espanol:				
Central America	—	0.3	7.0	16.2
Colombia	10.2	13.5	73.3	110.7
Ecuador	—	0.3	3.0	7.3
Mexico	41.2	38.7	317.7	395.0
Peru	5.0	3.7	19.0	57.3
Puerto Rico	24.5	15.7	226.2	157.2
U.S. (Spanish language)	21.0	14.5	146.2	129.5
Venezuela	13.0	3.5	121.5	99.3
International Management:				
Africa	17.5	19.7	95.0	116.5
Europe	12.2	16.0	257.2	289.0
Latin America	10.3	11.3	64.2	98.0
Middle East	20.2	32.2	97.0	173.8
Pacific	7.8	10.7	94.2	116.8
Johnston International:				
Alam Attijarat	45.2	58.8	402.8	443.0
Ejecutivo	13.8	20.0	36.7	57.0
Modern Africa	20.3	25.8	80.8	93.0
Modern Asia	35.0	36.6	203.4	256.4
Newsweek International A:				
Atlantic	44.6	59.0	617.8	654.0
Latin America	15.6	30.9	184.9	220.6
Pacific	32.8	66.1	483.5	507.7
Progreso (9X)	10.8	13.7	35.7	59.2
Reader's Digest:				
Arabic	3.0	11.0	67.0	94.0
Asian	190.0	158.5	1,322.0	1,648.5
Australian	70.5	72.0	585.8	491.7
Belgian-Flemish	20.5	29.0	608.5	600.5
Belgian-French	11.0	18.5	398.5	443.5
British	28.2	40.4	384.8	471.0
Chinese B.	90.0	106.5	721.2	774.3
Danish	19.0	15.8	228.8	233.5
Dutch	20.0	19.0	277.3	244.3
Finnish	22.0	37.0	310.5	476.5
French	19.9	21.3	351.4	403.8
German	34.4	52.5	522.1	529.9
Greek	5.0	—	79.5	—
Iberian	7.5	5.0	123.5	125.5
Indian-English	49.5	20.0	567.5	564.8
Indian-Hindi	3.0	—	35.5	—
Italian	11.0	6.0	269.0	350.0
Japanese	42.8	43.5	351.4	386.4
Korean	5.0	19.5	183.0	159.2
Latin American:				
Argentina	32.0	18.0	147.0	114.0
Brazil	3.0	3.0	21.0	73.5
Central American	12.0	9.0	71.5	82.0
Chile	17.0	13.0	92.0	113.5
Colombia	36.5	25.0	229.5	285.0
Ecuador	8.0	7.0	59.5	78.0
Mexico	34.5	45.2	350.7	330.3
Peru	10.0	8.0	68.0	69.5
Puerto Rico	3.0	5.5	40.0	46.0
U.P.B.	9.0	7.0	55.0	75.5
U.S. Spanish	9.5	10.0	69.0	107.5
Venezuela	10.0	9.0	82.0	106.5
New Zealand	35.5	95.8	656.0	658.3
Norwegian	19.0	18.0	255.1	266.1
Portugal	27.5	40.0	290.0	349.8
South African	92.5	107.5	705.3	735.5
Swedish	5.5	10.0	87.5	149.5
Swiss-French	7.4	15.0	196.9	218.0
Swiss-German	15.5	18.0	261.3	274.0
Time International:				
Time-Asia	52.1	80.2	642.4	714.7
Time-Atlantic	56.4	61.2	716.5	703.5
Time-Canada	95.1	90.6	1,257.1	1,015.7
Time-Latin America	35.5	36.8	316.6	327.8
Time-South Pacific	96.3	144.3	828.4	942.2
Visao (52X)	172.7	170.2	1,199.6	1,134.8
Vision/Latin America (26X) A.	27.1	28.4	206.5	209.0
Total Group	**3,643.5**	**3,604.9**	**33,513.2**	**33,914.9**
% change		**+1.1%**		**−1.2%**

ADBEAT

Everybody's gettin' into the act

Acting in commercials is a serious business. And so Tom Logan, who has acted in tv spots for Ford, Honda, Kodak and McDonald's, has written "Acting in the Million Dollar Minute: The Art and Business of Performing in TV Commercials" (Communications Press, Washington; $7.95). Along with tips on the intricacies of script terms, pacing, staging, product mentions and product handling, getting an agent and union and agency contracts, Mr. Logan notes that, in 1982, Screen Actors Guild members made a total of $230.7 million in tv commercials. And that's more than they made from tv programs and movies combined. But Mr. Logan also notes that 57% of the SAG membership earned less than $1,000 that year.

Nielsen rates

A.C. Nielsen Co., Northbrook, Ill., boasting increased success among agency subscribers in the western region for its Nielsen Station Index ratings services, has just signed Cole & Weber, Seattle; Chiat/Day, Los Angeles, and Reich Communications, Denver. Earlier this year, Nielsen signed McDonald's (and its 60-plus agencies) as NSI subscribers.

Debit debut

J.C. Penney Co., New York, and Visa Inc., San Francisco, are testing the VISA Electron Card, a new debit card, in 30 J.C. Penney stores in Oregon this month. Penney expects the card will be put into other pilot programs in Ohio and Washington, D.C., and, following that, believes it will eventually accept the card in all its 2,000 retail outlets in the U.S. and Puerto Rico. The card also may be used for catalog purchases. No advertising is planned, a spokesman said.

Banquet haul

The family meal is alive and well, according to Banquet Foods Co., Ballwin, Mo. Many families still sit down together for a nightly meal even when mother and father both work. To better meet the needs of today's "working/active meal preparer," the company is restaging and extending its Banquet Foods family entrees. Two new varieties, Charbroiled Beef Patties with Mushroom Gravy and Chicken Parmagian Patties, will be added to the line. The dishes are packed in a new cook-and-serve decorator paper tray for use in either conventional or microwave ovens. The entrees retail from $2.29 to $3.89. The introduction of the upgraded line will be supported with 25 and 35 cents-off coupons in national magazines and newspapers. D'Arcy MacManus Masius, St. Louis, is the agency. The company also is introducing two additions to its Entree Express line of frozen convenience foods. Breaded Veal Patties and Beef Pizza Patties will retail for $3.10.

To market, to market

Marketing is the most popular field among 315 1984 graduates of Stanford University's MBA program, attracting 30% of this year's graduating class, compared with last year's level of 28% and 13% in 1980. Ayse Kenmore, director of career planning and placement, attributes the steady rise to the "growing demand for marketing skills not only from the traditional consumer-goods manufacturers and distributors, but also from financial institutions and from manufacturers of high-tech equipment." Finance drew 27% of the class, down from 29%, and consulting attracted 20%, up slightly from 19% in 1983.

Fair enough

It's off to the fair we go, and, when Americans went to the park, fair or amusement center in 1983, they ate and drank more than ever before. Food and drink sales accounted for nearly $3.3 billion in income for the mass-entertainment industry in 1983, according to a survey recently conducted by *Amusement Business*. Sales were up an average 14% at fairs and expositions from a low of 11% and up 17% in the park industry

"King" of beers

One of the primary laws of physics—that for every action there is an opposite and equal reaction—apparently applies to the brewing industry, too. While Miller Brewing, Milwaukee, is testing its low-alcohol Sharp's LA brand for those who believe in moderation, it also has expanded distribution of its King Kan. The 32-oz. can of Miller High Life now is sold in 18 states after successful testing in Chicago, Houston and New Orleans.

Miller
High Life

At the movies

"Saturday night has always been a movie night, still is a movie night," despite the fact the Big 3 tv networks no longer schedule one, said John Otter, senior vp-network programing, SSC&B, New York. The big difference is that now people can watch films when pay tv services slot them or at their own convenience via videocassettes. That is the main reason for the "dramatic" dropoff in ratings for the nets' Saturday 8 p.m. to 10 p.m. fare, he maintained. Such movie viewing also is an erosion factor on Sunday evenings, where NBC is in dire straits due to heavy 7 p.m. to 8 p.m. affiliate preemptions. Even a strong NBC series in that hour would be hard-pressed to succeed because "there are only so many share points to go around," Mr. Otter said.

Not child's play

Quantum Marketing Group has been formed as a consultancy specializing in child-related products and services, because "kid marketing is no longer child's play," said founder/president Yves Coleon, formerly director-marketing, Matchbox Toys/U.S.A., New York. Quantum is located at 146-148 Sound Beach Ave., Old Greenwich, Conn. 06870. The growth in the number of children under age 12 over the next five years will be "dramatic," he said.#

Bargains

(Continued from Page 3)

to buy a specific product or service because its marketer is an Olympic sponsor. Ties to the Olympics have no effect on the buying patterns of 65% of those polled.

Appropriately, the Olympics sponsor whose advertising had the best recall was one of the summer games' biggest spenders: McDonald's Corp. More than one-third (36.7%) of the adults polled included McDonald's when asked which sponsors' advertising first came to mind.

Only 2% of respondents recalled McDonald's advertising during the Winter Olympics. (Although Burger King was the "official fast-food restaurant" of the Winter Olympics, it ran no advertising featuring that connection. McDonald's advertising at the time of the winter games touted its sponsorship of the summer games.)

McDonald's reportedly spent $35 million on advertising and promotions tied to the Olympics. That includes its "When the U.S. wins, you win" scratch-card game, which, like the U.S. teams, was highly successful.

Other advertisers among the top 10 in top-of-mind awareness (and their awareness score during the winter games) were: Levi's, recalled by 13.2% of respondents last month (also 13.2% during the winter games); Coca-Cola, 11.6% (2.9%); Snickers, 11.1% (3.6%); Budweiser, 9.8% (4.1%); M&M's, 7.8% (3.8%); Southland's 7-Eleven stores, 5.7% (no score in winter); Canon, 4.9% (1.8%); Pepsi-Cola, 4.3% (no score in winter); Wonder bread, 4.2% (1.5%).

Interestingly, awareness levels for the top two advertisers, McDonald's and Levi's, decreased as the age of the respondent increased but rose as income did. The same pattern repeated for several other advertisers.

More important—and even more encouraging—to advertisers than the over-all awareness and influence scores are the demographic breakdowns. The AD AGE survey shows that Olympic sponsorship had its strongest impact on some of the key target audiences.

For example:

- Awareness of advertising mentioning Olympic involvement rises with income. While 66% of adults with incomes of $10,000 or lower said they recalled such advertising, 93% of respondents making $40,000 or more were aware.

Awareness declines with age, but not as sharply as it rises with income. Of persons age 18 to 24, 93% said they saw or read advertising tied to the Olympics; 80% of those age 55 to 64 said they recalled such advertising.

Awareness was highest in the West (88%), lowest in the south central states (78%).

- While 34% of those with the lowest incomes were unable to name specific advertisers mentioning their ties to the Olympics, only 14% of those in the highest income bracket failed to do so.
- Persons who said Olympic sponsorship raises their opinion of a company most often were middle-income and middle-aged. They also were most likely to live in the Northeast and least likely to live in the western U.S.

Nearly equal percentages of men (44%) and women (43%) said their opinions of companies were raised.

- Persons who said they would be inclined to buy a specific product because of its manufacturer's Olympics involvement most often had incomes between $20,000 and $40,000.

The highest percentage of respondents whose buying habits were favorably influenced was among persons aged 45 to 54.#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

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The International Newspaper of Marketing

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Crest, Aim jump on pump segment

By LAU. .IE FREEMAN

The nearly $1 billion dentifrice market is getting a fresh jolt of competition as market leader Procter & Gamble and No. 3 Lever Bros. both move into separate test markets with new pump-dispenser toothpastes.

Consumers across the country may not have to wait too long to see both products on their store shelves.

Procter & Gamble doesn't plan to spend much time in its Maine test markets for pump-dispensed Crest—in regular and mint flavors and in a gel variety. Sources said P&G has set a national rollout for early next year.

Lever Bros. has begun testing Aim gel toothpaste in a pump dispenser in selected East Coast markets, with national distribution also expected in early 1985.

The appearance of these two leading dentifrice brands in pump form indicates good sales results for Minnetonka Inc.'s Check-up brand and Colgate-Palmolive's Colgate brand pump version (AA, May 28). Check-up began a $20 million national ad campaign last May.

A retail-chain buyer in Texas said that although Check-up costs at least a dollar more than tube-dispensed toothpastes, unit sales have increased tenfold since it became available earlier this year. A New York grocery chain said it can't keep the plaque-fighting toothpaste in stock.

Colgate put both its gel and regular-flavor toothpastes in pump dispensers for market test this spring. A company spokesman said the brand now is being rolled out nationally.

The company also is testing Dentagard, a pump-dispensed, plaque-fighting toothpaste that would compete directly with Check-up (AA, March 19). Being tested in Boise, Ida., Dentagard continues to sell well, industry observers said.

Retailers speculate that one reason behind pump-dispenser dentifrice's popularity is that consumers tend to use less with the dispenser. However, Hercules Segalas, Drexel Burnham Lambert analyst, said he has not "seen any evidence that people are using less toothpaste; if anything, kids have heavy trigger fingers and are using more."

The Crest 4.6-oz. pump dispenser, being sold for about $1.35, is designed to sit upright on bathroom counters, according to a P&G

(Continued on Page 104)

Montana goes on offensive

By ROBERT RAISSMAN

When Joe Montana quarterbacked the San Francisco 49ers to a 1982 Super Bowl championship, Adidas took out major-market newspaper ads proclaiming: "We've been with you [Mr. Montana] all the way."

But Mr. Montana is no longer *with* Adidas. Last week, he filed a $9 million lawsuit in San Francisco against the shoe manufacturer, demanding that Adidas USA stop marketing a leisure shoe called Montana. The suit also asks the company to account for all profits from the sale of the shoe, which Mr. Montana described as "garbage."

Adidas officials claim the Montana shoe name refers to the state, not the sports celebrity it had under promotional contract from 1981 through 1983.

But this appears to be less a case of usurping a celebrity's name and more an example of what can go wrong in an endorsement arrangement. Mr. Montana has learned how cutthroat things can get in the rubber-sole jungle.

To hear Mr. Montana tell it, Adidas was never with

(Continued on Page 104)

Breakthrough

New campaign from Quasar will position the company as a technological leader. *(See story Page 2.)*

Firestone ads play down tires

By JESSE SNYDER

Firestone Tire & Rubber Co. will drop mainline tire advertising in its change to retail-oriented sales and service marketing.

The new campaign, breaking Oct. 15 primarily on network tv, is the first creative effort by Saffer, Cravit & Freedman, Toronto, which took over Firestone's U.S. retail, passenger tire and service account from BBDO, New York (AA, July 5).

The account was estimated at $20 million at the time, but a Firestone spokesman said spending for the new campaign has increased "significantly."

"This is probably the largest network tv commitment in our history," the spokesman said.

The initial six weeks of the campaign contain two 30-second commercials airing on prime time shows such as "A Team" and "Magnum, P.I.," sports programing and news-oriented shows such as "60 Minutes."

Instead of commercials singing "There's a name that's known as Firestone, where the rubber meets the road," the new drive features a "C'mon, America, drive over to Firestone" jingle with quick-cut "vignettes of America." The commercials will push Firestone's 6,000 retail outlets as places where all a customer's automotive service needs can be met. Newspaper ads follow in major markets.

Individual tire lines or services such as wheel alignments may ap-

(Continued on Page 104)

'Infomercials' seen on at least four networks

GF unfolds cable ad plan

By SUSAN SPILLMAN

New York—General Foods will unveil a new strategy for using cable tv here this week that involves a unique series of two-minute entertainment-oriented commercials to run on at least four networks for the next year.

Handled by Young & Rubicam, the campaign represents the latest GF plan to use cable tv to counter network share erosion.

It is also the first major strategic move GF has made in cable recently. The White Plains, N.Y.-based company in the early 1980s made several multi-million-dollar, multiyear, run-of-schedule and program sponsorship deals on cable networks, but this marks the first time GF will go the infomercial route.

The General Foods approach is reportedly in response to consumer research. The two-minute spots also address what GF called a response "to new life styles and viewing patterns."

General Foods has recently spearheaded advertiser reaction to commercial "zapping"—the rapid switching of stations by viewers to avoid commercial breaks or, more importantly, the editing out of commercials on videotaped programing (AA, July 23, *et seq.*).

It is believed that GF is going the infomercial route in part, at least, because it sees the entertainment aspect of the spot as a "zap-proof" approach to tv advertising. GF estimates it's currently losing $1 million a year to zapping.

The General Foods spots will combine 90 seconds of "entertainment-oriented kitchen tips" with a 30-second product pitch for one of its food brands. Several spots promoting different products will be included.

The commercials break next month on Cable News Network, USA Network, CBN Network and Lifetime. They will run for 52

(Continued on Page 102)

Raisin ads count on

sh

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Last Minute News

Chevy punts on Super Bowl sponsorship

Detroit—Chevrolet will not "renew" its sponsorship of the National Football League Super Bowl because of its $1 million-a-minute rate. Chevy ran seven spots last year at $800,000 a minute but balked this year because of "excessive" ABC charges. "We believe it's time to tell the networks 'Enough,'" said Thomas Staudt, general marketing manager. Chevy will put its dollars on the CBS miniseries "Space" in April. Chevy will take a 50% sponsorship of college football on Entertainment & Sports Programming Network cablecasts as it reduces its tv sports buy to 50% of its tv budget from 75% last year (AA, Aug. 20). Print goes from 22% to 28%. Chevy's new ad theme, "Today's Chevrolet. Live it," replaces "Chevrolet is taking charge." The "Tough truck" line yields to "Nothing works like a Chevy truck," all via Campbell-Ewald, Warren.

Miller gets help in agency review

Milwaukee—Miller Brewing Co. has been working with New York consultant Robert Bragarnick during its latest creative review on the $50 million Miller High Life beer account (AA, Sept. 13). Mr. Bragarnick is said to have been instrumental in getting Jordan, Case & McGrath into the review that includes JWT, Ayer and Burnett (AA, Sept. 20). A new "quality reinforcement" spot for High Life by agency of record Backer & Spielvogel broke on sports programing last week. Backer also is at work on other High Life quality spots within the "Miller time" format.

Burnett may get Hewlett-Packard account

Palo Alto, Cal.—Computer sources predict Leo Burnett USA will get the Hewlett-Packard Personal Computer Group account. H-P last week dropped J. Walter Thompson/USA, San Francisco, as the agency handling the $20 million account. Dancer Fitzgerald Sample continues to handle H-P's information system group.

(Continued on Page 8)

Viewers flip channels in pre-premier week

By JAMES P. FORKAN

New York—Viewer sampling was still the name of the game in prime time network tv last week, as CBS, ABC and NBC prepared for the official start of "premier week" today.

The latest national Nielsen ratings show that CBS' hospital-based "E/R" faced its first emergency and ABC's "Call to Glory" series about Air Force families continued a dangerous tailspin, while NBC's "TV's Bloopers & Practical Jokes" continued to succeed on others' mistakes and "The A Team" continued to hit the ratings target.

NBC also rejoiced over "Highway to Heaven's" two-hour opener, whose 35 share blockaded ABC's "Fall Guy," which had a disappointing 22-share return. The latter apparently was held back by CBS' rerun of the Burt Reynolds film "Cannonball Run," averaging a 20 share.

Over-all, Wednesday belonged to NBC, whose sudden advance of the lowly "St. Elsewhere" into "sneak week" paid off with a 29 share. That was two points ahead of ABC's "Hotel" rerun and 11 above a busted CBS pilot.

In the Thursday overnights, averaged across the eight A.C. Nielsen Co. metered markets, NBC's "sneak" attack scored again, as "The Cosby Show" and "Family Ties" won their slots with shares of 44 and 32, respectively. ABC's "People Do the Craziest Things" lagged badly with a 15 share, but "Who's the Boss" recovered somewhat to a 23 share.

CBS' effort to have "E/R" ride "M*A*S*H's" coattails in tune-in advertising for its first Tuesday outing proved futile, as viewers opted instead for NBC's "sneak preview" of "The A Team" and ABC's one-hour " 'Three's Company' became 'Three's a Crowd' " special. "Team" and "Crowd" averaged a 32 and 30 share respectively, as "E/R" and the repea of the "M*A*S*H" series finale special posted anemic shares in th upper teens.

NBC built on "A Team" to notc a 33 share for the introductor two-hour "Hunter" movie—although it remained to be see whether the series can carry thos numbers to its normal Frida berth opposite CBS' "Dallas. "Hunter" outgunned ABC's tv series preview for Lindsay Wagner' "Jessie," by four share points.

The "E/R" numbers were quite comedown from the comedy' perch as No. 1 in the Nielsen ratings for the week ended Sept. 1 when it commanded a 36 share.

However, that "E/R" Sunday sp

(Continued on Page 105)

Mondale skirts Fla., Tex. buys

Dallas—Tv stations in two key election states are wondering: Where's the ad windfall they expected from the Democratic presidential campaign?

With less than 1½ months before the Nov. 6 general election, the failure of the Mondale/Ferraro campaign to make local tv buys so far in Florida and Texas has fueled speculation that the Democrats' hopes in those states may be minimal. Stations in those markets said they have received inquiries about available spots, but they have not received any buys.

"We thought by this time, there'd be more political [advertising] on the air," said an official at an Austin affiliate who asked not to be identified.

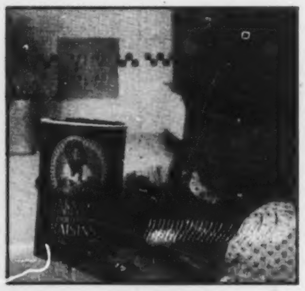
Officials from the Mondale/Ferraro campaign refused to comment on whether they would make local buys in those two states, which together provide nearly a fifth of the electoral votes needed to win.

Although there is still time to get spots on the air, the absence of the locally placed spots could indicate that the Democrats intend to maximize media muscle in other markets, such as New York and Los Angeles. Texas, with its 29 electoral votes, and Florida, with 21, make up about 18% of the 270 electoral votes needed to win the election.

In Miami, two of three major stations have yet to receive any orders for local advertising from either party. "Mondale is not going to waste his time or money [in Florida] since Reagan has it sewed

(Continued on Page 105)

Highlights



California's raisin industry, besieged by oversupply, is capitalizing on the proverbial silver lining in its cloudy fields: Low prices. Both Sun-Diamond Growers of California, the Stockton-based marketer of Sun-Maid raisins, and the California Raisin Advisory Board are breaking campaigns this month that offer consumers "the lowest prices in six years." *See Page 6.*

Cosmair's purchase of Warner Cosmetics for $146 million earlier this year hasn't kept either from new-product introductions for 1985. *See Page 10.*

Joel Baumwoll, leaving the reorganized Needham Harper Worldwide, thinks his future lies in consulting. *See Page 12.*

Science Digest is in the midst of changes which Hearst Magazines says will reposition the monthly in the men's service and life-style niche. *See Page 14.*

Memorex is betting its premium-brand blank videocassettes can prevail through image-building advertising in a market wracked by sharp discounting. *See Page 46.*

The Fairness Doctrine, the Federal Communications Commission policy requiring balanced presentation of controversial issues on tv and radio, has split the advertising and agency community. *See Page 50.*

Ben-Gay has moved out of the medicine chest and into the locker room as the people at Pfizer Inc. are trying to expand from arthritics to athletics. *See Page 54.*

Lewis Young's resignation as editor-in-chief of *Business Week* marked the end of a tumultuous chapter for business reporters. *See Page 58.*

CORPORATE CLOSEUP

Labeled by some analysts as the "trendsetter of the super-warehouse concept," Super Valu Stores is spreading new concepts of grocery retailing throughout the country. *See Page 4.*

INTERNATIONAL

Wayne Gretzky, the hockey superstar who has broken nearly every scoring record, finally cracked one goal that had eluded him—a major product endorsement in the U.S. *See Page 60.*

In Britain, a centuries-old tradition will come to an end next month when accountants and lawyers begin advertising their services for the first time. *See Page 60.*

Wendy's International, known in the U.S. for its "Where's the beef?" ads, has stirred up the fast-food industry in Australia with a controversial, comparative campaign against McDonald's Corp. that never uses the famous slogan. *See Page 62.*

When Reader's Digest Assn. in Spain announced earlier this month that it is closing down its Spanish operations, advertising industry insiders blamed the pullout on marketing problems. *See Page 66.*

VIDEOTECH

The president of newly formed Active Buyers Network aims to "take broadcast tv and turn it into a targeted marketing vehicle for high-ticket items." He will test his concept in Chicago and Minneapolis next month with an eye toward a national launch next year. *See Page 76.*

ProServ Television is so pleased with its "Countdown to '84" Olympics series that plans are being made for a similar series leading up to the 1988 games. *See Page 76.*

COMING THURSDAY

SPECIAL REPORT

Sweets and desserts have returned to prominence on grocers' shelves. Health-conscious Americans are dipping into premium ice creams and frozen novelties, cheesecakes, candy and cookies.

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Quasar flies off in new direction

By DIANE MERMIGAS

Quasar Co. is launching a $2 million-plus campaign for new products that tries to shift the company's traditional emphasis on dependability to one at the cutting edge of technology.

The multimedia campaign will go toward supporting a hefty array of new products, ranging from a digital compact disc player to microwave ovens.

Created by Needham Harper Worldwide, Chicago, the campaign projects a new creative direction for Quasar, said Thomas Lauterback, manager of advertising communications.

"As a good-ol'-boy company, we've always stressed the quality and reliability of our products, but people did not respond to it," Mr. Lauterback said. "Because of the rapid pace at which new technology is developing, they want to know that whatever products they are buying today will not become obsolete tomorrow."

Quasar, based in Franklin Park, Ill., is hoping the new campaign will double market share for some new audio products, as well as generate sales increases for best-sellers, including videocassette recorders.

The campaign, which accounts for three-quarters of Quasar's total annual ad budget, represents a spending increase over last fall's "Call me when you get a Quasar" new-products campaign.

The new campaign theme "Out of our minds, into your hands," is depicted in print and broadcast ads by an egg being cracked open. Inside are such new products as Quasar's digital audio compact disc player, color tv receiver-monitor, vhs videocassette recorder and stand-alone and over-the-range microwave ovens. This is the first advertising effort for the new products, currently being shipped to stores.

The tv commercials—a 30 and a 60-second version—"use futuristic

(Continued on Page 104)

VALS ties values, buying

SRI spans the globe

By STEWART ALTER

SRI International, Menlo Park, Cal., plans to launch a new research service internationally in 1986.

The service will divide the world into life-style categories—in the U.S., these are emulators, achievers, experientials and belongers—and relate them to brand-purchase decisions. It will satisfy the need of global marketers for "psychographic" and value research that crosses borders.

Such research has been tried before, but never tied as extensively to specific brands, said James Ogilvy, director of research for the VALS (Values and Lifestyles) service.

"There is no single typology that now exists that will work cross-culturally. Our current VALS typology is very American," he said in New York, where he was a speaker at the Ted Bates Worldwide general managers' meeting.

Some ad agencies, such as Foote, Cone & Belding Communications, Chicago, are conducting their own worldwide research relating attitudes to brands.

Jennifer Stewart, senior vp-head of planning and research at Ogilvy & Mather, New York, confirmed the significance of the development.

"The benefit of VALS is that [it is] marketing-oriented," she said, comparing it to other attitudinal research being done abroad. "I think they would possibly be the

(Continued on Page 102)

NAAP offers one-stop ads

CHICAGO—The National Assn. of Advertising Publishers is offering retailers a "one-stop forum" for advertising products and services in shoppers and small newspapers throughout the U.S.

"Advertisers can now reach 13 million readers through our members' community newspapers," said an NNAAP spokeswoman. The program, which is being tested, allows advertisers to place their ads in any or all of the newspapers, and the member newspaper has three weeks to run the ad.

The ads cost $25,000 for a full page. For more information, contact: NAAP, 111 E. Wacker Dr., Suite 600, 60601.#

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Address ____
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Phone ____

FLASH REPORT: Newspaper advertising investment for June

June 1984 CATEGORIES	YEAR	DOLLARS 1984	DOLLARS 1983	CHANGE ACTUAL $ G OR L	CHANGE % G OR L
Department stores	1984 1983	$63,966,286	$59,741,347	+4,224,939	+7.1
Food stores	1984 1983	22,309,811	25,190,653	−2,880,842	−11.4
Radio, tv, phonographs, records	1984 1983	12,902,935	11,355,300	+1,547,635	+13.6
Alcoholic beverages	1984 1983	3,909,601	2,910,189	+999,412	+34.3
Cameras, photo supplies & services	1984 1983	833,547	663,257	+170,290	+25.7
Beverages: coffee and tea	1984 1983	158,562	391,439	−232,877	−59.5
Beverages: soft drinks, diet/non diet	1984 1983	419,642	803,297	−383,655	−47.8
Soaps, cleansers & polishes	1984 1983	136,729	201,261	+64,532	−32.1
Cold, cough & sinus remedies	1984 1983	0	0	0	0
Headache remedies & sedatives	1984 1983	153,618	0	+513,618	++
Publishing & media	1984 1983	7,959,864	6,132,445	+1,827,419	+29.8
Sporting & Leisure time equipment	1984 1983	732,159	1,277,182	−545,023	−42.7
Cigarettes	1984 1983	5,431,764	4,415,111	+1,016,653	+23.0
Cosmetics, makeup & manicure products	1984 1983	144,145	293,208	−149,063	−50.8
Airlines	1984 1983	10,806,403	10,136,845	+669,558	+6.6
Passenger cars-new	1984 1983	9,675,283	9,810,725	−135,442	−1.4

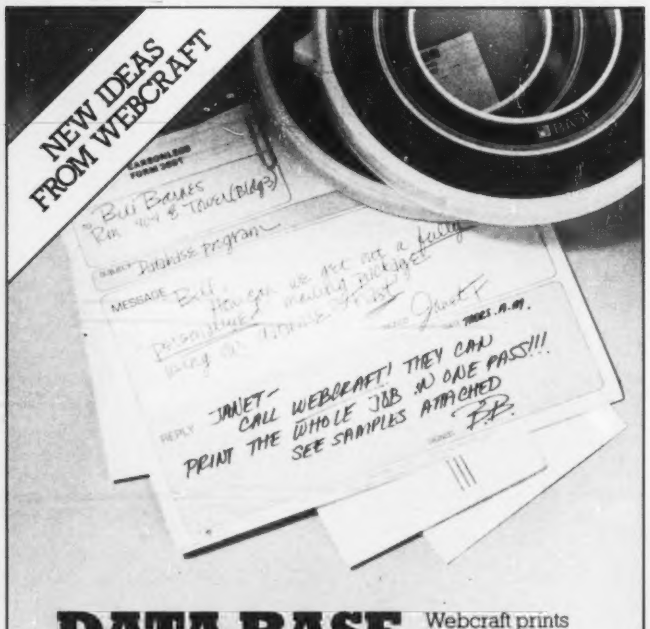
IN 100 THOUSANDS ↓ 1 2 3 4 5 6 7 8 9 — IN MILLIONS ↓ 1 5 10 15 20 25 30 35 40 45 50 55 60 65 70 75 80 85 90 95

This Flash Report of newspaper advertiser investment, compiled for ADVERTISING AGE by Media Records, is derived from tabulations that cover 35 dailies and 24 Sunday editions in 15 cities: Atlanta, Baltimore, Boston, Charlotte, Chicago, Cleveland, Dallas, Denver, Detroit, Los Angeles, New York, Philadelphia, San Francisco, Washington and Youngstown.#

Source: Media Records Inc.

Miller/Lubin Design moves

NEW YORK—Miller/Lubin Design Corp. has moved its office to 11 E. 47th St., 10017.



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Department stores big ad gainers

NEW YORK—Department stores increased their expenditures in daily newspapers 7.1% in June over the same month in 1983, leading an over-all increase in eight of 16 categories measured for the ADVERTISING AGE Flash Report by Media Records.

Department store spending increased $4.2 million from June, 1983, levels to nearly $64 million in June, 1984, leading all categories in dollar increase.

Among other big gainers were the radio-tv-phonographs-records category, with a 13.6% increase to $12.9 million; alcoholic beverages, with a 34.3% increase to $3.9 million; publishing and media, up 29.8% to nearly $8 million, and cigarets, posting their first category increase this year with a 23% jump to $5.4 million.

Other gainers included the airlines category, up 6.6% to $10.8 million; cameras, photo supplies and services, up 25.7% to $833,547, and headache remedies and sedatives, up from zero last year to $153,618 this year.

Categories showing losses were food stores, down 11.4% to $22.3 million; coffee and tea, down 59.5% to $158,562; soft drinks, down 47.8% to $419,642; soaps, cleansers and polishes, down 32.1% to $136,729; sporting and leisure-time equipment, down 42.7% to $732,159; cosmetics, makeup and manicure products, down 50.8% to $144,145, and new passenger cars, down 1.4% to $9.7 million.

The cold, cough and sinus remedies category showed no activity in June '83 or '84.#

'WSJ' sees slip in ads, circulation

By WILLIAM GLOEDE

NEW YORK—The *Wall Street Journal* is expecting third-quarter ad linage to be flat on an actual basis and down slightly on a per-issue basis, Dow Jones & Co. announced.

The slowdown was blamed on "difficult" comparisons with the third quarter of 1983, when ad linage was up substantially as the recession ended, and on the fact that the third quarter of 1984 had one less business day than the same period last year.

The *Journal* also is anticipating a slip in circulation by year's end. It has been off between 2% and 4% in recent months and is expected to end the year at slightly less than 2.1 million. The circulation softness is due to an increase in both subscription rates, which broke the $100 per-year barrier this year, and single-copy prices, which rose from 35¢ to 50¢ this year.

The softness in ad linage performance is likely to be reflected throughout the newspaper industry this fall for the same reasons as affected the *Journal*, Mr. Morton said.#

YOUR PROMOTION HERE
Optional "Take One" Tray
#1600TN

DOUBLE FACE DISPLAY FRAMES
Now available in Gold or Natural anodized aluminum finish.
Just insert 2 standard size poster cards, 28" high X 22" wide. Ideal for high traffic areas, lobbies, hallways, at elevators, etc. Posters load from top.
To offer additional information on your promotion, specify (2) "Take One" Trays as illustrated.

QUANTITY PRICES

Natural Finish – #1600TN		Gold Finish – #1600TG	
1-4	$63.75	1-4	$72.00
5-19	$60.10	5-19	$68.55
20-49	$57.80	20-49	$65.30
50 Up	$56.50	50 Up	$64.75

Price includes (2) "Take One" Trays. FOB Memphis, TN
We manufacture various other sizes and types of advertising frames. Tell us what you need.

NATIONAL GUARD PRODUCTS, INC.
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HIS NAME
YOUR AD
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It's your "Daily Billboard" on the buyer's desk

OPERATION APPRECIATION is a monthly personalized mailing to key people.

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Contact SATIRE, INC., P.O. Box 39758, Los Angeles, CA 90039, 213/656-7338.

C2110-1

$1.25 a copy; $52 a year

Thursday, September 27, 1984

Advertising Age®

The International Newspaper of Marketing

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Chrysler, Chevy trimming tv ads

By RALPH GRAY
and JESSE SNYDER

Chrysler Corp., joining Chevrolet in shunning high-cost tv advertising, will cut network tv spending by about 8% for model year 1985.

That will pare tv's share of the Chrysler ad dollar by 2% or 3%. In 1983, Chrysler spent 50% of its $200 million media budget in the medium.

At Chevrolet, the auto marketer said it won't renew its sponsorship of the Super Bowl at $1 million a minute (AA, Sept. 24). That won't be the only casualty, said Thomas A. Staudt, general marketing manager.

"The contracts the networks negotiate in some of the sports and entertainment fields lead us to look very carefully at those specific properties," Mr. Staudt said.

Chrysler, too, is looking past the Super Bowl. "Chrysler couldn't afford the Super Bowl last year," said A.J. (Bud) Liebler, Chrysler-Plymouth general marketing manager. "I don't have a lot of million bucks and I can think of a lot more efficient ways of spending those million dollar blocks."

Chrysler is cutting 2% to 3% from tv's share because of "escalating costs and continuing fragmentation of the audience," Mr. Liebler said. The best guess is that Chrysler will divert $7 million to $10 million from tv. For Chrysler-Plymouth, ad spending is shifting to more print, radio and cable tv, Mr. Liebler said. And Dodge division will move more dollars to cable and magazines, said Joseph Caddell, general marketing manager. Both men were in New Orleans at a national press conference.

Chevrolet already has said it will increase cable and magazine ad spending. The magazine share goes from 22% of the ad dollar to 28%, or an estimated $6 million to $8 million gain. Chevy's total ad budget in 1983 was $178 million, of which about $96 million was on tv.

"We've been running very sharp cost in-

(Continued on Page 65)

Landau probes expand

By ROBERT RAISSMAN

New York—Miller Brewing Co. this week reportedly staged its own investigation into the bankrupt Robert Landau Associates and decided to pay more than $200,000 to suppliers who worked on Miller projects through the sports-marketing agency.

Meanwhile, ABC Inc., listed by Landau as its biggest creditor, is said to be investigating reports questioning ABC's financial dealings with Landau. ABC Inc. is listed by Landau as owed $1.1 million, while ABC Sports is owed $96,000. Neither Landau nor ABC would explain the nature of the debt.

The Miller action comes after reports that Landau had diverted

(Continued on Page 65)

Refined scent

"Classic yet modern"—that's how Yardley of London describes its new cologne, Black Label. Print ads for the product, priced slightly higher than the Beecham Cosmetics subsidiary's other male scents, break in November consumer magazines. Zwiren & Wagner, Chicago, handles. *See story on Page 65.*

What you put into words,
we put into fragrance.
New
Love Notes'
perfume and cologne
YARDLEY of London

Feds probe MTV's video license deals

By SUSAN SPILLMAN

The U.S. Justice Department is investigating possible antitrust violations stemming from MTV: Music Television's contracts with five record companies providing for exclusive play of selected music videos on the cable network.

A spokeswoman for the Justice Department, confirming the investigation, said, "There is no way of knowing how long the investigation will take." She added that the department could file suit if antitrust violations are discovered.

An MTV spokesperson said, "We have received a routine inquiry from the Justice Department and we are cooperating fully. We are confident that our agreements with the record companies do not violate the anitrust laws. In particular, we believe the exclusivity provisions are appropriate and valid—exclusivity being a common and accepted feature of entertainment-industry contracts."

In the cable industry alone, for example, both Home Box Office and Showtime/Movie Channel have similar agreements with various movie studios for the exclusive play of selected films.

MTV has contracts that provide for some exclusivity with RCA, MCA, Polygram, CBS and Geffen.

(Continued on Page 63)

Agency gets long-range strategic assignment

Burnett with edge at H-P?

By CLEVELAND HORTON

Hewlett-Packard, which last week abruptly fired its agency, assigned Leo Burnett USA, Chicago, this week to create a long-range, strategic advertising plan for H-P's personal computer line.

The firing came as somewhat of a shock for J. Walter Thompson USA, San Francisco, the former agency (AA, Sept. 24). It occurred immediately after Angelo Pagano, formerly with Richardson-Vicks, Wilton, Conn., was installed as H-P's new advertising manager.

Although Burnett appears to have won the $20 million H-P account, a spokesperson for the Palo Alto, Cal., computer marketer noted the agency has been assigned only strategic planning.

In the interim, Dancer Fitzgerald Sample, San Francisco, which handles H-P's information systems group, will take over the personal computer account.

H-P, which introduced its first "mainstream" microcomputer only 12 months ago, markets two personal computers. It has risen quickly to the top ranks of the category, competing directly with IBM, Apple Computer and Tandy/Radio Shack.

Industry analysts are reluctant, though, to credit H-P's rapid rise in sales to JWT's work. One analyst estimated that as much as 60% of H-P's personal computer sales were completed by the company's in-house sales team, which relies less on the effectiveness of advertising than on sales through retail outlets.

Some agency insiders speculate H-P will consolidate the personal computer and information systems accounts, presenting a larger agency with an attractive opportunity for domestic and international assignments.#

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glit

AA
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CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Presstime

Heublein drops Scali, in market for agency

Farmington, Conn.—Heublein Inc. and Scali, McCabe, Sloves have terminated their relationship, in which the agency handled advertising for Harvey's Bristol Cream sherry and Don Q rum, with combined billings estimated at $6 million. Heublein said it has no deadline for picking a new agency, but all agencies doing work for R.J. Reynolds Industries, Winston-Salem, N.C., Heublein's parent company, would be considered. Marvin Sloves, Scali's chairman, said the agency is seeking another distilled-spirits account.

TBS signs three advertisers for music channel

Atlanta—Turner Broadcasting Systems' new Cable Music Channel to debut next month has signed three advertisers so far: TriStar Pictures, Paramount Pictures and Wrigley.

Byoir set to acquire Golin/Harris

Chicago—Carl Byoir & Associates, the public relations arm of Foote, Cone & Belding Communications, is expected to finalize an acquisition agreement with Golin/Harris Communications, a public relations

(Continued on Page 65)

Regional Update

New column of news with a regional twist debuts in this issue, on Page 64.

FTC acts on toothpaste ad, razor claims

By STEVEN W. COLFORD

WASHINGTON—Shane toothpaste and its lofty claims for treating herpes, mouth sores and gum diseases have become the target of a Federal Trade Commission complaint charging the product's ad claims were unsubstantiated.

In a separate and unanimous action, the FTC said it will continue to require two clinical tests to support ads for a pair of electric razors marketed by North American Philips Corp. (Norelco) and Sperry Corp.

The companies claim their products can cure or alleviate a shaving-related skin problem among black men.

The Shane case stems from past claims in radio and tv advertising by the Jerome Milton Corp., Chicago, for its $5.95-a-tube Shane toothpaste.

FTC, besides rejecting the gum disease assertions, said the marketer and Jerome Milton Schulman, the product's developer, "deceptively claimed" Shane was superior to other toothpastes in reducing or eliminating plaque and that its use would reduce tooth sensitivity to hot and cold.

Among the spots cited by the FTC was a person-on-the-street-type testimonial from a Shane user who, after only 3½ months, said the toothpaste had performed a "miracle" in her mouth.

The user "had recently visited her dentist and was told that all her bottom teeth had to be extracted," the ad copy said. "Her gums were infected, her teeth were loose and she was sensitive to hot and cold. She started using Shane toothpaste and. . .all her problems were gone. She's even back to enjoying corn on the cob."

The commission scheduled a Nov. 5 hearing for the toothpaste company to appear before an administrative law judge here.

Mr. Schulman, who is president of Jerome Milton, refuted the FTC complaint by saying that his ads make no claims. "All we do is quote dentists and people who use Shane toothpaste," he said. "We get permission from these people to quote their testimonials; we use their names and cities. I don't know why the government wants to pick on me, unless it is against small businessmen like me."

Mr. Schulman, who does his own ads, stopped airing tv spots in all 30 selected markets in December once

(Continued on Page 65)

SUPERSTUFFED
Arby's

Arby's spuds strut their stuff

Paul Dukas' The Sorcerer's Apprentice serves as musical background for the dancing spuds in Arby's new network campaign breaking next week (AA, Sept. 10). The spots promote the chain's Superstuffed Baked Potatoes. Grey Advertising, New York, is the agency. *(See related story on Page 64.)*

Hearst, ABC offer millions for programs, ads

Lifetime gets lifeline

By SUSAN SPILLMAN

NEW YORK—The troubled Lifetime cable network will overhaul its programing and launch its first consumer advertising campaign in January, with help from a $25 million cash infusion from its parent company Hearst/ABC-Viacom Entertainment Services.

Lifetime's health-oriented programing will be traded in for a 24-hour schedule of "broader-based entertainment and informational shows," nearly all of which will have an interactive element via telephone.

The channel will borrow radio's successful call-in talk show format, said Tom Burchill, the former RKO Radio Network president who was brought in to revamp Lifetime earlier this year.

The interactive element will consist of viewers calling to ask questions, request information or register votes for polling programs.

At least half of Lifetime's schedule will be comprised of new shows, most of which are still in development. Two of the new shows are "Your Money," a call-in show offering money tips, and "America Talks Back," a call-in show in which viewers offer their opinions on issues.

Lifetime debuted in February, the result of a merger between the now defunct Daytime and Cable Health Network channels. Since then, the network's ratings

(Continued on Page 63)

Highlights

Chrysler Corp., joining Chevrolet in shunning high-cost tv advertising, will cut network tv spending by about 8% for model year 1985. *See Page 1.*

Miller Brewing Co. reportedly will pay money owed to creditors of the bankrupt Robert Landau Associates involved in Miller projects following the brewer's own investigation last week of its relationship with the sports-marketing and promotion agency. *See Page 1.*

Nearly 20 years to the day after Mrs. Olson began pitching "mountain-grown" Folger's coffee, Procter & Gamble is restaging Folger's ground with a new package and an ad effort noticeable for what it lacks—Mrs. Olson. *See Page 2.*

Lifetime cable network will overhaul its programing and launch its first consumer advertising campaign in January, with help from a $25 million cash infusion from its parent company. *See Page 2.*

Renfield Importers soon will break the first McCann-Erickson-created campaigns for Martini & Rossi vermouth and Asti Spumante sparkling wine. *See Page 3.*

Young & Rubicam's Marsteller subsidiary and Eurocom's Havas Conseil have been merged through a joint venture into Havas Conseil Marsteller, a shop with $500 million in capitalized billings in the U.S. and Europe. *See Page 3.*

An industry analyst gave newspaper ad executives little hope for a return of the gold-rush days of cigaret advertising revenues as he predicted the industry will decline and concentrate on low-price products with little advertising support. *See Page 3.*

DIRECT MARKETING

A direct-marketing management consulting company has developed CatalogScan, a historical database of mail-order catalogs. *See Page 6.*

Shaklee Corp., the San Francisco-based direct-sales marketer, is trying its luck with cosmetics again. *See Page 6.*

Atlanta-based BellSouth National Publishing will begin distribution next month of its first regional industrial telephone directory in Florida and Georgia. *See Page 7.*

FMG Telecomputer has opened two automated telephone service centers that together can place up to 400,000 phone calls a day. *See Page 7.*

SPECIAL REPORT

Sweets and desserts have returned to prominence on grocers' shelves. Health-conscious Americans are dipping into premium ice creams and frozen novelties, cheesecakes, candy and cookies. *See Page 11.*

Cake mixes fell on hard times in the 1970s when Americans became health-conscious and the birth rate declined. Even the migration of many women into the paid work force has not had a major positive impact on cake-mix sales. *See Page 38.*

In-store bakeries have become a staple of successful full-service supermarkets. The scarcity of time for many two-income families makes the convenience of prepared products a must. *See Page 46.*

REGULAR FEATURES

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Folger's perks minus Mrs. Olson

By GAY JERVEY

Nearly 20 years to the day that Mrs. Olson began pitching "mountain-grown" Folger's coffee, Procter & Gamble, Cincinnati, O., is restaging Folger's ground with a new package and an ad effort noticeable for what it lacks—Mrs. Olson.

Now airing in major markets, the new campaign has no spokesperson, but relies instead on a slice-of-life approach that features a ranching family facing the day with Folger's. According to a P&G spokesman, the new strategy reflects the brand's repackaging, rather than any stress between P&G and its leading lady, whose real name is Virginia Christine and whose age the company would describe only as "elderly."

Asked if Mrs. Olson eventually will be phased out, P&G's spokesperson said, "There is really no way to tell," stressing the company has experimented with campaigns minus Mrs. Olson before, and that

(Continued on Page 63)

Rosenshine to succeed Crawford

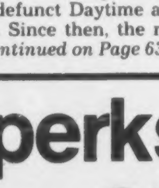
New era at BBDO

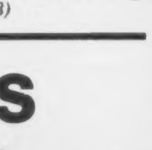
By STEWART ALTER

In what was more of a surprise in timing than in substance, Bruce Crawford, 55, has decided to step down as chief executive officer of BBDO International and Allen Rosenshine, 45, has been elected his successor.

Mr. Crawford will have been president-chief executive officer for eight years when he retires on March 31 and assumes the newly created post of chairman until the end of 1985.

Although his decision to step down is not surprising, the timing is. It was only a few weeks ago that he made the decision, he said, which was presented to the regularly scheduled board meeting for a vote this past Monday.


B. Crawford


A. Rosenshine

"I believe a former ceo should stay around for seven or eight months and then get out. I don't think a new ceo needs the last one

(Continued on Page 63)

BEST AVAILABLE COPY

Havas gets its U.S. tie via Y&R

By STEWART ALTER

New York—In a single stroke, Young & Rubicam has found a way to double its Marsteller subsidiary's $250 million in billings and the French-based Eurocom S.A. finally has found a long-sought means to reenter the U.S. market.

When the deal is complete, Y&R also will begin to rival JWT Group and Dentsu as the next largest agency group, behind Interpublic Group of Cos.

Although there will be no equity exchange, Marsteller has reached an agreement, effective Jan. 1, to merge with Havas Conseil, one of Eurocom's five European ad agencies. The new shop, to be called Havas Conseil Marsteller, will have $500 million in 1984 capitalized billings.

Eurocom, a holding company 45%-owned by the French government, comprises four local agencies, Havas, Belier, Futurs and Ecom, and an international arm, Univas. (Havas has a strong regional network in France.)

The president-chief executive officer of Havas Conseil Marsteller will be an American, who will not come from Y&R or Eurocom and whose name will be announced soon. Eurocom vp-director general Bernard Brochand is chairman of the merged company.

Mr. Brochand told reporters in France the deal had cost Eurocom very little in the initial outlay. Eurocom will own 51% of the new agency.

The five-office U.S. operation, with $200 million in billings, remains headed by Marsteller U.S. president Louis Magnani, who will be president-chief operating officer of the merged agency in the U.S.

Alain de Pouzilhac, now president-director general of Havas Conseil, becomes president-chief operating officer of the European group, which will include about $300 million in billings distributed in 14 French offices and 13 in other European countries. Marsteller brings a London branch to Havas' network for the first time.

Y&R chairman Edward Ney observed that a size of $500 million in billings was a necessary "mass" for building a major international agency and it was "difficult" for Marsteller to accomplish that growth from the $250 million level.

Marsteller has only $50 million in European billings, distributed through five major and two service-only offices in Europe.

Y&R-France, already the fourth-largest agency in that country, now hooks up with the second-largest, Havas.

This is Y&R's second approach to international expansion through a joint venture in recent years. The first was a 1981 joint-venture agency network, DYR, owned half by Dentsu, Japan, and half by Y&R.

While DYR later swallowed up some of Y&R's less successful agencies internationally, the Eurocom-Marsteller merger includes all of Marsteller's offices.

The second big Y&R joint-venture is CDP International, a network still in the birth stages formed with Collett Dickenson Pearce, with Y&R as a minority shareholder.

There are reportedly no client conflicts and no shared brand assignments yet in the Eurocom-Marsteller merger. The only shared client is BSN, for whom Marsteller handles Dannon yogurt in the U.S., while Havas handles other products in Europe. Other main Marsteller clients include Dow Chemical, Minolta, Beatrice, Exxon Office Systems, R.T. French and Spiegel. Havas' main clients include Air France, Chanel, Meridien Hotels, Peugeot, Woolmark and Israel Tourism.

Spurred by its clients, Eurocom, with billings exceeding $1 billion, has been trying to return to the U.S. following its last disastrous entry in the late 1970s. It acquired Kelly, Nason in 1977, a New York agency whose $45 million in billings dropped precipitously to $13.5 million only two years later, at which point the shop was sold back to its American employes.

Eurocom's Univas came close to forming a link with Scali, McCabe, Sloves, New York, a subsidiary of Ogilvy & Mather International, but that deal fell through in January (AA, Jan. 14).

Sources said part of the reason for Univas' failure to buy a piece of SMS was confusion over to whom SMS would report in the pretzel-like structure of Eurocom.

Known to have approached other U.S. agencies as well, Eurocom reportedly is still looking for an American link for Univas.

Jean-Pierre Audour, Univas chairman, said he will announce a link with a big U.S. agency next month.#

M&R puts big bucks behind wine products

MARTINI & ROSSI, IN A GLASS BY ITSELF

Renfield Importers shunned the traditional "glass and bottle" shot and sought a different kind of atmosphere in this ad for Martini & Rossi vermouth. "The ad has mystery, intrigue, romance," said Frank Iorio, the company's marketing manager. McCann-Erickson is the agency.

By GAY JERVEY

New York—Renfield Importers' new campaigns for its Martini & Rossi vermouth and Asti Spumante sparkling wine demonstrate two growing axioms in the distilled-spirits product category: Winning brands will be those backed by the biggest ad budgets and those that move away from the standard "glass-and-bottle" creative approach.

The campaigns, the first by McCann-Erickson since it snared the accounts from sister Interpublic agency SSC&B in March, will have the largest dollar backing in either brand's history. The creative will spotlight people in action, with closely cropped angles intended to suggest mystery and high living.

Themed "Martini & Rossi. In a glass by itself," the $4 million vermouth campaign represents almost a 23% increase compared with last year's brand expenditures. Designed to appeal to a sophisticated, upscale audience, the campaign will kick off with a combination of full and half-page color spreads in the October issues of *Bon Appetit, Esquire, Life, People, Playbill* and *Vogue*.

The ad depicts the finishing moments of a pool game; a female, crouched, peers over the pool table with one hand on a Martini & Rossi on the rocks. Next to her, leaning in a cool pose, is a male opponent—face unseen—Martini & Rossi in hand.

"The ad has mystery, intrigue, romance," said Frank Iorio, marketing manager at Renfield Importers. "I thought the other executions lacked the mystery that

(Continued on Page 65)

Cigaret market is burning out, analyst says

By WILLIAM GLOEDE

New York—A group of newspaper advertising executives, already smarting over the loss of cigaret advertising dollars during the past year, last week heard John C. Maxwell Jr., managing director of Ansbacher-Laidlaw here, predict that things are not likely to improve.

"I think, basically, we've probably seen the highs in smoking in this country," said Mr. Maxwell to advertising executives at a Million Market Newspapers sales seminar here.

The cigaret marketers, he explained, are suffering from a health-conscious public, a hungry government and their own pricing.

The doubling of the federal excise tax on cigarets in 1983 from 8¢ to 16¢ contributed heavily to the industry's loss of 4½% of its market that year.

Mr. Maxwell does not expect that the tax, which is scheduled to lapse in October, 1985, will disappear.

The increases in local taxes and in the wholesale prices of cigarets this year will contribute to another 1% to 2% drop in consumption, he predicted.

The brightest spot in the industry is provided by economy brands, Mr. Maxwell said. Durham, N.C.-based Liggett & Myers' generic and private-label brands, when added to Winston-Salem, N.C.-based R.J. Reynolds Tobacco Co.'s Doral generics (which had a 0.5% share in July), Louisville-based Brown & Williamson's new line of generics and private-label brands and the 25-unit, popularly priced brands from RJR and B&W now account for more than 6% of industry sales. The category will grow, Mr. Maxwell believes, but not at the fast rate of the last two years.

"I would expect that sooner or later, you're going to see Lorillard in there, probably sooner than later," Mr. Maxwell said. Philip Morris and American Brands also will be forced to join, he predicted.#

Summer ads portend active fall

By SCOTT HUME

The summer's over and it's back-to-school time for marketers in several product categories, especially soft-drinks, apparel, fast-food and cameras.

New campaigns for several products and high viewership during the Olympics combined to make August's adWatch survey of advertising recall a record breaker, producing significant gains or losses in advertising awareness for 16 different products.

As the third fiscal quarter approaches, the battle for top-of-mind awareness has become closer in some product categories, while in others, leaders are threatening runaways. Either way, last month's survey suggests that it's going to be a fall selling season worth watching.

The effects of the Los Angeles Summer Olympics can't be ignored.

The three advertisers that each registered at least a whopping 9 percentage-point gain in awareness last month were the games' official fast-service restaurant (McDonald's), official outfitter (Levi Strauss) and official airline (United).

The official 35mm camera (Canon) and soft drink (Coca-Cola) didn't do badly either.

Advertisers whose recall shares dropped last month most often were these official sponsors' competitors.

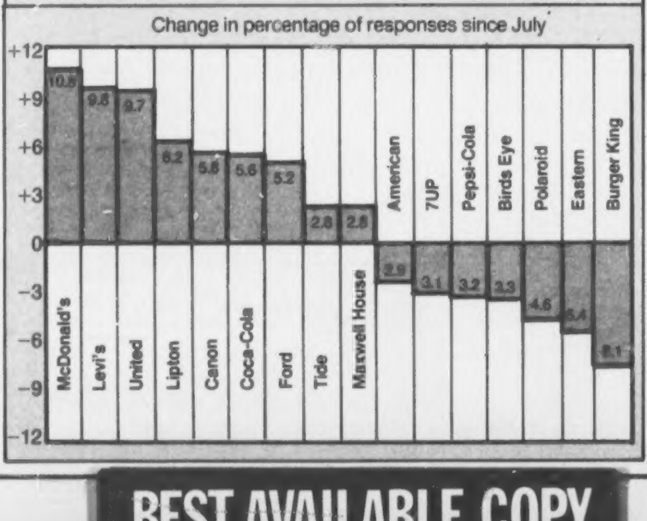
Those results match the findings of Ad Age's earlier survey of Olympic advertiser awareness

(Continued on Page 62)

ADWATCH

August winners & losers

Question: Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which ad first comes to mind? Note: A change of plus or minus 2.8 points is statistically significant. ***Source: SRI Research Center Inc., Lincoln, Neb.***



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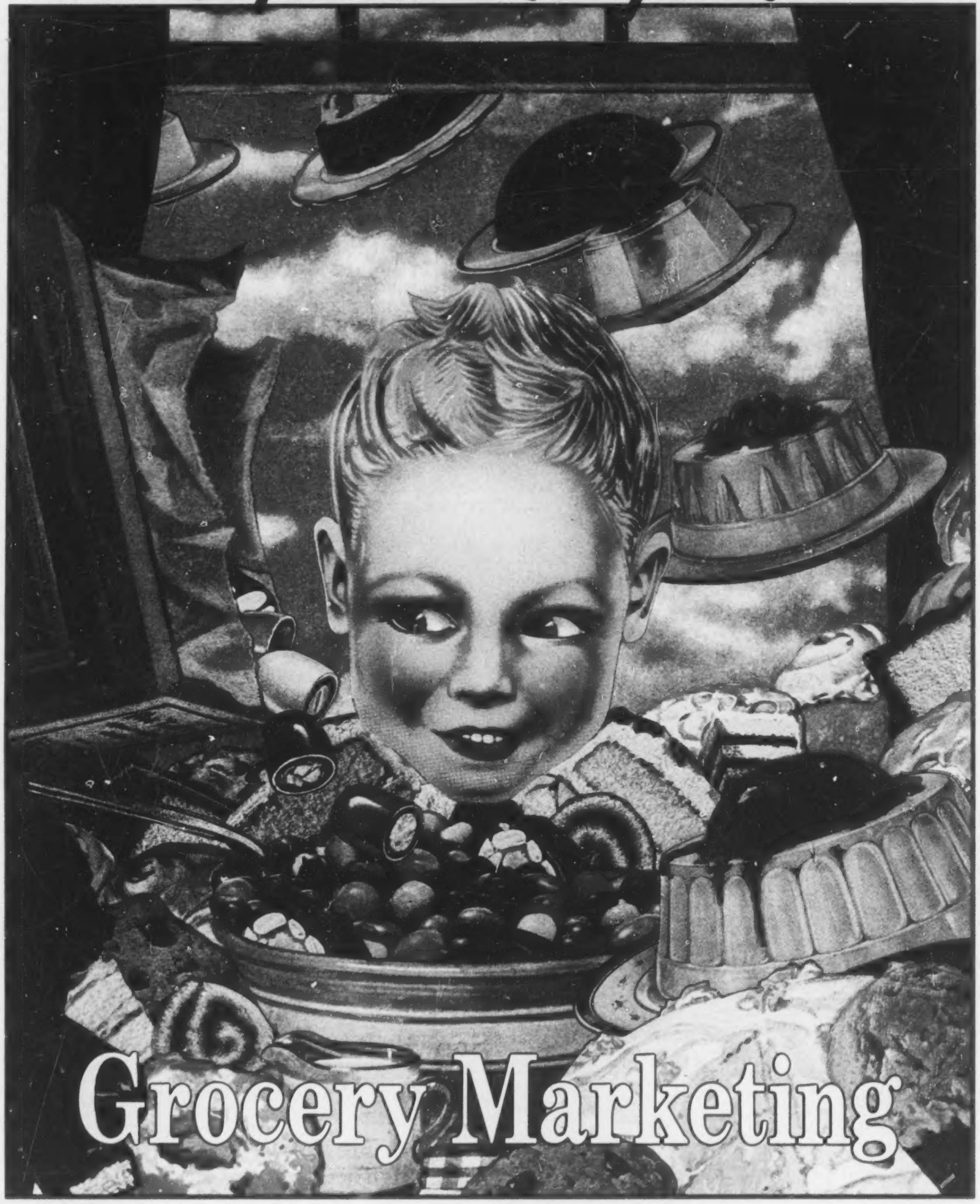
Special Report



Grocery Marketing

John Craig

Popularity of premium desserts, sweets soars

By Mary McCabe English

One of the hottest stories at the Food Marketing Institute's convention this year was the return of sweets and desserts to prominence on the grocery scene as one of the fastest growing new product categories.

In the marketplace, this trend translates to all kinds of premium ice creams and frozen novelties, exotic sorbetto and gelato, super-rich cheesecakes and candy, specialty cookies, decadently dense brownies and, while we're on the subject, chocolate, chocolate and more chocolate, running the gamut from dark to light to white.

Sweet stuff is *in*.

So, what, you might ask, has happened to the fitness movement. Have Americans forsaken sodium, caffeine and cholesterol counts for the hedonistic highs of chocolate mousse cake, caramel pecan flan and candied walnut apple pie smothered in sour cream custard?

Not at all, say researchers who track food consumption patterns. In fact, FMI reports in its 1984 update of "Trends/Consumer Attitudes & the Supermarket," "Consumers continue to be generally very concerned about the nutritional content of what they eat. This year, 63% indicate they are very concerned, while another 32% say they are somewhat concerned about nutritional content."

MRCA Information Services, the Northbrook, Ill., company that tracks American eating habits through its Menu Census Service, says Americans actually are eating less dessert. The news lies in a shift in the quality of desserts and sweets being consumed. The catchwords here are premium and pricey.

The popularity of such treats seems to stem from the same socioeconomic factors that have caused so many other changes in today's marketplace.

With more women working, there is less time for home baking and more demand for quality sweets that can be carried home. And although their price tags might knock the socks off the average food budget, travel, social mobility and the media have predisposed many consumers to a myriad of sophisticated new tastes.

In addition, expensive food treats are still an affordable self-indulgence when considered against the expense of other splurges.

Many people are eating less dessert and being more scrupulous about the nutritional value of what they do eat, so they may feel justified in rewarding themselves when they do indulge, observers say.

"We've been investigating just this subject . . . and a number of food editors have told us that two of the most popular topics in their magazines are dessert and diet, so we're really in this dichotomy of things," a Pepperidge Farm spokesman says.

You won't get any argument from *Family Circle* food editor Jean Hewitt.

"The best selling stories in the magazine are dessert stories and diet stories," she says. "And the biggest thing of all is this absolute mania for chocolate."

Research shows that when

(Continued on Page 12)

Mary McCabe English is a frequent contributor to Special Report and has written for previous grocery marketing sections.

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Tracking a decade of taste buds

Whither goest desserts? That's what MRCA Information Services tries to find out. The Northbrook, Ill., company's Menu Census Service has tracked distinct shifts in dessert consumption patterns between 1973 and 1983, with most continuing through 1984, according to I.J. Abrams, vp-special projects.

For example, in the cold sweets category (which includes ice cream, pudding, gelatin, frozen novelties and yogurt), over-all at-home consumption in 1983 declined 13% from 1973. The category was pulled down by a 40% drop in pudding and gelatin consumption as well as a 20% drop in regular ice cream eating during the 10-year period.

Fighting the dip was the increasing popularity of frozen novelties, premium ice cream and yogurt, which grew even more in away-from-home consumption.

Although over-all away-from-home consumption of cold sweets has grown slightly, the big growth within the category has come from ice cream consumption (much of it premium), which grew nearly 20%.

In the baked or fried products category (which includes cakes, pies, doughnuts, brownies, cookies and individually wrapped items), over-all at-home consumption declined about 20%. Cakes purchased from bakeries were down about 40%; frozen cakes, 30%, and mix cakes, 20% to 25%, although scratch cakes have held at 1973 levels.

Pies were down about 30%, with scratch pies declining least.

At-home cookie consumption was down by as much as 20% but has been creeping back up and is holding at about 10% less than 1973 levels. At-home brownie consumption is up 15% over 1973.

Individually wrapped cakes have experienced significant up and down movement for at-home consumption but, according to Mr. Abrams, regained 1973 levels in the past several months.

Both at-home and away-from-home consumption of doughnuts, sweet rolls and coffee cake has grown some 30%.

Over-all, the consumption of baked or fried products away from home has grown about 10%. Cookies dominated this growth, shooting up nearly 30% and still climbing.

MRCA also tracks fruit consumption as part of the desserts picture, and Mr. Abrams' data show 10% growth in at-home fruit consumption; 50% growth in away-from-home consumption. Canned and frozen fruit consumption is down. Dried fruit consumption is up, but the biggest increases have come from fresh fruit consumption.

The biggest gainers for at-home consumption have been apples and bananas, up 20%; grapes, up 180% and climbing (probably because the increased acreage devoted to grapes far exceeded long-term wine-making needs anticipated some 20 years ago, Mr. Abrams says), and melons, 20%.

Away-from-home grape consumption has grown 300%. Strawberries, apples, melons and citrus also have experienced substantial gains. The peach is the only fresh fruit that hasn't risen in away-from-home consumption, and Mr. Abrams speculates that this could result from the increased availability of similar varieties, such as nectarines. *—M.M.E.*

Premium desserts

(Continued from Page 11)

Americans make their own desserts and sweets, they rate convenience nearly as high as chocolate.

Small wonder, then, that the top dessert entry in *Prepared Foods* magazine's eighth annual retail new products contest was Pillsbury's Spread 'N Bake fudge brownies, refrigerated brownie batter that requires home bakers to do nothing more than pop the contents into a greased pan and stick it in the oven.

Patricia Gorman, coordinator of the competition, says *Prepared Foods* editors have noticed a definite swing toward richer, more gourmet desserts. She says the over-all quality of entries in the contest has been improving steadily and points to the increasingly frequent combination in new groceries of ingredients that satisfy both good nutrition and the sweet tooth.

"It's interesting in line with this subject that granola bars, for example, are now filled with stuff like chocolate chips, coconut, nuts and honey, which may be all-natural but are certainly not low in calories," Ms. Gorman says. "This also applies to many of the yogurts."

This yen for the sweet and the good-for-you all at once is at least partially responsible for one of the summer's trendiest dessert hits—Tofutti, an ice cream-like confection made from the soybean derivative tofu, but, unlike ice cream, devoid of cholesterol, lactose or butterfat.

At 128 calories per 4-oz. serving, Tofutti, manufactured by Tofu Time Inc. in New York and distributed nationally by Haagen-Dazs, also boasts only about half the calories of ice cream. At $2.49 per hard-pack pint, it—like many of the "new" desserts—also will help cure any weight problem your wallet might have.

"Because of the trend toward simplifying meals, with fewer courses and less dessert, many marketers have begun compensating by targeting the sophisticated sweet tooth of upscale customers with indulgent or specialty dessert entries like super-premium ice cream and cakes," says a spokeswoman for Pillsbury, whose Haagen-Dazs ice cream also joins the wallet-lightening category.

"The decline of the average household's size has also prompted marketers to offer small size desserts such as individually packaged pie slices and small portion items," she says.

Kitchens of Sara Lee, Deerfield, Ill., is revamping its product line "to stay in sync with the way the world is moving," says Richard J. Sharoff, senior vp-general manager, retail division.

"I wish I could say the dessert market is staging a miraculous recovery, but I think what's really happening is that it's changing in composition because of all the life-style and demographic changes we've seen in the past several years," he says.

"At the same time, the growth of health and diet consciousness hasn't necessarily helped the dessert market, but the trends have converged in that people are more selective in their dessert-eating patterns. They're not having dessert every night, but when they do, they want it to be top quality, and they're not discouraged by calories."

Although cheesecake has been a traditional cornerstone of Sara Lee's product line, the company's new Elegant Endings cheesecake was a response to the changes Mr. Sharoff describes, as were its croissants and the premium ice cream Sara Lee has had in test market in the Midwest for a little more than a year. And, Mr. Sharoff says, the company has plans "to do more along those lines to respond to that change."

In contrast to Sara Lee's evolution, six-year-old Ms. Desserts Inc. in Baltimore is one of the many small companies that have cut their corporate teeth on the premium dessert market. Unlike the others, however, Ms. Desserts carried off the grand show, product line and domestic food awards at the 30th annual International Fancy Food & Confection Show sponsored by the National Assn. for the Specialty Food Trade in Washington last June.

According to Jeff Peisach, a Ms. Desserts partner, the company distributes about 35 items, including several chocolate cakes, carrot cake, brownies, "blondies," pecan pie and deep-dish apple pie in the Washington-New York corridor and expects sales to hit $3 million this year.

Its customer list includes gourmet shops, restaurants, natural food stores and large department chains including Bloomingdale's and John Wanamaker.

"Even during the recession our business was growing 40% a year," Mr. Peisach says. "We came to the conclusion that people saw desserts as affordable luxuries. I think, too, it's part of the whole quality thing that started around the late 1970s when Haagen-Dazs ice cream got so big, and I think that feeling's continued."

Ice cream has been a major ingredient in the dessert market's metamorphosis, and its development as an individual category has left behind the simple world of vanilla, chocolate and strawberry for a mind-boggling galaxy of flavors, textures and mix-ins. If you believe the statistics, Americans don't seem to miss the old days one bit.

According to the Milk and Ice Cream Assn., a dairy trade group, nearly 879 million gals. of ice cream were made commercially in the U.S. last year, a 3% increase over 1982 and enough to keep Americans in first place for worldwide total ice cream consumption.

The total 1.2 billion gals. of frozen desserts made here in 1983 also included ice milk, sherbet, frozen yogurt and assorted ices, and Americans also lead the world in consumption of these items. Americans consumed 20.9 quarts of ice cream and related products per capita in 1983 and spent approximately $1.9 billion on the products.

Frozen novelties, which fall into this category, are a big growth area in the current sweet-stakes, with all manner of iced confections finding their way into grocery freezer cases. For example, the Mexican food craze inspired one enterprising executive at Jack & Jill Ice Cream Co. in Philadelphia to invent the Choco Taco, a taco-shaped cone filled with vanilla fudge ice cream, dipped in chocolate and coated with peanuts. It should be turning up across the country soon.

A General Foods spokesman says a major factor in the popularity of such items is convenience, an element the White Plains, N.Y., company believes will ensure the success of its newest entries in this category—Jell-O Fruit & Cream dessert bars and Jell-O Gelatin Pops. General Foods' Jell-O Pudding Pops became available nationally in mid-1983 and since have done more than $100 million in business at retail.

Convenience is also the prime mover behind San Francisco-based Castle & Cooke Foods' Dole Fruit 'N Juice bars, a frozen fruit novelty. Strawberry Fruit 'N Juice bars won top prize in the snack category of Prepared Foods retail new products contest, and contest coordinator Ms. Gorman says that despite the excitement over rich sweets, the combined convenience and lightness of products of this type are definite pluses in today's dessert market.

Gourmet candy as a market segment also is growing.

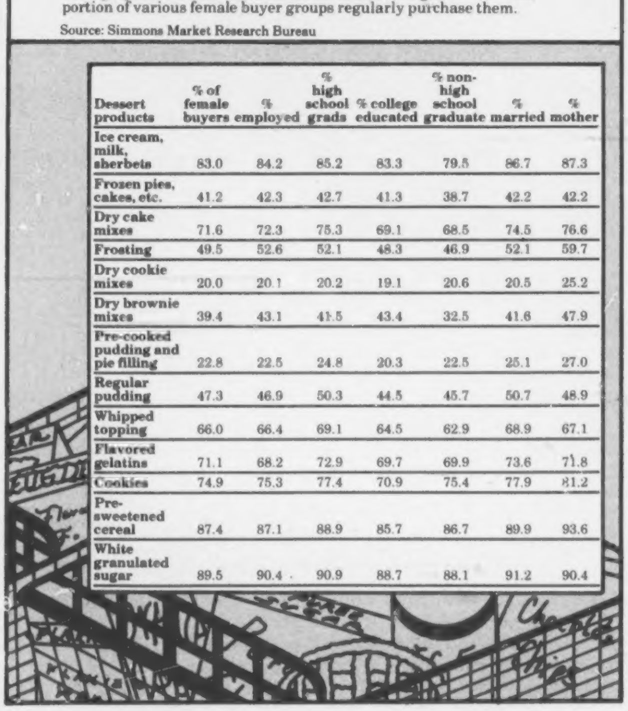
"We saw lots of candy at our June show, but that's always the case . . . I think what's worth mentioning is that we're seeing more interest in very expensive candy," says Jean Frame, executive director of the National Assn. for the Specialty Food Trade.

The willingness of Americans to pay premium prices for their candy is obviously sweet news to

Desserts and the female buyer

Females are still the principal buyers in American households, according to Simmons Market Research Bureau, but their interest in buying various types of dessert products varies according to the buyer's demographics. Here are some common dessert categories and what portion of various female buyer groups regularly purchase them.

Source: Simmons Market Research Bureau



Dessert products	% of female buyers	% employed	% high school grads	% college educated	% non-high school graduate	% married	% mother
Ice cream, milk, sherbets	83.0	84.2	85.2	83.3	79.5	86.7	87.3
Frozen pies, cakes, etc.	41.2	42.3	42.7	41.3	38.7	42.2	42.2
Dry cake mixes	71.6	72.3	75.3	69.1	68.5	74.5	76.6
Frosting	49.5	52.6	52.1	48.3	46.9	52.1	59.7
Dry cookie mixes	20.0	20.1	20.2	19.1	20.6	20.5	25.2
Dry brownie mixes	39.4	43.1	41.5	43.4	32.5	41.6	47.9
Pre-cooked pudding and pie filling	22.8	22.5	24.8	20.3	22.5	25.1	27.0
Regular pudding	47.3	46.9	50.3	44.5	45.7	50.7	48.9
Whipped topping	66.0	66.4	69.1	64.5	62.9	68.9	67.1
Flavored gelatins	71.1	68.2	72.9	69.7	69.9	73.6	71.8
Cookies	74.9	75.3	77.4	70.9	75.4	77.9	81.2
Pre-sweetened cereal	87.4	87.1	88.9	85.7	86.7	89.9	93.6
White granulated sugar	89.5	90.4	90.9	88.7	88.1	91.2	90.4

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Level of shoppers' concern about the nutritional content of foods

Base: The shopping public

Q.: Would you say you and your family are very concerned, somewhat concerned, not very concerned, or not at all concerned about the nutritional content of what you eat?

		1983	1984			
		Very concerned	Very concerned	Somewhat concerned	Not very/ not at all concerned	Not sure
Total	%	64	63	32	4	1
Sex						
Men	%	62	62	32	5	—
Women	%	65	64	32	4	1
Working	%	63	64	31	5	1
Nonworking	%	68	63	33	3	1
Type of Family						
With children	%	65	62	34	4	—
No children	%	63	64	31	4	1
Age						
18-24 years	%	61	51	42	5	1
25-39 years	%	64	58	38	5	—
40-49 years	%	61	67	31	3	—
50-64 years	%	68	71	25	3	1
65 and over	%	65	67	24	7	2
Size of place***						
Central city	%	71	71	24	4	1
Remainder of metropolitan area	%	64	61	34	4	*
Outside metropolitan area	%	61	58	36	5	1
Region						
East	%	67	66	29	4	1
Midwest	%	56	63	32	4	—
South	%	66	62	32	4	1
West	%	69	59	35	5	—

*Less than 0.5%.

**Prior to the 1984 study, the size of place categories examined were cities, suburbs, and small town/rural.
The current size of place categories are in accord with U.S. Census Bureau definitions utilized in the 1980 census. These categories are similar to, although not definitionally equivalent to, prior categories.

Nature of shoppers' concern about the nutritional content of foods

Base: The shopping public that is very or somewhat concerned about the nutritional content of what they eat.

Q.: What is it about the nutritional content of what you eat that concerns you and your family the most? What else?

	1983 total	1984 total	Per cent change
	%	%	
Chemical additives (*e.g.*, flavoring, MSG, steroids)	27	25	−2
Sugar content, less sugar	21	22	+1
Vitamin/mineral content	24	19	−5
Food/nutritional value	10	19	+9
No preservatives	22	17	−5
Salt content, less salt	18	17	−1
Freshness, purity, no spoilage	14	12	−2
Making sure we get a balanced diet	10	9	−1
Calories, low calories	6	9	+3
Fat content, low in fat	9	8	−1
Cholesterol levels	5	8	+3
As natural as possible, not overly processed	12	6	−6
No harmful ingredients, nothing that causes illness/cancer	10	6	−4
Protein value	5	6	+1
Quality of food	3	5	+2
Excess food coloring/dyes	6	4	−2
Empty calories, junk food	4	4	—
Carbohydrate content	1	2	+1
Fiber content	2	1	−1
Starch content	1	1	—
Other	2	4	+2
Don't know/refused	5	5	—

Source: "Trends: Consumer Attitudes & The Supermarket," Food Marketing Institute, 1984

confectioners such as Reading, Pa.-based Godiva Chocolatier, whose sales are up, according to company president Tom Fey. Mr. Fey relates what appears to be happening to sweets consumption patterns these days to previous observations in the fast food business.

"When I worked in fast food, I used to marvel at the people who would order diet soda and french fries," Mr. Fey says. "It didn't make sense until I realized that these people were aware of the nutritional aspects of what they were eating and that they were willing to make the tradeoff of having a sugar-free soft drink so they could enjoy the taste of french fries. I think the same sort of thing's happening in the world of desserts. People are willing to eat a tomato stuffed with tuna so they can have chocolate mousse cake for dessert."

The lowly cookie also has taken on new dimensions. Specialty cookie shops have become standard fixtures in many shopping malls, and the so-called cookie wars have chronicled the emergence of "just-like-home-made" package cookies, the main players being Procter & Gamble's Duncan Hines brand; Frito-Lay, Dallas; Keebler Co., Elmhurst, Ill., and Nabisco Brands, New York.

Company spokesmen would not discuss specific sales, but one industry spokesman credits the new cookies with boosting package cookie sales for the first time in several years.

"Within the industry, sales were pretty flat or even down, but for the first time in a number of years we've begun to see tonnage increases among our members," says Michael Brown, president of the Biscuit and Cracker Manufacturers' Assn. "For the first quarter of 1984, we saw a 6% to 7% increase, and all signs are that it wasn't just a fluke."

It's no fluke, either, that dessert ingredients such as Hershey Foods Corp.'s cocoa and Borden's Eagle Brand sweetened condensed milk continue to do well at retail despite a decline in home dessert making. Spokesmen for these companies say the circulation of recipes that are in tune with contemporary tastes is an effective marketing tool.

For example, Borden featured a recipe for ice cream made with Oreo cookies next to a cents-off coupon for Oreos on cans of Eagle Brand sweetened condensed milk. Annie Watts, director of Borden Kitchens in Columbus, O., says other attempts to tie the 127-year-old product to current dessert trends are evident in the 128-page "Classic Desserts" book the company released this month.

"For instance, we've linked Eagle Brand with other popular ingredients such as chocolate and fresh fruit," Ms. Watts says.

Premium sweets are expected to maintain a conspicuous niche in tomorrow's marketplace, too.

"We believe premium quality desserts are the thing of the future and the whole market is moving up the premium quality price scale," Sara Lee's Mr. Sharoff says.

"The way in which the ice cream market has evolved is not atypical from the way we expect the whole dessert market to evolve . . . from a lot of low-quality belly stuffers to high-quality products that people won't eat every night but that will meet their demands for quality and taste when they do."

All of which promises to give new meaning to having your cake and eating it too . . . .

Home baking falls

Americans are eating fewer desserts of their own making, Borden Inc. reports.

Drawing on data compiled for the Columbus, O., company by the National Eating Trends Service of NPD Research, Borden Kitchens director Annie Watts says the percentage of American households making desserts at home during any two-week period has declined significantly during the past two years.

Cake baking, for example, has dropped as a household activity from 32% of households in 1982 to 27% estimated for 1984. Cookie baking has shrunk as an activity from 20% of households in 1982 to 16% in 1984. Gelatin dropped from 18% to 13%.

Only pies and brownies showed some deviation from a generally declining rate of activity. Pie baking actually increased in households from 1982 to 1983, growing from 18% to 20%, but it then dropped to 17% in 1984. Brownie baking dropped from 6% of households in 1982 to 5% in 1983 and then held steady in tests this year.

In general, Ms. Watts says, dessert preparation from scratch is declining, although dessert preparation that incorporates convenience ingredients is holding at 1982 levels.

The NPD report also found that a majority of the pies and cookies prepared at home are made from scratch, although cakes and brownies are heavily skewed to mixes.

Ms. Watts says cakes, pies and cookies are the most popular desserts prepared at home. Over-all, chocolate is the most popular flavor for homemade desserts. *—M.M.E.*

Do-it-yourself sweets

Top home-prepared desserts throughout the year

February
Chocolate cake, chocolate
April
Chocolate cake, choco-
late
bread
pie,
July
Chocolate cake, choco-
late
bread,
cookies/brownies
September
chocolate cake, apple
pie, chocolate cookies
Chocolate cake,
pie,
November
pie, chocolate
bread
cookies
December

Source: Borden Kitchens

adWatch

(Continued from Page 3)

(AA, Sept. 17). That study found that 83% of adults polled recalled having seen, heard or read ads touting Olympic sponsorship.

Good news for McDonald's

Again matching the previous survey's results, last month's adWatch reserved its best news for McDonald's Corp. With its new "It's a good time for the great taste" theme, scratch-card game promotion and multi-million-dollar network buy to promote both, McDonald's advertising last month scored the highest in unaided awareness. Even better, it boosted by 10.8 percentage points its share of responses in the fast-food category.

The adWatch survey is a joint project of AD AGE and SRI Research Center, Lincoln, Neb. Advertising awareness is measured by asking a nationally projectable sample of consumers to name the advertising that first comes to mind over-all and in 22 product and service categories from all they have seen or read in the previous 30 days.

In August, 1,255 adults were questioned by phone. Under adWatch methodology, an increase or decrease of 2.8 percentage points in a given month is considered statistically significant and attributable to more than sampling variation.

Last month's 10 most frequently recalled advertisers without regard to product categories were (in descending order) McDonald's, Coke, Pepsi, Miller/Lite, Budweiser/Bud Light, Wendy's, Levi's, ABC's advertising for the Olympics themselves, Burger King and Ford Motor Co.

But the more important recall shifts took place within the individual product categories:

- McDonald's 10.8 point leap—to 50.3% of first responses from 39.5% in July—in the **fast-food** category was the best performance of the month.

It also was McDonald's largest single-month gain ever, and gave Big Mac its largest share of first mentions in the category since adWatch was inaugurated in April, 1982.

McDonald's gain was its competitors' loss. Top-of-mind awareness of Burger King's advertising fell 8.1 percentage points, dropping from 20% of first mentions in July to only 11.9% in August. Wendy's was a close third with 11.7%, down slightly from 14% in July.

But does higher advertising awareness automatically mean greater sales?

Not according to one market researcher. Middletown, N.J.-based Restaurant Trends' monthly survey of restaurant-chain sales shows a different rank order last month. RT figures show Burger King's real sales (adjusted for price increases) in August up 15% over the year-earlier level; Wendy's sales were up 11%; McDonald's were up 9%.

- Say what you will about them, those commercials for Levi's corduroys and 501 jeans caught consumers' eyes and stayed in their memories. Levi's share of awareness in the **apparel** category nearly doubled, rising to 21% of first mentions in August from 11.2% in July.

Sears, an Olympics advertiser but not a sponsor, held the No. 2 spot with 5.5% of first mentions in this survey.

Gaining the No. 3 spot for the first time in awareness of apparel advertising was Lee. Its catchy "Don't you wish everything fit like Lee?" campaign was named first by 3.6% of respondents, a strong enough showing to bump Jordache to the No. 4 spot (3.3%), just ahead of J.C. Penney (3.1%).

- The Olympics provided an especially strong competitive edge for United, the games' official airline, which moved back into the No. 1 spot in the **airlines** category for the first time since March.

The sponsorship and some clever creative helped boost United's share of first mentions 9.7 percentage points to 20.6% from 10.9% (and third place) in July. American Airlines, which had been tied for No. 1 with 14.4% in July, dropped 2.9 points and fell to an 11.5% share and second place. Eastern Air Lines lost more than one-third of its share of first mentions, falling to 9%, 5.4 points below its 14.4% in July.

- Tennis wasn't an official Olympic sport, but Chris Evert Lloyd's Lipton commercials that ran during the games were noticed. Lipton's share of first mentions in the **tea** category rose 6.2 points to 48.9%, compared with 42.7% in July.

Nestea (7.6%) and Tetley (3.7%) once again had to be content with leftovers.

- Canon, the games' official 35mm camera, last month made its strongest move on Kodak, traditional leader in the **cameras and equipment** category. With a 5.8 point increase to a 22.6% share, Canon was closer than it ever has been to Kodak, which held steady with a 27.1% share.

The big loser was Polaroid, which dropped out of the category's top three for the first time. Its advertising was named first by only 3.7% of the sample in August, 4.6 points below its July score. Polaroid's plummet allowed Nikon to move into the No. 3 spot (with 4.8%) for the first time. Minolta was No. 4 (4.3%).

By the way, Fuji—maker of the official film, photographic papers and photo-processing equipment—registered only a 1% share.

- Coca-Cola finally made its move after months of watching Pepsi's share of awareness rise on the strength of Michael You-know-who.

In August, 27.6% of respondents named Coke's ads first when asked to name **soft-drink** advertising they had seen. That share was 5.6 points better than Coke's 22% score in July.

It moved Coke close once again to Pepsi, whose awareness fell 3.2 points to 32.5%.

Also hurt in the ongoing cola war last month was innocent bystander 7UP. It lost 3.1 points of its share to Coke, dropping from 9.3% in July to 6.2% last month.

Worth noting are last month's No. 4 and No. 5 in the category, Diet Coke and Sprite. That gave Coca-Cola Co. the unparalleled distinction of having three brands among the top five in awareness in a single product category.

- Things have been quiet in the **cars & trucks** category for several months, but Ford suddenly boosted its advantage over Chevrolet to better than 2 to 1 last month.

Awareness of Ford's advertising rose 5.2 points last month to 27.6% of first mentions, while Chevrolet could muster only 13.5%. Toyota held the No. 3 spot with 9.2%.

Much of Ford's surge can be attributed to advertising for Ford's Mustang, specifically named by 5.9% of respondents. That means Mustang had better consumer awareness last month than any advertising for Chrysler.

Perhaps Lee Iacocca should have returned as on-camera spokesman earlier.#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

THE ADVERTISING MARKET PLACE

The University of Oklahoma School of Journalism and Mass Communication is seeking applicants for four tenure-track positions to start August 1985.

Teaching positions include specialization in advertising, in public relations and in television/film. In addition to specialty, candidates also must have expertise in another area such as graphics, media management or energy communications. Opportunity exists for a half-time administrative appointment as well.

M.A. required with substantial recent media experience. Ph.D. preferred, with quantitative research skills and at least one year of media experience.

Salary and rank negotiable.

We are looking for people with ideas, enthusiasm and initiative who are dedicated to quality growth and able to develop funding opportunities. Successful candidates must have a demonstrated capacity to teach well, to publish and to build ties with the mass communications industry.

Located 20 miles south of Oklahoma City, the School is expanding. Sequences accredited by ACEJMC are Advertising, News Communication, Professional Writing and Public Relations. Other areas include the M.A. program, radio, television, film studies and teacher certification. Majors number more than 1,000.

Application deadline December 1, 1984. Send letter of application, curriculum vitae, and names, addresses and phone numbers of three references to:

Elizabeth S. Yamashita, Director
H.H. Herbert School of Journalism and
Mass Communication
University of Oklahoma
860 Van Vleet Oval
Norman, OK 73019

The University of Oklahoma is an Equal Opportunity/Affirmative Action Employer. Women and minorities are especially encouraged to apply.

SENIOR CREATIVE DESIGNER

We have an immediate opening for a Senior Designer within our Creative Design department.

The individual we are seeking will be a self-motivated, disciplined, conceptualizer who is thoroughly knowledgeable with layout design, type specing, and directing photography. Must have abilities to communicate articulately and work well with marketing and communications professionals and others inside and outside the Amway organization.

Ideal candidate will have 5 or more years agency or corporate experience in print media and a supporting portfolio. Individual will be personally involved with a wide range of quality consumer products that include: electronics, cosmetics, jewelry, laundry care, car care, food supplements, and many more.

We offer an excellent salary commensurate with experience; complete benefit package including profit sharing and relocation to desirable Western Michigan. Please send your resume with current salary information in confidence to:

Amway
SHOP WITHOUT GOING SHOPPING

AMWAY CORPORATION
Box 0208, ADVERTISING AGE
740 Rush St., Chicago, Ill. 60611

An Equal Opportunity Employer M/F

ADVERTISING SALES MANAGER

Cars & Parts Magazine, the largest consumer magazine in the car hobby field, is looking for a strong space salesperson to head our Advertising Department. We need someone who is experienced enough to manage our already sizeable base of advertisers and aggressive enough to make the personal sales calls and the telephone calls to sell new advertisers. You'll need several years experience in either consumer or trade magazine sales. Familiarity with the collector car and automotive aftermarket industries would be a plus.

We're located in south central Ohio, just north of Dayton. Cars & Parts is published by Amos Press Inc., publishers of consumer publications for over one hundred years. We offer an excellent salary and benefit package for the ad salesperson with a solid track record and the ambition to advance.

Send resume to:

Personnel Manager
Box 783
Sidney, Ohio 45367
Re: Ad Manager

ACCOUNT SUPERVISOR

A major mid-west agency (not in Chicago) seeks an Account Supervisor to handle several brand assignments for a leading national package goods client. Outstanding growth opportunity. A minimum of 5 years experience required, including agency and package goods responsibilities. Compensation commensurate with experience.

Send resume and salary requirements to:

Box 0297, ADVERTISING AGE
740 Rush St., Chicago, IL 60611

DIRECT RESPONSE ACCOUNT EXECUTIVES: TAKE A TEST

	TRUE	FALSE
I have at least 3 years of Direct Marketing experience.	☐	☐
I want to work *EXCLUSIVELY* on new business.	☐	☐
I *DO NOT* want to be a service-oriented AE working on current accounts.	☐	☐
I want a solid shop behind my pitches—one with experience and a broad account base.	☐	☐
Creative compensation is fine, I just want to make a lot of money.	☐	☐

All True? You may be him. Or her. Or it. We don't care. Just so you can sell . . . and sell again. Interested? Call, or send a resume to:

Jim Hauert, General Manager
TDM Advertising, Inc.
1301 West 22nd Street, Suite 200
Oak Brook, IL 60521
(312) 789-2880

All replies will be held in strict confidence.

Manager Marketing

Rapidly growing microcomputer software looking for a marketing manager. Our markets are both retail and OEM. Requirements include a minimum of four years experience in the development and implementation of complete advertising, PR, direct mail, and telephone sales campaigns. Computer software and computer systems experience is a must.

We need a high energy person who can create demand so that the technical miracles we've performed are equaled in marketing. Our clients include DEC, Intel, Commodore, Convergent Technologies, and Wang, to name a few.

We have superior products as our customer list indicates. We are now building a superior marketing department so that we may accelerate our rapid growth. If you can create demand, we're interested in you. Please send resumes in confidence to:

Box 0320, ADVERTISING AGE
740 Rush St., Chicago, Ill. 60611

$1.25 a copy; $52 a year

Monday, October 1, 1984

Advertising Age

The International Newspaper of Marketing

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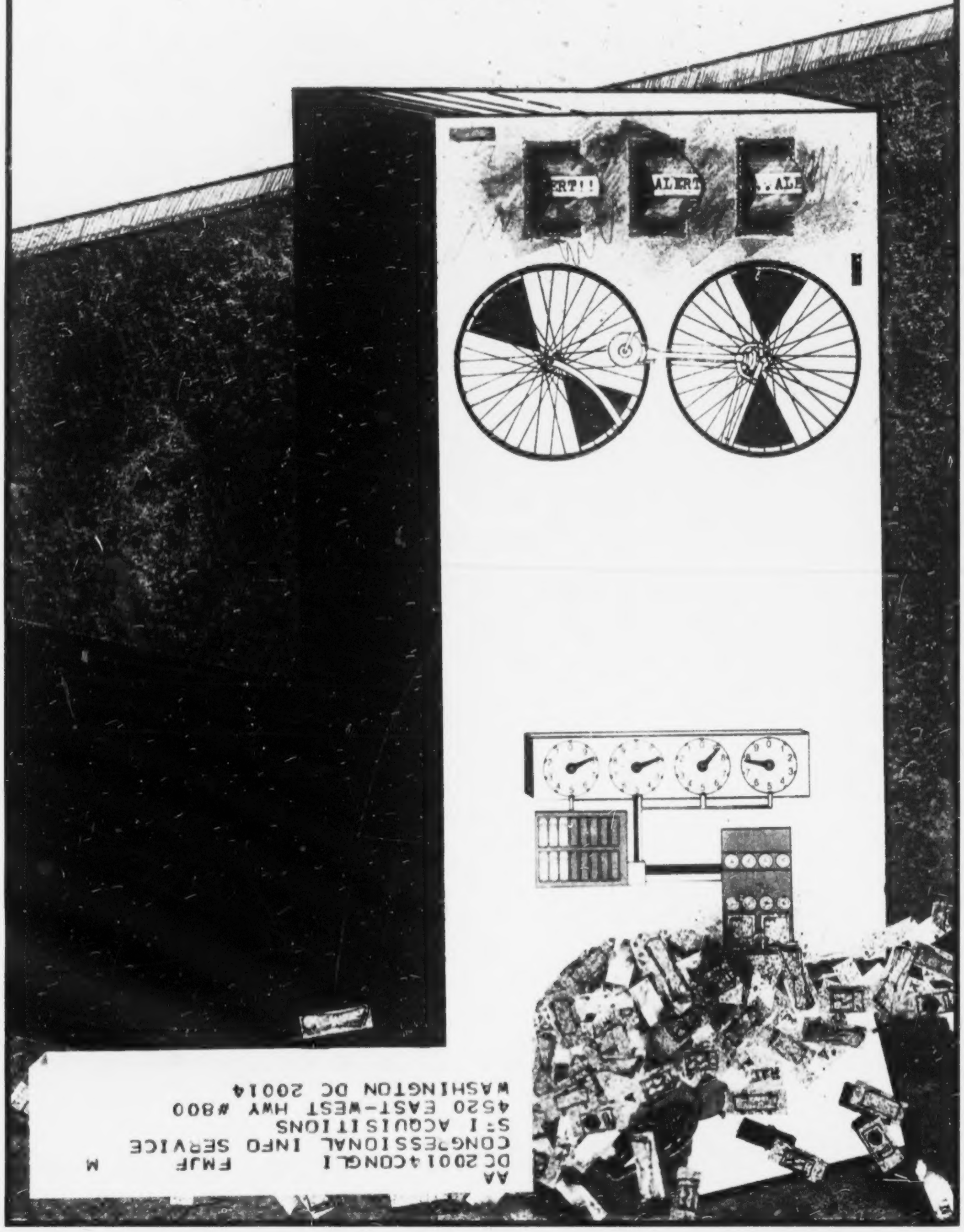
Scandals, defaults shake industry

A crisis in media buying

See page 3.



AA
DC20014CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
S-I ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Mighty P&G shifts gears as market grows tough

— Page 1

Apple ready to upstage '1984' in next Super Bowl

— Page 1

Pet Inc. plays give-and-take with agencies

— Page 3

Brand-name drugs brace for generics

— Page 10

General Mills looks inward for its growth

— Page 28

Suntory races to Carl Lewis

— International section

NEWSPAPER

Nets' top-rated series hold off CBS' 'Mistral'

By JAMES P. FORKAN

New York—The Big 3 tv networks' "premier week" started with a bang.

The fall season's first miniseries, CBS' $14 million "Mistral's Daughter," dominated the first night's combat and beat most of the second night's opponents before succumbing to ABC's heavily promoted "Dynasty" return and Elizabeth Taylor's "Hotel" guest shot.

"Mistral" concluded with a disappointing 16.3 rating/26 share nationally (and thus a 17.3/27 three-night average), proving that just as tv movies tend to outdo theatricals head-to-head, so miniseries can be beaten by regular series with loyal followings. After the first hour on Sept. 26, when ABC's "Fall Guy" and NBC's "Highway to Heaven" were virtually tied, ABC soared to a 22.2/34 with "Dynasty" and 18.7/31 with "Hotel."

ABC easily won Wednesday, with CBS' "Mistral" finale slightly ahead of NBC's series. In the three-night season to date, NBC averaged a 17.1 rating, one-tenth of a point over CBS as ABC lagged with a 15.9.

In the fall ratings war's opening volleys on Sept. 24, CBS claimed victory on Night 1, with a three-hour installment of the steamy "Mistral" averaging an 18.2 Nielsen rating and 29 share, ahead of NBC and ABC.

NBC, whose "TV's Bloopers & Practical Jokes" for the second week beat ABC's "Call to Glory" from 8 p.m. to 9 p.m. (ET), pulled much closer to CBS with some sexy ammunition of its own in the next two hours—the tv movie "Secrets of a Married Man." The latter had a 17.5/27.

ABC's "Monday Night Football" scored a 15.5/27 average, its second-lowest Nielsen since its season began on Sept. 3. "MNF," with a 16.7/31 average after four games, was held back not only by the double-barreled, female-appeal counterprograming but to a degree by clearance snags. ABC had 95% clearances for "MNF" and 97% for "Glory," versus 99% for its rivals.

NBC won Tuesday night on the strength of a two-hour "A Team," whose 34 share put severe dents in the performances of CBS' "AfterMASH," "E/R" and an hour of "Mistral's Daughter" plus ABC's "Foul-Ups, Bleeps & Blunders," "Three's A Crowd" and "Paper Dolls." CBS' first pairing of the medic-comedy duo "AfterMASH" and "E/R" was held to a 20 share, as ABC's shows hovered in the 21-to-24-share range, "Crowd" faring best.

"Mistral," shot mainly in France,

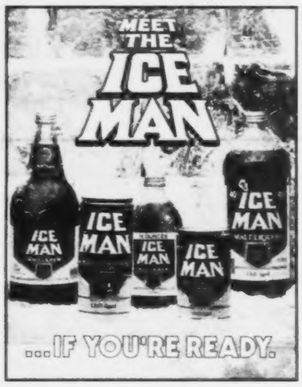
(Continued on Page 90)

Highlights

Brand-name pharmaceutical marketers figure to explore ways to protect themselves from a generic onslaught under a new law. *See Page 10.*

The Adams Chronicles: Campbell-Ewald's Thomas Adams, one of the last of the super account execs, doffed his blue Chevrolet bow tie last week, retiring after 39 years at the agency. *See Page 14.* Meanwhile, Chuck Adams (no relation) is leaving behind some important legacies as he exits from his post with the American Assn. of Advertising Agencies in Washington. *See Page 84.*

Pabst Brewing this month will introduce a new low-price malt liquor called Ice Man, with initial distribution set for the Southeast. This is the second new product in less than a month for Pabst. *See Page 90.*



CORPORATE CLOSEUP

They've turned on the "fasten your seat belt" signs at Frontier Airlines. The company knows it's in for a bumpy ride—all it has to do is look at the challenges it faces. *See Page 4.*

FORUM

Presidential campaign news stories need not always be "must" reading, according to political pundits Jack Germond and Jules Witcover, who offer some tips on "How to survive the campaign." *See Page 20.*

Tv advertisers are pronounced guilty of not exploring alternatives to those traditional 30s, 60s and 15s by Ron Bliwas, president of A. Eicoff & Co. Tv alternatives, he says, "are limited only by the advertiser's imagination." *See Page 20.*

Ice cream addiction: Is it a habit one should try to break? Or is it better to relax and enjoy it? Robert Heller of the Ice Cream Connoisseurs Club offers some guidance in "The right scoop." *See Page 20.*

Tv and the intellect: Is prime time programing ready for the wit and wisdom of Dr. Samuel Johnson, successor to our macho crime busters? Writer R.J. McGuill thinks it should be. *See Page 20.*

INTERNATIONAL

Carl Lewis, the track star who won four gold medals at the 1984 Summer Olympics, has signed his first endorsement contract since the games, with Tokyo-based Suntory Ltd. *See Page 56.*

A new group of consumers is emerging in the U.S., Japan and Europe that companies can treat as a single market with the same spending habits, according to a book scheduled to be published next year. *See Page 56.*

Lever Bros. has launched Pepsodent toothpaste in Thailand via a $500,000 ad campaign designed to help the company grab a piece of brand leader Colgate-Palmolive's 45% market share. *See Page 56.*

The German government claimed that Procter & Gamble's Top Job laundry booster sheets are unnecessary and harmful to the environment. P&G denied the charge. *See Page 58.*

VIDEOTECH

Network program chiefs tried to allay fears that rising in-house production will crowd out independent producers, but producers at the Hollywood Radio & Television Society remain unconvinced and worried. *See Page 63.*

COMING THURSDAY

SPECIAL REPORT

Marketers need to watch the new man. He's on the leading edge of change, and more and more men are joining his ranks.

Cover illustration by Troy Thomas.

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FIGURES TO FILE

NEWSPAPER AD LINAGE FOR MAY, 1984 66

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$1.25 a copy, $52 a year, $95 two years. Add $99 per year for air delivery to Europe & Middle East. Add $31 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; ROGER Di GREGORIO, fulfillment director; HEIDI SCHULTZ, senior circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

Ad Age to run newspaper linage

With this issue, Advertising Age begins publishing, on a continuing basis, monthly comparative total advertising linage figures of U.S. newspapers supplied by Media Records, New York.

The first of this series, May 1984 vs. May 1983, is on Page 66. June and July data will appear in upcoming issues and subsequent monthly data will follow.

The newspapers listed are subscribers to Media Records. Figures for those on full-service levels are measured, audited and standardized by Media Records. For newspapers that subscribe to Media Records' National Advertising Report, where various ad classifications (such as retail, financial or classified) are not measured by Media Records, the newpapers provide the linage figures to arrive at a total advertising figure.

Though in July most newspapers adopted the Standard Advertising Unit inch unit (on a six-column format), as opposed to lines, Media Records will continue to provide data in linage to be comparable with 1983 figures.

In addition, some 1984 linage figures have been converted to prior 1984 column formats, also to maintain comparability. The "Conversion Methodology" shown with the linage figures explains this procedure.#

Japanese car marketers pitch luxury, trucks

By BOB MARICH

The leading Japanese-import-car marketers, breaking advertising this month to introduce their 1985 models, are stressing luxury and performance, plus small trucks—their one product not restricted by quotas.

The three top import makers—Toyota Motor Sales USA, Torrance, Cal.; Nissan Motor Corp. USA; Carson, Cal., and American Honda Motor Co., Gardena, Cal.—are all pushing high-price luxury models. The strategy is the only alternative for growth—to raise average selling prices of their cars—because voluntary import quotas limit Japanese sales to 1.85 million units.

An American Honda tv spot pictures a new Accord model, the four-door SEI, pulling up to a fancy restaurant, touting the luxury and comfort of standard leather seats and performance of a fuel-injected engine. Toyota's Cressida and Nissan's Maxima are the luxury standard-bearers at the other two companies.

Toyota is plunging into the performance area with the Corolla GTS. The car's engine has four valves per cylinder (instead of the usual two), a high-performance design feature. Tv commercials cultivate a speedy image by portraying the GTS at a drag-racing track, said Jack Collins, Toyota national advertising manager.

Beyond emphasizing luxury and performance, the Japanese car makers are sticking with their existing ad themes.

In 1983, Nissan ad spending reached $86 million via William Esty Co., New York. Toyota's budget, via Dancer Fitzgerald Sample, Torrance, Cal., was $80 million, according to Leading National Advertisers.

Honda spent $40 million, via Needham Harper Worldwide, Los Angeles. Honda's import quota is 360,000 units, but a U.S. assembly plant produced 150,000 units this

(Continued on Page 94)

Sweeps, ads back food group

Beatrice promo set

Chicago—Beatrice Cos.' U.S. food group is preparing a national campaign and consumer promotion for January, involving a variety of the group's brands.

The campaign, considered a "follow-through to the Olympics," one source said, is expected to involve both regional and national Beatrice food brands and will include a sweepstakes promotion.

Beatrice would not comment on the effort except to say that, like the corporate-identity campaign conducted during the Winter and Summer Olympics, the promotion will be supported with advertising. Flair Communications will handle the bulk of the promotion.

Beatrice has converted its heavyweight corporate marketing department, which conducted the corporate-identity campaign, into a marketing department for its U.S. foods groups. This is part of the latest reorganization (AA, July 2) of the six Beatrice groups—formed in the 1983 marketing-oriented restructuring—into three major business segments: U.S. food; international food, and consumer goods. The marketing department will direct future corporate campaigns, too, but will concentrate on the U.S. food group.

Beatrice earlier said marketing efforts in the U.S. food segment would be "supplemented" by the corporate marketing services staff.

Among the executives now involved in the U.S. food group are Harold Handley, director of marketing; Patrick Kane, director of

(Continued on Page 94)

Crain slates 'City & State'

New York—Crain Communications Inc., publisher of Advertising Age, will begin publication of a new tabloid newspaper focusing on public finance in January.

Called *Crain's City & State*, the new publication will report on the financing of local and state government.

It will be published in 10 editions in 1985, with Jan./Feb. and July/Aug. combined into single issues.

At first, circulation will be controlled, with 30,000 copies of the newspaper mailed to the chief executive officers of all 50 states, mayors of the 1,000 largest U.S. cities and key department heads, legal officials, state and city legislators and financial people. Roughly 8,000 copies will be mailed to Wall Street investment bankers who deal principally in state and municipal finance.

Stephen Gilkenson, publisher and editor-in-chief of *Crain's City & State*, said the publication intends to convert to paid circulation "as soon as possible."

Subscription rates will be $10 annually, and special promotional discounts and sampling campaigns will be used to achieve that goal, he said.

"There are a number of books out there that focus on how state and city governments are spending money, but nobody focuses strictly on the financing of public operations," explained Michael Clowes, editor of *Crain's City & State*, and its mother publication, *Pensions & Investment Age*. "We'll focus on the financing issue, first and foremost."

The publication intends to "target and identify a relatively small number of companies that need to advertise to this market," Mr. Gilkenson said.

Among those companies, Mr. Gilkenson said, will be investment banking houses, office and business equipment suppliers, automotive fleet suppliers and municipal bond insurers.

Mr. Gilkenson said the publication also intends to develop a classified help-wanted section.

Advertising page rates for *Crain's City & State* will be $5,040 for a tabloid-size b&w ad.

The newspaper has published two prototypes, with a third scheduled to coincide with the annual meeting of the National League of Cities in Washington.

S. Gilkenson

B. Bisson

Mr. Gilkenson was publisher and editor-in-chief of *Pensions & Investment Age*, another Crain Communications publication, before his appointment at *Crain's City & State*.

Bill Bisson, ad director for *P&I Age*, will assume the post of publisher.

Mr. Gilkenson will assume the new position of publishing director of *P&I Age*.#

Buck gets Crain post

Detroit—Phillip Buck has been named ad director of *Crain's Detroit Business*, a newsweekly scheduled to debut in early 1985.

Mr. Buck had been Detroit ad representative for *Automotive News* since 1972. *Crain's Detroit Business* will provide timely local business news for business leaders in Wayne, Macomb, Oakland and Washtenaw Counties, said Keith Crain, vice-chairman of Crain Communications Inc. and publisher of the new weekly.

Peter Brown, a *Detroit Free Press* reporter, has been appointed editor of *CDB*.

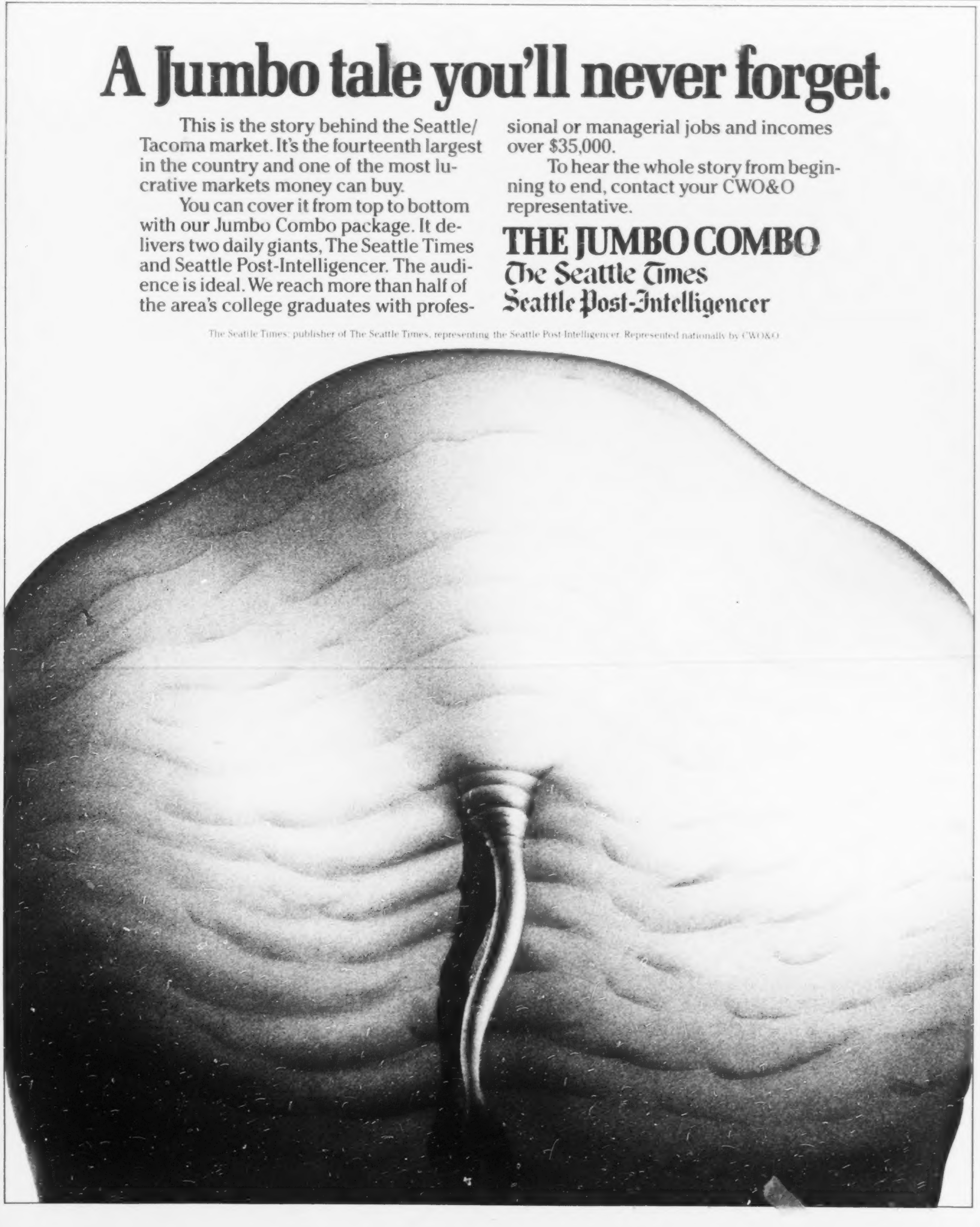
Crain publishes 23 magazines and papers including Advertising Age, *Automotive News*, *AutoWeek* and *Monthly Detroit*.#

CORRECTIONS & CLARIFICATIONS

- A chart with a story about newspapers in Singapore (AA, Aug. 13, P. 38) should have listed the circulation of the *Lianhe Zaobao* newspaper as 190,000. Also, the circulation of the *Lianhe Wanbao* should have been 80,000, and the cost of a b&w page ad in the *Straits Times* should have been $11,200.
- The caption for a frame from a tv spot for WGN, Chicago, should have identified Dawson, Johns & Black, Chicago, as the agency (AA, Sept. 24, P. 3).
- Photos depicting two new Yardley of London products were inadvertently switched (AA, Sept. 27, P. 1). Pictured here is Black Label, a men's cologne. The other product, shown in the Sept. [illegible] issue, is Love Notes, a fragrance aimed at more sophisticated teens and young women.

BLACK LABEL
YARD
BLACK LABEL
YARD
It won't remind her of sailing ships, cowboys or p yers. Just you.

- Group W Production[illegible] animated syndicated tv show [illegible] "She-Ra: Princess of Power" ([illegible]A, Sept. 24, P. 70).#



A Jumbo tale you'll never forget.

This is the story behind the Seattle/Tacoma market. It's the fourteenth largest in the country and one of the most lucrative markets money can buy.

You can cover it from top to bottom with our Jumbo Combo package. It delivers two daily giants, The Seattle Times and Seattle Post-Intelligencer. The audience is ideal. We reach more than half of the area's college graduates with professional or managerial jobs and incomes over $35,000.

To hear the whole story from beginning to end, contact your CWO&O representative.

THE JUMBO COMBO
The Seattle Times
Seattle Post-Intelligencer

The Seattle Times: publisher of The Seattle Times, representing the Seattle Post-Intelligencer. Represented nationally by CWO&O

Keep your ad material in the spotlight where it counts, with a holder or display from Beemak

BEEMAK

73 sizes available from stock • Complete facilities for imprinting • Custom displays produced to your specifications • Use our design services for your special projects • Prompt response to your quote requests.

BEEMAK PLASTICS, 7424 Santa Monica Blvd.
Los Angeles, California 90046, (213) 876-1770.
Outside California, call toll free: 1 (800) 421-4393

Newspaper Ad Linage May 1984 vs. May 1983

AKRON, OH

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Beacon Journal (E)	1 991 406	407 600	1 895 190	473 140
Beacon Journal (S)	1 059 266	141 452	1 176 252	123 224
Grand Total	3 050 672	549 052	3 071 442	596 364

****ATLANTA, GA***

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Constitution (M)	3 532 951	715 457	2 965 147	523 258
Journal (E)	3 624 717	747 869	3 029 770	525 607
Journal & Constitution (S)	2 379 321	769 420	2 486 076	813 832
Journal & Constitution (Sat)	705 759	—	590 329	—
Grand Total	10 242 754	2 232 746	9 073 322	1 862 692

NOTE Constitution morning and Journal evening published five days a week only.

Constitution morning, Journal evening, Journal & Constitution Saturday and Sunday changed from an eight column width (2408 lines per page) to a six column width (1806 lines per page) effective April 30, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to eight column linage.

BALTIMORE, MD

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
News-American (S)	570 768	24 126	632 305	38 604
News-American (E)	1 036 296	84 280	1 005 367	216 572
Sun (M)	2 530 011	53 763	2 587 524	158 154
Sun (E)	2 067 400	52 813	1 920 366	158 336
Sun (S)	2 791 600	67 642	3 053 953	—
Grand Total	8 996 075	282 626	8 699 509	571 666

NOTE Sun morning and Sun evening started publication of a combined Saturday edition effective March 24, 1984. The linage is shown only in the Sun morning.

BERGEN COUNTY, NJ

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Record (E)	3 083 470	512 339	2 760 527	577 876
Record (S)	2 394 962	419 294	2 681 520	552 596
Grand Total	5 478 432	931 633	5 442 047	1 130 472

NOTE Record evening published five days a week only.

BOSTON, MA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Herald (M)	909 076	—	723 487	—
Herald (S)	373 000	273 636	476 810	284 419
Globe (M)	3 219 764	161 177	2 698 523	81 200
Globe (S)	3 134 945	374 780	3 367 659	317 348
Grand Total	7 636 785	779 593	7 266 479	682 967

NOTE Globe changed from all day publication to morning publication effective April 2, 1984.

BOULDER, CO

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Camera (M)	2 576 616	—	2 119 180	—
Camera (S)	984 088	—	986 034	—
Grand Total	3 560 704	—	3 105 214	—

NOTE Figures supplied by publisher to Media Records.

****BUFFALO, NY***

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
News (Ad)	2 437 036	370 138	2 508 403	262 304
News (S)	924 587	355 035	1 410 220	169 898
Grand Total	3 361 623	725 173	3 918 623	432 202

NOTE News all day and Sunday changed from a nine column width (2772 lines per page) to a six column width (1848 lines per page) effective May 1, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to nine column linage.

CAMDEN, NJ

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Courier-Post (E)	1 928 417	306 312	1 728 212	194 300
Courier-Post (S)	738 127	72 728	964 463	55 440
Grand Total	2 666 544	379 040	2 692 675	249 740

CHARLOTTE, NC

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
News (E)	1 380 419	6 816	1 175 443	—
Observer (M)	2 018 947	685 572	1 675 281	585 728
Observer (S)	1 127 759	609 636	1 062 379	524 973
Grand Total	4 527 125	1 302 024	3 913 103	1 110 701

NOTE News evening published five days a week only.

CHICAGO, IL

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Tribune (Ad)	2 442 499	2 467 561	2 246 031	2 471 968
Tribune (S)	2 004 939	1 013 944	1 993 628	985 990
Sun-Times (M)	2 448 032	1 035 823	2 462 361	946 833
Sun-Times (S)	968 529	659 651	971 538	794 855
Grand Total	7 863 999	5 176 979	7 673 558	5 199 646

CINCINNATI, OH

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Enquirer (M)	2 713 631	269 600	2 490 828	123 808
Enquirer (S)	1 752 449	55 828	1 815 896	150 980
Post (E)	1 225 545	246 156	1 120 934	132 264
Grand Total	5 691 625	571 584	5 427 658	407 052

CLEVELAND, OH

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Plain Dealer (M)	3 210 490	562 904	3 163 232	368 027
Plain Dealer (S)	1 735 926	176 189	1 931 321	124 196
Grand Total	4 946 416	739 093	5 094 553	492 223

DALLAS, TX

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
News (M)	6 770 666	348 350	5 596 378	315 941
News (S)	3 217 530	228 593	3 406 374	359 394
Times-Herald (Ad)	6 122 862	433 027	4 813 311	243 356
Times-Herald (S)	2 541 363	486 606	2 668 572	274 129
Grand Total	18 652 421	1 496 576	16 484 635	1 192 820

DENVER, CO

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Rocky Mountain News (M)	6 489 868	—	5 566 975	—
Rocky Mountain News (S)	1 571 209	2 332	1 659 110	—
Post (M)	3 654 655	325 219	3 413 486	207 127
Post (S)	2 344 773	38 744	2 628 716	59 256
Grand Total	14 060 505	366 295	13 268 287	266 383

DETROIT, MI

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Free Press (M)	2 009 537	945 616	1 947 670	961 319
Free Press (S)	758 583	337 214	897 052	307 071
News (Ad)	2 725 926	543 005	2 644 840	771 852
News (S)	1 525 412	252 075	1 778 075	302 173
Grand Total	7 019 458	2 077 910	7 267 637	2 342 416

****ERIE, PA***

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Times (E)	1 547 041	55 904	1 393 898	29 368
Times-News (S)	1 040 397	124 948	1 118 038	41 384
Grand Total	2 587 438	180 852	2 511 936	70 752

NOTE Times evening and Times-News Sunday changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective April 1, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to nine column linage.

FORT WAYNE, IN

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Journal Gazette (M)	1 464 901	—	1 535 524	—
Journal Gazette (S)	860 049	—	1 004 849	—
News Sentinel (E)	1 783 063	—	1 835 457	—
Grand Total	4 108 013	—	4 375 830	—

NOTE Part run figures not available.

GARY, IN

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Post-Tribune (E)	976 178	216 090	938 224	163 716
Post-Tribune (S)	374 206	70 700	445 998	86 100
Grand Total	1 350 384	286 790	1 384 222	249 816

NOTE These figures as supplied by the publisher to Media Records do not include preprints.

GREENWICH STAMFORD, CT

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Time (E)	1 686 076	—	1 507 380	—
Time (S)	693 245	—	831 337	—
Advocate (E)	2 097 083	—	1 933 424	65 044
Advocate (S)	774 603	—	883 217	—
Grand Total	5 251 007	—	5 155 358	65 044

HARTFORD, CT

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Courant (M)	3 083 553	603 731	2 679 504	451 559
Courant (S)	1 467 241	1 627 073	1 653 122	1 266 311
Grand Total	4 550 794	2 230 804	4 332 626	1 717 870

HONOLULU, HI

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Advertiser (M)	2 745 488		2 529 340	—
Star Bulletin (E)	2 678 808		2 428 555	
Star Bulletin & Advertiser (S)	1 451 512		1 579 794	
Grand Total	6 825 808		6 537 689	—

HOUSTON, TX

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Chronicle (Ad)	7 181 931	619 090	6 537 599	472 308
Chronicle (S)	2 646 784	467 525	2 771 378	508 177
Post (M)	4 264 125	558 360	4 951 172	346 765
Post (S)	1 440 386	363 790	1 719 912	393 296
Grand Total	15 533 226	2 008 765	15 971 061	1 720 546

LONG BEACH, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Press Telegram (M)	2 183 107	707 457	1 861 748	857 966
Press Telegram (S)	832 372	77 056	909 433	180 600
Grand Total	3 015 479	784 513	2 771 181	1 038 566

NOTE Press Telegram morning and evening sold in combination Monday through Friday. Linage of one edition Press Telegram morning is shown.

LONG ISLAND, NY

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Newsday (E)	3 482 826	1 190 230	3 153 411	887 461
Newsday (S)	1 591 091	1 256 954	1 968 619	1 359 554
Grand Total	5 073 917	2 447 184	5 122 030	2 247 015

LOS ANGELES, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Times (M)	6 147 408	4 377 910	5 080 870	3 363 354
Times (S)	3 052 011	1 562 464	3 055 687	1 658 063
Herald Examiner (M)	1 030 313	299 534	954 165	301 483
Herald Examiner (S)	294 436	36 173	289 942	118 155
Grand Total	10 524 168	6 326 081	9 380 664	5 441 055

LOS ANGELES SAN FERNANDO VALLEY, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
News (M)	3 745 533	480 680	2 973 134	519 029
News (S)	1 269 896	46 448	1 264 124	210 448
Grand Total	5 015 429	527 128	4 237 258	729 477

LOS ANGELES TORRANCE

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Breeze (E)	3 132 584	—	2 397 500	—
Breeze (S)	1 010 884	—	1 104 992	—
Grand Total	4 143 468		3 502 492	

NOTE Figures supplied by publisher to Media Records.

LOUISVILLE, KY

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Courier Journal (M)	1 892 008	354 804	1 696 616	238 176
Times (E)	2 002 395	672 382	1 776 072	480 845
Courier Journal (S)	1 607 848	3 935	1 773 064	7 529
Grand Total	5 502 251	1 031 121	5 245 752	726 550

NOTE Figures supplied by publisher to Media Records.

MACON, GA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Telegraph & News (M)	1 345 456	541 786	1 090 516	336 924
Telegraph & News (S)	648 830	359 198	853 524	177 296
Grand Total	1 994 286	900 984	1 944 040	514 220

NOTE Figures supplied by publisher to Media Records. Telegraph morning and News evening combined into one morning publication the Telegraph & News effective September 6, 1983.

MIAMI, FL

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Herald (M)	2 769 058	—	2 631 013	—
Herald (S)	1 430 021	—	1 793 129	—
News (E)	1 228 591	—	1 196 136	—
Grand Total	5 427 670	—	5 620 278	—

NOTE Part run figures not available.

MINNEAPOLIS, MN

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Star & Tribune (Ad & Sat)	2 512 124	436 936	2 095 638	240 932
Tribune (S)	2 215 678	—	2 365 900	5 804
Grand Total	4 727 802	436 936	4 461 538	246 736

NOTE 1983 figures supplied by publisher to Media Records. 1983 part run daily is TMC and Community linage only. 1983 part run Sunday is Country linage only.

NASHVILLE, TN

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Banner (E)	1 694 792	469 484	1 390 428	341 928
Tennessean (M)	1 696 275	469 484	1 400 324	342 024
Tennessean (S)	1 051 775	338 332	1 120 860	331 812
Grand Total	4 442 842	1 277 300	3 911 612	1 015 764

NEW YORK, NY

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Times (M)	3 630 177	357 547	3 161 755	383 928
Times (S)	3 560 047	1 955 244	3 847 989	2 221 230
News (M)	1 350 396	2 166 953	1 293 458	1 661 548
News (S)	577 683	1 274 263	701 934	1 490 403
Post (Ad)	1 209 384	—	1 132 327	—
Grand Total	10 327 687	5 754 007	10 137 463	5 757 109

NEWARK, NJ

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Star Ledger (M)	4 437 570	158 209	3 826 195	154 789
Star Ledger (S)	2 958 929	475 396	3 400 172	419 220
Grand Total	7 396 499	633 605	7 226 367	574 009

OAKLAND, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Tribune (M)	1 867 356	690 923	1 663 968	342 787
Tribune (S)	831 638	348 040	1 027 424	387 180
Grand Total	2 698 994	1 038 963	2 691 392	729 967

ORANGE COUNTY, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Register (Ad)	5 924 343	1 429 135	4 933 999	390 128
Register (S)	2 106 953	111 656	2 132 035	74 328
Grand Total	8 031 296	1 540 791	7 066 034	464 456

ORLANDO, FL

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Sentinel (Ad)	2 042 494	392 358	2 950 321	322 120
Sentinel (S)	840 483	338 864	1 350 844	402 784
Grand Total	2 882 977	731 222	4 301 165	724 904

NOTE Part run figures do not include County Sentinel and Sentinel Bonus linage.

PHILADELPHIA, PA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Inquirer (M)	2 617 756	702 753	2 328 703	651 274
Inquirer (S)	1 802 305	624 006	2 055 644	576 737
News (E)	1 332 092	36 664	1 237 239	66 864
Grand Total	5 752 153	1 363 423	5 621 586	1 294 875

PHOENIX, AZ

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Arizona Republic (M)	3 823 414	172 998	3 348 795	158 231
Arizona Republic (S)	2 425 458	—	1 784 839	—
Gazette (E)	3 695 300	175 098	3 222 556	161 344
Grand Total	9 944 172	348 096	8 356 190	319 575

NOTE Full run and part run figures supplied by publisher to Media Records. 1983 figures are converted to a six column format as supplied by publisher.

Arizona Republic morning and Sunday and Gazette evening changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective August 29, 1983.

PORTLAND, OR

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Oregonian (Ad&S)	5 662 832	—	5 444 908	—
Grand Total	5 662 832	—	5 444 908	—

NOTE Figures supplied by publisher to Media Records.

PROVIDENCE, RI

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Bulletin (E)	1 606 640	875 246	1 580 912	602 624
Journal (M)	1 887 312	620 262	1 874 809	381 437
Journal (S)	1 924 082	217 024	1 986 733	246 400
Grand Total	5 418 034	1 712 532	5 442 454	1 230 461

NOTE 1984 figures supplied by publisher to Media Records. Bulletin evening and Journal morning have a combined Saturday edition. The linage is shown only in the Journal morning.

ROCHESTER, NY

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Democrat & Chronicle (M)	1 981 952	167 912	1 819 572	139 081
Democrat & Chronicle (S)	1 249 301	192 000	1 493 474	127 660
Times-Union (E)	1 739 330	153 735	1 747 386	164 231
Grand Total	4 970 583	513 647	5 060 432	430 972

NOTE Times-Union evening published five days a week only.

SACRAMENTO, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Bee (M&S)	6 501 106	447 965	6 993 980	—
Grand Total	6 501 106	447 965	5 993 980	—

NOTE 1983 figures supplied by publisher to Media Records.

ST. LOUIS, MO

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Post Dispatch (M)	2 542 204	919 569	1 759 311	214 494
Post Dispatch (S)	2 509 441	—	2 693 050	—
Grand Total	5 051 645	919 569	4 452 361	214 494

NOTE Figures supplied by publisher to Media Records. Post Dispatch changed from evening publication to morning publication effective February 27, 1984.

Post Dispatch evening and Sunday changed from a nine column width (2709 lines per page) to a six column width (1890 lines per page) effective August 1, 1983.

ST. PAUL, MN

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Pioneer Press (M)	1 694 494	—	1 398 616	—
Pioneer Press (S)	1 556 261	—	1 667 045	—
Dispatch (E)	1 727 940	179 645	1 419 014	148 020
Grand Total	4 978 695	179 645	4 484 675	148 020

NOTE Pioneer Press morning and Dispatch evening have a combined Saturday edition. The linage is shown only in the Dispatch evening.

SAN ANTONIO, TX

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Express (M)	2 933 246	493 674	2 677 908	336 196
Express-News (S)	1 534 016	336 096	1 732 218	419 528
Express-News (Sat)	875 715	—	757 904	—
News (E)	2 873 708	344 020	2 389 629	303 428
Light (E)	2 670 171	600 391	2 415 315	321 398
Light (S)	1 393 247	429 483	1 570 668	382 222
Light (Sat)	701 599	—	573 097	—
Grand Total	12 981 702	2 203 664	12 116 739	1 762 772

NOTE News evening and Light evening published five days a week only.

SAN DIEGO, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Union (M)	4 258 341	251 231	3 673 401	381 149
Union (S)	1 973 173	—	1 951 988	—
Tribune (E)	4 454 608	243 552	3 868 053	380 802
Grand Total	10 686 122	494 783	9 493 442	761 951

SAN FRANCISCO, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Chronicle (M)	2 663 021	1 118 842	2 302 000	914 733
Examiner (E)	2 601 992	1 090 383	2 262 596	928 104
Examiner & Chronicle (S)	1 341 239	578 080	1 504 820	539 172
Grand Total	6 606 252	2 787 305	6 069 416	2 382 009

SAN JOSE, CA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Mercury News (Ad)	5 811 825	793 946	4 928 201	645 188
Mercury News (S)	2 423 005	—	2 517 196	—
Grand Total	8 234 830	793 946	7 445 397	645 188

NOTE Mercury morning and News evening combined to one edition, Mercury News all day effective August 29, 1983. The Mercury morning 1983 linage is reported in the Mercury News all day listing.

Prior to August 29, 1983 the Mercury morning and News evening had a combined Saturday edition, with the figures shown in the Mercury morning.

****SHREVEPORT, LA***

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Journal (E)	1 754 923	139 420	1 482 480	65 260
Times (M)	2 252 161	319 920	1 976 519	90 540
Times (S)	1 190 171	100 532	1 357 985	143 720
Grand Total	5 197 255	559 872	4 816 984	299 520

NOTE Journal evening and Times morning and Sunday changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective April 30, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to nine column linage.

STATE COLLEGE, PA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Centre Times (E)	1 729 910	32 942	1 499 974	37 646
Centre Times (S)	501 508	—	562 128	—
Grand Total	2 231 418	32 942	2 062 102	37 646

NOTE Figures supplied by publisher to Media Records.

SYRACUSE, NY

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Herald Journal (E)	1 866 778	538 386	1 975 533	348 869
Herald American (S)	1 028 801	266 874	1 292 244	228 289
Post-Standard (M)	1 510 732	481 928	1 390 977	538 265
Grand Total	4 406 311	1 287 188	4 658 754	1 115 423

TAMPA, FL

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Tribune (Ad)	4 230 965	1 426 629	3 403 661	1 022 453
Tribune (S)	2 149 632	—	2 351 590	—
Grand Total	6 380 597	1 426 629	5 755 251	1 022 453

NOTE Figures supplied by publisher to Media Records.

TOLEDO, OH

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Blade (E)	1 577 662	—	1 341 901	—
Blade (S)	1 142 806	—	1 098 554	—
Grand Total	2 720 468	—	2 440 455	—

NOTE Figures supplied by publisher to Media Records.

Blade evening and Sunday changed from a nine column width (2772 lines per page) to a six column width (1848 lines per page) effective April 2, 1984.

TORONTO, CANADA

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Sun (M)	2 035 570	19 216	1 787 364	8 928
Sun (S)	714 215	31 864	807 211	32 064
Globe & Mail (M)	3 237 740	243 006	2 596 675	292 178
Grand Total	5 987 525	294 086	5 191 250	333 170

WASHINGTON, DC

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Post (M)	5 962 304	682 121	5 216 550	794 796
Post (S)	2 646 577	455 750	2 939 743	512 752
Grand Total	8 608 881	1 137 871	8 156 293	1 307 548
Alexandria Journal (M)	1 163 034	—	918 781	—
Prince George's Journal (M)	1 012 053	—	850 673	—
Montgomery Journal (M)	1 041 609	—	893 371	3 080
Fairfax Journal (M)	1 264 876	—	947 550	—
Arlington Journal (M)	1 164 022	—	938 303	—
Grand Total	5 645 594	—	4 548 678	3 080

NOTE Alexandria Journal morning, Prince George's Journal morning, Montgomery Journal morning, Fairfax Journal morning, and Arlington Journal morning published five days a week only.

WEST PALM BEACH, FL

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Post (M)	3 273 984	469 560	2 767 756	284 488
Times (E)	2 781 374	8 750	2 293 382	2 926
Post (S)	1 658 586	149 086	2 032 164	168 712
Grand Total	7 676 144	627 396	7 093 304	456 126

NOTE Figures supplied by publisher to Media Records.

Times evening published five days a week only.

WESTCHESTER ROCKLAND, NY

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Reporter Dispatch (E)	1 789 200	288 648	1 567 829	305 452
Reporter Dispatch (S)	1 055 859	281 768	1 117 895	458 092
Grand Total	2 845 059	570 416	2 685 724	763 544

WICHITA, KS

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
Eagle-Beacon (M)	2 116 268	—	1 858 536	—
Eagle-Beacon (S)	1 130 815	—	1 125 459	—
Grand Total	3 247 083	—	2 983 995	—

NOTE Part run figures not available.

Source: Media Records

Linage figures have been provided by Media Records for the exclusive publication of Advertising Age. They may not be reprinted or published in any form without explicit permission from Media Records. All newspapers represented are subscribers to Media Records. For those newspapers that subscribe to Media Records National Advertising Report Service, total advertising linage shown were provided by the newspaper to Media Records and included in this compilation.

CONVERSION METHODOLOGY

Due to the introduction of the SAU 6 column format, Media Records applies the following conversion methodology to report comparable figures (1984 month vs. 1983 data) for newspapers that changed column formats in 1984. These newspapers are indicated with an asterisk (*).

7 column tabloids which have adopted a 5 column tabloid format are converted back to the original 7 column format.

8 column broadsheet standards which have adopted a 6 column broadsheet standard format are converted back to the original 8 column formats.

9 column broadsheet standards which have adopted a 6 column broadsheet standard format are converted back to the original 9 column formats.

C2710-1 A

$1.25 a copy; $52 a year

Monday, October 8, 1984

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Motion on the go

Ads for Pontiac's newest "image car," Grand Am, always show the car in motion because "it's a true driver's coupe." The car is one of five youthful, sporty vehicles that dominate Pontiac's advertising for the 1985 model year. *(See story on Page 3.)*

P&G Special Touch puts lotion in Puffs

By NANCY GIGES

Procter & Gamble moved into test last week with Special Touch by Puffs, a facial tissue impregnated with lanolin. The move comes despite the mediocre performance of P&G's Certain moistened toilet tissue.

The test involves introducing Special Touch into Wisconsin and parts of Michigan and Iowa. P&G will support the products with a heavy multimedia campaign, couponing and sampling, which are expected to break within several weeks. The new item is positioned as a tissue "with the comforting touch of lotion to help protect consumers' noses from irritation that's caused by frequent use of ordinary dry facial tissues."

The debut comes just weeks after Kimberly-Clark Corp., Neenah, Wis., began testing a specially treated facial tissue claimed to kill many common cold and flu viruses (AA, Aug. 23). But these two new items, being tested in different areas, won't meet head-to-head this winter unless either company speeds up rollout plans.

Puffs is the third-largest facial tissue in the $1 billion category, trailing K-C's Kleenex and Philadelphia-based Scott Paper Co.'s Scotties.

There are several similarities between Certain and Special Touch. They are handled by the same agency, Cunningham & Walsh, New York, and are in some of the same markets.

Special Touch is designed to meet consumer demands for a "stronger, softer, less irritating tissue for use during periods of frequent nose-blowing," said a spokesman for Cincinnati-based P&G.

Available in five colors—beige, blue, pink, yellow and white—cartons are parity priced with other premium-price tissues, but boxes do not contain as many tissues as other regular brands.

On a tissue basis, the new entry is priced 50% higher than premium-price dry tissues, a spokesman said. For example, although the boxes are expected to be priced the same, the regular-count Puffs contains 175 tissues, while Special Touch has 100; family-size Puffs contains 250, while Special Touch has 150.

Several buyers contacted said they believe there is a market for Special Touch, but as a specialty tissue

(Continued on Page 101)

Third-place ABC first with changes

By JAMES P. FORKAN

New York—The fall season was barely in its second week when ABC-TV, obviously stung by its No. 3 finish in premiere week, moved to doctor Tuesday and Thursday ratings anemia.

A Thursday night movie, filling 8 p.m. to 10 p.m. (ET), will start Oct. 18 and run through the November sweeps. "People Do the Craziest Things" and "Who's the Boss?" will be pulled from the 8 p.m.-to-9 p.m. span, "People" going into hiatus and "Boss" moving to a new night. The lackluster "Glitter" will lose its 9 p.m. slot, but Lew Erlicht, ABC Entertainment president, said it will remain in production and return when another time period becomes available. All three shows hovered in the abysmal 15-to-17 share range in Week 1. ABC's "20/20" will stay put.

Meanwhile, the ax man may cometh to CBS as well. CBS' own Tuesday starters "AfterMASH" and "E/R" are considered early candidates for cancelation or hiatus, if they don't appreciably improve in the next few weeks, sources said. CBS' backups include "Crazy Like a Fox," "Agony" (aka "The Lucie Arnaz Show"), "Other-World" and "House Detective."

NBC is, for now, in the unaccustomed position of not needing to rush in reinforcements, which include "Berrenger's," "Scene of the Crime," "High School Confidential" and a Michael Nesmith series.

The ABC movie-filler package is seen as a stop-gap ploy to give ABC more time to decide which backup shows to run and where. On the production end, the backups seen as most readily available are "Streethawk" (originally slotted for the Monday 8 p.m. position but bumped by "Call to Glory"), "The Brothers-in-Law" and "Jennings & Jennings" (whose pilot was "The Return of Marcus Welby").

ABC's Thursday movies will be theatrical reruns and new tv movies, which will not appreciably affect its strong Sunday movie

(Continued on Page 102)

Last Minute News

ABC preempts nose-diving 'Call to Glory'

New York—ABC-TV, in its first reaction to the ever-slipping Monday ratings for "Call to Glory," will preempt that series at 8 p.m. (ET) on Oct. 15 with a special, "World's Greatest Mysteries." "Glory" began strongly after the Summer Olympics but has since lost to NBC's "TV's Bloopers" and now CBS' "Scarecrow and Mrs. King" *(see earlier story on Page 1).*

Scott tears into South with junior towels

Philadelphia—Scott Paper Co. is rolling out in the South with Scot-Towels Junior, a towel smaller than standard size. Heavy tv via J. Walter Thompson USA, New York, is planned. Scott also is expanding on the West Coast its Viva paper towels with the theme "So absorbent we dare to call it a paper sponge." Tv spots are by BBDO.

Epson computer campaign tagged to Series

Torrance, Cal.—Epson America starts a network tv campaign for both desktop computers and printers this week during the World Series. The campaign was created by Foote, Cone & Belding Communications, San Francisco.

(Continued on Page 8)

NEWSPAPER

3

'Gaffebusters' check on celebs

By WILLIAM GLOEDE

Attempting to cash in on the recent publicity surrounding the "exposure" of former Miss America Vanessa Williams, a unit of the George F. Valassis Co. is seeking to do some exposing of its own, though not of the same kind.

Promotion Watch, a Livonia, Mich.-based unit of GFV Communications, has begun a new service it says "will provide a company contemplating a celebrity spokesperson with advice and assurance on their choice." Read: If they've bared it for a skin book, Promotion Watch will ferret it out—discreetly, of course.

"Discretion is everything—people are very sensitive about this," explained Barry Hoffman, president of Promotion Watch, which specializes in cents-off coupon security and sweepstakes clearance investigations.

Mr. Hoffman believes that, had the Miss America Pageant hired the company to look into the backgrounds of its contestants, it would have uncovered Ms. Williams' 1982 sessions with photographer Tom Chiapel. Those were the infamous sessions that produced the photos in *Penthouse* that cost Ms. Williams her crown.

For a fee Mr. Hoffman calls "nominal," Promotion Watch will investigate just about any celebrity a marketer is considering as a spokesperson. Before any investigating is started, however, the company will ap-

(Continued on Page 101)

Smirnoff relaunch readied

By GAY JERVEY

New York—McCann-Erickson's much-awaited $12 million relaunch of Heublein's Smirnoff, the account it won in an agonizing creative runoff last summer, will debut just in time for holiday-gift and party-giving sales.

This month Heublein, a subsidiary of R.J. Reynolds Industries, Winston-Salem, N.C., and McCann will start with outdoor boards that will pop up across the country with the theme "Friends are worth Smirnoff." Several weeks later, print ads, reportedly featuring a large bottle shot superimposed on a photograph of smiling, socializing people, will appear in the Decem-

(Continued on Page 102)

Crawford: Met, BBDO similar

By STEWART ALTER

Despite some obvious differences between a profit-making venture and an arts organization, Bruce Crawford's new job will not be all that different from heading an ad agency. The president-chief executive officer of BBDO International is the new general manager of the Metropolitan Opera in New York.

"Conceptually, the responsibility of running the Metropolitan Opera is not so different from running an ad agency," said Mr. Crawford. "What you have there is an artistic director, as there is a creative director at an agency, to whom are delegated creative or artistic decisions."

Mr. Crawford resigned his BBDO post two weeks ago, effective April 1, 1985 (AA, Sept. 27). The resignation obviously came in anticipation of the announcement last week that he would be succeeding Anthony Bliss, the Met's current general manager, on Jan. 1, 1986.

But the reason Mr. Crawford was selected had nothing to do with the analogy between an ad agency and a nonprofit arts organization. Rather, he has been very active in management of the Met for the last seven years as a member of the executive committee, since 1981 as a vp and since last May as president of the board.

Mr. Crawford's experience in the communications business already has been put to use.

Since 1977, he has been chairman of the Met's tv and radio committee, responsible for Public Broadcasting Service telecasts of

(Continued on Page 100)

Alcohol advertisers fear more U.S. control

By STEVEN W. COLFORD

WASHINGTON—Is the federal government laying the groundwork for a more active role in controlling the promotion and availability of alcoholic beverages?

This fear appears to be growing among a select group of alcohol beverage marketers and media executives who attended a Department of Justice conference here on juvenile alcohol abuse.

Ad industry representatives who attended the closed two-day workshop last week were less suspicious, but they were nevertheless perplexed by what the department wanted to accomplish. It invited more than 40 groups to discuss what can be done to stem juvenile abuse of alcohol and drugs.

The inclusion of illegal drugs as a discussion topic also left a bad taste in the mouths of many attendees, sources said. They disagreed with contentions by department officials that alcohol use, or abuse, is the first step down the path to drug abuse and addiction. First Lady Nancy Reagan has been involved in a number of activities aimed at curbing drug abuse.

Another sore point was the exclusion—inadvertent, the department said—of the Advertising Council, the industry's public service arm, from the meeting.

The session's list of invitees reads like a Who's Who in the world of alcohol advertising: Adolph Coors Co., Anheuser-Busch, Miller Brewing, U.S. Brewers Assn., Distilled Spirits Council, Assn. of National Advertisers, American Assn. of Advertising Agencies, Advertising Federation of America, U.S. Chamber of Commerce, American Newspaper Publishers Assn., American Council on Alcoholism, National Conference of State Legislators, Television Bureau of Advertising, ABC, CBS and NBC. Interspersed among them were some interested but not officially invited groups, including the Center for Science in the Public Interest, one of the bigger thorns in the saddles of alcohol advertisers.

Several attendees agreed to discuss the session only if their identities were not disclosed.

A representative of a media group said James Wooton, deputy administrator at Justice, through veiled suggestions, conveyed the impression that the federal government was prepared to take a tougher stand on what might be permitted in alcohol ads if the assembled groups were unable to reach a consensus on how to attack the problem of juvenile alcohol abuse.

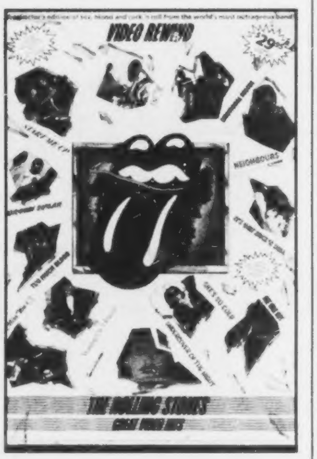
Even more incensed by the meeting's tone was an

(Continued on Page 100)

Highlights

A quartet of surprising celebrities is featured in a new trade advertising campaign for *McCall's. See Page 6.*

Vestron Video is planning to spend more than $750,000 to promote the new "Rolling Stones Great Video Hits" cassette. *See Page 12.*



GTE Sprint, the long-distance telephone service, has teamed up with Nabisco Brands for a new promotion. *See Page 26.*

AT&T is offering its customers credits toward the purchase of nationally branded products and services. *See Page 28.*

Grolier Inc., one of the world's largest encyclopedia marketers, will try to develop a new audience with a line of software programs for homes, schools and libraries. *See Page 30.*

The pure water springs from the deep recesses of the earth and is transported to the far corners of the U.S. through an unusual network of distributors organized by Mountain Valley Water Co. *See Page 52.*

Thomas Carey and Richard Levenson make an unlikely but effective pair at Benton & Bowles/New York. *See Page 88.*

CORPORATE CLOSEUP

A year after Pearle Health Services assigned its advertising to Foote, Cone & Belding, Chicago, it did a shrewd thing: Pearle gathered the agency's personnel and offered a champagne toast to FCB for its role in the company's increased sales. *See Page 4.*

FORUM

Cabbage Patch Kids need tender loving care—and a line on the family budget, writes Nancy Giges in "Where's 'The Cabbage'?" *See Page 20.*

Can MBA candidates be trained by the "ideological remolding" programs in vogue in China's prisons? Agency executive Paul Partridge explains his theory in "Crimebusters, China-style." *See Page 20.*

INTERNATIONAL

Australian advertising agencies are fighting attempts by multinational U.S. agencies to swallow them up. *See Page 58.*

The World New Products Conference in Toronto this week offers marketers from around the world the chance to check out items like champagne-flavored ice cream that comes in a bottle and a sponge that absorbs cooking oil and grease. *See Page 58.*

The French are bringing a new retail concept to the U.S. when Bigg's, a single-level, self-service "hypermarket," selling a wide range of low-price products, opens in Cincinnati. *See Page 60.*

Canadian advertisers are up in arms over the flood of U.S. ads appearing on Canadian tv screens coast to coast. The ads are popping up on U.S. cable program services that have been on the Canadian airwaves since Sept. 1. *See Page 62.*

VIDEOTECH

The producers of public tv's "New Tech Times" plan a prime time special covering the Winter Consumer Electronics Show the same way the tv networks cover the political conventions. *See Page 68.*

COMING THURSDAY

SPECIAL REPORT

More general advertisers are getting their feet wet in direct marketing and finding the water is fine.

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ABP MPA RED TAG ABC ANPA

Landau hoists Dittler over ABC as top creditor

By ROBERT RAISSMAN

NEW YORK—Robert Landau Associates last week revised its list of creditors in a petition for reorganization under federal bankruptcy rules. It dropped ABC as its biggest creditor, replacing the network with Atlanta-based Dittler Bros.

The move indicates ABC believes it is not liable for a $1.5 million loan given to RLA by Dittler in 1983, sources said.

RLA secured the loan after John Lazarus, then vp-sports marketing and sales at ABC-TV Network, signed an "assignment of accounts receivable" letter to Dittler on behalf of American Broadcasting Cos.

The letter stated that ABC would not object to transferring payment of money owed RLA—for its work catering ABC parties during the 1984 Summer Olympics in Los Angeles—directly to Dittler.

Mr. Lazarus resigned his post at ABC two weeks ago after an internal investigation of ABC's dealings with RLA, an advertising/sports marketing company (AA, Oct. 1). Mr. Lazarus resigned over a contract squabble, ABC said.

ABC believes it is not responsible for the money owed Dittler, sources said, because Mr. Lazarus, though a vp, was not an officer of ABC and did not have authority to approve the transfer of payments.

RLA's revision of its filing still may not deter Dittler from trying to collect payment from ABC. Dittler is a printing company that had worked with RLA.

Sources said ABC was dropped as RLA's No. 1 creditor because RLA chairman Robert Landau reportedly approached an unidentified ABC executive and said that to protect Mr. Lazarus and to repay ABC, he would sign a personal

(Continued on Page 100)

Seoul tv rights may go for less

'88 'gold' on hold

By VERNE GAY

NEW YORK—Network tv bidding for the broadcast rights to the 1988 Summer Olympics in Seoul, South Korea, will be delayed until next spring, if not later. The rights had been expected to be sold during the summer of 1984.

In addition, tv network sports executives say the price tag for the '88 Summer Games will be between $300 million and $400 million, with the possibility that for the first time the summer games' rights could cost less than the '88 winter games. ABC this year paid $309 million for the Calgary games.

"I expect to leave the month of March open" for bidding, said Barry Frank, group vp of Trans-World International, the company appointed by the International Olympic Organizing Committee to sell U.S. tv rights. Mr. Frank said the Seoul Olympic Organizing Committee will have final say about when the bidding will begin.

Meetings between international amateur sports federations will be held this month and in late November to decide whether swimming, track and field and gymnastics events will be held early in the morning. If the events are slotted at 9 a.m. Seoul time, they could be

(Continued on Page 101)

Pontiac out to bump Buick from No. 4 spot

By JESSE SNYDER

PONTIAC, MICH.—Pontiac is aiming at a smaller bull's-eye for 1985, one roughly the shape of a Buick tri-shield.

A new 60-second Trans Am tv commercial scheduled for network tv in late October captures the essence of Pontiac's 1985 marketing strategy: Concentrate on the distinctive, ignore the ordinary and the eventual reward will be the wresting of the No. 4 sales spot from Buick division.

Once behind only Chevy and Ford in sales, Pontiac fell to eighth in 1981, passed by Oldsmobile, Buick, Toyota, Chrysler-Plymouth and Nissan. But Pontiac rallied back to fifth, finishing with more than 700,000 units for 1984, up 40%. "And fourth is not out of sight," said general manager Michael Losh.

"If we continue to lead the industry in percentage sales gain, eventually it will happen," Mr. Losh said. He forecast 825,000 to 850,000 sales for the 1985 model year, an increase in share to 8% from 7% in '84, largely on the strength of projected sales of 125,000 for the new Grand Am coupe.

Pontiac already has the youngest and best-educated buyer averages among General Motors divisions, and the new Trans Am spot is aimed at the young end of that group. It demonstrates Trans Am's "life-style uses after dark," said Norm Nauber, creative director for agency D'Arcy MacManus Masius, Bloomfield Hills.

The spot cuts between a stylish young woman preparing for an evening out and her date's progress across town in his Trans Am. A rock arrangement of Pontiac's "We build excitement" theme is the only audio until a final voiceover: "Trans Am. Only from Pontiac."

The commercial, which fits into Pontiac's triple-distilled ad strategy, will alternate between network tv and specialized media such as MTV: Music Television starting shortly before the delayed '85 debut of Fire-

(Continued on Page 99)

A BIG MAC SANDWICH FREE!

Neat!

WITH CERTIFICATE AND THREE PROOFS-OF-PURCHASE FROM CREST, IVORY SOAP OR CHEER.

Here's How To Get Yours:

1. Collect the Golden Arches proofs-of-purchase from specially marked packages of Crest 6.4 oz., 4-bar personal Size Ivory Soap or the words "Giant Size" from the top of any Cheer 49 oz. box.

2. Look for the Free Big Mac Sandwich certificate in your newspaper or where you buy Crest, Ivory Soap or Cheer. Attach any combination of the three proofs-of-purchase to the certificate in the spaces provided.

3. Bring the certificate to any participating McDonald's and get a Big Mac Sandwich—FREE!

FREE BIG MAC SANDWICH

VOID

Offer good through November 4, 1984.

IT'S A GOOD TIME FOR THE GREAT TASTE

Soap and burgers: McDonald's and Procter & Gamble are teaming up in the St. Louis area, offering a free Big Mac in return for proofs of purchase from three P&G products. The print, newspaper, radio and tv campaign broke Oct. 7 via Stolz Advertising, St. Louis.

McDonald's in local tie-in with 3 P&G brands

By LORI KESLER

ST. LOUIS—Two giant marketers—McDonald's and Procter & Gamble—have joined forces for a local tie-in promotion.

The area's 100 McDonald's franchisees late last week broke an ad campaign offering free Big Macs for customers who bring in a redemption certificate with three proofs of purchase from Cheer detergent, Ivory soap and Crest toothpaste. The offer is being supported by newspaper, radio and tv advertising running through Nov. 4.

Popeyes loss pushes Frank shop to brink. Saatchi executive warns that all restaurant ads look alike. See Page 103.

"This is a first for Procter & Gamble, and we hope the tie-in eventually will have national application," said Glenn Jamboretz, president of Stolz Advertising Co., which handles McDonald's for Missouri (except Kansas City), eastern Illinois and parts of Iowa, Nebraska and Arkansas.

He added, however, that McDonald's 1985 marketing plan is already in place, so this campaign probably won't be reviewed by the

(Continued on Page 103)

World News Roundup

LONDON—Doyle Dane Bernbach, which won the $50 million Brown & Williamson account last week, has been terminated by Philip Morris Inc. here because of a conflict. DDB picked up the $6 million U.K. Marlboro account last month (AA, Sept. 24). No new agency yet.

PARIS—The French government has approved early-morning tv programing starting in 1985. Breakfast tv will be able to start as early as 7:30 a.m. instead of noon. However, no ad slots will be added.

HEIDELBERG—Capri Sun Multivitamin Nectar is being introduced here by SiSi-Werke as an extension of its Capri Sun fruit-flavored drink line, via Intermarco-Farner. A launch in the U.S., Japan and other European countries is expected.

TOKYO—Meiji Seika has decided to postpone a joint marketing venture with Brown & Williamson, scheduled to begin next year, because anti-smoking groups claimed the involvement of Japan's largest confectionery marketer in tobacco would encourage youths to smoke.

PARIS—French car marketer Citroen has been lambasted by the French minister of transport, who claims ads for the new CX GTI turbo model, which emphasize a top speed of 140mph, go against an auto makers' agreement in April that said top speeds would not be mentioned in consumer ads. Roux, Seguela, Cayzac & Goudard handles.

SEOUL—SSC&B:Lintas has affiliated with Samhee Advertising, the in-house agency for the Samhee explosives company, in anticipation that the government eventually will approve joint agency ventures.

TORONTO—Coca-Cola Co. and Eastman Kodak Co. are among several companies that have signed for a $190,275 sponsorship package with the Masters Game, an Olympic-style competition for athletes 25 and

(Continued on Page 62)

RCA tries compact disc club

NEW YORK—RCA Direct Marketing, a subsidiary of RCA Corp., is launching a new direct-mail club for users of compact discs.

RCA's Compact Disc Club will offer most major record labels, including Angel, Arista, Atlantic, Capitol, Chyrsalis, Deutsche Grammophon, Elektra/Asylum, EMI, Erato, Geffen, L'Oiseau-Lyre, London, Motown, Philips, PolyGram, CA and Warner Bros.

Those labels plan to make most of their disc titles available through the club.

RCA is getting the club under way this fall with a three-pronged direct-marketing effort. Its first targets for club membership are current members of the International Preview Society, a classical music record club also under the

(Continued on Page 104)

'Esquire' posts new ad medium

By STUART J. ELLIOTT

NEW YORK—*Esquire* is muscling into the health-and-fitness market with a new wall poster ad medium that already has attracted $5 million from some of the nation's top marketers.

The poster, called *Esquire* Magazine's Health & Fitness Clinic, debuted Sept. 1 in 1,000 health and exercise clubs in the top 50 markets. Those that have signed up to sell out the first year of participation include Procter & Gamble (Coast and Safeguard); Quaker (Gatorade); Sears, Roebuck & Co. (Allstate Insurance); Campbell Soup; Gillette; Johnson & Johnson, and Mennen.

The Clinic, a white oak and plexiglass unit measuring 42 ins. by 59 ins., is designed to serve as a health-and-fitness "information

(Continued on Page 104)

Media and purchasing

On major purchases

"When making major purchases (*i.e.*, autos, home appliances, etc.) do you rely a great deal, some or very little on information provided by advertising in the following medium?" *Source: SRI Research, Lincoln, Neb.*

Medium	Mean scores*: August	November	February	July
Newspaper	1.71	1.65	1.64	1.63
In-store	1.68	1.67	1.70	1.67
Magazines	1.59	1.60	1.54	1.53
Tv	1.58	1.58	1.56	1.56
Yellow Pages	1.43	1.48	1.52	1.52
Radio	1.38	1.37	1.36	1.38
Direct mail	1.32	1.31	1.28	1.30

On day-to-day purchases

When making day-to-day purchases, do you rely a great deal, some or very little on information provided by advertising in the following medium?

Medium	Mean score*: August	November	February	July
Newspaper	1.95	1.86	1.82	1.81
In-store	1.82	1.80	1.81	1.87
Tv	1.77	1.73	1.63	1.68
Yellow Pages	1.75	1.77	1.81	1.78
Magazines	1.69	1.69	1.63	1.62
Radio	1.54	1.53	1.49	1.54
Direct mail	1.41	1.41	1.36	1.40

*Mean scores derived by assigning 3-great deal, 2-some, 1-very little

Consumers vote for point-of-sale

CHICAGO—Point-of-sale advertising is emerging as the favorite medium of consumers when making purchases.

According to the latest Image of Advertising tracking study done for ADVERTISING AGE by SRI Research Center, consumers rely most on in-store advertising when making day-to-day purchases and major purchases. Among seven media *(see chart)*, in-store ads got the highest mean score when consumers were asked what type of ads they rely on when buying. The mean score was derived by assigning 3 points to "a great deal" answers, 2 points for "some" and 1 for "very little."

Newspaper advertising came in second in the scoring. Yellow Pages was the third-most-popular medium for day-to-day purchases, and tv advertising was third for major purchases such as autos and home appliances.

The latest tracking study was done in July by SRI, which interviewed 1,252 consumers nationwide by phone.

SRI noted the following demographic breakouts in its questions on media and purchasing:

For day-to-day purchases:

- Males are more likely to use Yellow Pages than females, and respondents in the North Central region of the U.S. are less likely to use Yellow Pages than in other

(Continued on Page 104)

Berkeley 20 years later

What's the campus of the University of California at Berkeley like today, 20 years after the Free Speech movement erupted there? See Reportage on Page 36.

CORPORATE CLOSEUP

Sentimental spots paying off for Pearle

By SARAH STIANSEN

DALLAS—A year after Pearle Health Services assigned its advertising to Foote, Cone & Belding, Chicago, it did a shrewd thing: Pearle gathered the agency's personnel together—from creative directors to secretaries in the media department—and offered a champagne toast to FCB for its role in the vision care company's increased sales.

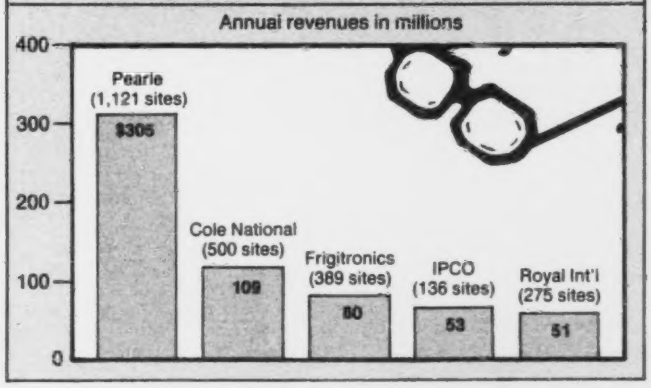
If it sounds familiar, it's because Pearle is known for the heart tug. It is the device Pearle has used in its advertising and in its relations with its agency, propelling the company and its 1,121 Pearle Vision Centers to become the McDonald's of the $6.5 billion optical industry.

Pearle, through a combination of smarts and sensitivity to changing consumer attitudes, has reached this lofty status by successfully pioneering a marketing strategy in healthcare. The company, employing tactics used by retailers, has persuaded consumers to make the leap from conventional eyecare to the more commercial services of Pearle Vision Centers.

Central to the strategy has been the kind of emotion—detractors might call it schmaltz—suggested by the FCB toast. While competitors tend to tough out the market with more cerebral messages stressing price, selection or location, Pearle uses emotion to reach its target: Consumers reluctant to leave the professional service of a private optician or optometrist, but who more than ever are in the market for convenient, cheaper and faster eyecare.

The 'McDonald's' of eyecare

Pearle's dominance in the optical industry stands out when looking at sales levels. The company's revenues exceed the combined totals of the next four largest retail competitors. *Source: Eppler, Guerin & Turner.*



Since 1981, the former unit of G.D. Searle & Co. (which retains a 44% interest after spinning the company off in 1983, 10 years after acquiring it) has put all its ad money on this message of trust and quality. This includes the $16 million to $18 million the company says it is spending in 1984.

The 3-year-old "Nobody cares for eyes more than Pearle" campaign, schmaltzy or not, has proved its drawing power. Last year, its first year as a publicly owned company, Pearle stores recorded systemwide sales of $305 million, up 18% over 1982. Total stores in operation by the end of 1983 increased 8% and, on a per-store basis, sales rose 15%. Over the last five years, systemwide sales increased at an annualized rate of 26%.

The next five years also seem to favor Pearle. Although the market is mature and cyclical, demographic patterns prompt financial analysts to be optimistic about prospects for optical retailers.

According to Charles Glovsky, vp-financial analyst with Dallas-based Eppler, Guerin & Turner, retail optical chains will be able to hold the line on profitability, taking share away from private practitioners and not each other.

But Pearle, having proved its ability to market eyecare on a mass scale, is not content to concentrate solely on eyes. The company is moving to capitalize on other health-services markets.

Pearle, which claims to have the only national healthcare retailing network, is experimenting in two new areas. It holds interest in eight dental care centers in South Florida, and plans an additional 12 units for 1984. Pearle has also opened four immediate medical care facilities, called EmCare units, in the Dallas market.

Donald Phillips, president and chief executive officer of Pearle Health Services, believes the company's strengths, including its marketing expertise, will give it an edge in those markets. "We think we're going to have the opportunity to hit home runs in both [dental and medical]. . .We think we have the talent," he says. "But if we can't, we'll fold up our tent and try something else."

The 44-year-old Mr. Phillips can afford to be sanguine about new markets. He can look at demographic trends and see a baby-boom generation growing older—and needing glasses. Just about 90% of the population over age 45 requires vision correction, and it is the 45-plus segment that will contribute most to the growth of the industry. It also helps that these "aging" baby-boomers are particularly receptive to retail eyecare.

More significantly, the company believes its strengths in operations, real estate, franchising and multi-location management leave it in an excellent position to take advantage of its know-how as it enters new battles in the healthcare market. It also helps, Pearle says, that over the years it has gained experience in dealing with complex state regulations governing healthcare professionals.

Eyecare, of course, remains the central focus. In 1984, Pearle expects to open an additional 115 Vision Centers as it continues its franchising program. About 46% of Pearle units worldwide—there are Pearle stores also in Canada, Europe, Mexico and Puerto Rico—are franchised, and the company plans to convert 70% to 80% of its stores by mid-1986. This year, the conversion of about 90 company-operated stores to franchises will generate some $10 million for reinvestment.

These stores operate in a fragmented market long dominated by independent professionals. Retail chains now control about 20% of that market, but shares for these commercial operators, typically able to sell product and services at about 30% less than independents, are expected to rise.

Pearle's sales account for about 18% of all commercial volume and are greater than the combined sales of the next four largest optical retailers. The company claims that in 1983 it had 5% of the total eyecare industry, which by some accounts was as large as $8 billion, though Pearle puts it at $6.5 billion.

A large number of Pearle's

(Continued on Page 92)

WHO MINTED ALKA SELTZER?

The same people who would like to put your upcoming success in headlines. The same techniques that developed new Alka Mints for Alka Seltzer, put Baking Soda in more than thirty million refrigerators, developed new Aloe Wet Ones and new SOS Oven Pads . . . can work for you.

They could be just what you've been looking for to restage that fading star, or create a successful new product's plan. Gerald Schoenfeld, Inc., consultants to America's major marketers, now offers the "Product Success Program."

- Whether it's developing new products from scratch or treating old products like new;
- Whether your resource is your name, your R&D, your distribution, your marketing insights, your established brand, your interest in a new category, or some combination of these;
- Whether you want us to work with your agency or without, here or abroad;

. . . the "Product Success Program" offers unique and proven techniques.

To find out more about the "Product Success Program," call or write Sonia Kallen, (212) 986-9257.

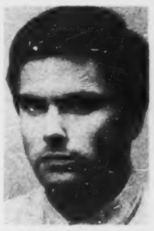
Gerald Schoenfeld inc.

342 MADISON AVENUE, NEW YORK, N.Y. 10173 (212) 986-9257

Horton, Gay join AA staff

NEW YORK—Verne Gay and Cleveland Horton have joined the ADVERTISING AGE staff as reporters in New York and Los Angeles, respectively.

Mr. Gay, former broadcast editor at *Marketing & Media Decisions*, will cover advertising spending and media strategies in network and spot tv. He also will have principal responsibility for AA's coverage of the radio industry.



V. Gay

C. Horton

J. Neiman

Mr. Horton will cover a variety of industries from the Los Angeles bureau, including airlines, computers, retailing and transportation.

Also, Janet Neiman, a reporter in the Chicago bureau of AD AGE since September, 1980, has been promoted to senior reporter-copy editor.

In her new post she will assist the Chicago bureau chief and the AA editing desk, as well as continue her coverage of food and grocery marketers and other beats.

Mr. Gay, most recently a staff writer with *Investment Dealers' Digest*, a New York-based trade publication, spent five years at *Media Decisions*, writing, among other things, the "Broadcast Beat" newsletter. He also has written articles for *Barron's*, the *Boston Globe* and *Venture*.

He is a graduate of Colgate University, Hamilton, N.Y.

Mr. Horton, one of the early male graduates of Vassar College, joined the *Lakeville* (Conn.) *Journal* in 1978, as a general-assignment reporter and later as a section editor for the weekly newspaper.

In 1980, he moved to the newsletter department of Knowledge Industry Publications, White Plains, N.Y., a professional publisher, where he reported on microcomputer software, tv commercials and the education market. Most recently, he served as Knowledge Industry's West Coast editor in San Francisco.

Apart from his work with periodicals, Mr. Horton has contributed to several major-market studies published by Knowledge Industry, including "Consumer Media" and "Microcomputer Hardware and Software in the El-Hi market, 1983-1987." In addition, he wrote a forthcoming Knowledge Industry study, "Floppy Disk and Microcomputer Cartridge Duplication Market."

Ms. Neiman, a 1975 graduate of the University of Illinois with a degree in journalism, worked for Pioneer Press, a suburban newspaper chain, and Bernard E. Ury Associates pr agency before joining AA. In 1983 she was awarded a master's degree in urban studies from Loyola University, Chicago.#

New post for Jones

NEW YORK—Allison Jones has been named manager of ADVERTISING AGE's public relations/educational division here.

Ms. Jones will be developing pr programs for AA under the guidance of division director Susan J. Kaplan.

She also will oversee the promotion and marketing activities of AA's Creative Workshop and the Best Tv Commercials of the Year—an annual collection of outstanding U.S. commercials selected by the editors of AA and available on videocassette.

Ms. Jones joined Crain Communications' Chicago-based information center as a parttime employe in 1979. In 1981, Ms. Jones began working on educational projects for Crain.#

Moerlein heads south

CINCINNATI—Hudepohl Brewing has expanded distribution of its Christian Moerlein superpremium beer to Jacksonville, Orlando, St. Petersburg and Tampa, Fla. Distribution in the remainder of Alabama, Florida, Georgia, North Carolina and South Carolina will be added soon. The brand, originally available in Cincinnati, was introduced to 25 states west of the Mississippi earlier this year (AA, May 7).

Celebrities dress up 'McCall's' trade ads

McCall's
McCall's

McCall's new trade campaign features a 10-second spot with Tina Turner, whom the commercial dubs "one of the drab homebodies who reads *McCall's*."

By STUART J. ELLIOTT

NEW YORK—A quartet of surprising celebrities is featured in a new trade advertising campaign for *McCall's* (AA, Oct. 4), meant to convince media buyers and planners that the monthly is read by those oh-so-desirable baby-boomers.

Rock singers Tina Turner, Cher and Carly Simon and designer Diane von Furstenburg appear in the print, tv and outdoor campaign that will break Oct. 15.

It is the first work for the magazine by Levine, Huntley, Schmidt & Beaver, which took over the account last March from McCall Publishing Co.'s in-house effort.

Using the theme "*McCall's*. More than the expected," the campaign "does the job of breaking through the clutter, the sameness" of media advertising, Harold Levine, chairman, Levine, Huntley, told a press breakfast recently.

Aimed at all the media buyers and planners who "knew *McCall's* but weren't reading it," he said, the campaign is designed to "stop them, shock them and influence them."

To do that, Ms. Turner is termed "one of the drab homebodies who reads *McCall's*," Cher is "one of the typical mothers," Ms. Simon is "one of the boring housewives" and Ms. Furstenburg is "one of the plain Janes."

None of the four is identified in the ads, a la Blackglama, Emba *et al*. The quartet was selected as the type of women who would appeal to agency media people aged 20 to 30.

Print versions of the ads will appear in trade publications, the *New York Times*, New York and Chicago regional editions of *People* and as transit and telephone booth posters.

Ten-second tv spots in which Ms. Turner and Ms. Simon appear will run during such shows as "60 Minutes," "Saturday Night Live" and "Dynasty."

Spending will be at an annual rate of about $2.5 million, said Raymond Eyes, president, McCall Publishing, and publisher, *McCall's*, about triple what it was for the in-house campaign.

The new campaign is the latest by a member of the Seven Sisters women's book category to influence the perceptions of Madison Avenue agency types about its readership, to get them to think, as Mr. Levine put it, the magazine is "talking directly to the baby-boom generation, talking in a language they understand."

The Simmons Market Research Bureau's 1984 Study of Media & Markets shows *McCall's* with a median reader age of 41.6 among women and an age of 42 among all adults.

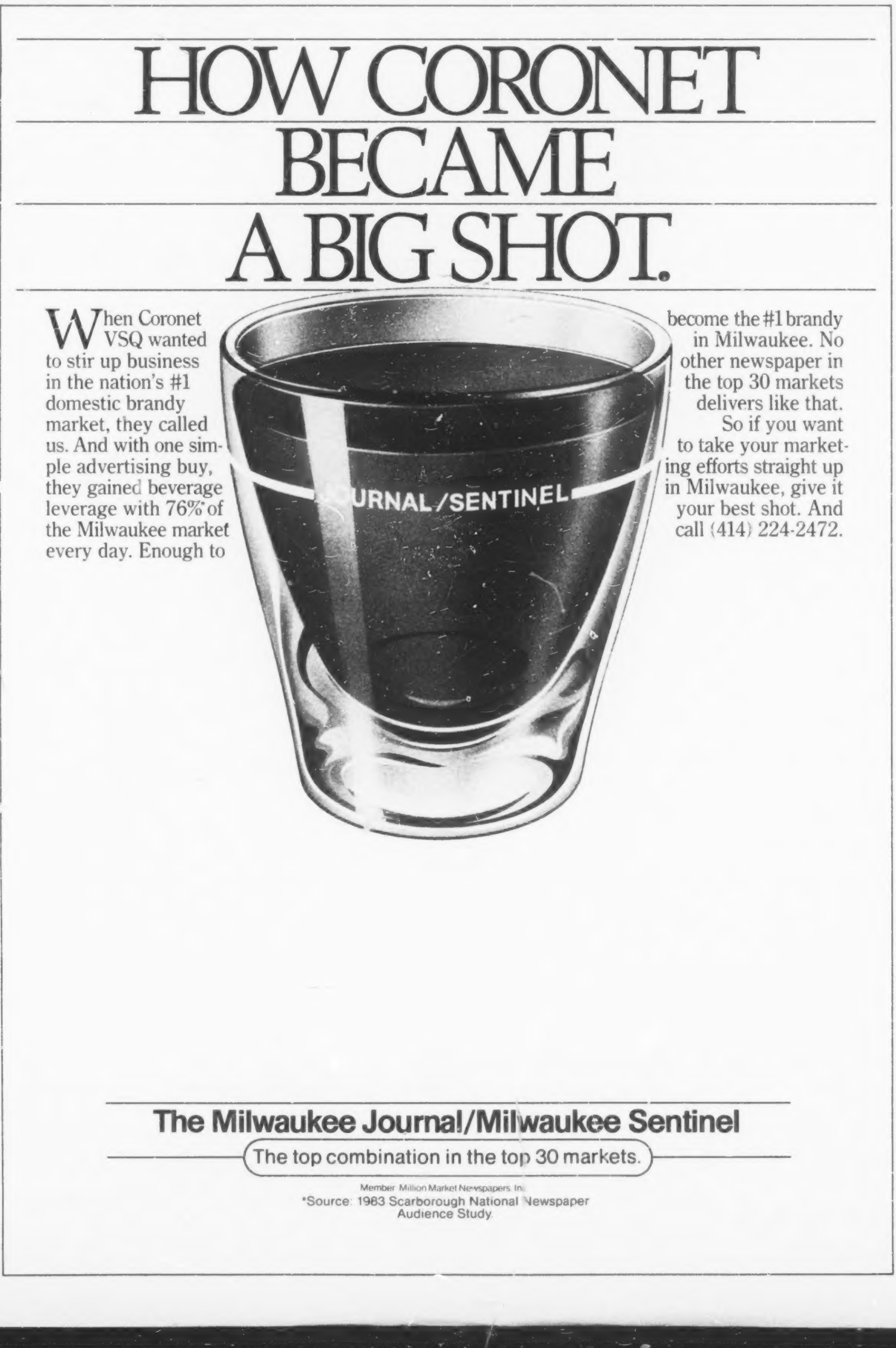
Those figures closely match the median ages of readers of the other six Seven Sisters, which range from 37.1 to 42.2 among women and from 37.5 to 42.3 among all adults.

Those in the baby-boom generation, born from 1946 to 1960, today range in age from 24 to 38.

The choice of additional celebrities to include "will evolve," said Mr. Levine, as the campaign progresses beyond its initial yearlong run.#

CORRECTIONS & CLARIFICATIONS

- For the full week ending Sept. 30, CBS-TV Network was the ratings winner, not NBC-TV, as reported (AA, Oct. 4, P. 1). As noted in the story, NBC was the ratings leader through Sept. 27. Ratings for the entire week were delayed by a computer breakdown at A.C. Nielsen Co.
- Paul John, vice-chairman of Campbell-Ewald, not Richard O'Connor, chairman of Marschalk C-E Worldwide, said in a story about the retirement of Tom Adams that Mr. Adams had told him (John), "Now you're Mr. Chevrolet and Mr. GM for us" (Oct. 1, P. 14).
- The publisher of *Houston Home & Garden* and *Dallas-Fort Worth Home & Garden* is Bayland Publishing, Houston (AA, Oct. 1, P. 89). The company was acquired by City Home Publishing, New York. Robert Krefting, former president of CBS Publications, is president of City Home. Arthur Diedrick, founder and president of Communications International, is chairman.
- The $100,000 "Reach for the best" contest ad insert in *TV Guide* that tied in with CBS' Emmy Awards telecast (AA, Sept. 27, P. 63) was by Bristol-Myers' Clairol division.
- Laura C.K. McCorvie is the associate product manager on Fruit & Fibre cereal (AA, Sept. 27, P. 30).
- Contrary to the headline, Heublein Inc. and Scali, McCabe, Sloves terminated their relationship by mutual agreement (AA, Sept. 27, P. 1).
- *Western Outdoors* year-to-date figures in the September Consumer Magazine Ad Linage Report should have been 349.0 for 1984 and 255.2 for 1983. Also, *Bon Appetit's* September, 1984, figure should have been 91.1 (AA, Sept. 17, P. 59).#


HOW CORONET BECAME A BIG SHOT.

When Coronet VSQ wanted to stir up business in the nation's #1 domestic brandy market, they called us. And with one simple advertising buy, they gained beverage leverage with 76%* of the Milwaukee market every day. Enough to become the #1 brandy in Milwaukee. No other newspaper in the top 30 markets delivers like that. So if you want to take your marketing efforts straight up in Milwaukee, give it your best shot. And call (414) 224-2472.

The Milwaukee Journal/Milwaukee Sentinel

The top combination in the top 30 markets.

Member Million Market Newspapers Inc.

*Source: 1983 Scarborough National Newspaper Audience Study.

Newspaper Ad Linage

June 1984 vs. June 1983

Source: Media Records

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
AKRON, OH				
Beacon Journal (E)	1 667 264	298 776	1 773 396	381 872
Beacon Journal (S)	1 091 864	147 343	1 046 026	105 068
Grand Total	2 759 128	446 119	2 819 422	486 940
****ATLANTA, GA***				
Constitution (M)	3 294 981	568 885	3 045 498	627 078
Journal (E)	3 268 733	580 641	3 051 627	627 357
Journal & Constitution (S)	2 207 743	839 073	2 004 626	644 855
Journal & Constitution (Sat)	870 406	— —	592 330	— —
Grand Total	9 641 863	1 988 599	8 694 081	1 899 290

NOTE Constitution morning and Journal evening published five days a week only

Constitution morning. Journal evening. Journal & Constitution Saturday and Sunday changed from an eight column width (2408 lines per page) to a six column width (1806 lines per page) effective April 30, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to eight column linage

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
BALTIMORE, MD				
News American (S)	538 886	21 240	497 312	27 624
News American (E)	870 700	60 384	1 030 751	260 964
Sun (M)	2 175 813	40 684	2 026 757	162 563
Sun (E)	1 745 281	40 774	2 041 079	162 882
Sun (S)	2 473 894	69 147	2 191 046	— —
Grand Total	7 804 574	232 229	7 786 945	614 033

NOTE Sun morning and Sun evening started publication of a combined Saturday edition effective March 24, 1984. The linage is shown only in the Sun morning

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
BERGEN COUNTY, NJ				
Record (E)	2 812 181	328 709	2 794 358	431 002
Record (S)	2 254 767	280 740	2 036 160	436 999
Grand Total	5 066 948	609 449	4 830 518	868 001

NOTE Record evening published five days a week only

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
BOSTON, MA				
Herald (M)	849 948	— —	750 320	— —
Herald (S)	282 293	384 152	413 480	153 480
Globe (M)	2 926 474	119 678	2 719 420	128 514
Globe (S)	3 361 096	301 732	2 882 178	329 948
Grand Total	7 419 801	805 562	6 765 398	611 942

NOTE Globe changed from all day publication to morning publication effective April 2, 1984

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
BOULDER, COLO.				
Camera (M)	2 154 745	— —	1 911 735	— —
Camera (S)	1 006 168	— —	861 756	— —
Grand Total	3 160 913	— —	2 773 491	— —

NOTE Figures supplied by publisher to Media Records

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
****BUFFALO, NY***				
News (Ad)	2 166 933	313 296	2 277 812	261 872
News (S)	835 795	382 540	1 111 938	138 644
Grand Total	3 002 728	695 836	3 389 750	400 516

NOTE News all day and Sunday changed from a nine column width (2772 lines per page) to a six column width (1848 lines per page) effective May 1, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to nine column linage

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
CAMDEN, NJ				
Courier-Post (E)	1 832 929	170 806	1 836 550	129 487
Courier-Post (S)	792 697	17 916	798 446	47 008
Grand Total	2 625 626	188 722	2 634 996	176 495
CHARLOTTE, NC				
News (E)	1 200 740	— —	1 167 729	— —
Observer (M)	1 797 868	509 472	1 632 937	627 375
Observer (S)	986 694	656 179	916 248	402 547
Grand Total	3 985 302	1 165 651	3 716 914	1 029 922

NOTE News evening published five days a week only

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
CHICAGO, IL				
Tribune (Ad)	2 328 517	2 604 078	2 251 434	2 395 130
Tribune (S)	1 937 786	980 437	1 617 297	769 427
Sun-Times (M)	2 369 204	1 008 642	2 528 714	956 389
Sun-Times (S)	933 793	604 111	752 116	593 380
Grand Total	7 569 300	5 197 268	7 149 561	4 714 326
CINCINNATI, OH				
Enquirer (M)	2 431 643	106 896	2 460 609	81 136
Enquirer (S)	1 768 801	97 328	1 559 834	52 600
Post (E)	1 131 797	138 068	1 164 262	81 136
Grand Total	5 332 241	342 292	5 184 705	214 872
CLEVELAND, OH				
Plain Dealer (M)	2 835 254	551 939	3 146 363	326 249
Plain Dealer (S)	1 812 927	128 479	1 697 119	52 150
Grand Total	4 648 181	680 418	4 843 482	378 399
DALLAS, TX				
News (M)	6 396 221	251 262	5 425 310	427 332
News (S)	3 205 741	211 199	2 657 512	265 186
Times-Herald (Ad)	5 541 127	429 108	4 516 715	241 999
Times-Herald (S)	2 435 736	491 433	2 162 246	207 807
Grand Total	17 578 825	1 383 002	14 761 863	1 142 324
DENVER, CO				
Rocky Mt News (M)	6 102 823	1 296	5 545 796	— —
Rocky Mt News (S)	1 459 394	2 276	1 305 511	— —
Post (M)	3 384 994	200 921	3 446 500	198 322
Post (S)	2 252 655	33 178	2 255 995	17 792
Grand Total	13 199 866	237 671	12 553 802	216 114
DETROIT, MI				
Free Press (M)	1 958 220	756 291	1 900 173	985 649
Free Press (S)	814 481	175 321	756 569	242 891
News (Ad)	2 517 920	406 920	2 811 352	546 855
News (S)	1 575 219	278 830	1 469 389	330 644
Grand Total	6 865 840	1 617 362	6 937 483	2 106 039
****ERIE, PA***				
Times (E)	1 482 025	27 472	1 268 977	43 632
Times-News (S)	1 025 930	132 624	939 110	18 744
Grand Total	2 507 955	160 096	2 208 087	62 376

NOTE Times evening and Times-News Sunday changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective April 1, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to nine column linage

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
FORT WAYNE, IN				
Journal Gazette (M)	1 329 574	— —	1 527 130	— —
Journal Gazette (S)	950 077	— —	878 862	— —
New Sentinel (E)	1 522 773	— —	1 711 666	— —
Grand Total	3 802 424	— —	4 117 658	— —

NOTE Part run figures not available

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
GREENWICH/STAMFORD, CT				
Time (E)	1 658 605	— —	1 443 563	— —
Time (S)	744 899	— —	656 002	— —
Advocate (E)	2 019 232	7 216	1 922 165	75 176
Advocate (S)	786 053	— —	705 804	— —
Grand Total	5 208 789	7 216	4 727 534	75 176
HARTFORD, CT				
Courant (M)	2 865 052	384 477	2 726 920	465 967
Courant (S)	1 545 012	1 603 671	1 463 989	1 122 561
Grand Total	4 410 064	1 988 148	4 190 909	1 588 528
HONOLULU, HI				
Advertiser (M)	2 680 728	— —	2 604 145	— —
Star-Bulletin (E)	2 416 817	— —	2 680 666	— —
Star-Bulletin & Advertiser (S)	1 370 451	— —	1 324 961	— —
Grand Total	6 467 996	— —	6 609 772	— —
HOUSTON, TX				
Chronicle (Ad)	7 022 049	502 645	6 566 649	419 898
Chronicle (S)	2 667 769	436 453	2 364 885	417 578
Post (M)	4 216 912	436 079	5 191 698	346 251
Post (S)	1 356 292	404 808	1 450 863	366 440
Grand Total	15 263 022	1 779 985	15 574 095	1 550 167
LONG BEACH, CA				
Press Telegram (M)	2 002 501	— —	2 009 018	— —
Press Telegram (S)	814 931	— —	776 581	— —
Grand Total	2 817 432	— —	2 785 599	— —

NOTE Press Telegram evening and morning sold in combination Monday through Friday. Linage of one edition Press Telegram morning is shown. Part run figures not available

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
LONG ISLAND, NY				
Newsday (E)	3 198 687	935 760	3 126 773	869 130
Newsday (S)	1 685 606	1 042 517	1 469 620	1 092 244
Grand Total	4 884 293	1 978 277	4 596 393	1 961 374
LOS ANGELES, CA				
Times (M)	5 748 091	4 461 126	5 309 355	3 798 233
Times (S)	3 208 574	1 417 884	2 681 947	1 365 274
Herald-Examiner (M)	1 009 703	245 479	965 424	304 904
Herald-Examiner (S)	199 070	108 114	259 084	33 379
Grand Total	10 165 438	6 232 603	9 215 810	5 501 790
LOS ANGELES/SAN FERNANDO VALLEY, CA				
News (M)	3 499 492	388 237	3 104 153	502 024
News (S)	1 242 126	51 252	1 058 120	193 832
Grand Total	4 741 618	439 489	4 162 273	695 856
LOS ANGELES/TORRANCE, CA				
Breeze (E)	2 812 432	— —	2 423 680	— —
Breeze (S)	972 146	— —	937 020	— —
Grand Total	3 784 578	— —	3 360 700	— —

NOTE Figures supplied by publisher to Media Records

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
LOUISVILLE, KY				
Courier-Journal (M)	1 635 143	304 956	1 596 013	287 998
Times (E)	1 659 618	545 122	1 695 112	573 356
Courier-Journal (S)	1 565 864	4 104	1 387 607	8 823
Grand Total	4 860 625	854 182	4 678 732	870 177

NOTE Figures supplied by publisher to Media Records

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
MACON, GA				
Telegraph & News (M)	1 174 530	249 886	1 041 684	369 390
Telegraph & News (S)	610 358	342 062	676 704	102 130
Grand Total	1 784 888	591 948	1 718 388	471 520

NOTE Figures supplied by publisher and Media Records. Telegraph morning and News evening combined into one morning publication the Telegraph & News effective September 6, 1983

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
MIAMI, FL				
Herald (M)	2 454 621	— —	2 496 231	— —
Herald (S)	1 469 628	— —	1 427 754	— —
News (E)	1 206 631	— —	1 143 920	— —
Grand Total	5 130 880	— —	5 067 905	— —

NOTE Part run figures not available

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
MINNEAPOLIS, MN				
Star & Tribune (Ad & Sat)	2 159 554	335 172	2 062 350	265 577
Tribune (S)	2 137 606	6 656	1 980 615	3 920
Grand Total	297 160	341 828	4 042 965	269 497

NOTE 1983 figures supplied by publisher to Media Records. 1983 part run daily is TMC and Community linage only. 1983 part run Sunday is Country linage only

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
NASHVILLE, TN				
Banner (E)	1 529 846	374 500	1 435 215	409 636
Tennessean (M)	1 566 699	367 764	1 443 176	409 636
Tennessean (S)	977 945	348 604	891 274	330 896
Grand Total	4 074 490	1 090 868	3 769 665	1 150 168
NEW YORK, NY				
Times (M)	3 161 988	307 307	3 073 187	388 384
Times (S)	3 553 495	1 548 878	3 179 100	1 616 248
News (M)	1 156 024	2 011 722	1 280 876	1 678 374
News (S)	558 149	1 115 580	541 106	1 159 049
Post (Ad)	1 117 068	— —	1 076 304	— —
Grand Total	9 546 724	4 983 487	9 150 573	4 842 055
NEWARK, NJ				
Star Ledger (M)	4 045 656	91 423	3 839 304	137 227
Star Ledger (S)	2 927 835	397 912	2 751 300	316 688
Grand Total	6 973 491	489 335	6 590 604	453 915
OAKLAND, CA				
Tribune (M)	1 702 060	604 791	1 692 758	245 522
Tribune (S)	823 512	307 792	856 918	297 676
Grand Total	2 525 572	912 583	2 549 676	543 198
ORANGE COUNTY, CA				
Register (Ad)	5 734 161	1 051 624	4 853 965	786 136
Register (S)	2 074 927	105 480	1 846 247	37 200
Grand Total	7 809 088	1 157 104	6 700 212	823 336
ORLANDO, FL				
Sentinel (Ad)	1 814 110	304 102	3 195 068	224 148
Sentinel (S)	737 353	326 068	1 163 923	48 492
Grand Total	2 551 463	630 170	4 358 991	272 640

NOTE Part run totals do not include County Sentinel and Sentinel Bonus linage

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
PHILADELPHIA, PA				
Inquirer (M)	2 454 828	570 606	2 233 684	790 185
Inquirer (S)	1 881 207	458 193	1 850 329	384 662
News (E)	1 281 031	17 504	1 266 474	31 584
Grand Total	5 617 066	1 046 303	5 350 487	1 206 431
PHOENIX, AZ				
Arizona Republic (M)	4 646 824	218 540	3 973 595	178 023
Arizona Republic (S)	2 650 298	— —	2 082 258	— —
Gazette (E)	4 532 528	219 870	3 868 114	182 032
Grand Total	11 829 650	438 410	9 923 967	360 055

NOTE Full run and part run figures supplied by publisher to Media Records. 1983 figures are converted to a six column format as supplied by publisher. Arizona Republic morning and Sunday and Gazette evening changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective August 29, 1983

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
PORTLAND, OR				
Oregonian (Ad & S)	5 447 330	— —	5 427 744	— —
Grand Total	5 447 330	— —	5 427 744	— —

NOTE Figures supplied by publisher to Media Records

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
PROVIDENCE, RI				
Bulletin (E)	1 819 538	824 405	1 656 559	617 796
Journal (M)	2 179 930	546 397	1 926 744	359 242
Journal (S)	2 141 732	278 648	1 597 691	215 948
Grand Total	6 141 200	1 649 450	5 180 994	1 192 986

NOTE Bulletin evening and Journal morning have a combined Saturday edition. The linage is shown only in the Journal morning
1984 figures supplied by publisher to Media Records

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
****ROCHESTER, NY***				
Democrat & Chronicle (M)	1 881 377	192 022	1 929 070	111 408
Democrat & Chronicle (S)	1 217 680	197 684	1 219 825	102 624
Times Union (E)	1 582 720	147 725	1 675 446	47 136
Grand Total	4 681 777	537 431	4 824 341	261 168

NOTE Democrat and Chronicle morning and Sunday and Times Union evening changed from a nine column width (2700 lines per page) to a six column width (1806 lines per page) effective June 25, 1984. The six column linage of the June 25-30, 1984 morning issues of the Democrat and Chronicle and evening issues of the Times Union has been converted to nine column linage in order to present all of the June linage on comparable measurements
Times Union evening published five days a week only

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
SACRAMENTO, CA				
Bee (M & S)	6 171 136	307 520	6 936 020	— —
Grand Total	6 171 136	307 520	6 936 020	— —

NOTE 1983 figures supplied by publisher to Media Records

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
ST LOUIS, MO				
Post Dispatch (M)	2 429 086	596 127	1 771 236	252 588
Post Dispatch (S)	2 376 200	— —	2 055 353	— —
Grand Total	4 805 286	596 127	3 826 589	252 588

NOTE Figures supplied by publisher to Media Records. Post Dispatch changed from evening publication to morning publication effective February 27, 1984. Post Dispatch evening and Sunday changed from a nine column width (2709 lines per page) to a six column width (1890 lines per page) effective August 1, 1983

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
ST PAUL, MN				
Pioneer Press (M)	1 497 177	— —	1 434 499	— —
Pioneer Press (S)	1 448 792	— —	1 383 593	— —
Dispatch (E)	1 421 452	— —	1 459 901	— —
Grand Total	4 367 421	— —	4 227 993	— —

NOTE Pioneer Press morning and Dispatch evening have a combined Saturday edition. The linage is shown in the Dispatch evening
Part run figures not available

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
****SAN ANTONIO, TX***				
Express (M)	2 529 396	368 884	2 597 416	383 108
Express-News (S)	1 504 116	277 216	1 474 469	278 880
Express-News (Sat)	959 180	— —	736 545	— —
News (E)	2 527 226	296 504	2 388 492	300 788
Light (E)	2 277 243	506 508	2 453 141	345 392
Light (S)	1 277 609	387 775	1 233 816	305 472
Light (Sat)	793 763	— —	552 530	— —
Grand Total	11 868 533	1 836 887	11 436 409	1 613 640

NOTE News evening and Light evening published five days a week only. Express morning. Express-News Sunday and Saturday. News evening, and Light evening. Sunday and Saturday changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective June 1, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to nine column linage

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
SAN DIEGO, CA				
Union (M)	4 054 281	148 036	3 743 597	404 480
Union (S)	1 963 014	— —	1 749 901	— —
Tribune (E)	4 160 150	159 877	4 025 198	399 962
Grand Total	10 177 445	307 913	9 518 696	804 442
SAN FRANCISCO, CA				
Chronicle (M)	2 564 382	915 847	2 376 599	940 112
Examiner (E)	2 502 969	878 261	2 341 223	913 194
Examiner & Chronicle (S)	1 371 937	477 088	1 261 701	493 080
Grand Total	6 439 288	2 271 196	5 979 523	2 346 386
SAN JOSE, CA				
Mercury News (Ad)	5 534 131	609 431	5 018 083	625 340
Mercury News (S)	2 507 364	— —	2 306 911	— —
Grand Total	8 041 495	609 431	7 324 994	625 340

NOTE Mercury morning and News evening combined to one edition, Mercury News all day effective August 29, 1983. The Mercury morning 1983 linage is reported in the Mercury News all day listing

Prior to August 29, 1983 the Mercury morning and News evening had a combined Saturday edition, with the figures shown in the Mercury morning

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
****SHREVEPORT, LA***				
Journal (E)	1 608 531	95 912	1 396 405	30 984
Times (M)	2 047 851	199 964	1 863 021	42 664
Times (S)	1 073 861	93 576	1 014 004	175 568
Grand Total	4 730 243	389 452	4 273 430	249 216

NOTE Journal evening and Times morning and Sunday changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective April 30, 1984. In order to present comparable measurements the six column linage has been converted by Media Records to nine column linage

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
SYRACUSE, NY				
Herald Journal (E)	1 622 673	301 900	1 776 120	357 416
Herald American (S)	913 909	332 736	1 044 067	188 038
Post-Standard (M)	1 389 183	386 048	1 382 435	546 335
Grand Total	3 925 765	1 020 684	4 202 622	1 091 789
TAMPA, FL				
Tribune (AD)	3 758 028	1 152 639	3 390 664	931 577
Tribune (S)	2 350 561	— —	1 957 550	— —
Grand Total	6 108 589	1 152 639	5 348 214	931 577

NOTE Figures supplied by publisher to Media Records

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
TOLEDO, OH				
Blade (E)	1 358 934	— —	1 412 104	— —
Blade (S)	1 057 138	— —	930 993	— —
Grand Total	2 416 072	— —	2 343 097	

NOTE Figures supplied by publisher to Media Records. Blade evening and Sunday changed from a nine column width (2772 lines per page) to a six column width (1848 lines per page) effective April 2, 1984

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
TORONTO, CANADA				
Sun (M)	1 935 940	— —	1 938 696	— —
Sun (S)	671 488	42 008	603 742	1 520
Globe & Mail	2 940 816	293 769	2 554 765	324 519
Grand Total	5 548 244	335 777	5 097 203	326 039
WASHINGTON, DC				
Post (M)	5 523 273	546 845	5 115 895	666 884
Post (S)	2 455 759	509 863	2 304 937	353 834
Grand Total	7 979 032	1 056 708	7 420 832	1 020 718
Alexandria Journal (M)	1 106 180	— —	935 431	784
Prince George's Journal (M)	929 648	— —	850 039	— —
Montgomery Journal (M)	948 063	— —	906 938	784
Fairfax Journal (M)	1 084 312	— —	957 362	8 448
Arlington Journal (M)	1 081 019	— —	958 772	784
Grand Total	5 149 222	— —	4 608 542	10 800

NOTE Alexandria Journal Morning, Prince George's Journal Morning, Montgomery Journal Morning, Fairfax Journal Morning, and Arlington Journal Morning published five days a week only

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
WEST PALM BEACH, FL				
Post (M)	2 815 022	344 288	2 574 376	361 088
Times (E)	2 328 704	18 088	2 079 294	5 880
Post (S)	1 693 048	174 580	1 562 806	128 646
Grand Total	6 836 774	536 956	6 216 476	495 614

NOTE Figures supplied by publisher to Media Records. Times Evening published fives days a week only

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
****WESTCHESTER ROCKLAND, NY***				
Reporter Dispatch (E)	1 479 774	272 169	1 496 161	181 168
Reporter Dispatch (S)	893 923	308 020	860 780	304 780
Grand Total	2 373 697	580 189	2 356 941	485 948

NOTE Reporter Dispatch Evening and Sunday changed from an eight column width (2400 lines per page) to a six column width (1806 lines per page) effective June 25, 1984. The six column linage of the June 25-30, 1984 Evening issues of the Reporter Dispatch has been converted to eight column linage in order to present all of the June linage on comparable measurements

	1984 Full run	1984 Part run	1983 Full run	1983 Part run
WICHITA, KS				
Eagle-Beacon (M)	1 965 877	— —	1 968 301	— —
Eagle-Beacon (S)	1 061 616	— —	883 852	— —
Grand Total	3 027 493	— —	2 852 153	— —

NOTE Part run figures not available

Linage figures have been provided by Media Records for the exclusive publication of Advertising Age. They may not be reprinted or published in any form without explicit permission from Media Records. All newspapers represented are subscribers to Media Records. For those newspapers that subscribe to Media Records National Advertising Report Service, total advertising linage shown were provided by the newspaper to Media Records and included in this compilation.

CONVERSION METHODOLOGY

Due to the introduction of the SAU 6 column format, Media Records applies the following conversion methodolony to report comparable figures (1984 month vs. 1983 month data) for newspapers that changed column formats in 1984. These newspapers are indicated with an asterisk (*).

7 column tabloids which have adopted a 5 column tabloid format are converted back to the original 7 column formats.

8 column broadsheet standards which have adopted a 6 column broadsheet standard format are converted back to the original 8 column format.

9 column broadsheet standards which have adopted a 6 column broadsheet standard format are converted back to the original 9 column formats.

Pearle

(Continued from Page 4)

nonretail competitors—about half the number of practicing optometrists—are at least 50 years old. Young optometrists coming out of school are less likely to assume practices left by retiring professionals and are more frequently becoming associated with chains.

Pearle and competing chains, including Cole National, Royal International and D.O.C. Optics, are likely to gain business from the declining number of sole operators.

Within this competitive environment, Pearle vows to continue on the marketing and advertising track it has established. According to Eppler, Guerin & Turner estimates, Pearle's ad expenses amount to 6.4% of sales. By comparison, Royal International spent about 8.5% of sales on advertising, and D.O.C.'s budget is believed to be "significantly higher relative to sales" than the other two.

The intent of Pearle's advertising is a long-term educational process that constantly reinforces Pearle's professionalism.

People have a "built-in distrust" of commercial eyecare, says Joseph Dono, vp-marketing for the company, and the aim of the ads has been to erase the negative image.

Louis Centlivre, managing director of creative at FCB, points out that the main thing Pearle's advertising has to accomplish is to "reassure the customer that it's okay" to be buying glasses at Pearle. And FCB, with its family vignettes, has tried to convey caring and trust in Pearle's ads. What Mr. Centlivre calls "the heartbeat of the idea" is distilled in that caring, which could be found in the agency's work for Hallmark Cards when it had that account.

"For years, I've looked into those eyes for strength," says a concerned son about his father in one commercial. "Do you think I'd trust them to just anyone?" The concept, Mr. Centlivre says, is "ephemeral and highly, highly subjective.

"Besides," he laughs, "it works."

One key element of Pearle advertising is how it has managed to sidestep the issue of price or name associations. Other retailers may tout Bausch & Lomb lenses or Sophia Loren frames or lower prices, but not Pearle.

"We don't talk about our price. . . We're not the cheapest guy in town," says William Sullivan, president of Pearle Vision Centers, which includes the well established 184-unit Texas State Optical chain. "We're not going to play that game." (Advertising for TSO, which operates in four states, is similar to Pearle's. The agency is McCann-Erickson/Houston.)

Instead, the marketing strategy focuses on the value of Pearle, on its quality, service and accessibility. The positioning of the Vision Centers avoids what Mr. Centlivre calls the "used-car ambiance, get-'em-while they're hot" quality of other optical retailers.

One area the ads may have to address—and a possible vehicle for future growth in the optical segment—is Pearle's development of the optical superstore. The company's experimental effort in that segment, Visionary, now is under management scrutiny.

The optical superstore, expected to control about 2% of total market sales and 9% of sales by commercial operators by the end of 1985, is a concept several companies are hoping to develop. Quaker Oats has seven of them, called Eyelab, and U.S. Shoe operates eight Precision Lenscrafters and Lenscrafters.

These stores, from 6,000 to 8,000 sq. ft., are much larger than conventional optical shops and have thousands more frames to choose from. (The typical optical chain store contains 1,500 sq. ft.)

But the positioning for such a concept is vague. Pearle's conventional stores already are equipped with a large selection and fast turnaround time for about 60% of its products. Having a thousand or more frames, as well as a lab for grinding lenses on the premises, means that at Visionary, about 90% of patrons can have their glasses or contact lenses in an hour.

According to Mr. Dono, Visionary is a little more trendy, a little more upscale, than a conventional Pearle. "It's more of an exciting place to shop," he says.

But answers to whether those stores would cannibalize the sales of those of Pearle Vision Centers, or whether the cost of installing grinding labs is justified, are still not certain. One notable failure was that of Manhattan Eyelab, which closed recently.

"My hunch is that it won't be a particularly viable concept," says Pearle's Mr. Phillips of the superstore category.

Whether Pearle's other ventures—in dental and emergency care—will be viable is also uncertain.

Glen Konkle, senior vp-group management supervisor at FCB, gives one reason why he thinks they will make it.

The "Nobody cares for eyes" campaign, says Mr. Konkle, has lifted advertising for retail medical services "out of the trenches," building equity for the Pearle name "for later auxiliary medical services as well."

Outsiders are less certain. Skip Helm, an analyst with William Blair & Co., Chicago, points out that existing dental chains haven't been tremendously profitable. "I don't think they're setting the world on fire," he says.

But he also observes that "somewhere out there, there's a tremendous opportunity in the dental business," and that Pearle has a better chance of success than other companies.

The dental market is estimated at $19 billion, more than twice the size of the optical market, and Pearle believes it is similar in many ways to the optical market of 15 years ago. Locations and hours are inconvenient, and little advertising is done.

Hospital emergency room services (nontrauma) are estimated to make up a $5 billion market, while the services of general practitioners generate another $45 billion annually.

Mr. Phillips, although optimistic about Pearle's chances in these other medical areas, is also a little skeptical. "We're not going to dump $50 million or $60 million" into developing those chains to find out whether people will accept such medical care, he says.

Instead, Mr. Phillips says, investments will be gradual, a luxury Mr. Phillips says he can afford, since "no one appears to be about to rush out and lock up the market."#

Liquor sales during '83 unspirited

WASHINGTON—The Distilled Spirits Council has singled out growing taxation as a major culprit for declining over-all sales in 1983.

Unit sales of distilled spirits dropped to 420 million wine gals., a drop of 1.2% from the 1982 total.

Average consumption of distilled spirits in the U.S. fell for the fifth straight year. Apparent consumption in '83 fell 1.5% to 431 million wine gals. That was a smaller drop than the 2.6% posted in '82. Per-capita consumption in '83 declined 2.7%.

Despite tax hikes, however, imports continue to grow smartly—up 9.5% last year to 116 million proof gals., the council says. The strength of the dollar is believed at least partly responsible for keeping import levels healthy especially since exports fell off.#

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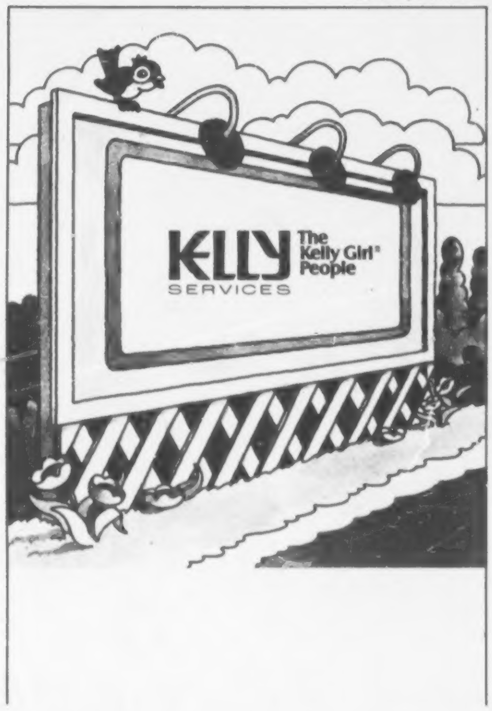

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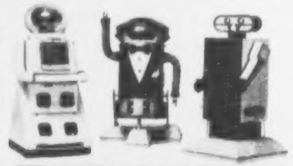

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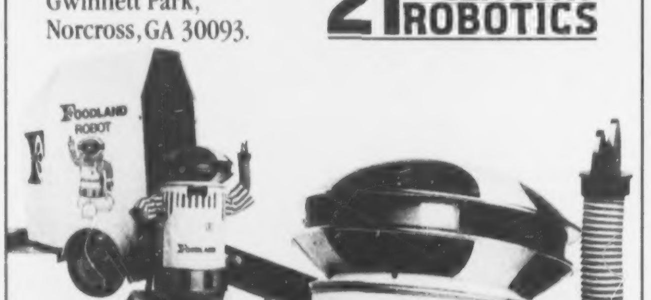

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Vote

(Continued from Page 3)

regions.

- People relying on tv tend to be younger.
- People 25-to-34 years old report considerably more reliance on magazines than do other age groups.
- Males and younger respondents are more likely to rely on radio advertising.
- Females and younger respondents are more likely to rely on direct mail.

For major purchases:

- In-store advertising was rated higher than average among minorities, females, those with incomes under $10,000 and people aged 18 to 24.
- Newspaper advertising is rated highest in the 18-to-24 age category; minorities rate newspapers higher than do whites.
- Tv was more likely to be mentioned by minorities and younger respondents.
- Males and those aged 18 to 24 rate magazine advertising higher than the average.
- Males 18-to-24 years old and minorities rated Yellow Pages higher than the average.
- Radio advertising did best among males, minorities and households with incomes between $10,000 and $19,000.
- Direct mail was rated highest by females, young people and minorities.

Image. There were more negative than positive responses when respondents in SRI's July study were asked if they agreed or disagreed that "advertising is generally trustworthy and honest." Based on a 1-to-5 rating scale (from "strongly disagree" to "strongly agree") the mean score was 2.93. However, that mean score is up from 2.90 and 2.84 in the previous two surveys.

Advertising was rated most honest and trustworthy by females, Hispanics, people in the North Central region of the U.S. and by households with incomes less than $20,000.

Respondents with incomes more than $40,000 rated advertising lowest, with a mean score of 2.80.

Quality. When consumers were asked to rate "the over-all quality of the advertising you are presently reading, seeing or hearing," the answers totaled a mean score of 2.62, which is at the low end of "good" on a rating of 1 to 4. The average was slightly below those of the previous three quarterly studies.

Among respondents to the latest study, men tended to be more critical than women (2.54 mean score compared with 2.69). Also, the higher the household income, the lower the rating score.

As in previous studies, consumers rate the over-all quality of tv advertising below that of advertising in general (mean score of 2.57 for tv vs. 2.62 over-all). Again, males and higher-income households were more critical.

Creativity. Consumers also were asked to rate current advertising as more or less creative than advertising of a year ago, and the mean score in July was 3.59, which is on the low end of the "better" scale. The mean scores have been rising slightly over the past three surveys.

Believability. In the matter of believability of advertising claims, there has been a steady downward trend in scores. Three categories of ad claims received mean scores in the "somewhat unbelievable" range: Qualitative claims ("new and improved," etc.), statistical claims ("3 out of 4 prefer...") and product demonstrations. Of the three categories, consumers consistently have rated demonstrations higher than the other two in terms of believability. Again, males and higher-income households were more critical than the average.

Purchasing influence. In the July study, 49% of consumers said "yes" when asked if they had ever purchased a product solely on the basis of advertising. That was almost 4% higher than the average of the previous three studies. Minorities and people with incomes less than $10,000 were above average in this category.

Those who said they had purchased a product based on advertising were asked if the advertising was accurate or misleading; 69% said it was accurate. That is a lower score than in previous studies and continues a downward trend from the 78% reported in an August, 1983, survey. Respondents over 65 were most likely to indicate the advertising was misleading.#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

POPAI prescribes shift to 'hard sell'

By LAURIE FREEMAN

Advertisers could increase their market shares by taking media dollars out of "traditional advertising campaigns" and putting them into "the hard sell at the point-of-purchase."

That was the message for retailers, advertisers and suppliers at the Point-of-Purchase Advertising Institute's fall convention last week in Chicago.

"The attention given to point-of-purchase advertising has mushroomed in the past two years, as advertisers are realizing that the market has become more segmented. They may have the greatest ad campaign but still lose the marketing battle if there's no follow through at the point-of-purchase," said one supplier.

Statistics provided by POPAI show that 60% of all buying purchase decisions are made in stores, and "many of those decisions hinge on whether or not the marketer has used point-of-purchase materials," said Rob Chipman, director of marketing, AdMedia International, a point-of-purchase advertising agency in Midvale, Utah.

He said many advertisers are turning to p.o.p "to supplement their traditional tv and print campaigns."

Some retailers expressed concern that the increase of p.o.p. materials would add to store "clutter," and many shoppers "turned off by clutter wouldn't want to shop in that kind of atmosphere."

Point-of-purchase "clutter," as defined by POPAI exhibitors and advertisers, includes any material that distinguishes a product from other items.

"As more manufacturers take point-of-purchase materials more seriously, there will be a shift in advertiser media expenditures to p.o.p.," said J. Patrick Kelly, professor of retailing at Brigham Young University.

Mr. Kelly predicted that point-of-purchase signage will increase significantly in the next few years, including the use of more electronic media at the point of sale.

The latest in video technology was demonstrated during the POPAI show, including the p.o.p. interactive video system from Visage, Natick, Mass. The company's V:Link system creates interactive video programs for point-of-sale product demonstrations, displays and information distribution.

Ledan Inc., showed its Neon Optics signage board, combining fiber-optics technology with color photographs. The lightbox construction provides additional space for sales messages, which can be wiped clean and reused. Remy Martin Amerique used one of the boards to advertise its high-price Remy Martin cognac at U.S. bars and liquor stores.#

'Esquire'

(Continued from Page 3)

center," said Alan Greenberg, *Esquire* publisher. It consists of three editorial panels changed every other week: "The Health & Nutrition Report," "Body Parts" and "The Training & Sports Adviser." Beneath these are three advertising panels, 12 ins. by 18 ins., where the marketers' messages appear. The ad panels are rotated among the clubs, which are being called the *Esquire* Fitness Network, each time the editorial panels change.

The new medium is best for advertisers that "spend heavily in tv to [try to] reach the young, active adult," said Mr. Greenberg. "The location does the audience segmentation for you. And it closely associates the product with the life style of the audience," which sports desirable demographics.

Though the Clinic is *Esquire's* first wall medium, its sister company, 13-30 Corp., has four such ventures nationwide: Campus Voice Biweekly (formerly Wallpaper Journal), Pet Care Report, Sports Page and the new Physician's Weekly. Like the Clinic, these posters are put up in out-of-home sites, such as college campuses and hospitals. The 13-30 field force handles the Clinic.

Why would *Esquire* post words on a wall rather than bring out a new health-and-fitness magazine? A goal was "to be a force in the market," said Mr. Greenberg, and that could not be accomplished with a vertical magazine, even if it were to attain a circulation of 500,000. The Clinic provides "mass reach," he added, with "selectivity of audience."

The chief selling point of the Clinic, said Bill Longley, vp-marketing, a former vp-group advertising director of *Esquire*, is "the combination of the opportunity for exposure and the editorial that has significant interest to the audience." Plans call for at least a 50% hike in the number of clubs, to 1,500, for the second year.

There are four types of annual buys marketers can make in the Clinic: Regular, $190,000, in 125 clubs; major, $375,000, in 250 clubs; maxi, $730,000, in 500 clubs, and buyout, $1.38 million, in all 1,000 clubs. Among the clubs that have agreed to post the Clinic are Vic Tanny's, Jack LaLanne and American Fitness Centers.#

Disc club

(Continued from Page 3)

aegis of RCA Direct Marketing.

IPS members were polled by RCA, and it found 3,000 owned cd players and another 30,000 were interested in buying one within the next six months.

The 3,000 who have players will be sent direct-mail pieces offering enrollment in the club. As a teaser to join, the club will offer one free disc (postage and handling is extra) with no commitment required to buy discs in the future.

The 30,000 who've expressed an interest in buying a player will be offered one for $499.95 sometime next year as an inducement to join.

Although RCA Corp. is marketing its own players, the one offered might be provided by another supplier and privately labeled.

RCA's second target consists of new buyers of compact discs. The company is cooperating with most major cd player marketers, and will be mailing out brochures to those who send in warranty cards.

The club's third effort is the broadest. RCA is scheduling ads inviting inquiries for more information in *Audio*, *Geo*, *High Fidelity*, *Natural History*, *New York Times Book Review*, *The New Yorker* and *Stereo Review*.

A page ad with complete membership offer and details is scheduled for *Digital Audio*.#

City Home explores new markets

New York—City Home Publishing, the new owner of Houston-based Bayland Publishing, eventually may take the concept of Bayland's successful *Houston Home & Garden* and *Dallas-Fort Worth Home & Garden* into other markets.

But according to Robert Krefting, president and chief executive officer of City Home, the company first is exploring opportunities to work with publishers of other home-and-garden magazines. One area may be in cooperative advertising sales efforts.

R. Krefting

Similar magazines are published in San Diego, Phoenix, South Florida, Oklahoma, Colorado and Ontario, Canada, Mr. Krefting said.

Many major metropolitan areas, though, do not have such a publication, he added.

No development of new markets, however, is scheduled. His first task is to "enhance" the Bayland Publishing operation, which he said already is on the right course and can only get bigger and better.

The 10-year-old *Houston Home & Garden*, first local shelter magazine in the nation, now has paid circulation of 85,000 and 1,020 ad pages through October, with ad pages for the year projected at 1,240, about even with 1983.

Dallas-Fort Worth Home & Garden, published since 1978, has paid circulation of 62,000 and 737 ad pages through October.

The publication's projected ad pages for the year total 922, an increase of about 10% compared with 1983.

Revenues for the Dallas-Fort Worth monthly already are up 22% compared with 1983.

City Home Publishing was formed earlier this year by Benchmark Communications and Des Moines-based Meredith Corp. Benchmark Communications was formed by Mr. Krefting, formerly president of CBS Publications, and by Communications International, of which Arthur Diedrick Jr. is president, editor-in-chief and owner.

Mr. Diedrick also is chairman of City Home. Chris King continues in the position of president at Metro Home & Garden Magazines, the umbrella under which the two magazines operate.

Terms of City Home's acquisition of Bayland were not released.#

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C2710-1

$1.25 a copy; $52 a year

Thursday, October 11, 1984

Advertising Age®

The International Newspaper of Marketing

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Midweek News Summary

Cellular mobile telephones will shift from a local to a national advertising category by the end of next year, Western Union marketing executive Scott Slater told a meeting of the Newspaper Advertising Sales Assn. *See Page 3.*

CBS Software is boosting its fourth-quarter ad spending by 25% while other computer software marketers, confronted by a softening market, are cutting back their budgets. *See Page 3.*

The Reagan-Bush '84 campaign broke new spots this week, projecting the president as forceful and authoritative. GOP strategists say the rollout was not connected to the Oct. 7 Mondale-Reagan debate, which gave Mr. Mondale new confidence. *See Page 3.*

San Diego became paradise lost for Chicago Cubs fans Oct. 7. Editor-in-chief Rance Crain, a Cubs loyalist, saw the dreams dashed. *See Page 3.*

Advertising legends are gathering in New York next week for a luncheon marking the publication of "The Benevolent Dictators," authored by Bart Cummings. *See Page 9.*

Acorn Computer's plan to wrest part of the educational computer market from Apple ran aground when a new distribution network disintegrated. *See Page 9.*

Jack LaLanne, at 70 America's foremost fitness fanatic, is hoping to make a comeback with his first videocassette and a possible new tv show. *See Page 62.*

Otto Silha, former chairman of Cowles Media Co., is turning 45 years of newspaper experience into a consultancy for communications companies on marketing, management, mergers and acquisitions. *See Page 62.*

DIRECT MARKETING

Franklin Mint surprised catalogers last week when it decided to bail out of the catalog business by the end of the year, less than a year after the marketer sank significant money and personnel into the fledgling operation. *See Page 6.*

CBN Cable Network has developed a new plan that enables it to analyze the effectiveness of direct-response ads overnight. *See Page 7.*

Brewer charges net promos crowd out ads

A-B asks better NFL slots

By VERNE GAY

New York—Anheuser-Busch is expected to press the tv networks to slot some of its commercials on National Football League games during choice positions normally reserved for the networks' own promotional messages.

A-B intends to push this point, among others, as negotiations for 1985 first-quarter tv sports packages begin in early November. The primary thrust of the negotiations, said A-B sources, will be to make commercials work harder in the face of increased costs and to improve their efficiency as audience ratings decline.

Sources said the brewer's latest demands are countermeasures to what are expected to be 10% across-the-board rate increases in network sports.

In addition, sources speculated ABC may move "Monday Night Football" ahead one hour by 1987. The action could have the effect of stabilizing the program's ratings, which have been in a nosedive since last season.

This season's premiere "MNF" broadcast Sept. 3 had an 18.9 rating; the Oct. 3 broadcast dropped to 14.9.

A-B executives long have complained that commercials placed in clusters at the conclusion of the game or before halftime deliver far fewer impressions than spots placed during more strategic parts of the game, such as the time-outs. The NFL guarantees each network four time-outs per quarter. Ideally, spots would run during the first half when ratings are strongest, especially on "MNF."

A.C. Nielsen Co. figures showed that for a recent game, ratings dipped by six points from 9 p.m. to midnight (ET).

But the move would be difficult. First, affiliate approval would be necessary. Second, ABC would have to decide whether it wants to sacrifice a dual-audience delivery from 8 p.m. to 9 p.m.

Any schedule changes would not happen until 1987, when the Mon-

(Continued on Page 64)

Miller weighs Landau suit on $2 million debt

By ROBERT RAISSMAN

Miller Brewing Co. is considering litigation against the bankrupt advertising/sports marketing agency Robert Landau Associates after the brewery's own investigation revealed RLA owes Miller as much as $2 million, according to sources.

In its petition for reorganization under the federal bankruptcy code, RLA listed Miller as a creditor owed $200,000 (AA, Sept. 20). Sources report, however, any litigation by Miller will concern what RLA did with money prepaid by Miller to service numerous sales-promotion programs. Since RLA filed for bankruptcy protection, Miller Brewing reportedly began paying the major RLA creditors involved with Miller projects. That total, sources said, reached $2 million.

Obrie Smith, director of corporate communications at Milwaukee-based Miller, said, "The Miller Brewing Co. will work with the

(Continued on Page 64)

Dole shining up its image

By JENNIFER PENDLETON

Castle & Cooke will introduce a new worldwide graphic identity for *its* Dole brand this week (AA, Oct. 8), a move that reflects the company's drive to establish itself globally as a premier marketer of fruits.

The new look, to be unveiled at the company's board meeting today in Honolulu, is the latest development in Castle & Cooke's ambition to become a market-driven, rather than commodity-oriented, food company.

Castle & Cooke has followed this course since the arrival of Ian Wilson, a former vice-chairman at Coca-Cola Co. (AA, Nov. 7), as its president a little less than two years ago.

Since Mr. Wilson's arrival, Castle & Cooke has been changing from an unfocused collection of loosely related businesses to a company concentrating its resources on three main areas—fresh produce, packaged foods and real estate.

The new yellow, blue and red logo, which features a starburst breaking out of the letter "o" in Dole, will be introduced soon on

(Continued on Page 64)

Survey finds hostility

Pols' ads flop

By SCOTT HUME

Should Reagan vs. Mondale be no different than Coke vs. Pepsi?

The American presidential election process increasingly is being viewed as a marketing battle primarily waged through advertising, and the American public isn't pleased.

Political advertising probably won't be discussed during tonight's Ferraro-Bush debate or the Oct. 21 Mondale-Reagan rematch, but the 1,200 adults surveyed for Advertising Age by SRI Research Center, Lincoln, Neb., had some questions about the advertising both parties are running. For example:

- More than half those responding agreed (39%) or strongly agreed (13%) that political advertising has more impact on how Americans vote than it did even four years ago.
- An even greater percentage (55%) strongly disagreed with the proposition that such advertising is more truthful than four years ago.
- Respondents were divided on political advertising's informativeness, with 38% agreeing that the ads are more informative than

(Continued on Page 64)

Presstime

Schering-Plough tests St. Joseph's vitamins

Memphis—Schering-Plough is testing in Green Bay, Wis., and Boise, Ida., St. Joseph's chewable vitamins for children in three age/weight formulas. The fruit-shaped, fruit-flavored vitamins come in a bottle of 60, retailing for about $4. Tv and print by Warwick Advertising, New York, support.

K&E scoops up Babe, Brut advertising

New York—Faberge's Babe and Brut brands have been reassigned to Kenyon & Eckhardt from Nadler & Larimer. The latter retains the Organics line of shampoos, Faberge body sprays and Tigress fragrance. Aqua Net hair spray remains unassigned, though new products are scheduled under that brand name, the company said. K&E also will coordinate international advertising for Faberge. U.S. ad spending for Babe and Brut is expected to reach $10 million next year. Spending for Nadler's remaining business should be $7 million next year, Faberge said.

Wine Group adds new flavors to cooler

San Francisco—Wine Group is extending its 20/20 Wine Cooler line to include strawberry and apple flavors. The company claims its orange-

(Continued on Page 65)

**What tv nets are charging for prime time:
See night-by-night chart on Page 63.**

Polaroid shoots
f [illegible] 64

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Mobile phones calling on national ads: Exec

By WILLIAM GLOEDE

New York—Cellular mobile telephones will shift from a local to a national advertising category by the end of 1985, a Western Union Corp. executive said.

"As more and more cities come on stream and offer cellular phone service, advertising will move into a national strategy," said Scott Slater, director-advertising and marketing for Western Union's cellular mobile communications unit.

Speaking at the monthly meeting of the Newspaper Advertising Sales Assn.'s chapter here, Mr. Slater predicted that the mobile cellular phone business would be an $8 billion industry by 1990. Telecommunications giants—including AT&T, the Bell operating companies, Ericsson, GTE, Matsushita Electric Co., MCI Communications Corp., Motorola, Oki Telecom Group, Tandy Corp. and Western Union—are vying for a piece of the business, either to supply the service or the equipment.

Several media companies—including Knight-Ridder Newspapers, Metromedia Inc., Time Inc. and Washington Post Co.—have filed applications in various markets to supply service. So has American Express Co.

(Knight-Ridder last week announced it was abandoning its licence applications in eight markets in Florida, North and South Carolina and Texas. The announcement came after the Federal Communications Commission, flooded with applications, decided it would conduct a lottery to determine the franchisees. At press time, the major companies with pending applications were considering the formation of a confederation under which they all would share the license as investors in each system.)

Marketers of the phone and necessary radio transmitter equipment will be the primary national advertisers, Mr. Slater said. The service companies are likely to target their ad budgets to the markets they serve.

To date, Western Union has used mostly local newspaper and some spot radio and tv to advertise its cellular equipment and service.

The company expects 30 markets to be equipped with cellular mobile service by the end of this year and more than 90 by the end of 1985, Mr. Slater said. Among the markets with service in operation are Chi-

(Continued on Page 63)

CBS Software in ad push

By BRIAN MORAN

While slackening demand has forced some computer software marketers to cut advertising budgets, CBS Software has boosted its fourth-quarter spending by 25%.

As part of a bid to build brand awareness for the holiday season, the Greenwich, Conn.-based unit of CBS Inc. also has trimmed prices on almost a third of its 47 educational software programs and has added 25 reps to its national sales force.

The heavy pre-Christmas spending will bring CBS Software's 1984 ad budget to $5 million. Cunningham & Walsh, New York, handles.

CBS' moves come on the heels of an announcement by Spinnaker Software, the educational software market leader, that it would trim its ad spending about 35%. Spinnaker, Cambridge, Mass., cited the slowdown in home computer sales in cutting its '84 ad budget to slighty more than $3 million.

Heightened competition in the educational software market squeezed Reader's Digest Assn. out of the category last summer and has contributed to steep losses at Scholastic (AA, July 9, *et seq.*).

CBS Software's new ad push will feature an eight-page color catalog insert breaking in the Nov. 25 *Newsweek*.

The insert also will run in December issues of *People, Personal Computing, Time* and six other computer magazines.

In addition to the catalog insert, CBS Software's expanded print lineup includes spreads and full and half-page ads promoting product categories as well as individual titles.

Also, an advertorial will run in *Woman's Day*. The campaign continues CBS' "Making you the best" theme.

CBS' price cuts of $8 to $15 per title on 14 programs in its Preschool and Fun & Learning series reflect recent reductions by competitors in the educational software category.

Prices for many educational programs, which hit the market at $30 to $60, have fallen to less than $30.

The 25 new retail service reps will train dealers, demonstrate CBS Software programs and develop in-store promotions.#

Dashed dreams in San Diego

By RANCE CRAIN

Photo by Wide World

Back in Chicago, gloom descended on ever-suffering Cub fans.

San Diego—"Dreams come true" headlined the *San Diego Union* after the Padres beat the Chicago Cubs last Sunday to take the National League pennant.

I guess it depends on whose dreams you're talking about. As a lifelong Cubs fan, I had other dreams in mind as I watched the Padres slowly and methodically strip the Cubs of their hopes.

Steve Garvey, the hero of the playoffs, said that time stood still when he hit his two-run homer in the ninth inning to win game 4 for the Padres.

I know what he means. For me the whole weekend will always be a series of stop-action photos. But always—always—I'll hear the ground-rattling, deep-throated roar of the San Diego crowd. When Garvey hit his home run, Jack Murphy Stadium shook as if an earthquake had enveloped it.

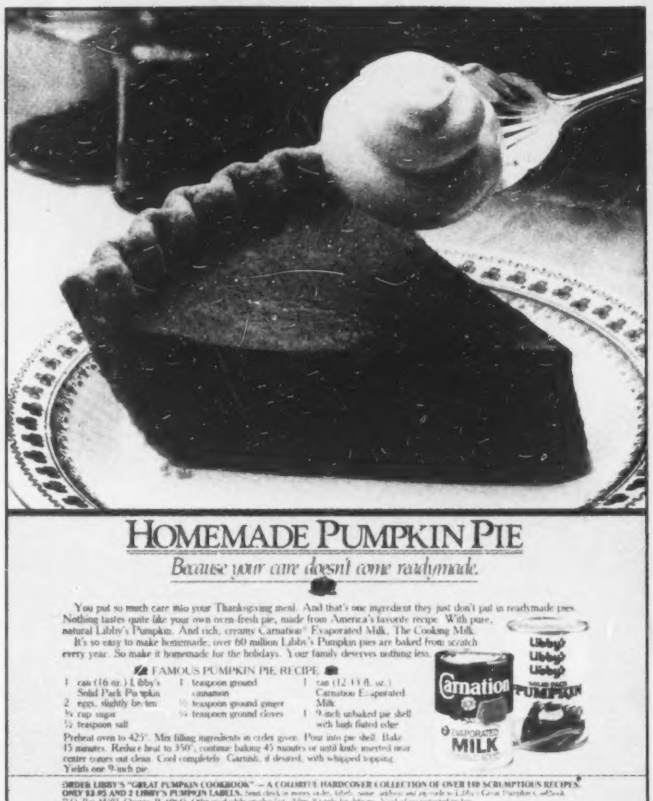
"Laid back? What does that mean? That's a word thought up by Madison Avenue back east," an incensed San Diego fan fumed on a radio call-in show after the Padres had won the fourth game. I can attest that the Padres' fans are definitely not laid back.

I guess I should have realized that the omens weren't good for the Cubs. Harry Caray, the Cubs' play-by-play announcer on WGN, showed up for the final game wearing a "Sutcliffe's Sluggers" t-shirt. But how could Harry know that the sluggers would turn out to be on the other side? Rick Sutcliffe, the Cubs' pitching ace who hadn't lost since June 29, got shelled by the Padres for six runs in the Cubs' final loss of the season.

Earl Weaver talked about the "agony of defeat" before the game. "You carry it with you all winter, until the opening day of spring training," Earl said to nobody in particular. Cubs fans will be lucky to get off that easily.

And when Reggie Jackson was about to leave for the ABC broadcast booth, he told Jim Frey: "I hope this is the last time you see me today. You don't want to see me after the game. Tim McCarver interviews the winners. I do the losers."

As it turned out, Frey and Reggie had some unfinished business.#



HOMEMADE PUMPKIN PIE

Because your care doesn't come readymade.

You put so much care into your Thanksgiving meal. And that's one ingredient they just don't put in readymade pies. Nothing tastes quite like your own oven-fresh pie, made from America's favorite recipe. With pure, natural Libby's Pumpkin. And rich, creamy Carnation® Evaporated Milk. The Cooking Milk.

It's so easy to make homemade; over 60 million Libby's Pumpkin pies are baked from scratch every year. So make it homemade for the holidays. Your family deserves nothing less.

FAMOUS PUMPKIN PIE RECIPE

1 can (16 oz.) Libby's Solid Pack Pumpkin
2 eggs, slightly beaten
¾ cup sugar
½ teaspoon salt
1 teaspoon ground cinnamon
½ teaspoon ground ginger
¼ teaspoon ground cloves
1 can (12-13 fl. oz.) Carnation Evaporated Milk
1 9-inch unbaked pie shell with high fluted edge

Preheat oven to 425°. Mix filling ingredients in order given. Pour into pie shell. Bake 15 minutes. Reduce heat to 350°, continue baking 45 minutes or until knife inserted near center comes out clean. Cool completely. Garnish, if desired, with whipped topping. Yields one 9-inch pie.

ORDER LIBBY'S "GREAT PUMPKIN COOKBOOK" — A COLORFUL HARDCOVER COLLECTION OF OVER 100 SCRUMPTIOUS RECIPES. ONLY $3.95 AND 2 LIBBY'S PUMPKIN LABELS.

A tie-in that binds

An annual rite of fall—ads featuring Libby, McNeill & Libby's famous pumpkin pie recipe using Carnation Evaporated Milk—takes on new meaning this year. The tie-in is more appropriate than ever now that Nestle Co., parent of Chicago-based Libby, is acquiring Carnation Co., Los Angeles. Bloom Agency, Dallas, handles the ads.

GOP spots follow debatable defeat

By STEVEN W. COLFORD
and MARK LIFF

With Republican strategists disavowing any connection, the Reagan-Bush '84 campaign has unleashed new spots projecting the President as something even loyalists said he wasn't during the Mondale-Reagan debate: Forceful and authoritative.

As recharged Mondale supporters oozed confidence after the 1½-hour nationally televised debate, the Reagan-Bush team already was pulling the trigger on its latest fusillade of campaign spots, which broke Oct. 8 on ABC-TV's "Monday Night Football" game.

Most of the new 30-second spots, created by the Tuesday Team, feature President Reagan using the White House as a dais to underscore the differences between his track record and the campaign promises of his Democratic opponent. It's the President "speaking of choices before the electorate," a Tuesday Team member said.

The latest GOP volley comes right after an earlier series of spots broke last week (AA, Oct. 8), but campaign officials said the debate neither caused nor sped up the new wave.

'84 Marketing the CANDIDATES

Last week's rollout featured 30-second testimonials from "average" Americans crediting President Reagan for their improved fortunes and a series of five-minute monologs by the President.

In the latest flight, the first spot (sans Mr. Reagan) looks at economic issues and comes down hard

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Direct tactics get politicians' votes

By Richard Edel

The 1984 election may go down in the history books as the year the cost of electing candidates to national office topped $1 billion, according to projections by the Federal Elections Commission. How do politicians hustle that incredible sum of money? They mine the U.S. mail.

Political battles aside, experts say direct mail is the most effective weapon in an arsenal of fund-raising, image-making and constituency-building strategies. It was the foundation of the Republican Party's phoenix-like flight from near oblivion in the mid-1970s to its spectacular success a decade later in raising a projected $100 million for candidates to Congress and the White House.

On the other side of the political fence, direct mail is offering the best hope for the future of the Democratic Party, says Frank O'Brien, director of the mail department for the Democratic National Committee. The Democrats have set a goal in 1984 of raising a $27 million "Victory Fund" to cover expenditures for national elections, and they hope to raise a total of about $50 million.

(National committees for the Democrats and Republicans operate independently of the federally funded campaign committees for their presidential nominees. Presidential election committees in 1984 each will receive $40.4 million from the FEC and $6.9 million in donations from the national parties. The election committees are barred by law from fund raising for the campaign.)

Mr. O'Brien estimates the GOP will collect between $35 million and $40 million through mail-related efforts during the 1984 election cycle, compared with between $10 million and $12 million for the Democrats. The DNC is hoping to slash the fund-raising gap by 1988 by investing 20 cents on each dollar raised.

So far, the Democrats have scored major successes. Their mailing list, virtually nonexistent in 1980, now stands at 500,000 names; Republican sources say their active list contains 2.2 million names.

But the unfolding political struggle involves more than simply gaining fresh donors in election campaigns. "It's not just a matter of money," Mr. O'Brien says. Demographic information, survey data and sophisticated market research is being combined into a body of knowledge to create more effective political advertising.

"The real story is which party plays 'information age' politics," Mr. O'Brien says. To play state-of-the-art politics, his department is poised to make the best possible use of direct mail combined with telemarketing, print and broadcast media.

Donors receive photographs of the President and Vice-President for contributing regularly.

For instance, on the opening night of the Democratic National Convention, the committee mailed 300,000 pieces focusing on New York Gov. Mario Cuomo and the issues he raised in his keynote address. Described by Mr. O'Brien as "the single most effective piece we've ever sent," the effort raised just less than $1 million with an average contribution of $31.

Following up, the DNC began hammering away at the GOP with mailings of 300,000 every 10 days focusing on party spokespeople and candidates.

Returns have been strong, averaging $1 million every 10 days, Mr. O'Brien says. At that pace, the DNC could eclipse the $4 million it hopes to raise through direct mail for the Victory Fund.

Terry Michael, a spokesman for the DNC, says direct mail and, to a lesser extent, telemarketing, play a broad-based role in fund raising. For example, one mailing urged loyal Democrats to host house parties Oct. 7, when the Mondale/Ferraro campaign was scheduled to air a 30-minute paid political announcement. Phone calls to likely respondents followed the mailing, an approach similar to one Mr. Mondale used successfully during the primaries.

At press time, 20,000 parties were planned, and the DNC hoped to raise $3 million.

The DNC increasingly is relying on direct marketing because of the changing political environment, says Jim Nathan, director-research and development for Targeted Communications, Falls Church, Va., which conducts direct mail campaigns for the Democrats. A gradual fragmenting of traditional constituency groups is resulting in smaller ad hoc constituencies that are more informed and aware, Mr. Nathan says.

As a result, targeting media to individuals rather than traditional groups is increasing the effectiveness of the party's fund raising. But, Mr. Nathan says, the Democrats still lag behind the Republicans in constituency-building techniques, "where you're looking more for a vote than for dollars. It takes a little more education and persuasion to show how direct marketing and telemarketing can be targeted to nonfund-raising activities. The Democrats are catching up, but there is no doubt the Republicans have a valuable lead."

The GOP hopes to parlay this lead into both money and votes with an array of well-planned, carefully executed programs, says Stephen H. Winchell, whose Washington, D.C.-based fund-raising operation is deeply involved with direct mail campaigns for the Republican National Committee and other

Richard Edel wrote about political direct marketing in the last Direct Marketing Special Report.

Sources of revenue for political campaigns

(in $ millions)

	1980	1982	1984 est.
Political organizations	$130	$200	—
Senate/House campaigns	240	350	—
GOP	214	215	—
DNC	40	40	—
Independent	16	6	—
Total	$640	$811	$1 billion

Source: Federal Election Commission

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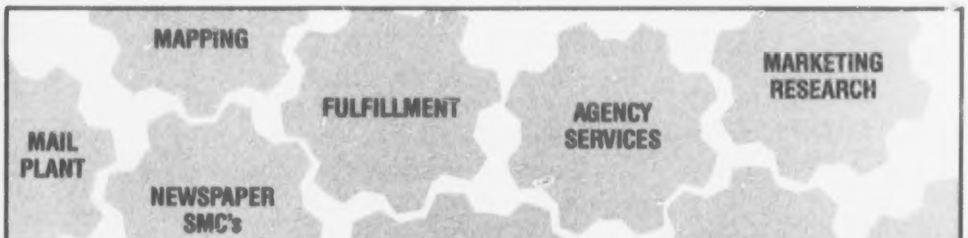

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GOP organizations.

"This will be the Republican Party's single most aggressive and successful fund-raising campaign in history. Direct mail is an indispensable arm of the party. Without it, the GOP could never have accomplished the things that it did or had the political impact that it has had," he says.

The GOP's direct marketing program, combining voter registration with fund-raising projects, was operating well before the 1984 election cycle began, Mr. Winchell says.

"Direct mail has an incredible lead time. At this stage of the campaign, there are no new projects," he says. Lead time may not have been much of a factor anyway, because projects are exceeding all expectations.

One example, a package mailed two days before President Reagan announced his intention to seek a second term, tells the story. Nearly 2.1 million letters were mailed, netting gross income of about $5.4 million. The cost to prepare and mail the package was about $700,000, leaving a net income for the Reagan-Bush '84 primary campaign of $4.7 million.

The entire program of primary mailings produced the following results for Reagan-Bush '84: $11.5 million raised through direct mail and $4.8 million raised through volunteer fund raising. The average contribution was $56, resulting in a 70% federal match of funds raised.

Add to these statistics the over-all cost of fund raising—only 15% of gross collections—and a startling fact emerges: Reagan-Bush '84 was the first campaign in history to receive 100% of the available federal matching funds of $10.1 million. For good measure, the campaign earned $300,000 in interest on funds raised, Mr. Winchell says. "These results show that direct mail is an incredibly cost-effective medium. That's why Republicans like it."

In comparison, Mr. Mondale's primary campaign went to the national convention with a debt of more than $2 million.

The Republicans' results also show the unmatched power of President Reagan's name on fund-raising vehicles, says John Buckley, spokesman for Reagan-Bush '84. "Ronald Reagan's name is the single biggest draw of any name in direct mail fund-raising history."

Indeed, much of the GOP's success is attributed to President Reagan's popularity as "the

(Continued on Page 52)

Phones get fund raisers off the hook

Direct mail may be the most effective medium for political fund raising, but telephone marketing is the most immediate.

A well-orchestrated telephone campaign may salvage some impressive results where direct mail comes up dry.

One example is a campaign waged last year by Campaign Marketing Group, Alexandria, Va., for the National Republican Senatorial Committee. The assignment was to make an "urgent personal appeal" to former contributors to the Republican Presidential Task Force who had not responded to two mailings during a three-month period, says Bruce McBrearty, CMG's president.

The job was complicated because the committee stressed the need for speed in reaching about 40,000 names and the importance of personalizing the appeal.

CMG adopted a strategy of segmenting lists geographically and preparing taped messages either from Republican senators representing each state or from Indiana's Sen. Richard Lugar, chairman of the task force. In New York, for instance, the message was from Sen. Alfonse D'Amato. Other senators included John Danforth (R., Mo.), John Heinz (R., Pa.) and Slade Gorton (R., Wash.).

"The idea was to break up the file and target different segments of the audience with a unique message," Mr. McBrearty says. The approach carried the added bonuses of increasing productivity and good will.

CMG staffers used scripts oriented toward the issues most affecting the potential contributor's home state. The staffer thanked the member for past support, extolled a few of the Republican-controlled Senate's accomplishments and explained the current need for funds.

Using a computer-assisted telemarketing system, CMG reached 95% of the list in 30 days. The system placed calls automatically, based on the time

(Continued on Page 52)

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Education delivers students directly to market

By Don Veraska

Most people wouldn't consider direct marketing education to be new wave. But, according to Jim Kobs, president of Kobs & Brady, Chicago, it already has entered its third wave.

"Going back 10 years, maybe there were a dozen direct marketing classes in the country—and a lot of them were just a half-hour in some survey course," he says. "In the past 10 years, it has come to the point where a lot of schools have at least one solid direct marketing course, two or three hours, so the kids knew what it was.

"Now, we're in the third wave, developing full programs and schools of direct marketing," Mr. Kobs says. "Nobody quite expected this quick explosion. It's a real rush today with all these direct marketing programs."

Since the early beginnings of college-level direct marketing classes some 10 years ago, the following universities are leading the pack that is rushing into direct marketing:

- The University of Missouri at Kansas City, which didn't even have a direct marketing class until five years ago, has created the Center for Direct Marketing Education and Research, funded through a $570,000 grant from the New York-based Direct Marketing Educational Foundation.

Five students graduated this spring with a bachelor's degree in business administration, with a concentration in direct marketing. Next spring, about that many students are scheduled to receive the first direct marketing master's degree, and the number of undergraduate direct marketing degrees may rise to about 20.

- The University of Cincinnati is creating a direct marketing policy center through a private grant of $225,000 and is itself funding grants for direct marketing research. The university offered its first market research class last month.
- Students at the College of William and Mary, Williamsburg, Va., three years ago organized Direct Marketing of Williamsburg, a student-run independent, computer-based company, gross sales of which will run into six figures this year. The college offers three credit hours for Direct Marketing of Williamsburg, provides seminars staffed by direct marketing professionals and plans its first academic direct marketing class next spring.
- Dozens of other institutions are offering direct marketing classes. The Direct Marketing Educational Foundation lists 51 such colleges and universities with credit courses, and another 12 that are planning to do so. In addition, about a dozen offer noncredit or continuing education courses in direct marketing. Several have diploma programs for professionals in the field.

> **"Frankly, the companies were getting very tired of training these people on the job . . . ."**
>
> *—Richard Hamilton*
> *University of Missouri*
> *at Kansas City*

The fact that any direct marketing programs are available is largely because of the efforts of the Direct Marketing Assn.'s DMEF, supported by several hundred businesses. The foundation has fostered and nurtured direct marketing education during the past two decades.

A lot of credit also must go to direct marketing professionals. They wrote most of the college-level textbooks, aided institutions in structuring classes, spent countless hours lecturing and, in general, spread the direct marketing gospel.

The interest of those professionals isn't entirely altruistic. The direct marketing industry admittedly suffers from a serious shortage of middle managers.

"There's a lot of senior management of my era," says Mr. Kobs, who is 46, "and a lot of young people coming into direct marketing out of college. But the gap is in middle management, people with five to ten years of experience. Those with college instruction in direct marketing can get to this level a lot more quickly."

Says Richard Hamilton, associate professor of direct marketing at UMKC, "Frankly, the companies were getting very tired of training these people on the job; it was very expensive."

Student interest in direct marketing has been fostered by professors who, in turn, were exposed to the discipline at the DMEF's institutes. These semiannual seminars enlighten up to

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Don Veraska is an Arlington, Va.-based free lance writer.

Politicians

(Continued from Page 51)

great communicator." GOP fund raisers say he embodies the conservative message that is the theme of all mailings from GOP national committees.

Another reason for the GOP's success is that its national committees target their mailings to individuals, personalizing them to an extent never before possible in political direct mail, Mr. Winchell says.

In addition, the committees offer benefits, bonuses and premiums for regularly contributing ever larger sums. For example, the National Republican Senatorial Committee created a Republican Presidential Task Force program that asks for $120 a year, or $10 each month.

"The idea is to get donors into the habit of contributing regularly," Mr. Winchell says. In return, donors receive premiums such as a bronze task force medal, a monthly task force bulletin and color photographs of the President and Vice-President. Larger donors are given a "Gold Pass" that entitles them to attend social gatherings.

"It is clear that the GOP fund-raising effort is moving more and more in the direction of monthly giving and strong fulfillment pieces in order to involve the contributors more deeply in the groups they join," Mr. Winchell says. In addition, clubs emphasize the importance of individual members."

To bring new members into the fold, the GOP searches about 700 mailing lists annually,

Phones

(Continued from Page 51)

of day previous calls were answered. To help personalize the call further, past contribution figures and individual data about the prospect were listed on the computer screen. When a call was completed successfully, a fulfillment letter, thanking the contributor for the pledge, was generated automatically.

The response was overwhelming, with 33% of the prospects renewing their task force memberships and 13% agreeing to contribute an unspecified amount, Mr. McBrearty says.

Over-all, the campaign generated more than $500,000 at a cost per completed decision of $3. CMG staffers averaged 10

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MAILING LIST COMPILERS AND BROKERS

30 professors on the fundamentals of direct marketing. The foundation also approaches students directly, conducting semiannual, five-day seminars for 30 college seniors.

"We really just had to acclimate students with the fact that direct marketing existed," says Robert Stone, president of Stone & Adler, Chicago, who has been a trustee of the Direct Marketing Educational Foundation for some 15 years.

And, once they were exposed to direct marketing the interest took off, because, as Mr. Kobs says, "The kids just got turned on once they found out that direct marketing is measurable. Unlike advertising, they are seeing a field where the results are precisely measurable."

And, he says, direct marketing has evolved into a multimedia discipline, enticing students who weren't interested in it because they thought it encompassed only direct mail and catalog sales.

"Things like television, like the 800 numbers, make direct marketing a more acceptable career alternative," Mr. Kobs says. "Once, [students] just whispered

(Continued on Page 54)

Mr. Winchell says. The Republican Party hopes to have an active mailing list of about 2.5 million names by the end of the year and up to 2.8 million names in 1985-86.

"There is virtually no plateau seen in the foreseeable future. The party's budgets are going to continue to go up because there are more people contributing," Mr. Winchell says.

decisions an hour, he says.

A similar campaign in 1984 is yielding even more impressive results. With only a slightly larger file, the campaign is producing three times more revenue, Mr. McBrearty says. Reasons for the improvement include a 9% increase in dials per hour and a 16% increase in completed decisions, mainly because of improvements in the computer-assisted system.

The simple fact that Republican national committees use telemarketing is a testimony to its value, he says. "If national committees are using it successfully, think how much more successful it could be in smaller campaigns. Telemarketing can and should be included in every fund-raising strategy." *—R.E.*

Programs receive favorable response

To those students who have graduated from college with a degree or practical experience in direct marketing—a breed still about as rare as a whooping crane—the experience has been a rewarding one.

No specific figures are available on the number of college graduates with direct marketing backgrounds, but only five—former undergraduate students of the University of Missouri at Kansas City—have bachelor's degrees.

Several dozen graduates of the College of William and Mary, Williamsburg, Va., although not possessing a direct marketing degree, received experience as employes of a student-run direct marketing company, Direct Marketing of Williamsburg.

Graduates and participants in these two programs are enthusiastic about the value of their college experience in the real world of direct marketing. "Direct Marketing of Williamsburg was very beneficial in preparing me for the professional sector," says John E. Berger, 22, who founded the student-run company three years ago as an independent study project and has seen it grow from a one-person operation to about 25.

Now working in the Falls Church, Va., office of R.R. Donnelley & Sons, Mr. Berger says, "When you're dealing with the real world, when you're dealing with the bread and butter of a business, it gives you a discipline you just can't get in the classroom. There's no books, no tests—just how well you perform in the community."

Mr. Berger spent three years at DMW. Despite the value of his practical experience, he says classes in direct marketing, which William and Mary does not offer yet, would be beneficial. "No question, it would have helped me to have classroom experience as well. If I had, it would have prepared me even more."

Another 1984 graduate of William and Mary, Caleen Norrod, 22, was creative director of DMW. As an English major with

(Continued on Page 54)

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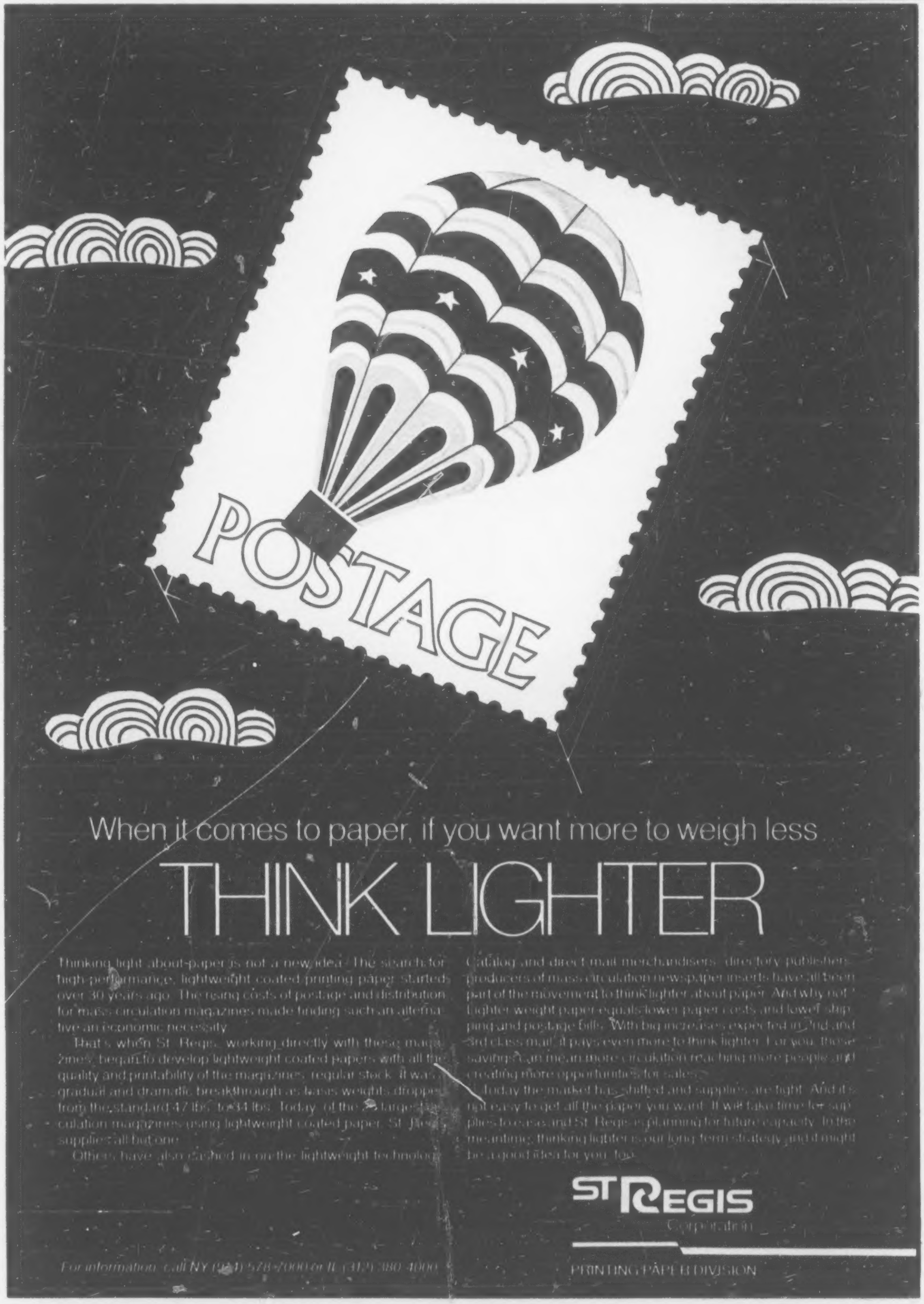

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Others have also cashed in on the lightweight technology. Catalog and direct mail merchandisers, directory publishers, producers of mass circulation newspaper inserts have all been part of the movement to think lighter about paper. And why not? Lighter weight paper equals lower paper costs and lower shipping and postage bills. With big increases expected in 2nd and 3rd class mail, it pays even more to think lighter. For you, these savings can mean more circulation reaching more people and creating more opportunities for sales.

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October man

Steve Garvey, as proficient in marketing as he is with the baseball bat, may benefit in a big way from the post-season games. *(See story on Page 3.)*

Exec explains suit: 'Can't trust' agency

Godfather's slams Chiat

By SCOTT HUME and RUTH STROUD

A Godfather's Pizza restaurant chain executive has reacted angrily to the advertising industry's support of Chiat/Day in a landmark legal dispute involving confidential client material.

Ted Murphy, vp-marketing for Costa Mesa, Cal.-based Godfather's, told ADVERTISING AGE that the reasons for the chain's suit against Chiat/Day have not been fully reported. While conceding that the chain wants to prevent Chiat/Day from using in its work for Pizza Hut information it gained from its earlier competition for the Godfather's account, Mr. Murphy charged Chiat/Day with "a classic case of playing both ends against the middle." He said the agency simultaneously dealt with both Godfather's and Pizza Hut, thereby creating the distrust that contributed to the suit.

"The way this story is being reported is that Godfather's is challenging the accepted ways advertising agencies work," Mr. Murphy said. "But there's another question that hasn't been reported and that's 'Did Chiat/Day play by the accepted rules?' Chiat/Day's position has been that we should trust them, backed by a gentleman's agreement" that the agency won't divulge confidential Godfather's information to Pizza Hut. "But there are reasons for us not to trust them."

Chiat/Day president Guy Day vehemently denied any unethical conduct on the part of the agency.

Godfather's filed suit against Chiat/Day June 29, seeking to bar agency staffers who worked on the agency's solicitation of the $5 million Godfather's account from working on the $20 million Pizza Hut account (AA, July 16). Godfather's was granted a preliminary injunction against the Chiat/Day

(Continued on Page 97)

Contac follows upbeat route to fight new rivals

WE KE MERICA
FEET.
CONTAC

Lots of feet—and only feet—are on view in this new Contac cold remedy spot. BBDO, New York, is the agency.

By NANCY GIGES

After some rough sailing in recent years, SmithKline Beckman Corp. is taking a new tack to reinstate Contac as the cold remedy of choice.

Although Contac has weathered the attack of the multisymptom products, it now faces a strong new contender, Burroughs Wellcome Co.'s Actifed. In the two years since Actifed shifted from prescription to over-the-counter marketing, it has caught up with the two other market leaders, Contac and Nyquil. The latter is marketed by Richardson-Vicks, Wilton, Conn.

These three brands trade shares between 10% and 12% of the $750 million market.

Victor Galef, vp-marketing at Philadelphia-based SmithKline's Menley & James Laboratories division, which markets Contac, has no delusions that what he has set out to do will be easy. He also knows that the atypical upbeat approach Contac has taken to the cold-remedy market is not without risk.

But he candidly admitted, "Our brand hasn't responded the way we wanted with typical drug advertising. So we believe there is more risk on the down side if we don't make this departure."

The advertising from BBDO, New York, the first from the agency since it succeeded Ogilvy & Mather on the brand last fall, is an outgrowth of last year's theme "Keeps you going."

But this year, with the theme "Contac keeps you on your feet," SmithKline is using an upbeat tv commercial with singing and dancing, essentially depicting "wellness," not illness. The spot shifts from one vignette to another, showing only the feet of people going about their everyday activities—an aerobics class, a wedding, a farmer's field being harvested.

"Consumers still think that Con-

(Continued on Page 97)

Last Minute News

Amoco studies agencies, but denies move

CHICAGO—Amoco Oil Co. has contacted several agencies about its advertising but says it isn't planning to move its $25 million account from D'Arcy MacManus Masius. The subsidiary of Standard Oil Co. (Indiana) called the move a "routine credentials-review procedure to keep current in the industry" and said DMM "will remain agency of record in 1985."

Godfather's lashes Four A's support of Chiat

LOS ANGELES—Godfather's Pizza urged the California judge hearing its client-confidentiality suit against Chiat/Day to ignore an American Assn. of Advertising Agencies brief filed on Chiat's behalf (*see story on Page 97*). Godfather's said Four A's wasn't aware of all the details in the case because the judge had ordered the court files sealed and, therefore, wasn't in a position to submit "any authoritative commentary."

Texas Instruments takes on IBM

DALLAS—Texas Instruments is upping its attack on IBM with "Dare to compare" print ads that claim "TI is better" in comparisons of the TI Professional Computer with the IBM Personal Computer. TI's attack shifts focus from operational features to the company's "superior service"

(Continued on Page 8)

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Jobs going like hotcakes, recruiters say

Boom time for creatives

By STEWART ALTER

Some of the advertising industry's leading creative-talent recruiters report that they've never been busier than in the last six months.

"I feel like an order taker. I've been in the business 20 years, and I have never had as much work as I've had in the last six months," said one top recruiter, Judy Wald of the Judy Wald Agency, New York. She added that she had to "put in a traffic flow chart and add a man to deliver portfolios."

Ms. Wald, who had just hung up the phone after speaking to one agency client who wanted to add two more openings to the 16 he had already placed, observed that the demand is at all kinds of agencies—small, medium and large. In the last six months, she has had about 130 positions to fill, twice the norm.

Similarly, rival headhunter Susan Friedman observed, "There are a tremendous number of job openings," so much so that she has restructured her business in response.

A month ago, Ms. Friedman left Friedman Huss Viseltear, New York, which at that time had an all-time high of 158 creative positions to fill, and formed Susan Friedman Ltd. She has decided to become more specialized, concentrating only on placing senior creative executives and going in a new direction as well: Acting as a consultant both to creatives in planning their careers and to agencies on building their creative departments.

Why are creatives so much in demand?

Ms. Friedman believes the surge is traceable primarily to the new attention being given to creative by some of the major agencies. "We're moving into a phase where creative is once again going to be the selling point for a product," said Ms. Friedman.

Saatchi & Saatchi Compton Worldwide is but one example of an agency that this year started adding senior creative talent (AA, May 28). "We're adding a lot of creative people," said president Edward Wax. "We're focusing on the creative product more than we ever did."

The other agencies frequently mentioned are J. Walter Thompson Co., Ted Bates Advertising/New York and Benton & Bowles.

"We have a budget to hire more top-quality creative people than we've been able to find," said JWT/New York exec vp-general manager Stephen Bowen, who said the office has hired about 20 new creatives this year.

Mr. Bowen felt the special emphasis some major

(Continued on Page 97)

'Bed,' Tigers help NBC ratings spurt

New tv season

By JAMES P. FORKAN

New York—In the opening rounds of the fall season's Week 3 ratings battle, NBC-TV got off to a scorching Monday start with "The Burning Bed," then fueled that surge Tuesday with the Detroit Tigers in World Series Game 1.

CBS, which a year ago was locked in a much tougher battle with ABC for the ratings lead, continued to be the fledgling season's front-runner.

Meanwhile, homes-using-tv and three-network-share levels are down slightly this fall. In Week 2, hut levels stood at 61.9 versus 62.0 a year earlier, while combined network shares were 82.3, down from 82.9. Week 1 saw huts at 60.8 versus 62.1 last fall and shares at 79.2 versus 80.5.

Another 24-hour computer delay at A.C. Nielsen Co.—the second in the three-week season—kept everyone in doubt at press time as to the national ratings winners for Wednesday, Oct. 10. "Our computer went down almost all day [Wednesday]," a Nielsen source said.

However, overnights for nine major markets (now including Dallas) indicated that CBS was the loser Wednesday, squeezed by the femme-appeal ABC series lineup and NBC's World Series Game 2. Meter data showed NBC's game night averaged a 38 share, compared with a 31 for ABC's "Dynasty" and "Hotel," leaving CBS with a 16 share.

The Thursday overnights covered a program slate truncated by the George Bush-Geraldine Ferraro vice-presidential debate. The opening hour of series fare went to NBC's urban-skewed "Cosby

(Continued on Page 96)

Ford eyes berth in Super Bowl

By VERNE GAY

New York—Ford Motor Co., Dearborn, Mich., is ready to snag the domestic auto sponsorship of the Super Bowl broadcast on ABC next January. It's an expensive privilege that Chevrolet relinquished three weeks ago.

Ford and ABC-TV, however, are negotiating the Super Bowl sponsorship as part of a prime time big-events package, rather than as a stand-alone sports buy.

The unusual step by ABC to combine sports with prime time sales is seen as reflecting the pressure ABC Sports is under to get its $1 million-per-minute Super Bowl price tag while maintaining automotive exclusivity between only one domestic and one import advertiser.

"[The Super Bowl] is being actively considered," said Joe Schulte, exec vp-general manager at J. Walter Thompson USA, Detroit, Ford's agency. "It's a prestige event and, yes, it's expensive."

Super Bowl auto exclusivity costs a minimum of $2.5 million for

(Continued on Page 94)

Highlights

Few drug marketers favor advertising prescription drugs directly to consumers, a congressional subcommittee concluded. *See Page 6.*

A venture between Fountain of Youth Properties and B&J Marketing Corp. may make Fountain of Youth bottled waters "the premiere domestic potable water" and a lower-price alternative to imports. *See Page 12.*

Mercedes-Benz is leaning on the safety theme in its 1985 model advertising. *See Page 12.*

Frozen foods make news: Banquet Foods is introducing a new line of frozen entrees, adding new items to a new line and restaging yet another. *See Page 14.* That comes as Pillsbury's purchase of Van de Kamp's is expected to give Pillsbury a stronghold in ethnic retail frozen-foods segments. *See Page 61.*

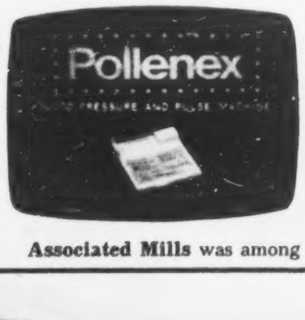
The first claims of subliminal advertising at a movie theater in 1958 were shot down in a test conducted by a major research company. *See Page 46.*

Macmillan, the book-publishing giant, plans to shake up the specialized microcomputer software field with marketing touches employed to push more popular packages. *See Page 64.*

Meadowbrook Press president Bruce Lansky favors a by-the-numbers approach to creativity, and few can argue with his success. *See Page 74.*

Spiegel/Labatt-Simon, in its first venture into research, found that Page 1 and the comics are the best-read parts of Sunday papers. *See Page 88.*

Procter & Gamble shareholders were urged to "be patient" because the company's "bottom line will be negatively affected" by P&G's continued marketing investments in new brands. *See Page 93.*



Associated Mills was among the many marketers showing off new products at last week's National Housewares show in Chicago. The company plans a tv campaign to support a new line of Pollenex do-it-yourself blood pressure-measurement machines. *See Page 98.*

CORPORATE CLOSEUP

Zenith Electronics Corp. has had some success diversifying away from its old tv and radio product standbys, but faces tough competition in the microcomputer, cable tv hardware and electronic components industries. *See Page 4.*

INTERNATIONAL

PepsiCo, in a push to break Coca-Cola Co.'s dominance in Latin America, is focusing on Brazil, the largest consumer market in the region. *See Page 52.*

Peaudouce, a French company virtually unknown to U.S. marketers, is causing headaches for Procter & Gamble in the U.K. and France in the disposable diaper market. *See Page 52.*

Neville Wran, New South Wales premier, has stirred up a storm of controversy in Australia over an order by which all the government's classified advertising was awarded to a Rupert Murdoch company. *See Page 53.*

MuchMusic, Canada's first music video pay-cable network, an MTV: Music Television lookalike, has become a smashing success with advertisers after fewer than two months on the air. *See Page 53.*

VIDEOTECH

Creative Programming Inc., which matches advertisers with tailor-made tv programs, is involved in negotiations with Merrill Lynch and General Electric Co. about two series concepts for cable tv. *See Page 57.*

If experiences in the U.K. are a harbinger of things to come in the U.S., the impressive growth of the videocassette recorder industry is sure to bring a dramatic shift in tv and cable-viewing habits. *See Page 58.*

The latest wrinkle in the home video explosion may be the do-it-yourself videotape editing center. That's the concept that's backing a new company called Video Workshop Franchises. *See Page 58.*

COMING THURSDAY

SPECIAL REPORT

Magazine publishers targeting the baby-boom generation must be careful to change as their audience ages or be prepared to attract new readers.

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West Coast test set for B&W's 2nd new cigaret

By WILLIAM GLOEDE

Brown & Williamson Tobacco Co., Louisville, is gearing up for a West Coast test of its second new cigaret, called Eli Cutter.

The new smoke is in the trade pipeline and is about to hit retail in Sacramento, Fresno and San Francisco, according to industry sources.

Advertising will follow the exploits of the mythical Eli Cutter, giving B&W a chance to convey an image of Americana not unlike that used by Brown-Forman Distillers for its Jack Daniel's whisky.

Trade sources report that long-copy ads will tell the story of Eli Cutter, associating the rugged individualism of a 19th-Century pioneer with the full-flavored cigaret brand family.

At press time, the agency assigned the account could not be determined definitively, but sources indicated that Geer, DuBois, New York, which has B&W's Richland account, may have the assignment.

The cigaret packaging is black, with the brand name emblazoned in gold in a half-moon configuration. "Legendary taste" appears at the bottom of the package beneath two interlocked, gold letter C's.

Although only the 85mm soft pack has been spotted, sources indicated the brand will have three styles, a 70mm straight, an 80mm box and the soft pack.

At press time, advertising had not yet appeared in the test area.

B&W is testing another new brand, St. James Court, in Portland, Ore. Sources believe that brand, which is packaged in copper-colored foil, may be moved to another market in the near future and tested at a premium price (AA, Sept. 17).

Ogilvy & Mather, New York, handles St. James Court.#

Brewer gears up for market

A-B wines on line

By SCOTT HUME

Anheuser-Busch is setting the stage to become a more important player in the wine market.

The St. Louis company last week said it was moving responsibility for its Anheuser-Busch Wines unit from the corporate planning department of the parent company (Anheuser-Busch Cos.) to its brewing subsidiary (Anheuser-Busch Inc.). T. Michael Carpenter, group vp for the brewery's wholesale operations division, also will oversee the wine subsidiary.

The unit now markets four wines—dry chablis, classic chablis, vin rosé and burgundy—under the Master Cellars name. The wine is produced exclusively for A-B by Lamont Winery, DiGeorgio, Cal., a wholly owned subsidiary of Canadian brewer John Labatt Ltd. (which holds the Canadian brewing rights to Budweiser). The Master Cellars brands now are distributed for on-premise consumption only in Denver and a few nearby ski-resort markets and in a crescent around San Francisco.

With no package-goods sales for Master Cellars, A-B has done no real advertising for the brand, although the line has been assigned to Adamson Advertising, St. Louis.

Moving the wine unit under the brewing operations' wing gives it more direct access to A-B's formidable distribution system and facilitates expanding availability. What has kept A-B the nation's leading brewer has been the strength of its on-premise visibility. Expanded distribution of Master Cellars would further A-B's effort to become a full-line supplier to taverns, making it a distributor of wine as well as beer and its Eagle snack-food line.

The company wouldn't discuss

(Continued on Page 94)

Newspaper Ad Linage

July 1984 vs. July 1983

AKRON, OH

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Beacon Journal (E)	1,383,639	248,010	1,541,914	288,344
Beacon Journal (S)	1,111,873	160,076	906,262	98,098
Grand Total	2,495,512	408,086	2,448,176	386,442

NOTE: Part run figures supplied by publisher to Media Records.

*ATLANTA, GA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Constitution (M)	2,783,760	444,637	2,527,497	440,531
Journal (E)	2,887,661	473,449	2,519,597	440,396
Journal & Constitution (S)	2,540,380	809,009	2,281,360	581,699
Journal & Constitution (Sat)	649,269	——	653,763	——
Grand Total	8,861,070	1,727,095	7,982,217	1,462,626

NOTE: Constitution Morning and Journal Evening published five days a week only

Constitution Morning, Journal Evening, Journal & Constitution Saturday and Sunday changed from an eight column width (2408 lines per page) to a six column width (1806 lines per page) effective April 30, 1984

*BALTIMORE, MD

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
News-American (S)	614,360	9,584	561,391	75,816
News-American (E)	707,658	42,912	814,844	191,240
Sun (M)	1,840,653	43,307	1,698,290	120,374
Sun (E)	1,470,765	47,176	1,628,102	120,072
Sun (S)	2,658,472	75,736	2,298,958	——
Grand Total	7,291,908	218,715	7,001,585	507,502

NOTE: Sun Morning and Sun Evening started publication of a combined Saturday edition effective March 24, 1984. The linage is shown only in the Sun Morning

News-American Sunday and Evening changed from a nine column (2700 lines per page) width to a six column (1806 lines per page) width, and Sun Morning, Evening and Sunday changed from a nine column (2664 lines per page) width to a six column (1764 lines per page) width effective July 1, 1984

*BERGEN COUNTY, NJ

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Record (E)	2,261,225	356,599	1,957,603	351,684
Record (S)	2,217,174	324,120	2,037,091	422,872
Grand Total	4,478,399	680,719	3,994,694	774,556

NOTE: Record Evening published five days a week only

Record Evening and Sunday changed from a nine column (2646 lines per page) width to a six column (1764 lines per page) width effective July 1, 1984

*BOSTON, MA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Herald (M)	738,349	——	642,478	——
Herald (S)	269,211	256,928	400,148	76,844
Globe (M)	2,290,513	91,828	2,167,456	104,608
Globe (S)	3,255,116	161,628	2,739,455	180,272
Grand Total	6,553,189	510,384	5,949,537	361,724

NOTE: Globe changed from All Day publication to morning publication effective April 2, 1984

Herald Morning and Sunday changed from a seven column (1400 lines per page) tabloid width, to a five column (980 lines per page) tabloid width effective July 1, 1984. Globe Morning and Sunday changed from a nine column (2700 lines per page) width to a six column (1764 lines per page) width effective July 2, 1984

BOULDER, CO

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Camera (M)	1,655,444	——	3,358,922	——
Camera (S)	862,988	——	2,535,568	——
Grand Total	2,518,432	——	5,894,490	——

NOTE: Figures supplied by publisher to Media Records

*BUFFALO, NY

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
News (AD)	1,934,898	330,546	1,812,617	253,892
News (S)	881,007	389,472	963,450	129,564
Grand Total	2,815,905	720,018	2,776,067	383,456

NOTE: News All Day and Sunday changed from a nine column width (2772 lines per page) to a six column width (1848 lines per page) effective May 1, 1984

*CAMDEN, NJ

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Courier-Post (E)	1,548,684	204,511	1,467,660	122,538
Courier-Post (S)	840,729	52,528	801,289	24,472
Grand Total	2,389,413	257,039	2,268,949	147,010

NOTE: Courier-Post Evening and Sunday changed from a six column (1800 lines per page) width to a six column (1806 lines per page) width effective May 1, 1984

CHARLOTTE, NC

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
News (E)	1,094,420	——	1,021,474	——
Observer (M)	1,635,829	402,418	1,542,888	407,005
Observer (S)	1,141,425	703,706	1,014,025	479,483
Grand Total	3,871,674	1,106,124	3,578,387	886,488

NOTE: News Evening published five days a week only

*CHICAGO, IL

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Tribune (Ad)	1,840,063	2,193,128	1,860,358	2,187,807
Tribune (S)	2,105,594	997,151	1,696,940	741,505
Sun-Times (M)	1,986,940	842,670	2,137,054	853,568
Sun-Times (S)	915,680	432,829	762,862	512,969
Grand Total	6,848,277	4,465,778	6,457,214	4,295,849

NOTE: Sun Times Morning and Sunday changed from a six column (1200 lines per page) width tabloid to a five column (980 lines per page) width tabloid effective July 2, 1984

*CINCINNATI, OH

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Enquirer (M)	2,248,691	114,374	2,162,626	109,280
Enquirer (S)	1,754,591	108,904	1,538,767	100,920
Post (E)	899,935	149,692	865,282	116,192
Grand Total	4,903,217	372,970	4,566,675	326,392

NOTE: Enquirer Morning and Sunday and Post Evening changed from a six column (1800 lines per page) width to a six column (1806 lines per page) width effective July 1, 1984

*CLEVELAND, OH

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Plain Dealer (M)	2,503,764	393,557	2,624,393	350,586
Plain Dealer (S)	1,761,234	89,669	1,549,382	65,386
Grand Total	4,264,998	483,226	4,173,775	415,972

NOTE: Plain Dealer Morning and Sunday changed from a nine column (2700 lines per page) width to a six column (1806 lines per page) width effective July 1, 1984

*DALLAS, TX

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
News (M)	6,014,979	225,134	5,253,955	297,737
News (S)	3,878,821	170,838	3,078,956	292,109
Times-Herald (AD)	5,138,601	237,932	4,317,866	151,703
Times-Herald (S)	2,821,481	629,101	2,480,323	157,062
Grand Total	17,853,882	1,263,005	15,131,100	898,611

NOTE: News Morning and Sunday changed from a nine column (2700 lines per page) width to a six column (1764 lines per page) width, and Times Herald All Day and Sunday changed from a nine column (2709 lines per page) width to a six column (1806 lines per page) width effective July 1, 1984

*DENVER, CO

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Rocky Mountain News (M)	5,497,023	13,532	5,551,001	——
Rocky Mountain News (S)	1,591,111	——	1,374,510	——
Post (M)	3,176,581	149,934	3,093,736	146,412
Post (S)	2,568,906	58,552	2,390,548	4,864
Grand Total	12,833,621	222,018	12,409,795	151,276

NOTE: Rocky Mountain News Morning and Sunday changed from a seven column (1365 lines per page) width tabloid to a five column (980 lines per page) width tabloid, and Post Morning and Sunday changed from a nine column (2772 lines per page) width to a six column (1848 lines per page) width effective July 1, 1984

*DETROIT, MI

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Free Press (M)	1,711,834	659,699	1,628,633	784,439
Free Press (S)	810,997	215,249	765,920	187,912
News (AD)	2,336,907	398,719	2,273,110	434,711
News (S)	1,663,711	235,888	1,497,131	175,764
Grand Total	6,523,449	1,509,555	6,164,794	1,582,826

NOTE: Free Press Morning and Sunday changed from a nine column (2736 lines per page) width to a six column (1830 lines per page) width, and News All Day and Sunday changed from a nine column (2808 lines per page) width to a six column (1872 lines per page) width effective July 1, 1984

*ERIE, PA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Times (E)	1,245,871	23,440	1,087,084	4,544
Times-News (S)	1,130,089	186,316	1,070,105	43,640
Grand Total	2,375,960	209,756	2,157,189	48,184

NOTE: Times Evening and Times-News Sunday changed from a nine column (2709 lines per page) width to a six column (1806 lines per page) width effective April 1, 1984

*FORT WAYNE, IN

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Journal Gazette (M)	1,366,103	——	1,382,816	——
Journal Gazette (S)	938,726	——	840,801	——
News Sentinel (E)	1,653,524	——	1,622,175	——
Grand Total	3,958,353	——	3,845,732	——

NOTE: Journal Gazette Morning and Sunday and News Sentinel Evening changed from a nine column (2790 lines per page) width to a six column (1848 lines per page) width effective July 1, 1984
Part run figures not available

GREENWICH/STAMFORD, CT

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Time (E)	1,287,177	——	1,350,420	——
Time (S)	637,878	——	613,078	——
Advocate (E)	1,558,888	——	1,785,590	26,796
Advocate (S)	658,018	——	634,907	——
Grand Total	4,141,961	——	4,383,995	26,796

*HARTFORD, CT

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Courant (M)	2,221,065	498,746	2,178,906	373,791
Courant (S)	1,558,590	1,662,214	1,351,256	1,023,865
Grand Total	3,779,655	2,160,960	3,530,162	1,397,656

NOTE: Courant Morning and Sunday changed from a nine column (2700 lines per page) width to a six column (1806 lines per page) width effective July 1, 1984

*HONOLULU, HI

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Advertiser (M)	2,318,352	——	2,462,013	——
Star-Bulletin (E)	2,278,537	——	2,244,938	——
Star-Bulletin & Advertiser (S)	1,566,262	——	1,520,361	——
Grand Total	6,163,151	——	6,227,312	——

NOTE: Advertiser Morning, Star-Bulletin Evening, and Star-Bulletin & Advertiser Sunday changed from a nine column (2709 lines per page) width to a six column (1806 lines per page) width effective July 1, 1984

*HOUSTON, TX

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Chronicle (AD)	6,288,647	418,561	6,383,645	466,384
Chronicle (S)	2,870,922	395,295	2,452,657	454,421
Post (M)	3,766,637	359,276	4,932,747	393,994
Post (S)	1,471,033	399,516	1,437,687	427,408
Grand Total	14,397,239	1,572,648	15,206,736	1,742,207

NOTE: Chronicle All Day and Sunday changed from a nine column (2700 lines per page) width to a six column (1806 lines per page) width effective July 2, 1984, and Post Morning and Sunday changed from a nine column width (2655 lines per page) to a six column width (1764 lines per page) effective July 1, 1984

*LONG BEACH, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Press Telegram (M)	1,761,621	——	1,773,646	——
Press Telegram (S)	971,610	——	802,479	——
Grand Total	2,733,231	——	2,576,125	——

NOTE: Press Telegram Morning and Sunday changed from an eight column (2408 lines per page) width to a six column (1806 lines per page) width effective July 1, 1984

LONG ISLAND, NY

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Newsday (E)	2,838,431	644,336	2,649,760	626,349
Newsday (S)	1,526,319	868,936	1,498,964	1,049,494
Grand Total	4,364,750	1,513,272	4,148,724	1,675,843

*LOS ANGELES, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Times (M)	5,051,179	3,565,964	4,550,127	3,337,054
Times (S)	3,727,480	1,594,173	3,013,235	1,573,550
Herald-Examiner (M)	898,080	246,956	873,706	224,286
Herald-Examiner (S)	287,899	113,964	272,489	67,690
Grand Total	9,964,638	5,521,057	8,709,557	5,202,580

NOTE: Times Morning and Sunday changed from an eight column width (2400 lines per page) to a six column width (1806 lines per page) effective July 2, 1984 and Herald-Examiner Morning and Sunday changed from an eight column width (2240 lines per page) to a six column width (1680 lines per page) effective July 1, 1984

*LOS ANGELES/SAN FERNANDO VALLEY, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
News (M)	3,112,299	295,263	2,836,900	282,445
News (S)	1,469,237	28,464	1,195,179	98,912
Grand Total	4,581,536	323,727	4,032,079	381,357

NOTE: News Morning and Sunday changed from an eight column width (2400 lines per page) to a six column width (1764 lines per page) effective July 2, 1984

LOS ANGELES/TORRANCE

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Breeze (E)	1,967,994	——	1,656,662	——
Breeze (S)	936,096	——	931,364	——
Grand Total	2,904,090	——	2,588,026	——

NOTE: Figures supplied by publisher to Media Records
Breeze Evening and Sunday changed from an eight column (2408 lines per page) width to a six column width (1806 lines per page) effective July 1, 1984

LOUISVILLE, KY

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Courier Journal (M)	1,496,698	259,182	1,396,080	190,008
Times (E)	1,484,084	469,770	1,386,056	420,420
Courier Journal (S)	1,705,214	5,096	1,494,598	7,448
Grand Total	4,685,996	734,048	4,276,734	617,876

NOTE: Figures supplied by publisher to Media Records

MACON, GA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Telegraph & News (M)	911,736	273,084	773,402	211,988
Telegraph & News (S)	556,164	237,720	496,552	97,272
Grand Total	1,467,900	510,804	1,269,954	309,260

NOTE: Figures supplied by publisher to Media Records. 1983 figures are converted to a six column format as supplied by publisher
Telegraph & News Morning and Sunday changed from an eight column width (2408 lines per page) to a six column width (1806 lines per page) effective July 1, 1984. Telegraph Morning and News Evening combined into one Morning publication the Telegraph & News effective September 6, 1983

MIAMI, FL

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Herald (M)	2,323,557	——	2,258,365	——
Herald (S)	1,563,316	——	1,542,691	——
News (E)	1,073,931	——	1,138,642	——
Grand Total	4,960,804	——	4,939,698	——

NOTE: Part run figures not available

MINNEAPOLIS, MN

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Star & Tribune (AD & Sat)	1,780,223	311,242	1,740,545	144,536
Star & Tribune (S)	2,231,471	20,776	1,901,589	3,192
Grand Total	4,011,694	332,018	3,642,134	147,728

NOTE: 1983 figures supplied by publisher to Media Records. 1983 part run daily is TMC and Community linage only. 1983 part run Sunday is Country linage only

*NASHVILLE, TN

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Banner (E)	1,426,454	325,984	1,312,654	281,968
Tennessean (M)	1,445,881	325,984	1,371,983	281,968
Tennessean (S)	1,169,404	356,904	977,137	280,140
Grand Total	4,041,739	1,008,872	3,661,774	844,076

NOTE: Banner Evening and Tennessean Morning and Sunday changed from a six column (1800 lines per page) format to a six column (1806 lines per page) format effective July 1, 1984

*NEW YORK, NY

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Times (M)	2,410,987	320,297	2,333,718	290,207
Times (S)	3,320,615	1,385,726	2,985,812	1,436,793
News (M)	1,007,251	1,564,822	1,018,710	1,301,398
News (S)	570,201	1,034,966	550,029	1,107,570
Post (AD)	984,389	——	870,820	
Grand Total	8,293,443	4,305,811	7,759,089	4,135,968

NOTE: Times Morning and Sunday changed from a nine column width (2700 lines per page) to a six column width (1764 lines per page). News morning and Sunday changed from a six column width tabloid (1200 lines per page) to a six column width tabloid (1176 lines per page), and Post All Day changed from a seven column width tabloid (1400 lines per page) to a five column width tabloid (980 lines per page) effective July 2, 1984

*NEWARK, NJ

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Star Ledger (M)	3,550,829	108,632	3,058,417	104,101
Star Ledger (S)	3,200,922	293,880	2,753,617	260,604
Grand Total	6,751,751	402,512	5,812,034	364,705

NOTE: Star Ledger Morning and Sunday changed from a nine column (2835 lines per page) format to a six column (1788 lines per page) format effective July 1, 1984

*OAKLAND, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Tribune (M)	1,487,879	387,295	1,436,231	240,683
Tribune (S)	865,986	328,500	899,255	208,792
Grand Total	2,353,865	715,795	2,335,486	449,475

NOTE: Tribune Morning and Sunday changed from an eight column width (2408 lines per page) to a six column width (1806 lines per page) effective July 2, 1984

*ORANGE COUNTY, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Register (AD)	4,908,036	1,038,046	4,720,609	605,740
Register (S)	2,453,505	42,688	2,118,473	6,240
Grand Total	7,361,541	1,080,734	6,839,082	611,980

NOTE: Register All Day and Sunday changed from an eight column width (2408 lines per page) to a six column width (1806 lines per page) effective July 1, 1984

*ORLANDO, FL

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Sentinel (AD)	3,202,739	291,286	3,069,257	168,904
Sentinel (S)	1,327,606	296,784	1,133,069	189,932
Grand Total	4,530,345	588,070	4,202,326	358,836

NOTE: Sentinel All Day and Sunday changed from an eight column width (2352 lines per page) to a six column width (1764 lines per page) effective July 1, 1984. Part run totals do not include County Sentinel and Sentinel Bonus linage

*PHILADELPHIA, PA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Inquirer (M)	2,069,631	492,757	1,831,085	430,510
Inquirer (S)	2,014,128	353,762	1,730,052	302,351
News (E)	1,066,578	71,588	985,054	21,600
Grand Total	5,150,337	918,107	4,546,191	754,461

NOTE: Inquirer Morning and Sunday changed from a six column (1860 lines per page) width to a six column (1872 lines per page) width effective January 1, 1984

PHOENIX, AZ

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Arizona Republic (M)	3,474,576	61,992	2,995,342	83,020
Arizona Republic (S)	1,997,170	——	1,472,758	
Gazette (E)	3,393,544	63,406	2,916,662	85,960
Grand Total	8,865,290	125,398	7,384,762	168,980

NOTE: Figures supplied by publisher to Media Records. 1983 figures are converted to a six column format as supplied by publisher

Arizona Republic Morning and Sunday and Gazette Evening changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective August 29, 1983

PORTLAND, OR

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Oregonian (AD&S)	4,033,918	——	3,826,130	
Grand Total	4,033,918	——	3,826,130	

NOTE: Figures supplied by publisher to Media Records

Oregonian All Day and Sunday changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective July 1, 1984. Figures are converted to a six column format as supplied by publisher

PROVIDENCE, RI

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Bulletin (E)	785,442	480,718	787,164	351,106
Journal (M)	970,648	218,792	954,646	168,658
Journal (S)	972,594	141,414	778,946	76,538
Grand Total	2,728,684	840,924	2,520,756	596,302

NOTE: Bulletin Evening and Journal Morning have a combined Saturday edition. The linage is shown only in the Journal Morning

Bulletin Evening and Journal Morning and Sunday changed from a nine column (2700 lines per page) width to a six column (1806 lines per page) width effective July 1, 1984. Figures supplied by publisher to Media Records. 1983 figures are converted to a six column format as supplied by publisher

*ROCHESTER, NY

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Democrat & Chronicle (M)	1,587,637	162,791	1,498,971	69,345
Democrat & Chronicle (S)	1,261,631	197,826	1,147,314	118,516
Times Union (E)	1,445,366	217,033	1,301,693	52,473
Grand Total	4,294,634	577,650	3,947,978	240,334

NOTE: Democrat & Chronicle Morning and Sunday and Times Union Evening changed from a nine column width (2700 lines per page) to a six column width (1806 lines per page) format effective June 25, 1984

Note: Times Union evening published five days a week only

SACRAMENTO, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Bee (M&S)	5,873,826	246,503	6,205,654	——
Grand Total	5,873,826	246,503	6,205,654	——

NOTE: 1983 figures supplied by publisher to Media Records

Bee Morning and Sunday changed from a nine column (2646 lines per page) width to a six column (1764 lines per page) width effective July 1, 1964

ST. LOUIS, MO

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Post Dispatch (M)	2,135,270	544,845	1,465,092	201,117
Post Dispatch (S)	2,607,638	——	2,108,635	——
Grand Total	4,742,908	544,845	3,573,727	201,117

NOTE: Figures supplied by publisher to Media Records. Post Dispatch changed from Evening publication to Morning publication effective February 27, 1984

Post Dispatch Evening and Sunday changed from a nine column width (2709 lines per page) to a six column width (1890 lines per page) effective August 1, 1983

*ST. PAUL, MN

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Pioneer Press (M)	1,195,386	——	1,154,132	——
Pioneer Press (S)	1,481,652	——	1,279,356	——
Dispatch (E)	1,196,940	——	1,137,478	——
Grand Total	3,873,978	——	3,570,966	——

NOTE: Pioneer Press Morning and Sunday and Dispatch Evening changed from a six column (1782 lines per page) format to a six column (1764 lines per page) format effective July 1, 1984

Note: Pioneer Press Morning and Dispatch Evening have a combined Saturday edition. The linage is shown only in the Dispatch evening. Part run figures not available

*SAN ANTONIO, TX

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Express (M)	2,411,569	313,182	2,440,163	233,876
Express-News (S)	1,809,438	290,868	1,583,519	359,836
Express-News (Sat)	839,359	——	838,912	——
News (E)	2,234,700	167,772	2,091,961	194,576
Light (E)	2,284,044	414,017	2,212,860	229,401
Light (S)	1,690,626	393,492	1,505,713	304,262
Light (Sat)	638,051	——	729,077	——
Grand Total	11,907,787	1,579,331	11,402,205	1,321,951

NOTE: News Evening and Light Evening published five days a week only

Express Morning, Express-News Sunday and Saturday News Evening, and Light Evening Sunday and Saturday changed from a nine column width (2709 lines per page) to a six column width (1806 lines per page) effective June 1, 1984

*SAN DIEGO, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Union (M)	3,409,740	147,532	3,288,810	276,656
Union (S)	2,179,535	——	1,910,987	6,800
Tribune (E)	3,518,852	154,860	3,392,822	273,156
Grand Total	9,108,127	302,392	8,592,619	556,612

NOTE: Union Morning and Sunday and Tribune Evening changed from an eight column (2408 lines per page) width to a six column (1806 lines per page) width effective July 2, 1984

*SAN FRANCISCO, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Chronicle (M)	2,337,574	776,134	2,158,952	866,057
Examiner (E)	2,297,235	817,885	2,112,685	859,981
Examiner & Chronicle (S)	1,507,260	376,492	1,316,441	388,896
Grand Total	6,142,069	1,970,511	5,588,078	2,114,934

NOTE: Chronicle Morning, Examiner Evening and Examiner & Chronicle Sunday changed from an eight column width (2408 lines per page) to a six column width (1806 lines per page) effective July 2, 1984

*SAN JOSE, CA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Mercury News (AD)	5,295,610	447,702	4,747,841	462,087
Mercury News (S)	2,582,450	——	2,359,382	25,960
Grand Total	7,878,060	447,702	7,107,223	488,047

NOTE: Mercury News All Day and Sunday changed from an eight column width (2408 lines per page) to a six column width (1788 lines per page) effective July 1, 1984

Note: Mercury Morning and News Evening combined to one edition, Mercury News All Day effective August 29, 1983. The Mercury Morning 1983 linage is reported in the Mercury News All Day listing

Prior to August 29, 1983 the Mercury Morning and News Evening had a combined Saturday edition, with the figures shown in the Mercury Morning

*SHREVEPORT, LA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Journal (E)	1,444,297	81,520	1,361,485	42,800
Times (M)	1,858,704	168,756	1,852,106	78,224
Times (S)	1,251,387	133,976	1,124,795	188,852
Grand Total	4,554,388	384,252	4,338,386	309,876

NOTE: Journal Evening and Times Morning and Sunday changed from a nine column (2709 lines per page) width to a six column (1806 lines per page) width effective April 30, 1984

STATE COLLEGE, PA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Centre Times (E)	873,908	50,568	832,510	37,632
Centre Times (S)	544,068	——	449,008	——
Grand Total	1,417,976	50,568	1,281,518	37,632

NOTE: Figures supplied by publisher to Media Records

*SYRACUSE, NY

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Herald Journal (E)	1,521,349	311,571	1,477,630	228,068
Herald American (S)	1,043,973	341,255	975,288	223,048
Post-Standard (M)	1,286,514	334,680	1,205,350	303,936
Grand Total	3,851,836	987,506	3,658,268	755,052

NOTE: Herald Journal Evening, Herald American Sunday, and Post Standard Morning changed from a nine column (2727 lines per page) width to a six column (1806 lines per page) width effective July 1, 1984

TAMPA, FL

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Tribune (AD)	3,409,176	1,248,028	3,205,511	816,524
Tribune (S)	2,528,395	850	1,945,971	——
Grand Total	5,937,571	1,248,878	5,151,482	816,524

NOTE: Figures supplied by publisher to Media Records. Comics linage is not included

Tribune All Day and Sunday changed from a nine column (2835 lines per page) width to a six column (1890 lines per page) width effective July 1, 1984

TOLEDO, OH

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Blade (E)	1,084,986	——	1,120,728	——
Blade (S)	1,106,000	——	811,384	——
Grand Total	2,190,986	——	1,932,112	——

NOTE: Figures supplied by publisher to Media Records

Blade Evening and Sunday changed from a nine column width (2772 lines per page) to a six column width (1848 lines per page) effective April 2, 1984

TORONTO, CANADA

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Sun (M)	1,871,137	——	1,704,203	——
Sun (S)	589,891	21,096	591,037	9,360
Globe & Mail (M)	2,583,531	184,258	1,994,792	292,218
Grand Total	5,044,559	205,354	4,290,032	301,578

*WASHINGTON, DC

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Post (M)	4,696,148	451,559	4,688,186	523,180
Post (S)	2,803,465	398,984	2,457,917	222,268
Grand Total	7,499,613	850,543	7,146,103	745,448

NOTE: Post Morning and Sunday changed from a nine column (2781 lines per page) width to a six column (1848 lines per page) width effective July 1, 1984

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Alexandria Journal (M)	849,087	4,768	873,992	13,280
Prince George's Journal (M)	754,347	——	808,224	——
Montgomery Journal (M)	762,958	2,536	867,732	17,936
Fairfax Journal (M)	880,217	11,316	867,422	13,280
Arlington Journal (M)	869,818	7,304	888,653	13,280

NOTE: Alexandria Journal Morning, Prince George's Journal Morning, Montgomery Journal Morning, Fairfax Journal Morning, and Arlington Journal Morning published five days a week only, and changed from a nine column (2709 lines per page) width to a six column (1806 lines per page) width effective July 2, 1984

WEST PALM BEACH, FL

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Post (M)	2,462,628	394,492	2,275,098	317,604
Times (E)	1,913,758	50,344	1,736,014	20,258
Post (S)	1,802,682	178,234	1,714,706	123,522
Grand Total	6,179,068	623,070	5,725,818	461,384

NOTE: Figures supplied by publisher to Media Records

Times evening published five days a week only

*WESTCHESTER ROCKLAND, NY

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Reporter Dispatch (E)	1,106,257	181,159	1,143,509	109,665
Reporter Dispatch (S)	892,463	178,472	985,352	137,748
Grand Total	1,998,720	359,631	2,128,861	247,413

NOTE: Reporter Dispatch Evening and Sunday changed from an eight column width (2400 lines per page) to a six column width (1806 lines per page) effective June 25, 1984

WICHITA, KS

	1984 Full Run	1984 Part Run	1983 Full Run	1983 Part Run
Eagle-Beacon (M)	1,688,488	——	1,682,913	——
Eagle-Beacon (S)	1,056,193	——	899,575	——
Grand Total	2,746,681	——	2,582,488	——

NOTE: Part run figures not available

Source: Media Records

Linage figures have been provided by Media Records for the exclusive publication of Advertising Age. They may not be reprinted or published in any form without explicit permission from Media Records. All newspapers represented are subscribers to Media Records. For those newspapers that subscribe to Media Records National Advertising Report Service, total advertising linage shown were provided by the newspaper to Media Records and included in this compilation.

CONVERSION METHODOLOGY

Due to the introduction of the SAU 6 column format, Media Records applies the following conversion methodology to report comparable figures (1984 month vs. 1983 data) for newspapers that changed column formats in 1984. These newspapers are indicated with an asterisk (*).

7 column tabloids which have adopted a 5 column tabloid format are converted back to the original 7 column formats.

8 column broadsheet standards which have adopted a 6 column broadsheet standard format are converted back to the original 8 column formats.

9 column broadsheet standards which have adopted a 6 column broadsheet standard format are converted back to the original 9 column formats.

6 column broadsheet standards or tabloids which have a slight depth change in 1984 but did not change column format are converted back to original depth.

Ad pages in farm publications for 9 months, 1984-83

Third-quarter figures for U.S. and Canadian publications reporting to Advertising Age

Canadian

	Pages			
	July-Sept. 1984	July-Sept. 1983	Jan.-Sept. 1984	Jan.-Sept. 1983
Country Guide:				
Eastern Edition	94.8	112.4	380.5	388.1
National Edition	175.4	202.6	733.4	773.3
Western Edition	129.2	135.2	516.3	497.6
Le Bulletin des Agriculteurs	159.8	177.0	597.7	571.4
Total Group	**559.2**	**627.2**	**2,227.9**	**2,230.4**
% change	**−10.8%**		**−0.1%**	

Dairy & livestock

	Pages			
	July-Sept. 1984	July-Sept. 1983	Jan.-Sept. 1984	Jan.-Sept. 1983
Beef Magazine A.	195.8	192.2	578.9	611.1
Beefweek B.	335.9	182.3	642.1	419.5
The Cattleman	308.2	307.6	972.1	976.7
Dairy Herd Management	80.1	154.7	347.2	446.1
Drovers Journal (52X) A.	395.3	426.5	992.9	889.4
Farm Progress Hog Producer	18.9	31.2	65.7	86.6
Feedlot Management	64.6	105.4	207.5	269.6
Florida Cattleman	217.6	243.3	675.0	682.2
Hoards Dairyman (23X) A.	160.0	183.4	596.9	675.4
Hog Farm Management	63.6	80.4	232.3	311.3
National Hog Farmer	160.2	185.1	559.2	648.3
Pig American	49.1	57.9	170.0	195.2
Pork '84	53.8	53.9	219.2	172.6
Southern Beef Producer (8X)	42.7	34.7	122.2	95.0
Southern Hog Producer (6X) A.	9.8	10.8	40.2	49.6
Sunbelt Dairyman (6X)	18.1	20.6	48.5	50.3
Dairy	66.8	72.7	239.8	254.4
Western Livestock Journal Weekly:				
Central Edition	90.4	84.7	295.4	299.6
Western Edition	115.1	113.9	321.7	327.8
Western Livestock Reporter/-Montwyo News (52X)	87.7	152.0	376.3	638.0
Total Group	**2,533.7**	**2,693.3**	**7,703.1**	**8,098.7**
% change	**−5.9%**		**−4.9%**	

Fruit & vegetable

	Pages			
	July-Sept. 1984	July-Sept. 1983	Jan.-Sept. 1984	Jan.-Sept. 1983
American Fruit Grower	110.0	105.4	403.7	379.2
American Vegetable Grower	136.8	150.4	379.9	412.4
Citrus & Vegetable	143.5	118.7	425.6	361.5
The Grower	52.9	50.5	223.9	180.5
Total Group	**443.2**	**425.0**	**1,433.1**	**1,333.6**
% change	**+4.3%**		**+7.4%**	

General farm publications

	Pages			
	July-Sept. 1984	July-Sept. 1983	Jan.-Sept. 1984	Jan.-Sept. 1983
American Agriculturist	67.1	83.7	273.5	296.2
California Farmer (21X) A.	119.3	134.4	498.9	604.4
Citrus Industry	111.5	98.2	358.0	288.5
Farm Futures A.	42.7	51.4	245.3	252.7
Farm Industry News (10X)	78.2	82.0	387.1	299.7
Farm Journal (14X)	105.6	104.1	618.4	610.1
Farmer-Stockman Unit:				
Oklahoma Farmer-Stockman	42.4	45.4	130.2	132.4
Texas Farmer-Stockman	34.2	41.5	114.6	120.2
Harvest Publishing Unit				
Kansas Farmer (21X)	116.0	123.3	526.1	524.8
Michigan Farmer (21X)	153.1	144.1	490.4	529.4
Missouri Ruralist (21X)	135.4	120.5	561.8	579.9
Ohio Farmer (21X)	189.5	191.0	643.4	741.9
Pennsylvania Farmer (21X)	106.2	109.0	388.9	446.1
High Plains Journal:				
Eastern Kansas (52X)	514.5	574.2	1,749.7	1,795.9
Colorado	513.6	570.4	1,713.4	1,729.9
Nebraska	507.7	560.9	1,698.7	1,710.2
Oklahoma-Texas	536.5	576.6	1,761.9	1,788.3
Western Kansas	567.6	613.0	1,894.7	1,911.7
Irrigation Age (10X) A.	68.0	37.7	207.6	147.2
Kentucky Farmer	39.0	37.8	219.0	223.4
Lancaster Farming (52X)	1,320.0	1,222.3	4,091.4	3,930.9
Midwest Farm Paper Unit: (24X)				
The Farmer	234.3	224.8	921.3	979.9
Nebraska Farmer	370.2	330.1	1,162.3	1,139.8
Wallaces Farmer (24X) A.	271.8	346.7	920.2	1,025.0
Wisconsin Agriculturist (24X)	206.7	196.7	716.9	724.0
Pecan South (6X)	—	—	—	—
Progressive Farmer A.	126.2	111.6	568.4	529.3
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	—	—	101.8	144.5
Peanut Farmer (8X)	15.7	17.0	96.0	109.9
Successful Farming A.	93.1	99.6	553.4	554.1
Tennessee Farmer	25.6	27.5	118.1	137.9
Wyoming Farmer-Stockman	—	—	—	—
Western Unit Farm Magazines:				
Arizonia Farmer-Ranchman	68.2	72.2	271.0	247.3
Colorado Rancher & Farmer	84.0	95.5	357.7	336.2
Northwest Unit Farm Magazines: (24X)				
Idaho Farmer-Stockman	103.6	86.2	485.6	486.4
Montana Farmer-Stockman	149.9	167.6	694.7	703.5
Oregon Farmer Stockman	76.7	76.7	356.3	383.7
Utah Farmer-Stockman	71.6	52.7	314.5	333.7
Washington Farmer Stockman	86.3	79.3	385.6	399.2
Total Group	**7,352.0**	**7,505.7**	**26,596.8**	**26,898.2**
% change	**−2.0%**		**−1.1%**	

Poultry

	Pages			
	July-Sept. 1984	July-Sept. 1983	Jan.-Sept. 1984	Jan.-Sept. 1983
Broiler Industry	98.2	148.8	386.2	436.0
Poultry Digest	48.3	52.6	141.4	165.6
Poultry Tribune	58.6	56.0	200.1	223.2
Total Group	**205.1**	**257.4**	**727.7**	**824.8**
% change	**−20.3%**		**−11.8%**	

(X) Represents the number of times published each year; publications are monthly unless otherwise specified. A. Sectional linage included but prorated to circulation of regional editions. B. 1983 figures are comprised of a combination of 30-in. and 80-in. pages; 1984 figures are comprised of only 30-in. pages.

Ferber opens own publishing consultancy shop

New York—Sam Ferber has started his own business as a publisher's consultant, with offices at 200 W. 58th St., 10019.

Mr. Ferber formerly was a publisher of *Esquire* and a vp at Nadler & Larimer and Altman, Stoller & Weiss.#

Floral service cultivates ads

By TOM BAYER

The current test of four tv spots in Chicago for 800-FLOWERS Inc. is the beginning of a rollout designed to take the new telemarketing floral service national by the middle of 1985.

John Davis, general partner and vp-marketing of Irving, Tex.-based 800-FLOWERS, said the rollout will get the backing of a $12 million campaign by Chiat/Day, New York (AA, July 2). The campaign, which also will include radio, print and outdoor, aims to to expand the $3.5 billion cut-flower market, already growing at the rate of 10% annually.

The 800-FLOWERS budget represents a 50% increase in media spending for the entire floral industry, Mr. Davis said. It also represents a gutsy move on the part of investors who pooled 800-FLOWERS' startup $18 million last summer in a series of limited-partnership offerings.

Company president John Douglas, formerly president of Dallas-based Docutel/Olivetti, said the seed money has provided for the company's new administrative headquarters and telemarketing center, which will accommodate 600 operators.

According to Mr. Davis, 800-FLOWERS has no competition, although Florists Transworld Delivery Assn. (FTD), Teleflora Inc. and 800-FORLOVE already are well established in the national flowers-by-phone market.

These companies, he said, are clearinghouses that process payments between the sending and receiving florists.

By contrast, he said, 800-FLOWERS' trained "floral marketing representatives" take orders directly, along with credit-card information, delivery address and sentiment to be expressed on a card.

Staff florists keep the FMRs apprised of what's seasonal, what's new and what the 5,000 member florists have fresh in stock that day.

The minimum order via 800-FLOWERS is $30 including delivery charge.

The company's tv spots focus on the convenience of calling the toll-free 800-FLOWERS 24 hours a day for local delivery or delivery in another city and a replacement guarantee.

The spots are airing in Chicago, where they are to be supported by ads in *Chicago* magazine. Mr. Davis said the campaign rolls into Dallas-Fort Worth Oct. 18 with print support in *D* and *Texas Monthly*, beginning the national market-by-market rollout.#

We're Full Service in Los Angeles.

The next time business takes you to Los Angeles, take yourself to Le Parc, the fashionable full service hotel located conveniently between Hollywood and Beverly Hills that's become the inn of the industry.

Le Parc offers the business traveler a home-like setting. Each spacious suite features a sunken living room with fireplace, wet bar, kitchenette and private balcony.

Le Parc
hôtel de luxe

733 North West Knoll,
Los Angeles, CA 90069 • (213) 855-8888
(800) 421-4666, Nationwide • (800) 252-2152 in California

Remember the sweepstakes you ran that didn't get one single response and... you later found out that it was due to your address appearing in the ads as 0000 Main Street?

It just goes to show you that something that important can slip by—and has!

But it has never happened with us in the more than 25 years we've been running promotions, contests and sweepstakes.

Our total service approach of creating, producing and managing mistake-free promotions has enabled hundreds of our clients to reap the rewards of successful promotions.

So next time you're planning a promotion, give us a call at (516) 326-3666. You'll be surprised by the response you'll get.

SWEEPSTAKES•CONTESTS•GAMES
INCENTIVE PROGRAMS•UNIQUE PROMOTIONS
MARDEN-KANE INC.
Advertising's Promotion Partner for Over 25 Years
410 Lakeville Road, Lake Success, NY 11042. (516) 326-3666.
Also in New York, Boston, Chicago, Houston, Los Angeles, San Francisco and Canada.

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Thursday, October 18, 1984

Advertising Age®

The International Newspaper of Marketing

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Midweek News Summary

Diversifoods president Donald Smith proved his reputation for knowing a good opportunity when he sees it this week by heading an investor group that proposed a $525 million leveraged buyout of the company. *See Page 2.*

Time Inc. is expected to take firm control of Home Box Office, its troubled cable tv service, in the wake of the HBO chairman's resignation. *See Page 2.*

Chrysler Corp. is embarking on a network tv advertising strategy that will make it a multi-million-dollar investor in the production of made-for-tv movies. *See Page 2.*

Peter Nelson brings impeccable credentials to his new post as senior vp-marketing for McDonald's. But the $150 million question is, will he bring Big Mac back to his former agency, Needham Harper Worldwide? *See Page 3.*

Gannett and Times Mirror are breaking new ground by owning and operating a new kind of representative company that can sell all types of media. *See Page 3.*

Morning tv is dawning in more European markets. This year, it turned its first profit in the U.K., and the French government has decided to try it. *See Page 3.*

Volkswagen of America will push its new Jetta sedan and Golf coupe with some venerable ad lines, as the company tries to shed its image as the "Rabbit Car Co." *See Page 3.*

ABC and CBS each face sexual-harassment lawsuits that may challenge the Christine Craft case as a headline maker. *See Page 56.*

Prego is a sauce, but it's also a wine, and each is made by a different marketer. As store owners and customers know, the identity issue can be confusing. *See Page 56.*

DIRECT MARKETING

American consumers will spend $200 billion through mail and telephone order sales this year, according to a Simmons Market Research Bureau study. *See Page 6.*

FCB Direct/East, Foote, Cone & Belding's latest venture in direct marketing, opened for business last week. *See Page 7.*

Jordan soars for Nike deal

New strategy seen

By ROBERT RAISSMAN

Michael Jordan, the Chicago Bulls' rookie and captain of the U.S. men's Olympic basketball team, has been signed by Nike Inc. to the largest sneaker and sportswear deal ever given a professional basketball player.

Although Nike executives and Mr. Jordan's agent, David Falk, senior vp at ProServ, declined comment on the exact worth of the pact, sources said it is a five-year deal worth at least $2.5 million. That number does not include a long-term security package provided by Nike that Mr. Jordan will be able to draw on when he retires from basketball.

The endorsement deal is linked to a new-product introduction expected from Nike next spring. The product is the Air Shoe, which uses an innersole with air pockets. A separate sportswear line also is expected from Nike, and the ads and promotions for that line will feature Mr. Jordan.

The signing of Mr. Jordan also indicates a shift in Nike's strategy. Nike is expected to tone down its appeal to the running-shoe market and go head-to-head with Converse for the gym-shoe segment. The strategy is dictated by the leveling off of running shoe sales (AA, June 18).

"Our agreement with Nike hinged on getting marketing commitments that guaranteed Michael as being the preeminent basketball spokesman for Nike," Mr. Falk said. He said Nike originally planned to break a campaign featuring Mr. Jordan at Christmas, but it now is likely to break in the spring.

"Because of Michael's style of play—we like to call him a flier—he fits in well with the whole line of the shoe [Air Shoe] which is high tech," Mr. Falk said. "That's where the upper end of Nike's marketing strategy is going."

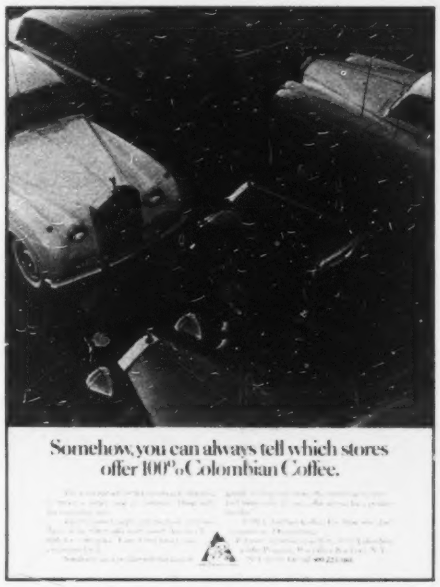
Robert Strasser, vp-marketing at Beaverton, Ore.-based Nike, could not be reached for comment.

Nike's decision to sign Mr. Jordan to such a lucrative deal further signals a new trend in the basketball-shoe market.

Although Nike may be spending heavily to sign Mr. Jordan, it and other shoe companies probably will spend less for basketball-player endorsements than in previous years.

In the past, almost every college player drafted in the first three rounds was guaranteed a deal

(Continued on Page 58)



Somehow, you can always tell which stores offer 100% Colombian Coffee.

Juan Valdez never had it so good. Prestige is the lure in the Colombian coffee federation's new trade and consumer advertising.

Coffee group brews new, tasteful image

By GAY JERVEY

The National Federation of Coffee Growers of Colombia is launching a campaign that will tout Colombian as the coffee of choice for those who expect only the very best, in everything from cars to cheese to chocolate.

A new print effort, created by Doyle Dane Bernbach and slated for this fall, will show an expensive shattered coffee cup, with the words "Luckily, the Colombian coffee hadn't been poured."

That tack—a direct descendant of ads DDB created for Chivas Regal—will accelerate during the first quarter of 1985, when the federation breaks additional print ads, as well as a tv campaign, along the same lines.

Such a move comes at a time when the coffee industry is doing all that it can to fight a 20-year erosion in consumption. Both individual roasters and their collective consortium, the National Coffee Assn., have inaugurated during the past year numerous new, revamped or strategically shifted products.

Their hope is to woo drinkers, particularly younger ones, who tend to opt for colas, white wine and other, usually decaffeinated cold drinks.

In fact, early next year NCA, supported by the Colombian federation and others, will break a new campaign, its first from McCaffrey &

(Continued on Page 58)

Cuts into ESPN sports slate

'Biz Times' grows

By SUSAN SPILLMAN

NEW YORK—"Business Times," the early-morning business show that airs on Entertainment & Sports Programming Network, will expand further into ESPN's sports schedule with a new, hour-long show on weekends.

"Wharton/Business Times Management Report" will air 9 a.m. to 10 a.m. (ET) Saturdays, beginning Oct. 27, and be repeated at 11 a.m. Sundays. "Business Times" will continue to air weekdays from 6 a.m. to 9 a.m. The new show will feature professors and experts from Wharton College of Business.

The decision to expand "Business Times" was made before Don Ohlmeyer and John Martin, chairman and president, respectively, of Ohlmeyer Communications were retained last month as consultants to ESPN as part of Nabisco Brands' $60 million purchase of 20% of the sports network (AA, Sept. 13).

However, with Messrs. Ohlmeyer and Martin on board, more programing changes are likely. Among the changes Mr. Martin would like to see are an upgrading of the network's nightly "Sports Center" news show, the introduction of daytime sports programs aimed at women and a new on-air promotional look.#

Presstime

Hunt-Wesson spends millions to push tomatoes

FULLERTON, CAL.—Beatrice Cos.' Hunt-Wesson Foods will launch a multi-million-dollar print campaign next month in women's magazines. The ads will focus on whole tomatoes, tomato sauce and tomato paste. The campaign, through Ketchum Advertising/San Francisco, for the first time compares Hunt-Wesson's vine-ripened canned tomatoes to fresh produce.

Grey buys shop specializing in entertainment

NEW YORK—Grey Advertising has reached an agreement to purchase Charles Schlaifer & Co., an agency specializing in entertainment and motion picture advertising. The shop will be combined into Grey's leisure and entertainment division.

IBM rolls out new typewriter line

RYE BROOK, N.Y.—IBM Corp. has introduced a new line of electronic typewriters, the Selectric System/2000. New features include easy-to-use function keys and a "dictionary" that detects possible spelling errors as soon as a word is typed. The company also has unveiled two new letter-quality printers for its Personal Computer family. Doyle Dane Bernbach, New York, handles.

First ads prepared for Calvin wine cooler

BROOKLYN, N.Y.—Joseph Victori Wines over the next few weeks will launch its first ads for Calvin wine cooler, now available in 30 states. The radio spots by Shapiro Budrow Associates, New York, initially will run in 15 major markets. The theme will be "Wine is fine, but Calvin is cooler." Ad budget is $1.5 million.

(Continued on Page 2)

VW engineers push for

NEWSPAPER

AA
DC20014CONGL I
CONGRESSIONAL INFO SERVICE
SR I ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Chrysler out to wear movie-producer tag

By VERNE GAY

New York—Chrysler Corp. is embarking on a network tv advertising strategy that will include its participation as a multi-million-dollar investor in the production of made-for-tv movies.

Chrysler's new "five-year plan" will include co-production ventures for at least two tv movies per season, beginning in 1986. The tv movies, which will carry Chrysler as the exclusive automotive sponsor, are designed as hedges against anticipated network prime time price increases in the face of declining network audience shares. Also, the scheduling of the Chrysler tv movies will be pinned to launches of new Chrysler cars.

The Chrysler strategy is similar to efforts by such major advertisers as General Motors, General Electric and Hallmark Cards, which have produced their own network tv movies or miniseries.

The first Chrysler effort will be "Last Days of Patton," a tv movie sequel to the theatrical "Patton." Like the original, it will star George C. Scott.

The movie, to be carried in spring '86 on CBS, goes into production in January, with Chrysler and Entertainment Partners splitting the $8 million production and network clearance budget.

If successful, "Last Days of Patton" will be the first of several network tv movies that Chrysler will produce or co-produce. Kenyon & Eckhardt, Chrysler's agency, persuaded its client to earmark funds for two movies or miniseries for network play per year. A second movie or miniseries may be forthcoming in '86.

"To borrow a phrase from Stalin, we have a 'five-year plan' for Chrysler in which we hope to produce two movies per year," said Werner Michel, senior vp in charge of new program development at K&E. He added that K&E is exploring prime time tv vehicles for Ocean Spray and Massachusetts Mutual Insurance Co.

K&E persuaded Chrysler that the production avenue was the road to take in the face of anticipated 8% increases in the household cost-per-thousand rate for upfront network tv buys next season. K&E projects

(Continued on Page 58)

Subscriber growth slows, program costs high

Time to step in at HBO

By SUSAN SPILLMAN

New York—With last week's resignation of Frank Biondi, chairman of Home Box Office, parent Time Inc. is expected to take firm control of its troubled cable tv service, imposing staff cuts and renegotiating costly film deals (AA, Oct. 15).

HBO's problems stem from a continuing slowdown in subscriber growth and overextended programing commitments, estimated at nearly $1 billion.

Mr. Biondi left HBO Oct. 12, and three days later Time Inc. reported that for the second quarter in a row, pretax earnings of its video division had declined. In the second quarter, HBO's troubles caused a 3% decline, and in the third quarter they were off by 2.8%.

For the third quarter ending Sept. 30, Time's video group, which also includes Cinemax and American Television & Communications, had pretax income of $56 million, down from $57.6 million in the same period a year ago. Over-all, Time reported a 52% increase in third-quarter net income, thanks to strong performances by its magazines and book publishing.

F. Biondi

Any decline in the video group's pretax profit "is serious, because HBO contributes so much to Time Inc.'s bottom line," said Tony Hoffman, entertainment analyst at Cralin & Co. "When HBO sneezes, the whole company gets a cold."

According to Mr. Hoffman, HBO will add only 1 million new subscribers this year to its current 13.5 million, half the amount Mr. Biondi predicted.

Expecting more subscribers to offset its costs, HBO made a series of expensive movie deals. "Now HBO can't afford to pay so they're going back to the studios on bended knee," said Mr. Hoffman, "and the studios aren't sympathetic."

Along with trying to renegotiate these programing deals, HBO is expected to make significant staff cuts. But a company spokesperson would not confirm that.

Although Michael Fuchs, HBO's president and chief operating officer, will succeed Mr. Biondi as chief executive officer, he will retain his current title.#

Diversifoods offered buyout of $525 million

By JANET NEIMAN
and SCOTT HUME

Diversifoods president Donald Smith has a reputation for knowing a good opportunity when he sees it. His decision this week to head an investor group that proposed a $525 million leveraged buyout of Diversifoods appears in line with that reputation.

Mr. Smith is joined by Diversifoods' key management executives and more than 40 persons in middle-management posts, along with New York investment banker Allen & Co. in proposing the buyout.

Rumors that Pillsbury might be considering an unfriendly takeover of Diversifoods (which operates or subfranchises 377 Burger King units) have circulated for the past few weeks. A Diversifoods spokesman said of the Pillsbury rumors "no offers have been made [to Diversifoods] and none were anticipated."

But most industry analysts preferred to view the proposed buyout as an attempt by management to capitalize on Diversifoods' depressed stock price, rather than as a defense against outside acquisition.

However, Prudential-Bache analyst Michael Culp said he "would not be surprised" if the Smith group's $15.50 per share offer is topped by another buyout investor—not necessarily Pillsbury.

He noted that 90% of the capital for the Smith group's buyout would have to be financed, and obtaining the funds would be "no sure thing."

Pillsbury vice-chairman Winston Wallin told stockholders last month the company intends to increase its company-owned Burger King holdings from the current 14% to 20% (McDonald's owns 25% of its system), but he offered no time frame. The addition of Diversifoods' 267 Burger Kings (it subfranchises 110 more to other parties) would meet Pillsbury's goal.

Additionally, Burger King executives earlier this year expressed interest in starting or acquiring another restaurant concept, possibly a pizza chain (AA, April 2). Mr. Wallin said last month Pillsbury will "actively pursue our intention to diversify within the fast-food industry by acquiring a nonbeef-oriented business." Itasca, Ill.-based Diversifoods owns the 900-unit Godfather's pizza chain.

George Novello, vp at E.F. Hutton, New York, said Minneapolis-based Pillsbury is "looking at [the situation] very carefully," but he believes "the ideal thing" would be for Pillsbury to take over only the Diversifoods Burger King operations.

"It would be a lot of money to [acquire] the whole thing," he said. "They'd have to offer substantially more than $525 million, and they'd have to borrow to do it. It would be cheaper to take just the Burger King operations."#

Presstime

Haagen-Dazs adds McCann as finalist

Teaneck, N.J.—At the request of parent Pillsbury Co., Haagen-Dazs has added McCann-Erickson as a finalist for its account, sources say. Still under review are Doyle Dane Bernbach; Ketchum Advertising, and McCaffrey & McCall. Incumbent Advertising Management has dropped from the running.

Other late news

● New York—**Opti-Ray** is introducing Coppertone Sun Protectors line of sunglasses. Paul Anzalone Associates, Huntington, N.Y., handles.

● Endicott, N.Y.—**Endicott Johnson**, a footwear marketer, has named Silverman Mower as its broadcast agency and media buyer, succeeding HBM/Creamer, Pittsburgh. Syracuse-based Silverman Mower already handles print advertising for the company.

● Shawnee Mission, Kan.—**James Barickman**, a well known name in Kansas City, Mo., advertising circles, is returning to the area in the new post of chairman at Barkley & Evergreen. Mr. Barickman, who founded Barickman Advertising, Kansas City, in 1959, most recently was senior vp for business development, Doyle Dane Bernbach, New York.

● New York—**MCI Communications** is expected to announce Oct. 17 its plans to expand to Europe with its low-cost, long-distance telephone and electronic mail services. The $6 billion international long-distance telephone market is controlled by archrival AT&T. MCI's initial European markets are expected to include Belgium, Greece and the U.K.

● New York—**Cuisine** is increasing the size of its December issue, following advertisers' requests to appear in the monthly's last issue (AA, Oct. 8). It will now run 164 pages, the same as November's record issue. Publisher Anne Sutherland Fuchs and Peter Clancey, vp-advertising sales director, said they are considering offers both from parent CBS Magazines and from outside.

● New York—**Gil Spencer**, new editor at the *New York Daily News*, has revealed several management changes. Mr. Spencer termed the changes "a natural shifting of things." The shifts include: Robert Lane promoted to assistant to the editor from a newsroom administrative post, succeeding Robert Keene, who left; Madeline Rogers to the new post of editor-operations from assistant managing editor-features; Anthea Disney succeeds Ms. Rogers, from family/living editor, and Steve Yahn to business editor from deputy business editor at the *Philadelphia Daily News*, where Mr. Spencer was previously editor. Mr. Yahn replaces Brian Moss, who asked to be transferred within the *Daily News*. Mr. Yahn is a former editor of *Crain's Chicago Business*, a sister publication of Advertising Age.

● Dallas—**A U.S. circuit court of appeals** this week remanded to a lower court a complaint alleging that American Airlines and its president, Robert Crandall, broke antitrust laws by proposing in 1982 to rival Braniff International that both airlines hike their fares (AA, May 31, '82, *et seq.*). American plans to appeal the decision to the U.S. Supreme Court.

● San Diego—**Kaufman, Lansky & Baker** will merge with WFC's office here Nov. 10, creating the city's second-largest ad agency at $17 million in projected 1984 billings. The new agency will be known as WFC Advertising. There are no conflicts as a result of the merger. Kaufmann, Lansky may eventually merge with WFC's two other offices, in Phoenix and Tucson.

● Walnut Creek, Cal.—**Jacuzzi Whirlpool Bath** has named seven finalists for its $1 million-plus account, which leaves JWT, San Francisco, Nov. 30. The finalists are Allen & Dorward, San Francisco; D'Arcy MacManus Masius, San Francisco; Joel Goldstein, Santa Monica; Grey Advertising, San Francisco; McCann-Erickson, Los Angeles; Thorn Shepherd & Rogers, Phoenix, and Tycer Fultz Bellack, Palo Alto. A decision is expected within two months.

● **NEWSLINE: First Federal Savings & Loan Assn.**, Rochester, N.Y., is down to five ad agencies, including incumbent Wolff Associates, in its agency review, expected to end in mid-December. Ad budget reportedly is in the $4 million range. . .**Esquire's** December issue, introducing its *Esquire* Register of outstanding Americans under age 40 (AA, Jan. 9, *et seq.*), will be themed "The best of the new generation". . .**General Motors Corp.'s** Chevrolet division is boosting its motor sports program with a joint venture to develop a 2.6-liter V-6 for the Indianapolis 500. The new engine is designed to compete with power plants built by European companies like BMW and Renault. The joint venture is with the Roger Penske racing team and Ilmore Engineering, a British company. . .**Creative Programming**, New York, buoyed by its production of 15-minute "infomercials" for Goodyear and De Beers (AA, Oct. 15), is forming a CPI Infomercials division to produce such long-form informational program/commercials for advertisers. . .**Don Kamens** joins Hearst Magazines' *House Beautiful* as ad director, from the same post at *Natural History*, succeeding **Clifford Tallman Jr.**, who remains associate publisher.

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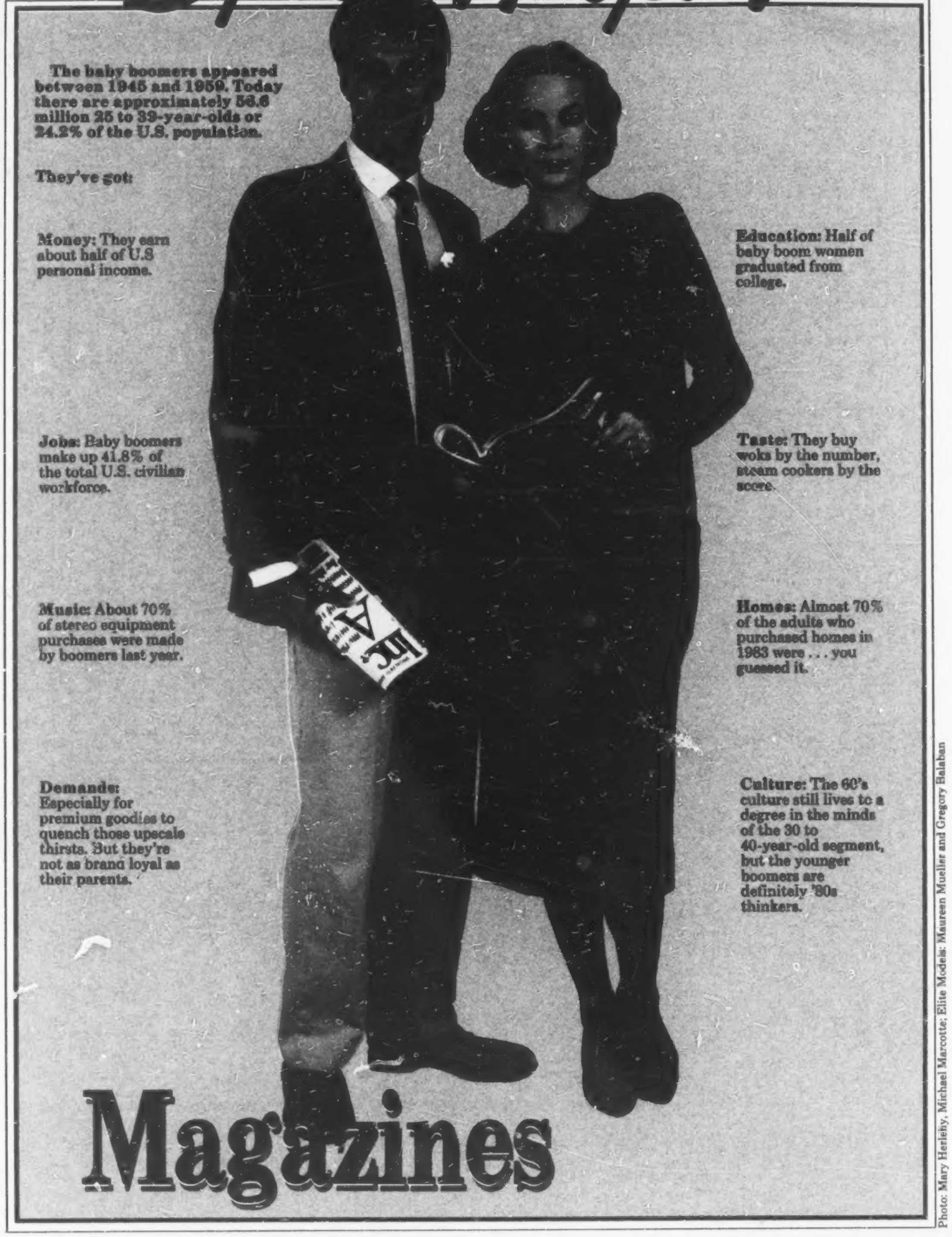
Special Report


The baby boomers appeared between 1945 and 1959. Today there are approximately 56.6 million 25 to 39-year-olds or 24.2% of the U.S. population.
They've got:
Money: They earn about half of U.S personal income.
Jobs: Baby boomers make up 41.8% of the total U.S. civilian workforce.
Music: About 70% of stereo equipment purchases were made by boomers last year.
Demands: Especially for premium goodies to quench those upscale thirsts. But they're not as brand loyal as their parents.
Education: Half of baby boom women graduated from college.
Taste: They buy woks by the number, steam cookers by the score.
Homes: Almost 70% of the adults who purchased homes in 1983 were . . . you guessed it.
Culture: The 60's culture still lives to a degree in the minds of the 30 to 40-year-old segment, but the younger boomers are definitely '80s thinkers.

Magazines

Photo: Mary Herlehy, Michael Marcotte; Elite Models: Maureen Mueller and Gregory Balaban

Getting a reading on the baby boom

By B.G. Yovovich

Magazine publishers take heed: Beware of the *Bride's* magazine syndrome.

For *Bride's*, the syndrome is a successful way of life. The typical reader is intensely interested in the magazine for the six months or year before her wedding, but she rapidly loses interest afterward and is replaced by someone from the next batch of brides-to-be.

In the case of other magazines —including publications such as *Architectural Digest, Esquire* and *Money* that have been some of the industry's biggest success stories recently—the syndrome will not be as obvious nor strike as swiftly, but, nonetheless, it may combine with changes in the much-discussed baby boom generation to force many magazine publishers to confront some knotty problems.

For example, when young adults are beginning careers and forming households, magazines such as *Architectural Digest, Esquire, Gentlemen's Quarterly, Glamour, Money, Savvy* and *Working Woman* can be invaluable sources of information. However, says Peter K. Francese, publisher of *American Demographics* magazine, "Over a period of years, a magazine like *Money* or *Architectural Digest* can outlive its usefulness for a particular reader."

Publishing consultant Christine D. Urban says, "Magazines like *Money, Self, Success, Working Woman* and *Esquire* are 'becoming' magazines. They are publications that readers go to in order to learn new ways of being, and, if the magazine does its job well, eventually its readers 'get there.' In a way, if the book is successful, it becomes obsolete."

Though *Bride's* has learned to live with this ebb and flow of readers, the phenomenon will present new challenges for those magazines whose audiences were swelled by the surge of baby boom generation readers who, during the past decade, began looking for magazines that would help them buy and decorate their first homes; embark on and manage their careers, and give them guidance on entering affluent lives.

For the most part, this type of "life management" magazine is a relatively new product, one fueled by the many social changes that have occurred in the past two decades.

"People have always gone through life cycles, but people today go through more of them than they did in the past," says Lillian Deitch, vp, Futures Group consulting company, Glastonbury, Conn. "We've added a few new ones. The baby boom generation added living independently from their parents before they got married. There is also the cohabitation mode, and we have the serial marriages, all of them different cycles to go through."

In particular, says Boston University marketing professor Mary Lou Roberts, "When people move from one role to another—when a student is just getting his or her first job, or a young person is getting married or setting up a cohabiting household—these role-transition periods tend to cause people to reach out and search for more information because they are not sure what they are doing."

Getting that information is not always easy, however. In the case of today's two-career households, for example, "The vast majority of the members of such households grew up in traditional households, and they are lacking in role models to help them establish their more contemporary kinds of households," says Ms. Roberts, who recently completed a study of dual-income families for Conde Nast.

(Continued on Page 12)

B.G. Yovovich is a frequent contributor to Special Report. He specializes in media topics.

Reading

(Continued from Page 11)

As a result, many magazines stepped in to fill these information gaps. Take the examples of *Esquire* and *Glamour*.

"There are so many more eligible people in that 25-to-35 age group that there is now a massive market for a magazine like *Esquire* and its counterpart, *Glamour*," Mr. Francese says.

In the case of *Glamour*, the magazine is "in the business of giving women advice on the kinds of things their mothers could never tell them about because their mothers don't know anything about them: Advice on how to live with a man; what are the legal ramifications of living with a person or what it means in terms of insurance and investments. They talk about how to have a satisfying career that doesn't conflict with your boyfriend's. How to break up with someone you have been living with. You don't go get a divorce. What do you do, just leave? How do you leave?

"The previous generation didn't do these things," Mr. Francese says. "You have a whole group of people who are living a life style that large numbers of people had never lived before.

"Women today have tremendous career opportunities and are living professional lives, but their mothers were housekeepers and don't have any advice for them."

Similarly, magazines such as *Savvy* and *Working Woman* stepped in to provide much-needed information regarding the new levels of women's involvement in the work force; personal finance magazines such as *Money* moved to provide guidance for those about to buy their first homes or make their first investments in the stock market, and magazines such as *Architectural Digest*, *Connoisseur* and *Gourmet* and other upscale life-style publications served as primers for those just beginning to enjoy the pleasures of affluent living.

Ms. Roberts points out that "it goes beyond magazines, that you can even see it in catalogs and catalog shopping, where certain catalogs are becoming the same sort of primers and are providing the same sort of insight and are confirming the expectations of what life ought to be like."

The more heightened sense of time constraints felt by this generation also has contributed to its turn to life-management publications.

In previous generations, for example, an affluent household generally consisted of "one person making the money, and the other person spending it on the family and household," Mr. Francese says. "The spouse that stayed home would take care of the children and be able to hunt around for the right fabric, or the right couch, and to decorate the home.

"Now you have vast numbers of affluent households where both adults are actively pursuing careers and neither has the time to manage the money or decorate the home," says the publisher of *American Demographics*. "This is where a magazine like *Architectural Digest* comes in. These people are replacing the time that they used to spend [on learning about such things] with a prepackaged piece of knowledge."

On the other hand, there is the danger of attributing too much to the post-World War II cohort.

For example, Ms. Deitch says it wasn't only the baby boom generation that got more interested in things financial during the 1970s.

"Prior to 1973, the financial markets were pretty stable. You put your money in the bank. There wasn't much of a choice," Ms. Deitch says.

As a result of the rise in inflation, the Organization of Petroleum Exporting Countries shocks to the economy, deregulation and other economic dislocations, "The whole financial services industry changed," Ms. Deitch says. "Money market funds were invented, CDs were invented, and everyone got interested in money instruments. It wasn't just the baby boom—older people were interested in these things too."

Ms. Deitch also says members of the young baby boom households are not the only affluent individuals who are moving into new homes and becoming interested in getting tips on how to decorate their new quarters.

Nonetheless, the sheer size of the baby boom population, 20 to 39 years old and 76 million strong, meant it had a special impact on the markets for these kinds of magazines.

Consequently, "the newer, more specific special-interest kinds of magazines will have to track this population very carefully and see what kinds of interests are emerging," says Ms. Roberts of Boston University.

Top 25 magazines according to the Folio 400

Rank '83	Rank '82	Magazine name	Est. 1983 total revenue ($000)	Total revenue growth %	Est. 1983 ad revenue ($000)	Est. 1983 ad pages	Est. 1983 average circ.
1	1	**TV Guide**	695,524	5.0	269,422	3,644	17,170,799
2	2	**Time**	487,639	14.7	298,612	2,699	4,667,469
3	5	**People Weekly**	325,722	13.1	175,515	3,449	2,741,029
4	3	**Newsweek**	319,139	10.5	218,723	2,958	3,030,780
5	4	**Reader's Digest**	295,498	2.5	101,649	1,033	18,118,068
6	6	**Sports Illustrated**	283,860	15.3	188,222	2,761	2,476,147
7	8	**Family Circle**	208,834	9.7	118,830	1,788	7,251,531
8	10	**Good Housekeeping**	207,304	12.4	127,243	2,097	5,406,959
9	14	**Woman's Day**	188,664	16.4	105,865	1,607	6,987,317
10	7	**National Enquirer**	187,048	- 1.8	28,300	1,404	4,890,644
11	15	**Business Week**	185,685	14.9	156,499	4,644	852,821
12	11	**National Geographic**	184,760	11.5	27,379	264	10,492,039
13	9	**Playboy**	177,710	- 5.8	60,562	1,047	4,229,824
14	12	**Better Homes & Gardens**	177,659	7.3	109,038	1,376	8,032,373
15	16	**Parade**	168,564	7.2	168,564	742	23,168,789
16	17	**U.S. News & World Report**	165,300	15.6	93,854	1,785	2,117,338
17	13	**Penthouse**	151,317	- 8.6	25,793	727	3,476,994
18	18	**Cosmopolitan**	143,706	12.7	81,270	2,442	3,011,190
19	19	**McCall's**	132,543	6.5	64,413	1,107	6,317,793
20	22	**Ladies' Home Journal**	128,130	32.1	57,423	1,166	5,226,575
21	23	**Fortune**	125,862	28.6	101,416	3,289	696,337
22	20	**The Star**	111,817	2.9	19,675	936	3,757,065
23	24	**Forbes**	110,233	26.9	84,502	3,402	719,439
24	21	**Family Weekly**	102,509	1.1	102,509	814	12,675,921
25	26	**Glamour**	97,129	17.8	58,585	2,027	2,224,261

Figures are *Folio* estimates for the calendar year 1983. © 1984 *Folio* Publishing Corp.

Generation opens new doors for publishers

At the same time that the aging of the baby boom generation is creating new challenges for magazine publishers, it also is presenting them with a variety of new opportunities.

For example, "There is great interest in publications about children, a great deal of interest in information about children age 1 to 5, about parenting and about learning," says Lillian Deitch, vp, Futures Group consulting company, Glastonbury, Conn.

Education is a particularly hot topic because "the baby boom generation is going to be very uptight about their children's education on several different scores. They feel guilty because they are leaving them alone [or with child care help] all the time. Because they are educated themselves, they want their children to be educated."

There also are likely to be efforts to start "magazines geared to various aspects of families," Ms. Deitch says. "I'll invent a new magazine for you: The Blended Family. It's for families where both parents have been divorced and they have different sets of children. There are so many problems: How to get along with your stepsisters and half-brothers, and the like.

"Anything that has to do with children and family relationships is very fertile ground."

However, *Reader's Digest's* disappointing experience with its *Families* magazine—which reportedly had difficulty establishing a clear-cut identity because it tried to reach too many different kinds of families—makes it clear that, despite the fertility of the ground, any new family magazine will require expert cultivation to prosper.

Magazines dealing with midlife career changes and continuing education also are expected to do well.

"In the next five to 10 to 15 years, there is going to be a tremendous squeeze in the middle-management ranks in most companies and an unfortunate dearth of opportunity because there are just too many people" competing for those jobs, says Peter Francese, publisher of *American Demographics*.

"You only need a few senior management people, and yet you have millions of these 30-to-35-year-old people, all of whom are bright, well-educated, and want to advance. The fighting for certain jobs is going to be ferocious."

One result will be a continued growth in entrepreneurial activity—as individuals leave deadlocked jobs—and good opportunities for magazines such as *INC.* and *Venture* that serve that market. There also is likely to be a great deal of midlife career switching.

"It is more in style now to change careers in midlife, to really do something drastic, like go to medical school at age 40 or become a priest at age 50," Ms. Deitch says. "The baby boom generation is particularly prone to disappointment because its members had such high expectations," and this is likely to further accelerate career switching.

There also is likely to be an increasing interest in adult education.

"People learn by observation and in this last recession, there were hundreds of thousands of middle-age men who were retired," Mr. Francese says.

"Everybody can tell you a story about a guy who spent 20 years with a company, and the company put him out to pasture because he had basically outlived his usefulness.

"I suspect that there are a lot of unhappy 55-year-old men out there, and that has not been lost on today's 35-year-olds. They are saying, 'Hey, not this kid,' and the tendency is to always learn more, to have options open, always to have a broad kind of education," Mr. Francese says.

"Education is going to take a much larger fraction of total household income than it did 20 years ago," and magazines tying into these changes have a good chance of doing well.

Even individuals who do not make career changes will find it challenging to keep up with changes under way in their professions—changes that will create opportunities for new magazines. For example, there are likely to be "all kinds of magazines for doctors that will concentrate on the new kinds of practices and that sort of thing," Ms. Deitch says.

The same way that *Medical Economics* has enjoyed success by providing information for doctors on how to manage their money, "there probably will be new magazines that will tell doctors what kinds of practices are the best, the new trends in advertising, and how to manage their offices," the Futures Group vp says.

There may even be an opportunity for several different kinds of psychologically oriented mag-

"They need to change with this group as it matures in order to avoid some of the very difficult repositioning situations that some of the older publications have had to face."

Moreover, the aging of the baby boom is likely to cause new challenges not only to the obvious "life management" publications, but also to related categories. City and regional magazines "could be vulnerable," Ms. Urban says. A large part of the popularity of a city magazine comes from its role as a guide to its community, particularly for newcomers to the area or for young adults just beginning to partake of the locale's restaurant and entertainment.

The changing demographics also may spur the major magazine publishing houses to adopt a new set of strategies. Instead of the traditional approach in which a publishing house focuses on cross-selling subscriptions to similar audiences, the new strategy might be to "graduate" readers who are moving out of the audience of one magazine into another, the way a reader of *Bride's* might "graduate" to *American Baby.*

Some experts also argue that there will come a time when the baby boom market will cease being so distinctive.

"There may be a second wave of aging baby boomer magazines, but something tells me that, at some point, the traditional books like the *Reader's Digests, The New Yorkers* and the *Atlantics*, if they are smart, will be able to pick up the baby boomers," Ms. Urban says. "I don't think that there will be an indefinite evolution."

Then again, perhaps the baby boom has a few more surprises in store.

"Just as the individuals of this generation haven't had role models," Ms. Roberts says, "our society doesn't have a model for what will happen with this kind of a generation."

Rolling Stone moves into mainstream

By Jack Hafferkamp

As Vietnam, the 1968 Chicago Democratic National convention, Woodstock, John Lennon and Yoko Ono's peace events, and Watergate all merged into one heady socio-political brew, *Rolling Stone* was there to cover it, make sense of it and transmit an us-vs.-them attitude to a hungry audience.

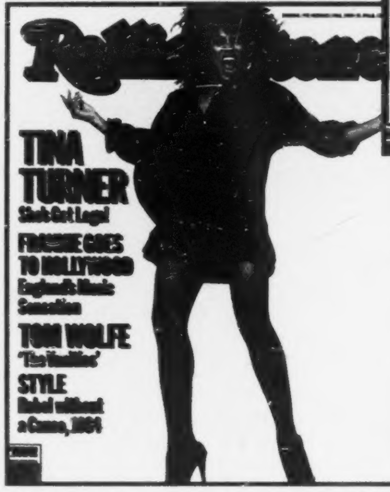
Rolling Stone has prospered because founder-editor-publisher Jann Wenner's instincts hooked directly into the gills of a generation. But now those first readers have moved on in life. The ones behind them are different.

Rolling Stone has had to change to accommodate the interests of 1980s readers. As the later baby boomers have moved into the cultural mainstream, *Rolling Stone* has followed and often led, polishing itself to a higher and higher gloss that reflects both the generation's and Mr. Wenner's maturation.

The challenge to *Rolling Stone* is to pass with its readers from yippie to yuppie. Some of the signs of maturity are physical—it is going from newsprint to all slick stock in January. But will this upgrading give it the boost it needs to fend off middle-age spread? And has Mr. Wenner's commitment to his music-and-politics formula caused *Stone* to become irrelevant to growing numbers of young men whose primary interests lie in career and financial matters rather than rock and roll?

Has *Rolling Stone's* time passed it by?

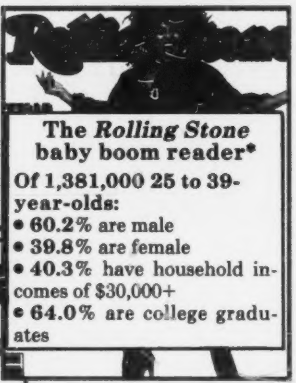
After 17 years of publishing, the signals are mixed. There are many questions about this *Stone's* ability to roll on through the 1980s. In January, *Rolling Stone* will guarantee a base circulation of 875,000. It would appear alive and well with estimated total 1982 revenues of $33.1 million and estimated ad revenues of $17.2 million, according to *Folio 400* figures.


TINA TURNER
She's Got Legs!
FRANKIE GOES TO HOLLYWOOD
England's Music Sensation
TOM WOLFE
'The Vanities'
STYLE
Rebel without a Cause, 1954

Rolling Stone *must move with its readers from yippie to yuppie.*

Yet, as they say in the record business, *Rolling Stone* has lost its three-bullet rating. It has lost momentum. This year, says associate publisher Henry Marks, *Rolling Stone's* ad pages are down 5%. Upward mobility in the baby boom magazine business has passed to such yuppie interest magazines as *Byte, Harvard Business Review, High Technology, Money, Venture, Working Mother* and even *Southern Living*. There is speculation that *Rolling Stone* today is merely spinning its every-other-weekly wheels.

This is not the first time in *Rolling Stone's* history that such talk has been heard. So far, however, the magazine has managed to find a new way to grow.



The *Rolling Stone* baby boom reader*

Of 1,381,000 25 to 39-year-olds:

- **60.2%** are male
- **39.8%** are female
- **40.3%** have household incomes of $30,000+
- **64.0%** are college graduates

Information for this chart on baby boom readers and subsequent charts in this report marked with an asterisk (*) is taken from Simmons Market Research Bureau data.

This time Mr. Wenner is putting his chips on slick stock: A 70-lb. glossy cover and 40-lb. super calendar stock inside.

"It's a natural evolution," he says, a "sharpening and improvement" that is "consistent with the maturation of the youth culture. All of these changes *Rolling Stone* has gone through [from double-folded, black-and-white newsprint to four-color, heavier stock, trimmed and stapled] are a reflection of people's desire for a more professional, polished thing."

One ex-employe, however, finds some irony in this chain of "improvements," saying the magazine seems to have made a 180-degree turn from its original, very alternate, funky newsprint look. "Now," he says somewhat nostalgically, "it's very different." *Rolling Stone* is no longer "an outsider. Now it's very inside." In short, *Rolling Stone* has gone mainstream.

Mr. Marks agrees that the magazine consciously has abandoned its old image, "when the reader dressed solely in blue jeans and had long hair, which he didn't wash very often." That reader, Mr. Marks says, was "very politicized, and against the government."

Today *Rolling Stone's* readers still fall primarily into the category of 18-to-34-year-old male with some college education. At 25.5, the median age is somewhat higher than in the past, yet the real difference from the stereotypical 1960s hippie reader, Mr. Marks says, is that he now "has fairly short-cut hair, he is very interested in his career; is acquisitive, and tends to have the opportunity to express his individuality. He has gone from yippie to yuppie." Today's *Rolling Stone* "reflects that young people today have many sides to them," Mr. Marks says. They have money to spend on a wide variety of diversions and entertainments.

Mr. Wenner stresses, however, that *Stone's* changes are essentially issues of format, style and advertising, and are not content-related. *Rolling Stone's* editorial formula, he says, "still reflects the same things."

Its major ingredients are rock music (star profiles and re-

(Continued on Page 14)

Jack Hafferkamp, who teaches a course on magazines at Roosevelt University in Chicago, is a frequent contributor to Special Report.

azines.

"The focus might be on how to succeed in the small groups with which people interact on a daily basis," Mary Lou Roberts, Boston University marketing professor, says.

This represents something of a return of baby boom interest in things psychological. This time, however, "the focus of interest [in things psychological] is narrower," Ms. Roberts says. "People are not interested in global concerns or their inner souls, but in how they can do better in their own personal spheres of activity."

There also may be an opportunity for a magazine that would help individuals deal with disappointment in their careers and the traumas of midlife career changes.

However, Mr. Francese warns that such a magazine "is going to have to be extremely carefully positioned because it is likely to run into the same buzz saw that *Families* did, where you try to be so many different things to so many different people that you end up speaking to no one."

—B.G.Y.

Summer issue leaves no stone unturned

Rock 'n' rollers tend to measure time by summer songs and events. Woodstock happened in 1969. Michael Jackson's "Thriller" album dominated the summer of 1983. This year's big stories were the Jacksons' tour, Bruce Springsteen's tour and Prince's rock movie "Purple Rain."

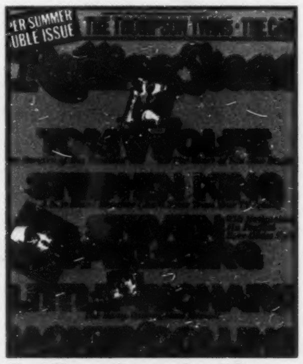
Rolling Stone measures summers with its "Super Summer Double Issue." It's a living time capsule—a direct glimpse into the currency of the youth culture.

Beyond the fully expected record reviews and the "Random Notes" gossip column, this summer's 130-page issue was devoted to fun in the sun. Politics was passed over in favor of providing readers with entertainment in four categories:

- "Summer Music" looked in on Bruce Springsteen, Huey Lewis, the Thompson Twins, (a two male, one female trio from Britain) and the Cars. If you don't recognize any of these acts, you are beyond the *Rolling Stone* demographic.
- "Summer Fun" had a marvelous confessions piece on one of rock's original wild men, Little Richard, which was aptly titled "Tutty, Fruity," the title of one of his early hit records. It also offered fashion insight (Hawaiian shirts) and the word on roller coasters.
- "Summer Reading" offered two kinds of escapism; a sleazy short story, "The Rock Star and the Lifeguard" by Jackie Collins, and fiction by novelist and Hollywood horror master Stephen King, "The Revelations of 'Becka Paulson."
- "Summer Movies" had a feature on Steven Spielberg, "Will Hollywood's Mr. Perfect Ever Grow Up?" and cinema sleaze—the subculture that has formed around gory drive-in movies.

The really big feature this summer was the first installment of a new novel by Tom Wolfe called "The Bonfire of the Vanities." It will run on a monthly installment basis for a year.

Advertising in this summer's issue totaled about 76 pages. The leading categories, in order, were audio equipment, liquor, autos, tobacco, records, shoes, and health and personal care. Records and tapes did not dominate as they once did; in fact, there were only five in the issue. B. Dalton Co. had a 12-page four-color insert.



Rolling Stone's *"Super Summer Double Issue" is a living time capsule.*

Associate publisher Henry Marks predicts *Rolling Stone* will be up 10% in advertising pages next year, with opportunities for growth in home video, grooming aids, autos, liquor and tobacco.

And finally, for those who have been dying to know what this summer's "Random Notes" revealed: "There's nothing to those Billy Joel-Christie Brinkley breakup rumors; she's got tickets to many of his upcoming shows" . . . David Bowie has finished recording a new album . . . Cyndi Lauper's new single "She-Bop" is "an ode to self-abuse," and Teddy Pendergrass, "wheelchair bound since a controversial car accident left him quadriplegic," has denied rumors that he was engaged in sex with his transsexual passenger when his $109,000 Rolls slammed into a tree . . . ."

No matter what else happened this summer, *Rolling Stone* readers got their necessary dose of gossip.

—J.H.

PEOPLE PATTERNS

Women keep Republicans on their toes

By PETER FRANCESE

Because older people generally are considered to be more conservative than younger people, one would think Republican candidates would walk away with easy victories this November, if only because more older people vote than younger ones.

Only 40% of people 18 to 24 years old voted in the last presidential election, but 70% of those older than 55 did so.

However, the reason complacency does not pervade the Republican party may be because among older people, a larger and larger majority of potential voters are women.

Among those 18 to 24 who seldom go to the polls, there are only 98 women for every 100 men.

There's not much of a gender gap between 24 and 44 either, only 102 women per 100 men. But among potential voters 45 to 64, there are 110 women for every 100 men, and 65 and older, there are 150 women.

In the last presidential election, this meant there were nearly 3 million more women older than 45 who voted than men of the same age.

For the upcoming election, there will be about 73 million people older than 45. If 70% of them vote, the polling places will see 5.4 million more women voters in that age group than men. Clearly older women are a potent political force.

But the issues that are important to younger women may not be as relevant to those older than 45. For example, two-thirds of women 25 to 45 are in the labor force. But less than half of those 45 to 64 are employed, and only 10% of those older than 65 are.

Equal pay for equal work may not be as important an issue for those older than 45. Unless they are being pressed to take care of grandchildren, day care may not be a critical issue either.

However, the desire for economic security is more acute with advancing age, and how to pay for one's medical bills becomes a top-of-the-mind matter.

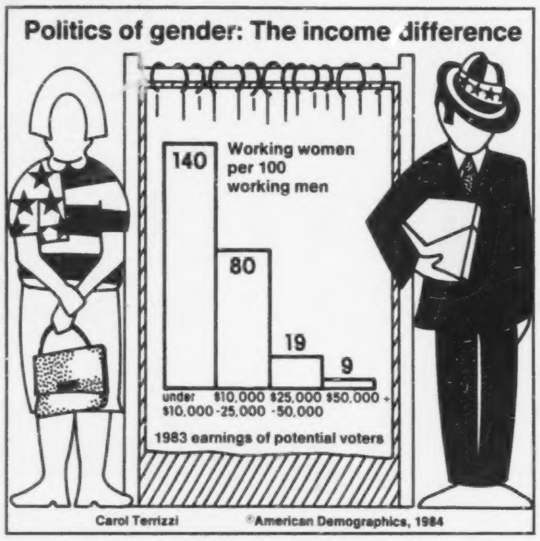
No politician in his or her right mind would touch Social Security, but there has been a lot of talk about controlling the cost of medical care.

Women approaching 65 might require a great deal of medical care if they live close to their life expectancy. They probably would like to be reassured by the candidates that the cost of healthcare is not going to be controlled by reducing Medicare payments.

Winning a presidential election, of course, involves a lot more than saying the right things to older voters. But as our population continues to age and the majority of women voters grows larger, issues such as healthcare and pension rights will move closer to the top of political agendas.

The makers of consumer products and services spend lots of time and money finding out and keeping up on what women—young and old—want.

Political candidates who want to be elected may wish to do the same.



Carol Terrizzi ©American Demographics, 1984

The presence of Geraldine Ferraro on the Democratic ticket has focused our attention on the economic and political issues that are important to women. One of those issues is money and the difference between what men and women are paid.

There are many reasons put forth why women make less money than men: More discrimination, fewer expectations, more career interruptions, less training, less experience, different choice of occupations.

Whatever the reason, for every 100 men who made more than $50,000 in 1983, there were only nine women that did so.

But for every 100 men who earned less than $10,000 a year, there were 140 women.

Between $10,000 and $25,000, there are 80 women for every 100 men. But between $25,000 and $50,000, there are only 19 women for every 100 men.

Does this income gap mean women will vote differently from men?

This lower earnings profile ought to predict that women would vote less often than men because fewer low-income people go to the polls—except that in the last presidential election, the same percentage (59%) of men and women voted.

In previous presidential elections, more men than women voted, but the gap became steadily smaller until it disappeared in 1980. This voting gap did not close because the income gap narrowed. It may have closed because family income has become more important than individual income.

The rise of the two-income family has changed how individuals behave both politically and economically. In the old days of one-earner husband-wife households, making political predictions based on income was much easier. The lower income people voted Democratic, and the upper income people voted Republican.

Today, a married woman whose family income is $30,000 because her husband makes $20,000 and she makes $10,000 may feel very differently about political issues than a single woman earning $10,000 a year.

It's also a safe bet the married woman spends her $10,000 quite differently from the single one. More than half (56%) of all women with incomes less than $10,000 are married.

Only about one-third are single, divorced or separated, and one in seven is a widow.

There is no question that women as a group get paid less than men. The question for this election year is, how do they feel about it?

If most of them are not concerned because their spouse is well-paid, then the Republican ticket might do better than expected among women.

However, if most working women feel underpaid, regardless of how much their husbands make, then the Democratic ticket will benefit.

If the past is any guide, most low-income women who are supporting themselves or their families will vote Democratic.

Women make up the majority of the population older than 18, so if the same percentage of women as men vote this November, there could be as many as 5 million more women than men casting ballots.

The large gap in the income of men and women, combined with the rise of two-income families, creates some degree of uncertainty about how that majority will vote in November.

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Peter Francese is publisher of American Demographics.

Parting Shot / *BY RANCE CRAIN*

School program builds for the future

Crain Communications Inc.'s Adopt-a-School program has taken a new turn.

I've written about the Adopt-a-School program on several occasions because I'm proud of Crain Communications' involvement in it and because I'd like to encourage other business people to participate. The program isn't unique to Chicago. Oakland, Cal., has a very active Adopt project, and several other cities have successfully formed a partnership between business and the public schools to help students.

And that's what the Adopt-a-School program is all about. It's a way to enhance public education by bringing into the classroom the expertise and insight that the business community has in its own people. It helps students see how basic skills such as reading, writing and computing are applied in the business world, and it helps business people by giving them a practical understanding of the successes and problems facing public education today. Most importantly, though, I firmly believe that business has a big stake in the education system that turns out the employes, employers and consumers of tomorrow.

The school that *Crain's Chicago Business*, a sister publication of ADVERTISING AGE, adopted three years ago is Schurz High School on Chicago's Northwest Side. For the first two years, our program centered on lectures in the classroom and field trips to *CCB*. Our staffers—including myself—talked to journalism and English students about newspapers and the various beats we covered. Our illustrators talked about illustrating articles, demonstrated use of art materials and the production and graphic procedures we use for putting out our weekly paper. And our advertising staff talked about careers in selling and the role advertising plays.

The program worked well, and I think the kids who wanted to learn something acquired some valuable information. This year, we're trying something different, however.

> ***I firmly believe that business has a big stake in the education system that turns out the employes, employers and consumers of tomorrow.***

Editor Dan Miller will be at Schurz for four consecutive Tuesday mornings talking to English students about writing editorials, something he does for us every week. In the first week, Dan explains what an editorial is, how to pick a topic, how to research it and how to write it effectively. He then assigns the kids an editorial to write of their own choosing.

In the second week, he returns to Schurz to pick up the editorials (they have been corrected by teachers and rewritten by students) and goes through the first week's explanation for a new set of students. In the third week, he returns with the first batch of editorials, which he has read, and discusses them with the students, pointing out such things as effective arguments and good writing. He also picks up the revised editorials from the second class. In the fourth week, he repeats the critique session.

That's not a complicated process. And it doesn't take a lot of time. But it brings our expertise in writing into the classroom where I hope we can teach the students something about writing—and teaching the students those basic skills is what the program is supposed to do.

Any business can tailor its expertise to an Adopt-a-School program. One school needs a program to improve reading and writing skills through advertising programs (a likely adopter would be an ad agency or the in-house ad department of a corporation), and another needs help in establishing a computer club. A high school would like to set up a Banking Club but needs a bank to help out.

Our experience in the program has shown us we can set up any kind of program we want. The Schurz teachers are glad to have us because we bring new skills to the classroom. We can set up a program one year and change it the next. Or we could end our involvement. We sign up for only a year at a time.

It's worth trying.

$1.25 a copy; $52 a year

Monday, October 22, 1984

Advertising Age®

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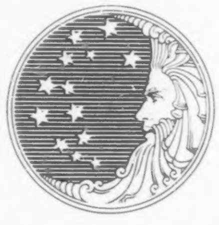
Rumor returns to bedevil P&G

By LAURIE FREEMAN



Procter & Gamble once again is fighting the trademark rumor that won't go away: That the company is in league with the devil and its corporate man-in-the-moon logo is Satan's symbol.

The Cincinnati-based company launched a national pr blitz in 1982 (AA, June 28, '82) to dispel notions about the company's supposed link to the devil, and the rumors died down. But for "some unexplained, unknown reason, the number of calls concerning the moon and stars has climbed back up again," said a P&G spokesman.

The number of telephone calls P&G has fielded this time around is nowhere near the record levels set in 1982, when P&G answered 12,000 calls per month on the toll-free lines it lists on product packages.

In September, the company received more than 1,000 Satan-related calls, and to date in October, the number of incoming calls has tripled to 3,000.

The telephone calls are coming from areas in California, Nebraska

(Continued on Page 100)

Fraud charge hits ABC in Landau case

By ROBERT RAISSMAN

Dittler Brothers has filed a suit in Atlanta federal court accusing American Broadcasting Cos. of conspiring with Robert Landau Associates, the now-bankrupt advertising/sports marketing company, to defraud Dittler.

Dittler alleges it was defrauded of $1.5 million it paid Landau to finance parties for network employes and advertisers during the 1984 Summer Olympics. The company is suing for $5 million plus court costs and is seeking a jury trial.

In response, ABC last week filed for dismissal of the Dittler suit in New York federal court.

The suit is the latest development in the unraveling of RLA's financial troubles. In the throes of a cash crunch in 1983, Robert Landau, chairman of RLA, approached Dittler for a $1 million cash loan. The Landau and Dittler companies had worked together in the past.

In response to Dittler's demand for collateral, Mr. Landau pledged payment from ABC for the Olympics parties catering assignment would be used to repay the Dittler company.

John Lazarus, then vp-sports marketing and sales at ABC-TV and a close friend of Mr. Landau, signed a letter authorizing the payment of RLA's Olympics funds directly to Dittler. At issue in the suit is whether Mr. Lazarus, who resigned from ABC at the end of September, had the authority to commit the ABC funds to Dittler.

Dittler Brothers, an Atlanta-based printing company, maintained in its suit that "assignments of accounts receivable" signed by Mr. Lazarus helped RLA secure a loan from Dittler to finance ABC's Olympics parties (AA, Oct. 1). The parties were held on 15 consecutive nights and attended by about 1,400 people each night.

The Dittler suit alleges that Charles Stanford, vp-legal and business affairs, ABC Sports, informed Dittler attorneys that Mr. Lazarus had the authority to secure such a loan. That charge is the key claim in the case.

According to ABC's suit, a letter dated Oct. 5 was sent to Dittler denying any liability. ABC contends it paid RLA for its Olympics work and had no obligation

(Continued on Page 98)

Eyes of Texas on political ads

By SARAH STIANSEN

A Texas brouhaha drew national fire last week when a U.S. Senate candidate's tv spots dragged the American Assn. of Advertising Agencies into the bitter campaign.

The controversy started when U.S. Rep. Phil Gramm, the Republican nominee in a senatorial battle characterized by sharp exchanges, introduced advertising last week that called his Democratic opponent the "only candidate in America to be officially cited for unethical advertising by the American Assn. of Advertising Agencies."

In addition, he raised the issue frequently during a debate Oct. 18 to further disparage his opponent, state Sen. Lloyd Doggett.

But the Four A's last week denied that it ever issued such a citation to Sen. Doggett. "The Four A's resents its name being used this way," said John O'Toole, chairman of both the trade association and Foote, Cone & Belding Communications, Chicago. Mr. O'Toole was reached at at the Four A's western

(Continued on Page 96)

Where you're going, it's Michelob.
MICHELOB

Michelob moments

Anheuser-Busch lays it on the line with new advertising for Michelob that targets the upwardly mobile. Network tv spots for Michelob and Michelob Light broke Oct. 21. Ted Bates Advertising/New York, handles Michelob, and Needham Harper Worldwide, Chicago, has Michelob Light. *(See story, Page 6.)*

Phone war moves overseas

By BRIAN MORAN

AT&T's domination of the international long-distance business is likely to erode even faster than its domestic monopoly, analysts predict, following the entry of MCI Communications and GTE Sprint into the overseas market.

MCI and GTE Sprint, AT&T's two largest competitors in the U.S., both announced agreements last week that set up a global showdown for long-distance customers by providing international direct-dial service at rates up to 40% lower than the current AT&T standard.

Despite recent problems largely caused by higher fees to tie into local phone networks, the challengers' domestic experience should help them make major inroads on AT&T's 90% market share overseas, industry watchers said.

"The competitors have shown they are viable and established—the business market is no longer gunshy about them," said Robert Self, president of Market Dynamics, a New York telecommunications consulting company. "If their pricing is right, the international market will be up for grabs."

Both MCI and GTE Sprint plan to market the new services through direct mail to their existing customer base.

MCI does not plan any consumer advertising, said Howard Crane, senior vp of Washington-based MCI. GTE Sprint expects to pitch its overseas service via a network tv and print advertising campaign in the first quarter of 1985, said Robert Craver, manager of international marketing. J. Walter Thompson USA, San Francisco,

(Continued on Page 98)

NEWSPAPER
AA
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CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Last Minute News

Honig joins to Geers Gross in new post

New York—Marvin Honig, who left Doyle Dane Bernbach International as vice-chairman-creative director in June, will join Geers Gross Nov. 1 in the new post of vice-chairman-executive creative director. Geers Gross vice-chairman Dick Tarlow, the agency's top creative executive, will now only concentrate on some key accounts. Mr. Honig, best known for his classic "Groom's first meal" tv commercial for Miles Laboratories' Alka-Seltzer, most recently had worked on the American Greetings, Atari and Citicorp Travelers Checks accounts at DDB.

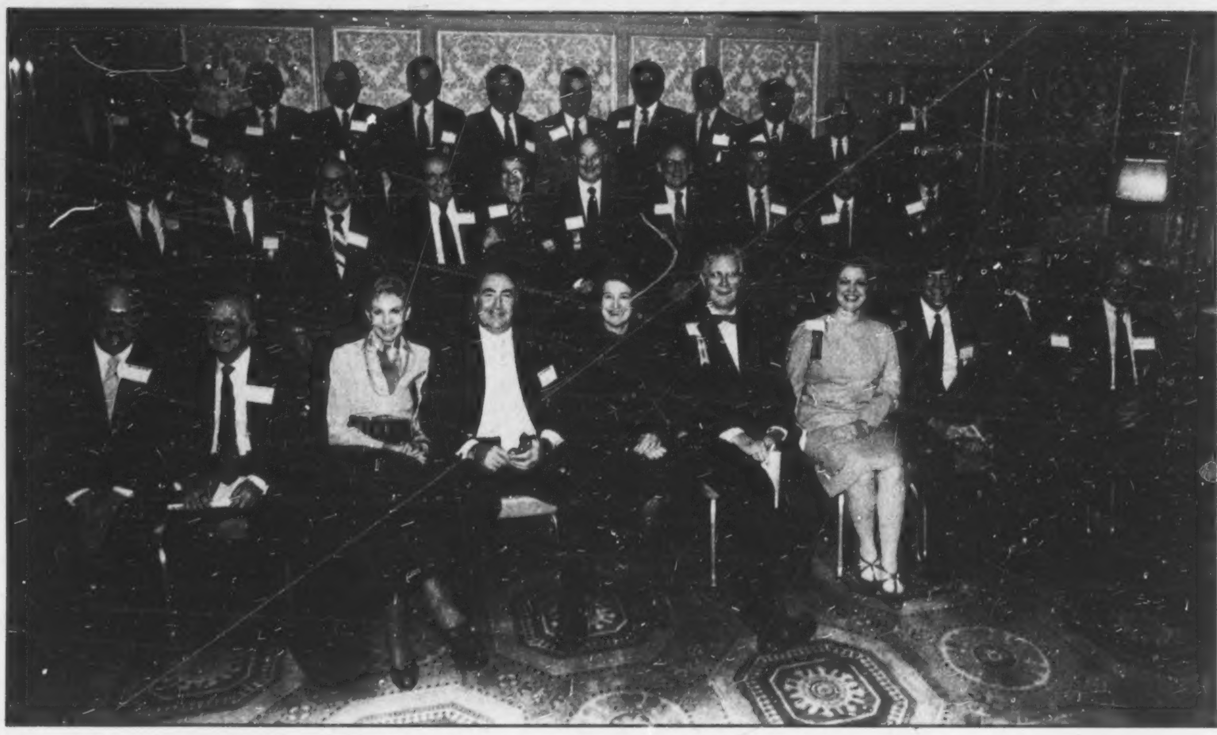
Burchill to testify on RKO overcharges

Washington—Thomas Burchill will be subpoenaed by Fidelity Television in February to testify on his role in the RKO Radio Networks overcharges (*see related story on Page 2*). Mr. Burchill, currently president at Lifetime, was president at the RKO networks when advertisers were overbilled $7 million. Fidelity is an applicant for RKO's KHJ-TV license in Los Angeles.

DDB locks up Clairol hair colorings

New York—Clairol has moved Frost 'n Tip and Summer Blonde hair colorings to Doyle Dane Bernbach from Foote, Cone & Belding. DDB also gets Quiet Touch, which did not have an agency of record and was not

(Continued on Page 8)



'Dictators' gather at book party

The group of advertising giants who appeared at the luncheon in New York Oct. 18 to mark release of "The Benevolent Dictators," the new book by Barton Cummings, included many of the book's subjects, plus other guests: First row (l. to r.): Brown Bolte, SSC&B; Arthur Fatt, Grey; Frankie Cadwell, Cadwell Davis; Robert Bloom, Bloom Cos.; Rena Bartos, J. Walter Thompson USA; Barton Cummings, Saatchi & Saatchi Compton; Judy Guerin de Neco, president, Advertising Club of New York; Rance Crain, president of Crain Communications (Crain Books is the publisher); O. Milton Gossett, Saatchi & Saatchi Compton: Willard Mackey, McCann-Erickson. Second row (l. to r.): H. Smoot Fahlgren, Fahlgren & Swink; Edward Bond, Young & Rubicam; S.R. Bernstein and Jack Graham, both of Crain; Jo Foxworth, Jo Foxworth Inc.; Neal Gilliatt, Interpublic; Paul Harper, Needham Harper Worldwide; Howard Bell, chairman, American Advertising Federation; James Henderson, Henderson Advertising; Lou Hagopian, N W Ayer. Top row (l. to r.): Edward Meyer, Grey; Raymond Mithun, Campbell-Mithun; John Elliott Jr., Ogilvy & Mather; Herman Davis, Cadwell Davis; Edward Ney, Young & Rubicam; Carl Nichols, Cunningham & Walsh; Neal O'Connor, Ayer; Charles Peebler, Bozell & Jacobs; Alfred Seaman, SSC&B; Carl Spielvogel, Backer & Spielvogel, Robert Jacoby, Ted Bates; Stuart Upson, Dancer Fitzgerald Sample. *(See story on Page 96.)*

Highlights

Home Box Office will spend more than $10 million beginning next week in a three-pronged effort to thwart cable piracy. *See Page 6.*

ABC and NBC's network news operations are hoping for prime time openings in 1985 for their next series projects. *See Page 10.*

Hair-styling mousse, which industry observers say is the hottest of the new hair products, is about to get hotter with Alberto-Culver's introduction of VO5 Hair Grooming Mousse for Men. *See Page 12.*

VO5
HAIR GROOMING MOUSSE FOR MEN
VO5
THICKENING Hair Grooming Mousse for Men
NET WT

Chevrolet's "Japanese strategy" of using imports to plug gaps in its small-car line appears to be falling short. *See Page 14.*

Music videos aren't enough to satisfy the appetite of Turner Broadcasting System president Ted Turner. The communications entrepreneur also will try his hand at movie production, and he doesn't plan on stopping there. *See Page 44.*

Clients don't want to be bored at presentations, but it's up to the presenter to give an outstanding performance. Here are some tips. *See Page 48.*

CORPORATE CLOSEUP

Dr Pepper Co., in its first year as a private company, is flexing newfound marketing clout, putting to rest speculation that the marketer would retrench into a regional corner. *See Page 4.*

FORUM

Are print ads awful? Blame it on "the new wave creative horde" of the '60s, writes former Leo Burnett creative director John Matthews. *See Page 20.*

Havas and Marsteller: The origin of a long-sought U.S. link for the giant French agency operation is described by Eduard Grosse in "A dream fulfilled." *See Page 20.*

INTERNATIONAL

U.S. fast-food marketers, taking advantage of a strong U.S. dollar, are targeting France as the next major European growth region. *See Page 54.*

Pretty Polly, the U.K.'s market leader in the $329 million hosiery market and part of the Thomas Tilling Group, has abandoned an ad approach that helped make the company the biggest single marketer of pantyhose in the U.K. *See Page 54.*

Volkswagen do Brasil celebrated its 25th anniversary in this country with an ad campaign calling for all Brazilians to send in a "true story" about their VW Beetles. *See Page 56.*

Lebanese admen were forced to ply their trade elsewhere in the Middle East when civil war tore their nation apart. Now, after almost 10 years of strife, they have not only survived, but prospered. *See Page 58.*

VIDEOTECH

The Council for Cable Information, a trade group set up to improve the image of cable tv, hopes to double its first year's advertising budget to $12 million. *See Page 67.*

If the Washington Post Co. could do it all over again, it probably would take the plunge into cable tv as a multiple systems operator, according to its chairman. *See Page 67.*

COMING THURSDAY

SPECIAL REPORT

Sales promotion is becoming more sophisticated and innovative as a marketing medium, and one of the ingredients for success is entertainment.

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ABP RED TAG ABC ANPA

Network seeks to maintain credibility

RKO execs quit, sale talk denied

By VERNE GAY

New York—The sudden departure last week of three top executives at RKO General's scandal-ridden radio division is being viewed as a drastic step by RKO to disassociate itself from anyone who may have had prior knowledge of the radio network's $7 million overbilling of advertisers.

At the same time, RKO General denied widespread reports that parent company GenCorp was preparing to sell the radio networks, the only broadcast property RKO is not prohibited from selling by a 1977 consent decree with the FCC.

"Shane [O'Neil, president of RKO General] and his team have taken every action possible to establish the networks' credibility with customers and the various people it does business with," said William Reynolds, president of Akron-based GenCorp. He said these reassurances also covered shareholders and the regulatory community. "If we were interested in disposing of the networks it would probably have been more propitious for us not to make these investments," he said.

The possibility of a sale was raised after an administrative law judge at the FCC said two weeks ago he would examine the radio networks' billing improprieties in 1983, while considering RKO's suitability to own its Los Angeles tv station, KHJ-TV. Fidelity Television, Norwalk, Cal., which has challenged RKO's Los Angeles tv

(Continued on Page 96)

'AfterMASH,' 'E/R' singled out

Shops review nets' blemishes

By JAMES P. FORKAN

New York—The tv networks may be holding up their fall schedule changes, but advertising agencies have no qualms about pointing out what appear to be obvious chinks in their prime time armor.

CBS' weakest time period, most agency executives agreed as Week 4 of the Nielsen ratings battle got under way, is 8 p.m.-to-9 p.m. (ET) Tuesday, where "AfterMASH" and "E/R" have been consistent losers, despite heavy viewer sampling at the season's outset when scheduled behind "60 Minutes." A couple of admen went out on a limb and predicted their successor well could be "Crazy Like a Fox," a one-hour comedy starring Jack Warden as a private eye.

Dancer Fitzgerald Sample described "Fox" as a "comic sendup of typical detective series" and Ted Bates Advertising labeled this comedy/adventure a "strong 8 o'clock entry."

After having tracked the season-to-date results, Paul Schulman of Paul Schulman Co., New York-based network tv buying subsidiary of Gardner Advertising, said "NBC is in super shape, CBS is in pretty good shape and ABC has a lot of problems."

The viewing changes going on

(Continued on Page 98)

Consumer Magazine Ad Linage

Advertising pages for U.S., Canadian and foreign consumer publications

October

Art & Antiques

	Current month		Year-to-date	
	1984	1983	1984	1983
American Artist	102.0	71.2	738.5	635.1
Antiques	181.5	149.0	1,465.7	1,285.9
Antique Monthly	38.3	43.3	314.5	303.3
Art in America (11X)	155.0	142.9	1,176.2	1,011.5
Plate World (6X)	—	—	351.1	417.6
Southwest Art	150.7	166.0	898.7	874.5
Total Group	**627.5**	**572.4**	**4,944.7**	**4,527.9**
% change		**+9.6%**		**+9.2**

Auto/cycle/rec. vehicles

	Current month		Year-to-date	
	1984	1983	1984	1983
AutoWeek	166.8	153.8	1,320.4	1,277.8
Car & Driver	85.0	94.3	903.3	902.3
Car Collector & Car Classics	21.0	23.9	194.6	214.0
Car Craft	74.2	63.5	739.9	733.1
Cycle	28.3	37.4	452.1	618.1
Cycle Guide	19.3	32.8	393.6	440.4
Cycle World	28.9	25.6	515.5	524.5
Dune Buggies & Hot VWs	77.3	83.5	805.8	704.1
Family Motor Coaching	138.7	104.9	1,456.9	1,150.4
4 Wheel & Offroad	78.0	117.1	737.1	681.7
Four Wheeler	98.8	52.3	795.0	413.6
Hot Rod	72.0	54.9	636.3	579.8
Motorcyclist	22.2	17.2	363.4	378.0
Motor Trend	67.3	70.3	652.4	635.9
Motorhome	82.9	72.5	902.8	732.9
Pickup, Van & 4 WD	27.7	31.2	317.6	344.2
Road & Track	97.2	113.3	1,016.0	980.6
3 Wheeling	35.3	35.7	313.3	274.2
Trailer Life	107.3	101.7	1,240.0	1,074.7
Total Group	**1,328.2**	**1,285.9**	**13,756.0**	**12,660.3**
% change		**+3.3%**		**+8.7%**

Boating & yachting

	Current month		Year-to-date	
	1984	1983	1984	1983
Boating	117.1	107.0	1,378.9	1,146.6
Chesapeake Bay	42.0	41.8	295.8	285.6
Cruising World	302.3	294.2	1,542.2	1,480.5
Motor Boating & Sailing	155.5	125.1	1,616.2	1,394.5
Sail	162.4	148.6	1,423.4	1,230.6
Sea & Pacific Skipper	47.1	60.9	585.0	675.0
Small Boat Journal (6X)	40.5	36.6	215.1	195.2
Western Boatman (6X)	—	—	124.8	94.8
Yachting	198.3	154.1	1,754.7	1,534.5
Total Group	**1,065.2**	**968.3**	**8,936.1**	**8,037.3**
% change		**+10.0%**		**+11.2%**

Canadian

	Current month		Year-to-date	
	1984	1983	1984	1983
L'Actualite	94.5	89.7	651.9	508.8
Chatelaine:				
English Edition A.	127.8	155.8	964.3	931.4
French Edition	117.2	130.9	824.2	814.8
City Woman (5X)	—	—	176.8	—
Equinox (6X)	47.0	47.0	203.3	196.3
Financial Post Magazine A.	69.0	40.5	440.1	320.7
Flare A.	70.0	76.2	548.1	500.4
Homemaker's Magazine	83.1	121.1	604.4	724.2
Madam Au Foyer	73.8	94.8	529.8	574.6
Montreal Calendar	59.0	45.5	437.9	245.0
Montreal Ce Mois Ci	63.0	68.3	469.5	325.5
Reader's Digest:				
Canadian-English A.	99.7	100.2	792.2	773.9
Canadian-French A.	96.8	98.5	710.1	703.8
Toronto Life	158.5	95.8	916.0	844.4
Total Group	**1,159.4**	**1,164.3**	**8,268.6**	**7,463.8**
% change		**−0.4%**		**+10.7%**

Civic/fraternal

	Current month		Year-to-date	
	1984	1983	1984	1983
American Legion	25.1	30.1	239.6	276.4
Elks Magazine (10X)	25.3	23.5	203.3	224.7
Kiwanis Magazine	17.3	14.8	123.1	134.9
Lion (10X)	6.0	8.3	57.8	58.7
Moose Magazine	18.0	24.0	182.0	203.0
Rotarian	15.6	22.6	119.4	132.0
V.F.W. (10X)	25.3	29.7	266.8	283.4
Total Group	**132.6**	**153.0**	**1,192.0**	**1,313.1**
% change		**−13.3%**		**−9.2%**

Comics

	Current month		Year-to-date	
	1984	1983	1984	1983
Archie Comic Group (6X)	10.0	10.0	50.0	50.0
DC Comics	7.0	8.5	75.0	79.0
Marvel Comics Group	9.0	10.0	92.0	100.0
Total Group	**26.0**	**28.5**	**217.0**	**229.0**
% change		**−8.8%**		**−5.2%**

General

	Current month		Year-to-date	
	1984	1983	1984	1983
American Health (10X)	47.6	—	329.5	200.1
American West (6X)	—	—	130.8	127.2
The Atlantic A.	46.0	53.0	440.7	406.4
Audubon Magazine (6X)	—	—	133.2	183.1
Bon Appetit A.	120.1	96.2	883.9	744.6
Changing Times D.	55.5	48.7	445.3	400.5
Cuisine Magazine	75.1	73.5	507.3	384.3
Ebony	103.3	83.8	906.3	869.8
Fifty Plus E.	51.7	37.7	348.8	255.3
Food & Wine	52.0	43.9	364.1	350.1
Games	16.8	29.6	204.2	273.8
Geo	26.6	27.1	329.8	257.3
Gourmet	95.5	96.2	746.3	684.8
Home Entertainment (6X)	—	—	153.2	111.5
Harper's Magazine A.	32.8	19.5	240.3	168.5
Life	57.4	82.4	573.4	557.5
Modern Maturity (6X)	—	—	159.6	155.3
Money	126.4	144.9	1,183.3	1,098.0
Moneysworth (4X)	13.8	20.3	53.8	72.1
Mother Earth News (6X)	54.2	66.2	262.9	315.1
Mother Jones (10X)	19.0	—	136.7	123.1
National Geographic	26.6	24.9	233.7	221.1
Prevention	67.6	92.7	684.4	773.3
Psychology Today	34.2	24.0	250.8	257.4
Reader's Digest A.	92.6	110.1	835.1	790.8
Signature	66.3	77.0	537.4	545.6
Smithsonian	98.3	105.1	803.7	720.1
Success	39.8	36.1	340.1	338.3
Town & Country	219.7	207.2	1,424.0	1,358.2
Travel/Holiday	50.1	47.0	434.7	408.0
Travel & Leisure	124.3	114.4	1,049.0	863.6
Vanity Fair	38.5	34.8	248.2	425.5
Video	77.2	70.7	679.6	614.4
Video Review	54.5	63.3	526.9	629.2
Writers Digest	25.0	21.1	241.5	261.0
Yankee	103.9	136.2	800.9	889.1
Total Group	**2,112.4**	**2,087.6**	**17,923.4**	**16,834.0**
% change		**+1.2%**		**+6.5%**

Home

	Current month		Year-to-date	
	1984	1983	1984	1983
Americana (6X)	48.3	50.3	192.9	182.4
Architectural Digest A.	168.1	179.1	1,279.2	1,222.8
Better Homes & Gardens	164.6	142.2	1,176.1	1,065.8
Colonial Homes (6X)	—	—	339.8	305.9
Country Journal	38.6	51.5	323.9	379.9
Country Living	83.9	71.2	651.4	509.1
Dallas/Ft. Worth Home & Garden	101.9	102.9	738.4	688.2
Early American Life (6X)	30.5	40.6	140.8	141.9
Family Food Garden (6X)	—	—	118.0	273.8
Family Handyman (10X) A.	84.7	79.1	644.9	600.1
Flower & Garden (6X)	28.5	31.7	183.6	195.9
Home	54.3	55.3	539.0	379.8
House Beautiful	129.3	139.9	929.8	863.1
House & Garden	132.8	102.3	876.3	633.7
Houston Home/Garden	155.0	134.8	1,047.3	1,002.0
Metropolitan Home	142.2	82.7	707.4	561.6
New Shelter (9X)	47.4	52.6	396.7	371.6
1001 Home Ideas	46.2	51.8	406.3	326.4
Organic Gardening	43.8	65.9	629.7	716.5
Phoenix Home/Garden	59.3	63.0	548.5	455.3
San Diego Home/Garden	64.2	70.8	725.2	676.3
Southern Accents (6X)	—	—	376.0	231.4
Southern Living	142.4	131.8	1,315.9	1,233.5
Sunset Magazine A.	166.0	177.4	1,365.5	1,371.7
Texas Homes	84.2	82.1	796.6	704.6
Workbench (6X)	—	—	296.5	322.7
Total Group	**2,016.2**	**1,959.0**	**16,756.7**	**15,416.0**
% change		**+2.9%**		**+8.7%**

In-flight & other passenger

	Current month		Year-to-date	
	1984	1983	1984	1983
Aboard Group (7) (4X)	—	—	64.4	53.6
Alaskafest	63.0	55.2	521.7	468.7
American Way	118.4	113.2	999.5	907.6
East/West Network:				
Amtrak Express	32.7	58.0	329.7	420.5
Continental	52.7	93.8	601.6	651.1
Eastern Review	116.0	125.6	1,145.6	1,013.2
Ozark	43.5	62.8	451.2	459.5
PSA Magazine	110.0	125.0	1,020.7	898.4
Pan Am Clipper	63.4	49.8	615.2	423.1
Republic Scene	57.5	79.7	589.8	566.9
United	112.7	118.2	1,139.5	949.4
USAir	65.2	93.0	606.5	631.4
Western's World	63.8	83.7	664.1	614.3
Halsey Publications:				
Air Cal	79.5	51.6	506.5	390.6
Braniff	34.9	—	197.0	—
Delta Sky	89.3	84.8	752.7	659.1
Frontier	40.0	43.8	317.0	355.8
Northwest Orient	46.1	56.8	366.1	342.8
Skylite	32.0	21.3	157.0	174.2
TWA Ambassador	63.5	70.9	604.5	522.3
Hawaii	21.2	14.6	216.3	167.0
Pace (6X)	—	—	569.1	206.2
Southwest Airlines	102.6	115.6	939.3	983.5
Spirit of Aloha	20.0	15.4	217.4	164.3
Total Group	**1,428.0**	**1,532.8**	**13,592.4**	**12,023.5**
% change		**−6.8%**		**+13.0%**

Men's

	Current month		Year-to-date	
	1984	1983	1984	1983
Esquire A.	135.3	104.3	1,014.3	912.9
Firehouse Magazine	94.2	49.3	574.5	537.9
Gentlemen's Quarterly A.	224.0	186.0	1,568.3	1,138.5
Penthouse A.	50.4	52.4	497.0	559.3
Playboy A.	84.2	78.3	713.3	803.8
Total Group	**588.1**	**470.3**	**4,367.4**	**3,952.4**
% change		**+25.0%**		**+10.5%**

Metropolitan

	Current month		Year-to-date	
	1984	1983	1984	1983
Aloha (6X)	29.7	40.2	145.9	140.2
Atlanta	71.9	78.1	583.6	550.8
Baltimore	77.7	67.6	620.0	586.5
Boston	166.6	147.1	1,408.7	1,293.3
California Living	86.1	88.6	491.7	501.0
Charlotte (10X)	19.3	18.5	153.2	185.8
Chicago	188.5	175.2	1,373.2	1,376.3
Chicago's North Shore	105.4	106.5	844.8	824.6
Cincinnati	73.1	67.1	514.1	521.3
Cleveland	93.3	84.3	764.9	732.8
Coast (38X)	294.9	420.5	2,757.7	2,836.2
Columbus Monthly	91.7	97.4	697.2	711.6
Commonwealth	45.5	42.7	386.0	344.3
Connecticut	99.4	91.7	821.1	740.4
Country Magazine	50.0	43.5	414.8	301.4
D/Magazine, Dallas/Ft. Worth	180.9	135.8	1,263.1	1,132.6
Denver	49.9	39.9	330.5	338.5
Exclusively Yours, Wisconsin (15X)	110.7	120.2	727.5	737.0
Grand Rapids	42.7	44.3	523.5	531.3
Gulfshore Life (10X)	33.5	37.7	540.9	444.4
Honolulu	58.9	63.2	583.3	616.8
Houston City	100.9	89.1	840.9	715.6
Indianapolis	121.4	89.4	993.2	759.6
Kansas City	39.1	40.9	335.1	297.6
Los Angeles	190.0	228.0	2,020.0	1,907.5
Louisiana Life (6X)	—	—	375.1	350.2
Madison	40.0	54.0	456.2	467.8
Metropolitan Detroit	71.5	—	548.4	—
Miami/South Florida	77.6	75.5	837.2	828.0
Milwaukee	63.1	38.8	441.7	191.7
Minneapolis/St. Paul	117.3	102.5	928.5	775.4
Monthly Detroit	70.1	50.9	622.3	535.8
New Jersey Monthly	62.6	63.6	543.6	515.4
Ohio	57.7	51.2	640.0	514.1
Orlando	83.3	71.0	840.8	750.9
Palm Beach Life	80.3	73.9	694.9	647.5
Palm Springs Life	104.5	99.4	1,233.9	1,135.8
Philadelphia	151.9	173.4	1,299.6	1,268.4
Phoenix	103.9	77.6	889.1	746.9
Pittsburgh	63.1	68.0	603.3	581.5
St. Louis	64.0	71.0	597.0	567.0
San Diego	165.9	140.8	1,484.4	1,333.6
San Francisco	88.3	60.3	745.5	590.3
San Francisco Focus	83.0	82.0	603.2	532.8
Texas Monthly	165.8	161.2	1,304.2	1,181.7
Twin Cities	66.6	58.3	637.1	505.9
Ultra	126.5	78.2	825.4	613.7
Virginian (6X) B.	—	—	238.0	185.8
Washington Dossier	61.5	44.3	512.0	461.9
The Washingtonian	174.2	166.4	1,485.7	1,407.6
Total Group	**4,563.8**	**4,319.8**	**39,522.0**	**35,817.1**
% change		**+5.6%**		**+10.3%**

Movie/romance/radio/tv

	Current month		Year-to-date	
	1984	1983	1984	1983
Macfadden's Women's Group:				
Modern Romances	21.0	30.5	240.9	266.6
Secrets	21.0	30.5	240.9	266.6
True Confessions	21.0	30.5	240.9	266.6
True Experience	21.0	30.5	240.9	266.6
True Love	21.0	30.5	240.9	266.6
True Romance	21.0	30.5	240.9	266.6
Sterling Women's Group:				
Daytime TV	28.5	27.3	280.0	297.0
Modern Screen	20.5	28.3	101.5	210.2
Movie Mirror (6X)	20.5	—	102.5	150.1
Soap Opera Stars	16.5	24.3	106.0	219.8
TV Movie Screen (6X)	4.0	—	19.0	126.6
TV Picture Life (6X)	5.0	—	92.0	87.7
Teen Bag (6X)	—	—	48.1	28.9
Total Group	**221.0**	**262.9**	**2,194.5**	**2,719.9**
% change		**−15.9%**		**−19.3%**

Music/entertainment

	Current month		Year-to-date	
	1984	1983	1984	1983
American Film (10X)	35.3	38.5	210.5	245.7
Audio	231.6	128.2	779.5	582.1
Circus Magazine	49.2	34.9	370.9	280.5
Dance Magazine	56.3	60.1	610.4	616.3
Musician	58.4	67.5	598.8	646.9
Playbill	56.2	69.8	562.2	524.4
Record	27.8	23.1	236.3	96.0
Stereo Review	55.0	48.7	450.7	488.0
Total Group	**569.8**	**470.0**	**3,819.3**	**3,479.9**
% change		**+21.1%**		**+9.8%**

National Sunday magazines

	Current month		Year-to-date	
	1984	1983	1984	1983
Family Weekly A.	50.4	76.3	596.8	718.6
Parade	50.1	70.2	529.0	661.8
Total Group	**100.5**	**146.5**	**1,125.8**	**1,380.4**
% change		**−31.4%**		**−18.5%**

Outdoor & sport

	Current month		Year-to-date	
	1984	1983	1984	1983
Alaska	44.1	41.3	415.7	410.3
American Hunter	25.6	36.5	205.1	210.1
American Rifleman	37.5	39.8	295.5	294.7
Backpacker (6X)	—	—	213.4	255.3
Bass Master (8X) A.	—	—	384.5	366.6
Bicycling (9X)	—	—	857.9	818.4
Field & Stream	93.8	78.3	847.6	884.5
Fins & Feathers A.	35.9	36.0	440.3	404.5
Fishing World (6X)	—	—	203.5	204.9
Florida Sportsman	68.3	66.2	847.1	689.1
Flying	48.8	44.3	466.9	405.8
Fur-Fish-Game	32.8	43.1	236.8	234.9
Golf Digest	62.7	74.0	917.6	894.7
Golf Magazine	38.4	51.4	705.6	652.9
Guns & Ammo	62.3	63.6	502.7	515.6
In-Fisherman (6X)	53.5	43.5	424.5	382.0
Outdoor Life	87.0	86.8	777.4	741.0
Outside Magazine	39.9	45.6	377.9	360.1
Petersen's Hunting	69.7	70.1	456.8	401.3
The Runner	66.5	57.3	467.8	413.4
Runner's World (13X)	72.5	78.0	541.6	502.7

(X) Represents the number of times published each year; publications are monthly unless otherwise specified.

A. Sectional linage included but prorated to circulation of regional editions. B. Sectional linage included but not prorated to circulation of regional editions. C. Combined unduplicated regional ads. D. 1984 year-to-date figure reflects 5.5 pages of paid advertising in an advertorial section of the Sept. issue. E. 1984 year-to-date figure reflects adjusted total. The magazine erroneously reported its Sept. 1984 figure. It should have been 28.9. * All affiliated with Sunday Mag/Net. except Los Angeles Times Home Magazine and New York Times Magazine.

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October

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Salt Water Sportsman	63.3	45.6	709.4	547.9
Shooting Times	47.2	43.2	386.6	370.3
Ski (8X) A.	142.4	102.3	523.7	409.9
Skiing (7X)	180.4	177.2	598.6	529.0
Skin Diver	57.6	67.2	754.7	723.3
Southern Outdoors (8X)	34.8	45.6	314.5	337.1
Sport	48.7	50.7	457.0	402.4
Sports Afield	98.3	103.9	864.2	842.9
Western Outdoors (10X)	33.5	29.7	382.5	284.9
Total Group	**1,645.5**	**1,621.2**	**15,577.4**	**14,490.5**
% change		**+1.5%**		**+7.5%**

Photography

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
American Photographer	46.0	62.8	412.0	507.4
Petersen's Photographic	39.8	46.8	328.4	349.8
Popular Photography	98.0	97.5	960.3	1,112.7
Total Group	**183.8**	**207.1**	**1,700.7**	**1,969.9**
% change		**−11.3%**		**−13.7%**

Religious

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
BBI Jewish Monthly (10X)	23.9	25.0	206.6	195.7
Christian Herald	46.3	44.3	285.6	282.9
Christian Life	38.1	33.2	280.8	273.5
Christianity Today	114.7	97.3	639.8	581.0
Inside (4X)	—	—	251.3	218.5
Moody Monthly	67.8	62.3	465.5	462.9
Today's Christian Woman (6X)	44.3	52.0	188.3	125.7
Total Group	**335.1**	**314.1**	**2,317.9**	**2,140.2**
% change		**+6.7%**		**+8.3%**

Science/electronic/mechanic

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Compute	81.0	174.5	766.8	1,385.5
Computers & Electronics	52.0	60.3	458.9	600.9
Creative Computing	105.9	180.4	1,168.3	1,749.1
Discover	28.9	35.5	348.0	409.3
Family Computing	60.7	40.0	524.4	74.3
Mechanix Illustrated	98.3	102.6	714.8	701.5
Omni	89.9	103.5	640.9	647.6
Natural History	56.2	52.0	420.6	368.5
Popular Mechanics	105.1	120.6	943.6	987.4
Popular Science	85.5	121.4	814.8	860.9
Science Digest	39.1	32.2	301.3	317.0
Science 84 (10X)	36.7	41.7	265.8	306.0
Scientific American	53.1	96.5	666.2	557.7
Spectrum	128.2	96.1	998.7	836.8
Total Group	**1,020.6**	**1,257.3**	**9,033.1**	**9,802.5**
% change		**−18.8%**		**−7.8%**

Women/fashion/service

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Bride's Magazine (6X) A.	—	—	1,643.9	1,565.7
Cosmopolitan A.	225.3	231.8	2,099.6	2,006.8
Essence	194.3	93.7	845.4	803.1
Family Circle A.	232.0	236.8	1,477.5	1,488.2
Glamour	210.7	183.6	1,815.7	1,671.8
Good Housekeeping A.	198.1	219.3	1,597.6	1,663.6
Handmade (6X)	—	—	120.0	117.9
Harper's Bazaar	163.5	153.3	728.2	1,262.6
Health	42.8	30.5	368.9	315.6
Ladies' Home Journal	125.0	129.5	1,009.5	945.8
Ladycom (10X)	58.0	40.0	366.8	321.8
Mademoiselle	144.2	138.3	1,428.4	1,310.9
McCall's	116.2	118.0	927.8	876.9
Modern Bride (6X)	—	—	1,395.9	1,317.0
Ms.	59.9	64.2	515.8	439.7
New Woman	55.1	56.1	470.7	466.8
Parents Magazine A.	98.1	91.8	759.7	740.5
Playgirl	33.2	39.7	337.8	384.9
Redbook	123.6	117.4	943.4	872.7
Self	120.9	91.7	991.6	763.8
Seventeen	100.4	105.5	1,303.2	1,119.4
Soap Opera Digest	118.0	111.5	1,098.0	1,043.5
'Teen Magazine	46.0	56.7	550.8	553.4
True Story A.	59.4	73.5	578.0	577.5
Vogue	466.9	407.3	2,897.1	2,518.0
W Magazine	161.0	152.3	1,117.9	979.5
Weight Watchers	43.4	28.8	306.3	258.6
Woman's Day A.	195.4	239.4	1,236.1	1,314.7
The Workbasket (10X)	49.2	47.9	345.0	345.6
Working Mother	95.4	84.5	715.7	660.7
Working Woman	113.3	140.0	1,043.1	948.2
Total Group	**3,649.3**	**3,483.1**	**31,035.4**	**29,655.2**
% change		**+4.8%**		**+4.7%**

Youth

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Boys' Life	13.0	19.6	162.1	220.0
Campus Life	86.3	86.6	397.3	365.4
Total Group	**99.3**	**106.2**	**559.4**	**585.4**
% change		**−6.5%**		**−4.4%**

September

Business

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Arizona Business Gazette	24.7	16.1	223.6	141.8
Atlanta Business Chronicle (52X)	44.2	34.5	420.1	281.5
Austin Business Journal	45.1	33.3	400.8	281.5
Barron's (52X)	190.1	224.3	1,663.8	1,773.0
Black Enterprise	46.6	49.3	507.3	482.3
Boston Business Journal	96.2	58.2	812.8	558.6
Business Week (52X) A.	407.4	387.7	3,433.4	3,128.1
California Business	111.8	112.0	820.2	662.0
Capital District Business Review (24X)	50.5	49.7	410.0	328.6
Corporate Report/Kansas City	68.7	62.0	546.3	451.7
Corporate Report/Minnesota	90.8	79.4	751.8	708.4
Crain's Chicago Business (52X)	146.2	142.3	1,154.9	1,058.2
Crain's Cleveland Business	75.5	57.9	581.2	444.2
Dallas/Ft. Worth Business (52X)	—	—	—	—
Dun's Business Month	63.9	62.7	530.0	559.0
Financial World (24X)	25.2	30.0	268.3	317.7
Florida Trend	86.2	77.3	758.3	644.8
Forbes (26X)	302.5	294.0	2,470.3	2,159.8
Fortune (26X) A.	225.8	245.0	2,345.5	2,056.5
Frequent Flyer	58.5	47.6	502.6	415.9
Futures	62.0	56.0	503.0	493.0
Hawaii Business	57.1	47.5	454.2	431.9
High Technology	28.8	28.8	279.4	242.9
Inc. Magazine A.	151.1	112.9	1,067.1	888.5
Income Opportunities (10X)	46.4	50.6	371.7	344.0
Industry Week (26X) A.	143.1	140.7	951.8	879.8
Indianapolis Business Journal	121.4	89.4	993.2	759.6
New Orleans Citibusiness	95.2	89.6	1,005.7	780.4
Minnesota Business Journal	54.7	50.4	449.7	356.4
Nation's Business A.	43.8	32.2	292.5	269.3
New England Bus. (20X) B.	—	—	—	—
Pacific Business News (52X)	92.6	91.7	902.8	867.5
Philadelphia Bus. Journal	117.4	83.1	939.5	558.9
Pittsburgh Bus. Times (52X)	65.6	64.0	486.2	437.0
Savvy	46.2	59.8	368.3	363.4
St. Louis Business Journal	130.9	97.4	1,201.1	940.9
Texas Business	55.5	91.8	622.3	524.9
Venture	82.0	59.3	720.1	503.4
Total Group	**3,457.5**	**3,308.5**	**30,209.8**	**25,813.9**
% change		**+4.5%**		**+17.0%**

Newspaper Sunday magazines*

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Arizona Republic	—	—	—	—
Boston Globe	244.7	272.1	1,769.7	1,622.2
Chicago Tribune	108.0	112.9	644.7	721.6
Cincinnati Enquirer	101.0	84.8	663.6	651.0
Cleveland Plain Dealer	67.0	87.6	520.9	731.4
Columbus Dispatch	72.8	47.9	441.8	407.1
Dallas Times Herald	64.6	64.4	702.6	634.0
Denver Post	78.9	126.6	673.2	789.6
Detroit News	86.0	98.0	766.0	869.0
L.A. Times Home Magazine	98.3	100.1	923.8	766.1
Louisville Courier-Journal	—	—	—	—
Miami Herald	50.2	53.3	460.8	476.4
New York News	—	—	—	—
New York Times Magazine	605.8	484.8	3,266.1	2,916.3
Philadelphia Inquirer	135.6	94.2	172.6	137.2
Toledo Blade Magazine	65.2	46.1	461.4	406.6
Washington Post	149.8	138.2	974.7	949.8
Total Group	**1,927.9**	**1,811.0**	**12,441.9**	**12,078.3**
% change		**+6.5%**		**+3.0%**

Weeklies/bi-weeklies

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
The Advocate (25X)	105.0	100.1	908.2	960.0
Army Times Military Group:				
Air Force Times (52X)	143.5	143.9	1,314.6	1,281.3
Army Times (52X)	138.4	138.9	1,251.1	1,247.1
Navy Times (52X)	153.1	153.2	1,411.4	1,424.9
The Times Magazine	25.9	25.5	145.3	136.4
The Blood-Horse (52X)	411.7	546.9	4,119.1	4,042.6
Commonweal (22X)	3.3	7.3	51.9	57.3
Golf World (43X)	52.9	55.4	723.5	730.1
Grit (52X) A.	26.0	27.8	210.2	225.4
National Journal	36.0	36.0	244.7	223.0
National Review	28.2	41.0	234.3	281.8
New Republic (48X)	27.7	30.2	262.4	279.5
New York Magazine (50X)	311.7	313.9	1,976.6	2,000.5
New Yorker (52X)	275.9	336.5	2,285.6	2,318.1
Newsweek (52X) A.	206.6	217.3	1,948.1	1,888.4
People (52X)	296.7	257.6	2,640.8	2,260.9
Rolling Stone (25X)	106.4	119.6	765.9	809.3
Sporting News (52X)	44.7	47.2	429.0	484.9
Sports Illustrated (52X) A.	226.4	253.2	2,169.9	1,947.2
Time (52X) A.	194.1	197.8	1,881.9	1,811.8
Travelhost (52X) C.	3,361.0	3,087.0	28,945.0	26,142.0
TV Guide (52X) A.	460.1	352.3	2,696.9	2,541.9
Us Magazine (26X)	28.5	46.8	330.0	406.8
U.S. News & World Report (52X) A.	121.8	135.8	1,169.9	1,220.6
Total Group	**6,785.6**	**6,671.2**	**58,116.3**	**54,721.8**
% change		**+1.7%**		**+6.2%**

Foreign

	Current month 1984	Current month 1983	Year-to-date 1984	Year-to-date 1983
Good Housekeeping Foreign Editions:				
Australia	44.1	43.8	292.3	308.9
Japan	65.1	56.0	635.1	509.9
Great Britain	163.0	109.5	1,044.2	967.3
Buenhogar:				
Central America	1.0	1.0	13.2	15.0
Chile	—	2.0	6.7	10.0
Colombia	36.0	46.8	267.2	331.7
Dominican Republic	3.0	15.5	46.0	109.5
Ecuador	13.0	10.0	112.5	84.0
Mexico	58.8	38.2	341.3	341.8
Peru	37.3	23.8	154.8	184.5
Puerto Rico	7.0	7.8	126.2	107.0
U.S.	12.7	11.8	108.0	83.8
Venezuela	28.8	15.8	218.0	174.2
Geomundo:				
Central America	8.0	7.0	50.8	40.0
Chile	7.5	6.0	47.8	41.0
Colombia	12.0	16.5	78.5	93.0
Ecuador	5.0	5.0	33.0	34.0
Mexico	10.5	8.0	67.3	54.5
Peru	7.5	9.0	46.8	52.0
Puerto Rico	5.5	5.0	23.8	32.0
U.S.	4.2	4.0	42.7	29.0
Venezuela	9.0	6.0	92.3	91.7
Hombre De Mundo:				
Central America	9.0	6.0	56.0	47.3
Chile	9.0	8.0	55.0	49.0
Colombia	12.5	14.0	86.0	90.0
Ecuador	7.0	8.0	40.0	48.0
Mexico	20.7	17.5	121.2	103.3
Peru	9.0	9.0	53.0	46.0
Puerto Rico	9.0	7.0	76.0	49.3
U.S.	7.7	5.0	56.7	28.0
Venezuela	23.5	12.0	158.5	125.3
Ideas Para Su Hogar:				
Central America	—	—	1.5	2.0
Chile	—	—	1.0	—
Colombia	29.0	31.0	166.0	217.7
Ecuador	4.0	1.0	45.5	27.0
Mexico	13.0	10.2	76.2	116.8
Peru	6.0	17.0	53.0	65.0
Puerto Rico	—	—	5.0	6.0
U.S.	8.0	7.5	62.0	38.8
Venezuela	25.0	15.2	140.0	107.2
Mecanica Popular:				
Argentina	3.8	6.8	47.8	63.8
Central America	9.8	9.8	113.2	111.2
Chile	6.2	6.3	55.2	55.3
Colombia	12.5	15.0	123.5	152.3
Mexico	16.3	9.8	113.7	82.3
Peru	13.0	22.8	139.0	174.0
Puerto Rico	13.3	12.3	126.3	131.7
U.S.	4.8	3.7	40.8	28.0
Venezuela	14.8	17.5	[illegible]	180.3
The Ring en Espanol:				
Colombia	1.0	—	[illegible]	—
Mexico	0.2	—	0.5	—
Puerto Rico	1.0	—	1.0	—
U.S.	5.0	3.3	[illegible]	29.7
Venezuela	2.0	1.0	12.0	0.7
Vanidades Continental:				
Central America	6.8	12.2	54.5	61.2
Chile	2.3	2.0	18.0	30.5
Colombia	93.2	86.0	522.5	558.0
Dominican Republic	11.7	21.2	[illegible]	158.5
Ecuador	21.7	11.7	159.3	109.3
Mexico	109.7	91.0	[illegible]	801.3
Peru	24.7	46.2	[illegible]	249.2
Puerto Rico	28.3	27.0	315.3	302.3
U.S.	47.7	47.7	378.8	398.3
Venezuela	72.5	36.8	[illegible]	385.8
Business Week Int'l.	148.4	181.0	[illegible]	1,218.6
Cosmopolitan Foreign Editions:				
Australia	77.2	78.4	502.6	524.7
Brazil	62.0	67.0	326.9	387.2
France	95.2	84.5	1,034.8	747.7
Germany	94.0	64.4	[illegible]	473.8
Great Britain	120.0	117.0	965.3	923.9
Greece	30.0	28.0	[illegible]	422.0
Holland	65.0	47.8	[illegible]	346.5
Italy	65.3	73.7	477.7	512.2
Japan	29.0	36.0	266.7	337.8
South Africa	125.0	—	688.5	—
Cosmopolitan en Espanol:				
Central America	—	1.3	7.0	17.5
Colombia	15.2	17.3	88.5	128.0
Ecuador	—	0.3	3.0	7.7
Mexico	54.5	71.2	372.2	466.2
Peru	4.0	3.3	23.0	60.7
Puerto Rico	28.5	10.8	254.7	168.0
U.S. (Spanish language)	23.8	17.3	170.0	146.8
Venezuela	20.5	10.5	142.0	109.8
International Management:				
Africa	7.6	25.0	102.7	142.0
Europe	78.2	55.2	335.3	336.2
Latin America	6.3	9.3	70.5	107.3
Middle East	29.3	23.5	126.3	197.3
Pacific	14.7	17.5	108.8	134.3
Johnston International:				
Alam Attijarat	79.3	78.3	482.1	521.3
Ejecutivo	14.7	17.0	52.6	74.0
Modern Africa	39.2	25.5	120.0	118.4
Modern Asia	49.1	55.8	252.6	312.2
Newsweek International A:				
Atlantic	94.9	110.5	712.7	764.4
Latin America	33.7	36.7	208.6	257.2
Progreso (9X)	8.7	14.8	44.4	74.0
Reader's Digest:				
Arabic	12.0	—	79.0	94.0
Asian	231.0	233.5	1,553.0	1,882.0
Australian	72.0	84.5	657.8	576.2
Belgian-Flemish	63.5	60.5	672.0	661.0
Belgian-French	32.5	52.5	431.0	496.0
British	57.6	56.5	442.4	527.5
Chinese B.	123.0	154.0	844.2	928.3
Danish	42.0	49.4	270.8	282.9
Dutch	42.0	38.3	319.3	282.6
Finnish	29.0	67.5	339.5	544.0
French	44.3	58.8	395.7	462.6
German	47.8	71.0	569.9	600.9
Greek	4.0	—	83.5	—
Iberian	24.5	18.0	148.0	143.5
Indian-English	65.0	55.5	632.5	620.3
Indian-Hindi	10.0	8.0	45.5	35.5
Italian	25.0	52.5	294.0	402.5
Japanese	32.9	42.3	384.3	428.7
Korean	25.0	20.5	208.0	179.7
Latin American:				
Argentina	26.0	22.0	173.0	124.0
Brazil	1.5	6.0	22.5	79.5
Central American	12.0	13.0	83.5	95.0
Chile	5.0	[illegible]	97.0	128.5
Colombia	35.0	[illegible]	264.5	331.0
Ecuador	12.0	[illegible]	71.5	94.0
Mexico	57.3	[illegible]	408.0	370.7
Peru	12.0	18.0	80.0	87.5
Puerto Rico	9.5	10.5	49.5	56.5
U.P.B.	10.0	15.0	65.0	90.5
U.S. Spanish	14.5	16.5	83.5	124.0
Venezuela	16.0	15.5	98.0	122.0
New Zealand	98.3	100.0	754.3	758.3
Norwegian	32.8	44.0	287.9	310.1
Portugal	31.0	52.8	321.0	402.6
South African	98.5	[illegible]	803.8	844.0
Swedish	4.5	[illegible]	92.0	170.0
Swiss-French	19.7	[illegible]	216.6	246.0
Swiss-German	25.7	[illegible]	287.0	309.0
Time International:				
Time-Asia	102.7	105.3	745.1	820.0
Time-Atlantic	129.4	[illegible]	851.4	823.2
Time-Canada	202.3	169.5	1,459.3	1,185.2
Time-Latin America	74.3	[illegible]	391.7	388.6
Time-South Pacific	123.1	[illegible]	964.7	1,055.9
Visao (52X)	376.8	[illegible]	1,576.4	1,526.5
Vision/Latin America (26X) A.	44.9	[illegible]	251.4	252.9
Total Group	**5,324.9**	**[illegible]**	**37,514.8**	**39,006.6**
% change		**+5.1%**		**−3.8%**

$1.25 a copy; $52 a year

Thursday, October 25, 1984

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Midweek News Summary

Doyle Dane Bernbach International is "contemplating" selling its ECOM/DDB public relations unit as part of a plan to streamline operations. *See Page 2.*

"Split-30" ad units will proliferate on network tv during the next year despite concerns that the resulting clutter will undermine the effectiveness of the standard 30-second unit. *See Page 2.*

Time Inc.'s sale of the Pioneer Press chain of suburban Chicago weeklies to Marshall Field V's Field Corp. will put the former *Chicago Sun-Times* owner back into the newspaper business just as it eliminates Time from the category. *See Page 3.*

Adolph Coors Co. next month will withdraw its Golden Lager premium beer from the shelves in the brand's last test market. *See Page 3.*

Prince Foods is introducing its pasta line into its first West Coast market as part of a plan to roll national. *See Page 3.*

Public broadcasting stations again face the question of whether to accept advertising after President Reagan vetoed a funding bill. *See Page 3.*

Pillsbury Co. is raising the competition in the active, dry-yeast category as it enters new Best instant dry yeast into three test markets. *See Page 3.*

Rent-a-Center is embarking on a campaign to tell consumers it's all right to rent goods rather than own them. *See Page 5.*

Warner Cosmetics, after months of speculation, confirmed it will develop a fragrance and cosmetics line under the Norma Kamali name. *See Page 9.*

DIRECT MARKETING

AT&T Communications is moving quickly to quell unrest over its entry into telemarketing among independent telemarketing service bureaus. *See Page 6.*

Robert DeLay, outgoing president of the Direct Marketing Assn., challenged the group to stop being defensive in his last address. *See Page 6.*

Sakowitz Inc. is selling romance in its 16th annual "Ultimate Gift Suggestions" catalog. *See Page 7.*

The U.S. magazine industry's top leaders, Jack Rehm (l.), president-publishing group, Meredith Corp., and chairman, Magazine Publishers Assn., and MPA president William Gorog (r.), were shoulder-to-shoulder with the Bahamas' leader, Prime Minister Lynden Pindling, at this week's American Magazine Conference.

Newhouse in rare appearance

Magazines see good business

By STUART J. ELLIOTT

Nassau, Bahamas—Conde Nast Publications chairman S.I. Newhouse Jr. used a rare appearance at an industry gathering this week to express confidence in his company's struggling *Vanity Fair*.

The low-profile Mr. Newhouse, star of a panel that was the talk of the 1984 American Magazine Conference here, said he's encouraged by the magazine's performance and vowed it will "keep going."

"Recently there was a very nice turnabout in circulation," Mr. Newhouse said. "Renewals are coming in at a much higher rate and ads will hit 50 pages in December. As long as it's going well, and we're encouraged by all the vital signs, we're going to keep going with *Vanity Fair*." Since its revival in March, 1983, *Vanity Fair* has struggled with problems that have kept it losing what industry observers estimate is $10 million to $12 million a year.

Organizers of the conference, co-sponsored by the Magazine Publishers Assn. and the American So-

(Continued on Page 55)

Surf to pound away at Tide

By NANCY GIGES

Lever Bros. is waving another potential success story at Procter & Gamble with the rollout of Surf laundry detergent (AA, March 13) into Texas and Oklahoma.

Set for ad spending exceeding a $50 million national rate, Surf captured more than 13% of the market in a Houston test, moving into the No. 2 slot behind P&G's Tide within six months.

New York-based Lever Bros., using the low-key yet hard-hitting approach it took with Snuggle fabric softener, is playing down the expansion. But the company has told the retail trade it expects Surf to be the first major new laundry powder in many years.

Lever believes Surf will follow Snuggle fabric softener and Sunlight liquid and dishwasher soaps in its parade of new-product successes. Those hit P&G entries hard, and each of those P&G brands is No. 1 in its market: Cascade leads the dishwasher detergent market, Downy tops fabric softeners and Ivory and Dawn share first place among dishwashing liquids.

Surf could be the biggest windfall yet for Lever because of the size of the heavy-duty detergent category—a whopping $3 billion at retail. The brand is positioned as ideal for modern fabrics because it removes not only dirt but odors. Ogilvy & Mather, New York, is the agency.

In addition to tv support reaching 97% of all women aged 25 to 54 an average of 74 times every four weeks during the introductory period, Lever is running ads in women's magazines, distributing two million 7.25-oz. samples and conducting a public relations program with spokeswoman Pat Van Patten, wife of actor Dick Van Patten. Daniel J. Edelman Inc. handles the pr program.

According to Lever, consumer research indicates that one-third of consumers complain that their current laundry detergent does not adequately remove odors from clothes. Other testing suggested that Surf was overwhelmingly preferred to the market leader (Tide), the company said. Nationally, Tide holds 22% of the market.

Surf is a standard-density powder detergent, the largest segment of the laundry-detergent category, accounting for some two-thirds. Liquids make up about 22% and concentrated powders, 11%. Lever's other major entries, Wisk liquid and Concentrated All, compete in the other two segments.#

Two admen die in copter crash

By BRIAN MORAN

A Wells, Rich, Greene art director and a former staff photographer for *National Geographic* were killed Oct. 19 in a helicopter crash near St. Thomas, Virgin Islands, while filming an assignment for WRG client Pan American World Airways.

Joseph Capitelli of Wells, Rich, Greene and free-lance photographer Gordon Gahan were taking aerial shots of sailboats when their helicopter apparently malfunctioned and plunged into the ocean just off the coast of St. Thomas.

Mr. Capitelli, 34, and Mr. Gahan, 38, had been working in the Caribbean five days when the crash occurred, said Andre van Stom, exec vp at WRG, New York. Mr. Gahan, co-owner of a New York photography business, had been hired for the shoot.

"It had rained the first three days and the weather had just broken for them," Mr. van Stom said. "They should have been on their way back home already."

The pilot of the helicopter, identified as Steve Booker of St. Thomas, also was killed. The Federal Aviation Administration and the National Transportation Safety

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rolls

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AA
DC2001¢CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
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WASHINGTON DC 20014

Presstime

DDB can cite Kidde, exec in suit against client

New York—Doyle Dane Bernbach International will be allowed to include Kidde Inc., Saddle Brook, N.J., and its chairman, Fred Sullivan, as defendants in its $8 million suit against former client Victor Technologies. A New York state supreme court justice this week ruled in DDB's favor. Kidde and Mr. Sullivan owned a majority of Victor when the DDB client filed for bankruptcy in February, leaving DDB with $3.3 million in uncollected receivables (AA, Feb. 6). DDB is charging that Victor's fourth-quarter, 1982, financial position was misrepresented. Kidde and Mr. Sullivan had moved to dismiss the suit against them but were denied that motion.

Beatrice sells liquor unit to Whitbread

Chicago—Beatrice Cos. has signed a definitive agreement to sell its Buckingham Corp. liquor importing operation to Whitbread (U.S.) Holdings. The unit of London-based brewer Whitbread & Co. PLC will acquire Buckingham for $110 million in cash. Beatrice expects to announce several other divestitures by the end of this year.

Ammirati waves goodby to Club Med account

New York—Club Mediteranee and Ammirati & Puris have ended their relationship on the $7 million national Club Med account. Although the parting was described as amicable, there have been reports of personality conflicts on the account.

Ad campaign fired off for Trigger software

Coconut Grove, Fla.—Thoughtware breaks a $1 million fourth-quarter print campaign in today's *Wall Street Journal* for Trigger, a new business

(Continued on Page 2)

Ron vs. Fritz —in Nassau

NASSAU, BAHAMAS—Outside events rarely intrude on the proceedings at the American Magazine Conference. But the presidential debate Oct. 21 had its impact on the 1984 conference here.

The debate overlapped a conference reception, so three tv sets were set up in the hotel, enabling nearly 200 attendees to watch the proceedings.

The next day, two participants in a session on foreign policy had to cancel appearances. Robert McFarlane, national security adviser, accompanied the President to the debate and could not get here in time. And Richard (Rick) Smith, editor-in-chief, *Newsweek*, remained in New York as his magazine extended its deadline to include debate coverage.

A total of 78% at the session called the debate a toss-up, 12% said President Reagan won and 10% said Walter Mondale won, said Marvin Stone, editor-in-chief, *U.S. News & World Report*.#

Photo by Vincent Vaughan

Split-30 boom expected; is 15-second unit next?

By VERNE GAY

NEW YORK—The "split-30" ad unit will proliferate on network tv during the next year, despite concerns that the resulting clutter will undermine the effectiveness of the standard 30-second unit.

The advent of the stand-alone, 15-second unit also may be in the near future.

J. Walter Thompson USA soon will begin to press for the sale of individual 15-second units. The networks have opposed individual 15s because affiliates fear the national spot market will be hurt as a result. All 15-second units now are sold only in pairs.

"We think use of the 15-second unit will escalate rapidly," said Richard Kostyra, senior vp-media director, J. Walter Thompson USA. "In Japan, the shorter commercial comprises 70% of all spots. In England, 38% are either 10s or 20s."

There are several factors behind the coming boom in split-30s, said advertising and agency experts, but much of it will be fueled by major package goods advertisers who are beginning to see them as media weight builders for brands that don't require major budget increases.

There also is room for growth. About 27% of the networks' inventory base is earmarked to run split-30 ads; only 5% of the total base is being used. A split-30 may run once in a 90-second pod on ABC and NBC and once in a two-minute pod on CBS.

Many advertisers are entering a period of intense experimentation. While these same advertisers have decried the advent of split-30s, they want to determine the effectiveness of the unit as a frequency builder for established brands. They include Carter-Wallace, Chesebrough Pond's, Coca-Cola's Columbia Pictures, Esmark, Johnson & Johnson, Heinz, Lever Bros., RJR Foods and at least a dozen others.

General Foods' Jell-O is using the split-30 as a reach and frequency builder. Beecham Products' Ace Combs and Aqua Velva, as small network brands, are attempting to stretch their awareness through the use of split-30s. American Home Products' Chef-Boy-Ar-Dee also is testing the unit as an awareness builder. Gillette, which has used it for Foamy, Bare Elegance and razor-blade products, wants to see how the small and large brands can benefit. For the first time, Gillette used split-30s during the World Series.

In part, tv cost inflation is forcing some of these advertisers to scrutinize the split-30. "One problem many brands currently have is that spending has not kept pace with inflation," said Robert Bolte, director of media services, Clorox,

(Continued on Page 54)

Divestitures being weighed

DDB ponders sale of pr unit

By STEWART ALTER

NEW YORK—Doyle Dane Bernbach International is "contemplating" selling its ECOM/DDB public relations unit as part of a streamlining strategy, exec vp Robert Pfundstein said.

Consideration of the sale comes two months after DDB quietly closed its 20-year-old Director's Studio commercial production unit.

Noting that "no firm decision" on ECOM will be made for another few weeks, Mr. Pfundstein indicated that one of the more likely options being considered was selling the unit back to its principal, Robert Frost.

Asked whether DDB was generally considering divestitures, Mr. Pfundstein, the agency's chief financial and administrative officer, said, "Candidly, yes. We are looking at everything we've gotten into in the last few years."

But he qualified that by saying the company was "extremely happy" with its agricultural, direct-marketing, pharmaceutical and recruitment operations.

DDB acquired ECOM Consultants, which specializes in corporate and investor relations, in April, 1983. "Our goal was to use their very small base of business and build product and corporate pr capabilities," Mr. Pfundstein said. "If we had invested enough, it probably would have worked."

He said ECOM would remain DDB's investor relations consultant even if it were sold back and that DDB has not closed the door on reentering the product and corporate pr area more directly again.

ECOM/DDB, which has about 30 clients and $1 million in revenues, closed its two West Coast offices last summer.#

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ABP RED TAG ABC ANPA

Presstime

(Continued from Page 1)

analysis software program that the company claims will eliminate the need for management consultants. Spreads also will appear in *Business Week* and *Forbes*. Fredericks Kullberg Amato Pisacane handles.

Other late news

- NEW YORK—**BBDO International**, the first of the public ad agencies to report its third-quarter figures, says revenues rose 15% to $72.3 million in the three months ended Sept. 30. Earnings hit $3.9 million, a 30% increase over the total for the same period in 1983. For the nine months, revenues rose 20% to $223.1 million, and net income was up 36% to $15.2 million.

- NEW YORK—**Halloween costumes** shaping up as the strongest sales prospects include Ben Cooper Inc.'s Cabbage Patch Kids, Care Bears, "Gremlins" and Masters of the Universe, say Toys "R" Us, Rochelle Park, N.J., and other sources. Other popular costumes include Collegeville Costumes' Dungeons & Dragons, Rainbow Brite and Transformers.

- ST. LOUIS—**Anheuser-Busch** has decided on King Cobra as the permanent name for its new malt liquor. A-B had been testing both the King Cobra and Jaguar names in six markets each since April (AA, Feb. 20). King Cobra now will be available in all 12 test markets. J.P. Martin Associates, New York, is agency of record for the brand.

- NEW YORK—**Seagram Wine Co.** is introducing Seagram's Cooler into the greater New York area later this year. Kenyon & Eckhardt handles.

- ST. LOUIS—**Ralston Purina Co.** is testing Purina T-Bonz dog treats in midwestern markets, including Milwaukee. Tv spots describe the product as "Nice and solid like a real T-bone. Loaded inside with real beefy taste." Gardner Advertising, St. Louis, handles.

- LODI, N.J.—**Italusa Corp.** is expanding into California and the Midwest with its Pomi spaghetti sauce and strained tomatoes, as well as Santal fruit juices and nectars. The products, all of which come in aseptic packaging, have been marketed for about a year in New York and New England. Wellington & Messina, New York, handles.

- ROCHESTER, N.Y.—**Eastman Kodak Co.** is promoting its new line of diskettes, the company's first foray into the electronic media market, through an extensive print campaign beginning Nov. 14 in the *Wall Street Journal*. Other consumer print advertising will break in early 1985, with trade ads beginning in November. Rumrill-Hoyt handles. Kodak also is introducing its Kodavision 8mm videorecorder in an extensive print campaign Oct. 30. In addition, it will heavily promote its disc camera and improved disc film for Christmas. Fourth-quarter disc advertising is estimated at some $20 million. McCann-Erickson, New York, is the agency for Kodavision, and J. Walter Thompson USA handles Kodak disc ads.

- NOVATO, CAL.—**Fireman's Fund Insurance Cos.** has named McCann-Erickson, San Francisco, to handle its $300,000 account. The agency was the only one left in consideration after incumbent Cunningham & Walsh withdrew. Earlier, Ogilvy & Mather dropped out due to a conflict. Budget for the financially troubled subsidiary of American Express Co. was about $1.5 million last year.

- MEMPHIS—**Plough Inc.** has narrowed its agency review for Coppertone from 11 to five agencies, which will begin making presentations next week, says a source close to Plough. Warwick Advertising, the incumbent, remains in the $3 million review (AA, Sept. 6). No decision is expected until mid-November.

- DETROIT—**General Motors** may import the Rekord 2.2 sedan into the U.S. from its West German Opel subsidiary to counter Lincoln-Mercury's German Merkur. Meanwhile, Ford Motor Co. is planning to expand its line of imported European cars under the Merkur brand. Two and four-door sedans and a wagon will join the marque soon.

- YOUNTVILLE, CAL.—**Domaine Chandon**, fueled by strong growth and increasing competition in the superpremium sparkling wine category, has moved its account to Tatham-Laird & Kudner, San Francisco. It replaces Maxwell Arnold, Jackson & Co. on the $500,000 account.

- SECAUCUS, N.J.—**Consolidated Cigar Corp.**, recently acquired by MacAndrews & Forbes, the Camden-based candy and chemical company, is talking to ad agencies, sources say. Robert David, account supervisor for incumbent Nadler & Larimer, New York, said he was unaware of any search. Consolidated senior vp-marketing Barry Nova had no comment. Consolidated's ad spending in measured media in 1983 was less than $100,000, says Leading National Advertisers

- **NEWSLINE: Walter Carlson** reportedly has moved to senior vp-public relations director, a new post at Doyle Dane Bernbach, New York, from senior editor, *Folio*. Mr. Carlson, who wrote the *New York Times* advertising column from 1964 to 1966, more recently headed his own pr agency. . .**Spectragraphics Corp.**, San Diego, a marketer of high-performance computer work stations and terminals, to **Reiser Williams DeYong/Cunningham & Walsh**, Irvine, Cal., for its $1 million account from Salvati Montgomery Sakoda. . .**Tower Air**, New York, next week will announce its first scheduled domestic service, one daily flight in each direction between New York's Kennedy Airport and Los Angeles. The peak-hour service reportedly will offer a $119 fare, matching People Express' off-peak fare. Burger Lang Partners handles. . .**Ford Motor Co.**, Dearborn, Mich., and the United Auto Workers reportedly have agreed to work together on developing a new U.S.-built small car, similar to General Motors Corp.'s Project Saturn (AA, Nov. 7). Code-named Alpha Project, the program is aimed at competing profitably with Japanese imports. . .**Ford Motor Co.'s** Ford division says that it and its ad agency, J. Walter Thompson USA, are "definitely looking" at producing made-for-tv movies in a move similar to that of Chrysler Corp. (AA, Oct. 18). An "initial project" is under study. . .**Alberto-Culver Co.**, Melrose Park, Ill., is introducing four new Alberto VO5 products: Shampoo, conditioner and aerosol and nonaerosol hair sprays for permed and color-treated hair. The new line will be advertised via regular VO5 advertising. Bozell & Jacobs, Chicago, handles. . .**Lorus Products**, New York, will become the "official timekeeper" for ESPN in a 15-month, multi-million-dollar deal. Lorus replaces Timex, which in July backed out of a 10-year, $20 million commitment with ESPN made in 1981.

Seeing that special events measure up

By Mary McCabe English

Three months before the 1984 Summer Olympics started in Los Angeles, researchers at Needham Harper Worldwide began a series of surveys designed to gauge attitude and awareness regarding the Olympics and corporate sponsorship of the games.

With negotiations for the 1988 Summer Olympics already under way, Needham is ready to provide farsighted marketers with an analysis of just what Olympic sponsorship can mean to their bottom line.

Mary McCabe English frequently writes on marketing technology and measuring for Special Report.

The Needham surveys continued throughout the Olympics and into the last week of September. Various aspects of the results have been released to interested parties, and Jim Crimmins, director-marketing decision systems at the Chicago-based company, says a formal presentation of all the information gathered during the five months will take place by the end of November.

Most folks agree that the use of special events as a sales promotion tool is growing by leaps and bounds. A pity, many add, that the incidence of solid events research—such as the Needham Olympics survey—isn't keeping stride.

"There's no doubt that people are measuring more today than before, but that's easy because they weren't measuring them at all before," says Bill Robinson, president of William A. Robinson Inc., a Chicago marketing company.

Mr. Robinson says there are a number of reasons behind the growth that does exist, chief among them the demand for more accountability in-house as more money is pumped into events and the emergence of a more competitive attitude as more companies get into the sponsorship act.

"There's definitely more measurement, mainly because more money is going into it, and companies are loathe to spend money on things they can't measure," says Don Dixon, managing director-promotional group, Howard Marlboro Group in New York.

"I think the major trend in measurement started back in 1981-82 when the Los Angeles Olympic Organizing Committee started selling their sponsorships and they were in the multiple millions of dollars. But the trend goes back even a little further, because between 1980 and 1984 the number of companies using special events as a marketing tool probably doubled."

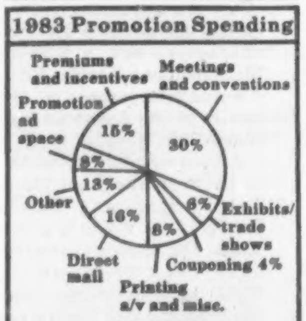
The tale of the tape

Split of advertising vs. promotion budgets

Year	Advertising	Promotion
1976	42.1%	57.9%
1979	40.6%	59.4%
1980	39.5%	60.5%
1981	38.1%	61.9%
1982	38.0%	62.0%
1983	38.0%	62.0%

Source: Russell D. Bowman, vp, John Blair Marketing, New York. First appeared in Marketing Communications.

1983 Promotion Spending



Source: Russell D. Bowman, vp, John Blair Marketing, New York. First appeared in Marketing Communications.

Lesa Ukman, executive editor of "Special Events Report" newsletter in Chicago, also attributes some of the growth in measurement to a change in the perception of special events' function.

"I think in the past special events were looked at as good pr, and that's about as far as it went," Ms. Ukman says. "Money for special events used to come out of pr budgets, which aren't nearly as big as advertising or marketing budgets. But then about eight years ago, companies began to see sponsorship as a good marketing tool rather than just good pr. I think all of this contributed to a more serious approach to special events, including more interest in measurement."

Although no one was willing to discount the effect more sophisticated technology will have on all research areas, most of those

(Continued on Page 22)

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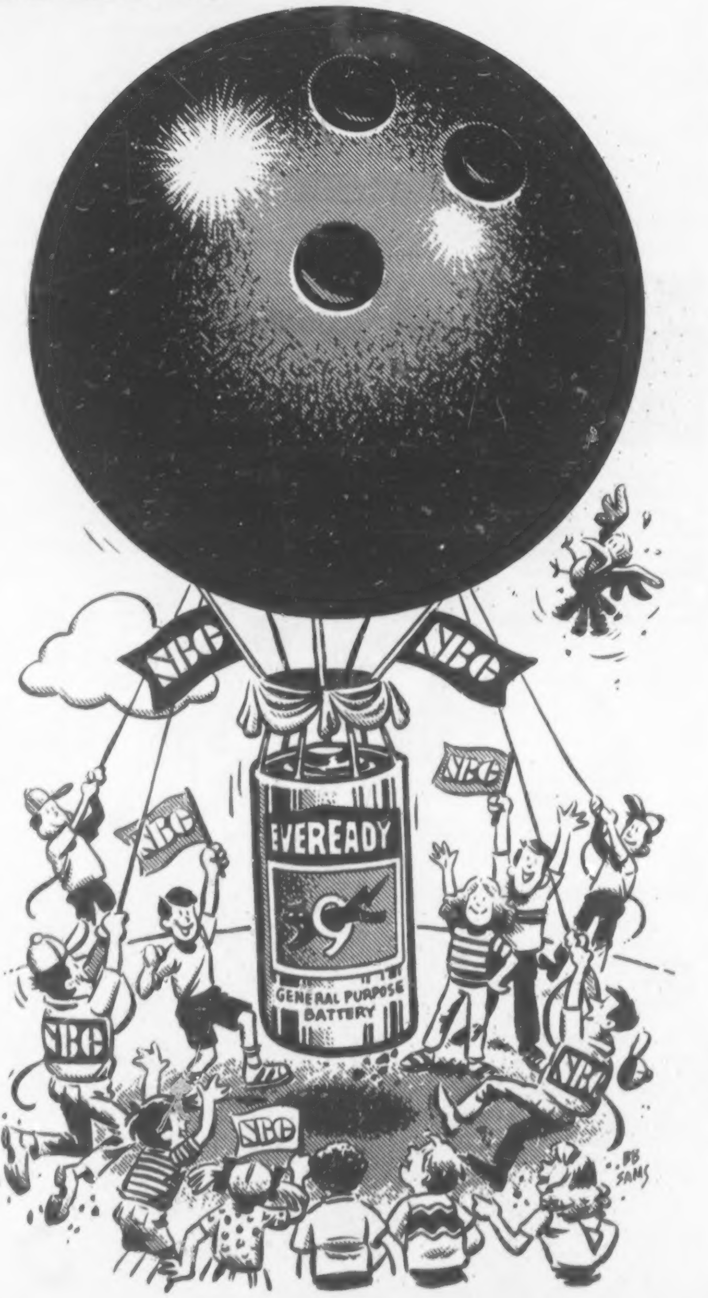

Measure

(Continued from Page 20)

questioned believe that traditional measurement tools are more than adequate for measuring special events.

Those tools are statistical research for base information, focus groups, panels, door-to-door or phone surveys to determine appeal level and, sometimes, a small-scale test event if pretesting is feasible.

According to Mr. Robinson, this process first should determine the appropriateness of a special event against the total marketing picture for the brand or product in question.

For example, Barbara Doljack, marketing director for *Seventeen*, says various interests had been trying to persuade the magazine to sponsor a tennis tournament for years, but nothing proposed suited the *Seventeen* image.

"Then, the people from the Maureen Connolly Brinker Foundation came to us and suggested a tournament for amateur young women, and it seemed like a natural for our audience," Ms. Doljack says.

That was 10 years ago, and *Seventeen's* instincts, bolstered by the research data the magazine accumulates with continual reader surveys, proved sound.

According to Ms. Doljack, every one of *Seventeen's* special events and promos—including its annual Tennis Tournament of Champions, Swim Meet of Champions, Now You're Cooking National Menu Planning Competition (co-sponsored with General Foods), National Concerto Competition (co-sponsored with General Motors) and new cover girl competition—is designed "to have a positive impact on our audience and reinforce the wholesome and tasteful image of *Seventeen*."

Having clear goals is vital for accurate special events measurement, Mr. Robinson says.

What is the event supposed to accomplish—image enhancement or change, awareness, trial, an increase in shelf space? Is a special event the best way to accomplish this goal? Does it target its audience well? Is it cost-efficient? What about timing—would a special event at a different time be better?

Assuming that this homework has been done, Ms. Ukman cautions against being too hasty in judging an event a failure.

"I think this is a mistake a lot of companies make," Ms. Ukman says. "I believe it takes at least three years for an event to really pay off. If you look at the classic success stories—Coors, for example, which started its bike race sponsorship about 10 years ago, began small, but now the same race is scheduled to have major network coverage next year—you have to commit for at least three years."

Crucial to all this is budgeting for measurement, a step where many marketers fall short. All the more pity, critics say, when the shortage is weighed against the potentially lucrative impact a well-planned special event can have on a company's bottom line because of nearly perfect targeting ability.

Blue Bell Inc.'s Wrangler, for example, makes no secret of the return it has realized from special events.

Considered one of the most progressive companies when it comes to special events measurement, Wrangler realized some $3.5 million from major events sponsored in 1983.

> **"To me, special events are very much an advertising effort, and if you're not forcing the fan back to retail, I don't know why you do it."**
>
> ***—David Allen Wrangler***

According to David Allen, director-special events for Wrangler Brand Marketing Division of Blue Bell in Greensboro, N.C., this return stemmed from the company's consistent use of a measurement formula based on market research surveys of buying habits taken before, during and after an event and set up to pinpoint incremental sales generated by each event.

Wrangler's integration of its special events, marketing and advertising functions under the same organizational umbrella is also a definite plus.

"Everything we do here has to be tied to moving product," Mr. Allen says. "To me, special events are very much an advertising effort, and if you're not forcing the fan back to retail, I don't know why you do it."

The Wrangler director says he believes it is foolish to assume any sponsorship without measuring.

"The return can be two or three times what you spend [on a special event] if you do it right," he says. "I think the key, though, is to measure against what your over-all goal is—am I actually creating a propensity to purchase my product, and am I in the right area to move my product or am I trying to move my product in the wrong demographic.

"Let your national advertising focus on image . . . special events are too targeted not to be used for promoting sales."

Nonetheless, Mr. Allen concedes that it is easy for a company to get caught up in the excitement of a special event and overlook the measurable return the right event can and should produce.

"I think one of the biggest problems is that a company will get caught up in the drama of the particular event—get too far into it to see out of it," he says. "In our case, we're not in the

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Contact: Ben Lipstein or Mel Appelbaum.

Measure

(Continued from Page 22)

racing business or the sports business. We're in the apparel business, and that has to be kept firmly in mind."

Al Guerrara, manager-special events and community relations for Milwaukee-based Pabst Brewing Co., says he also believes focusing on end results is the best way to initiate a special event sponsorship.

"Basically, you have to look at the program and see some value," Mr. Guerrara says. "Depending on your goals, this may not be dollar for dollar return—it could be exposure, it could be image enhancement, it could be positive pr—although, generally, with beer, a foremost consideration is, will it sell more beer.

"The point is, when you're talking about the kind of money this takes, you have to justify it. You have to figure out just what it is you want out of the event and not go in cold and hope that something good turns up."

Mr. Dixon of Marlboro agrees with Mr. Allen that sales growth should be part of the picture.

"Part of the problem in selling special events is that whether you want it to be or not, it's an emotional buy, let's sponsor the U.S. Track and Field team because it feels good," says Mr. Dixon, who was formerly director-sports programing at Anheuser-Busch, St. Louis.

"I think a lot of this comes from the fact that sponsorship is still seen more as an image and awareness builder than a way to build sales, unless you have a marketer that coordinates special events with its advertising, pr and other marketing functions. Wrangler, Anheuser-Busch and R.J. Reynolds, for example, do a superb job of this.

"I'm not saying special events shouldn't be used to build image and awareness, but I think a much greater emphasis should be made on taking special events right back to point of sale, right back to the store. There's not enough of this."

Other observers say creating advertising and other promotion tie-ins not only strengthens a special event, it expands a marketer's opportunities for securing measurable data about the event's effectiveness.

J.C. Penney Co. put a great deal of effort (not to mention a reported $10 million) into staging its just-concluded Salute To Italy promo as part of a total marketing-ad campaign that included heavy print and broadcast advertising as well as company sponsorship of the Public Broadcasting Service's September telecast of Puccini operas "Turandot" and "Tosca."

Retail merchandisers see foreign promotion events as a vehicle for building traffic and sales, attracting new shoppers and enhancing image, and Penney's conducted extensive on-site exit interviews with customers in addition to telephone interviews of the general market to determine whether these goals were met.

"We were also Burke-ing [telephone interviews done by Burke Marketing Research the day after tv ads appear to measure recall] at the same time," says Ira Ostroff, manager of apparel research for the New York-based retailer.

"We normally put a lot of weight behind research, but this one was very special because of the heavy investment both from an advertising and promotion standpoint. We don't measure every event we put on to this extent, otherwise we'd be spending more on research than merchandising. Our involvement [in research] depends on the impact the event is expected to have on the company," Mr. Ostroff says.

> **"You have to figure out just what it is you want out of the event and not go in cold and hope that something good turns up."**
>
> *—Al Guerrara*
> *Pabst Brewing Co.*

Mr. Ostroff, like Messrs. Allen and Dixon, expects sales to play a major role in that impact.

"I think sales almost always have to be part of the equation," the Penney's manager says. "We could improve image forever, but without the sales we'd be out of business pretty quickly. I think that dual purpose is necessary in any event."

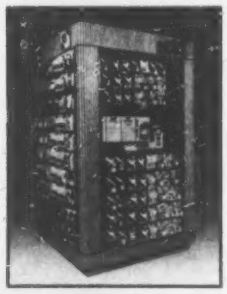
Special events measurement undoubtedly will change.

"I think it's still an infant kind of activity, so I believe we're going to see more special events, with more industries using them that have never used them before . . . for example, computer people, computer software, data delivery, telecommunications," Mr. Robinson says. "As these emerging industries achieve advertising parity with one another, I think they'll begin asking themselves what else they can do—as the beer people did—to set their products apart, and they'll be looking hard at other means of communication."

Mr. Robinson also sees marketers making greater use of special events' targeting ability to achieve specific goals.

"As we see new industries using special events, we may well see them using new kinds of special events that are more segmented," he says. "We're already seeing segmentation with events that are black oriented, Hispanic oriented . . . . Special events are a good way to talk to these groups because they're so targeted.

"I'm sure there'll be other changes, too. In general, as these new companies use them [special events] more, I think we'll see more flexibility and less predictability in the way special events are used."



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Monday, October 29, 1984

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Gillette goes all out for split-30s

By VERNE GAY

Gillette Co., Boston, intends to have 15-second commercials for most of its nationally advertised brands over the next year, becoming the first major advertiser to integrate the split-30 into its entire tv buying strategy.

The ads, expected to be condensed versions of 30-second ads now on the network schedules, will support "beds" of 30-second units. Each will incorporate the core selling message of the 30-second unit.

The speed with which Gillette undertakes the project depends on the success of split-30s Gillette is running on network tv, according to Hans Lopater, vp-market research at Gillette's personal care division. These include ads for Foamy shaving cream, Bare Elegance and Toni Silkwave and Lightwave home permanents, he said.

Creative Review Board tackles the split-30 issue. See Page 3.

"It is likely that the majority of Gillette's brands [will be supported by 15-second versions]," said Mr. Lopater. He noted 22 major brands will be affected. They include Atra, Trac II, Good News! and Daisy from the safety-razor division; Paper Mate, and selected personal care products.

Like other package-goods advertisers, Gillette is exploring the feasibility of the 15-second unit as a way to build reach and frequency for heavily advertised brands.

The unit also is being used as a way to build exposure for small-budgeted brands. "Nobody wants to go to 15s, but the economics are such that for the $2 million-to-$5 million advertised brands it is the only way they can be on tv," said Thomas Ryan, vp-advertising services, Gillette North America.

Brands with similar target audiences will be paired within the split-30, according to Mr. Lopater. For example, Toni and Bare Elegance would be incorporated into a split-30; Foamy and other male-oriented products will be slotted on a split-30.

Part of the creative strategy is to incorporate the "core selling message" of each 30-second commercial into the 15. After the 30 is created, the message then will be edited to a 15 which will reflect the message of the larger unit. No special 15-second units will be created, Mr. Lopater said.

Other major advertisers using split-30s include Beecham Products, Pittsburgh, for Calgon products, Aqua Velva and Aqua-Fresh; Warner-Lambert Co., Morris Plains, N.J., for Efferdent and Rolaids, and Alberto-Culver Co., Melrose Park, Ill., for selected Alberto VO5 products.#

Distillers inching toward cable tv

By GAY JERVEY and STEVEN W. COLFORD

Distilled-spirits marketers, intensely cautious over the very mention of liquor advertising on tv, soon may be enticed to cable tv as an ad medium.

At the same time, a small but growing number of distilled-spirits companies are experimenting with the use of in-flight video advertising solely on international routes, in some instances with an eye to domestic use—which also could incite public antagonism.

From the standpoint of cable—in addition to USA Cable—a likely candidate for liquor advertising is Entertainment & Sports Programming Network, which along with USA, said it would judge any proposed ads case by case.

But if history is to repeat itself, the activist Center for Science in the Public Interest could expand its anti-alcohol advertising campaign from tv and radio to cable. Only last week the CSPI asked Ted Turner not to solicit liquor ads for either WTBS or Cable News Network, and a Turner Broadcasting spokesman said the company decided not to.

"We felt there were still some legal questions [unanswered] and that the climate was just not right for it," said Art Santos, vp-public

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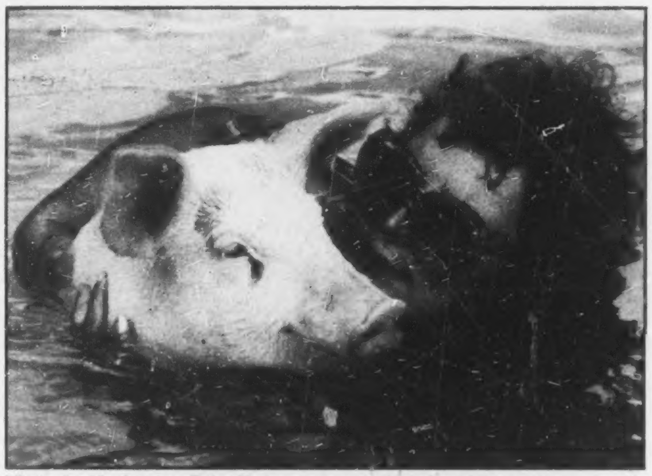

Victoria Herberta, Priscilla's owner and swimming partner, wants Pepsi-Cola to commemorate the pig on a soft-drink can.

This little piggy cries for Pepsi

By SARAH STIANSEN

DALLAS—Pepsi-Cola has Michael Jackson and now its Mountain Dew soft drink is gaining new friends because of a local hero named Priscilla.

Priscilla is a 6-month-old piglet that swims. She sty-rocketed to celebrity status last summer after rescuing a drowning boy from a Houston lake.

An ardent Mountain Dew drinker, Priscilla even drinks it while performing on the banquet circuit. Drinking Mountain Dew, in fact, is part of this pig's repertoire.

And if plans go as her trainers hope, Priscilla's fame will continue to spread. She is booked for West German tv in December, and Johnny Carson is interested in booking her for NBC's "Tonight Show," according to Chere Hickock, owner of Animal Trackers, an animal talent agency here that is working with Priscilla.

But on the subject of pig promotions, the response from PepsiCo—which gained wide exposure and incidental publicity for its Pepsi brand's association with Michael Jackson and Jackson family tour—is decidedly tempered.

As animal actors go, pigs are relatively uncommon. One star was Arnold Ziffel, a pig who gained a sort of cult following his perfor-

(Continued on Page 86)

Brew blitz at Miller taking premium turn

By SCOTT HUME

Considering the beer industry's current pace of new-product introductions and business diversification, one could easily forget that the industry suffers from stagnant sales growth.

Miller Brewing last week stepped up that pace with the introduction into five test markets of Plank Road Original Draught, a new premium beer.

The industry's fast pace of new-product development isn't even limited to the beer market. Coors' food-products unit is test-marketing a candy bar that uses a no-caffeine chocolate substitute derived from brewer's yeast. Anheuser-Busch is expanding distribution of its wines and, like G. Heileman Brewing, increasing the scope of its snack-foods business.

Miller Brewing, however, continues to concentrate on beers. Plank Road is the fourth new beer it has introduced in the last 18 months, but the first brand introduced in the premium-price category, where it will have to fight for market share not only with Anheuser-Busch's Budweiser, but with Miller High Life, Milwaukee-based Miller's own faltering flagship brand.

Some industry observers viewed the Plank Road test as Miller's attempt to offer a differently posi-

(Continued on Page 90)

Last Minute News

Apparel group seeks to assign $10 million effort

NEW YORK—Crafted With Pride Council, a group of apparel and textile companies, is searching for an agency to handle an estimated $10 million made-in-America campaign. The effort involves advertising and public relations.

New time slot prescribed for 'E/R'

NEW YORK—CBS-TV will move "E/R" from 8:30 p.m. (ET) Tuesday to 8:30 p.m. Wednesday, as of Nov. 7, bumping "Dreams," which will return to the air later. The network has time to decide its 8 p.m.-to-9 p.m. Tuesday replacements for "E/R" and "AfterMASH," given preemptions on Nov. 6 for election coverage and Nov. 13 for "Donald Duck's 50th Birthday" (*see related story on Page 88*).

K&E acquires direct-marketing ad agency

BOSTON—Kenyon & Eckhardt has reached an agreement to acquire Cinamon Associates, a Brookline, Mass., direct-marketing ad agency. The $3 million agency is K&E's first entry into direct marketing.

Needham wins Carter-Wallace business

NEW YORK—Carter-Wallace has assigned its Answer Pregnancy Test Kit, Pearl Drops Tooth Polish and Pearl Drops Smoker's Toothpaste to

(Continued on Page 8)

Magazine notes

Last week's American Magazine Conference in the Bahamas inspired talks about acquisitions, t-shirts and other matters. *(See stories on Page 3.)*

NEWSPAPER

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Cigarets face sports storm

By VALERIE MACKIE

Antismoking groups around the world are pressuring cigaret marketers to stop sponsoring sporting and cultural events and cease promoting cigarets during telecasts of these events with tv-oriented "reminder" boards that adorn stadiums and other sports arenas.

In Australia, telecasts of sporting events sponsored by cigaret marketers were found to have violated the tv ban on cigaret advertising. Similar moves to stop cigaret marketers from sponsoring these events are under way in the U.K. and Canada, and the U.S. is about to get hit as well.

The American Cancer Society, New York, is about to write a letter to the Federal Communications Commission, the tv networks and owners of the football teams saying the telecast of a cigaret outdoor board is a violation of the spirit of the 1971 tv advertising ban, according to ACS spokesman Irving Rimer, vp-public information.

The ACS is "very concerned about the indirect advertising of cigarets on tv" and "particularly concerned about football games where tv cameras focus on billboards of cigaret advertisers," Mr. Rimer said.

As an example, he cited the Marlboro cowboy outdoor board located behind the goalposts in the San Francisco 49ers stadium, Candlestick Park.

"The American Cancer Society is seeking voluntary action from people who can control it. . .whether it be the people who place ads or control sports stadiums or tv cameras," said Matthew Myers,

(Continued on Page 88)

Coke bubbles over overseas prospects

By NANCY GIGES
and LISA PHILLIPS

New York—Coca-Cola Co. is targeting the expansion of per-capita soft-drink consumption internationally as a key growth opportunity.

Company management told financial analysts here that increasing per-capita soft-drink consumption outside the U.S. is so important that company managers from around the world will gather at a weeklong meeting next month devoted solely to the subject.

"Given our already high share of market, simply expanding market share is not the answer, and expanding geographically is the answer in certain underdeveloped areas, but it is not a major opportunity on a worldwide basis," Coca-Cola president Donald Keough said.

Secondarily, Coca-Cola is actively looking for ways to use its frozen-foods marketing expertise and leverage its extensive but underused frozen-food distribution system.

Focusing on the exceptional performance of the Columbia Pictures subsidiary, the company brought its top management here to outline plans and tell how the company intends to exceed its 6% historical soft-drink growth rate outside the U.S.

Other plans include:

- Aggressive promotion of Diet Coke and Sprite internationally.
- Use of debt to finance high-return investments, with the frozen specialty foods area an acquisition target.
- Possible delay of the rollout of Minute Maid orange soda in the U.S. because so many Coke bottlers already market Sunkist (soon to be acquired by R.J. Reynolds Industries).
- Reduced rate of increase for spending domestically in 1985 for marketing soft drinks.

"The real answer. . .is getting more people to drink more of our product in more places and on more occasions," Mr. Keough said.

He noted that consumption of Coca-Cola soft drinks overseas is 49 6.5-oz. drinks per person, per year, compared with 272 in the U.S. Mr. Keough said the company's efforts will focus on greater product availability and product variety. That's where emphasis on Sprite lemon/lime and on Diet Coke comes into play.

He pointed out that outside the U.S. per-capita consumption of Sprite is four drinks a year, compared with 27 in this country. "In the past, Sprite has been viewed by some as a kind of filler to engage some of the bottler's excess production capacity. That view has changed," he said. "We are increasing our efforts behind Sprite to the point that marketing spend-

(Continued on Page 86)

Highlights

The ad industry last week unveiled its version of what advertising may be like in the year 2000. *See Page 10.*

Warner Amex Cable Communications, determined to trim losses that hit $99 million in 1983, is expected to intensify its search for investment partners for franchises in Milwaukee and New York. *See Page 12.*

Ad agencies are moving people into international creative positions that reveal just how multinational advertising is being done, and how it is affecting staff time and careers. *See Page 24.*

Insight is a more reliable guide to creating effective advertising than is research, says a high-powered panel of experts at the Conference Board's 1984 marketing conference. *See Page 38.* However, a top creative executive, who in the past has belittled research, told an American Assn. of Advertising Agencies meeting that research often protects agencies from the bad judgment of advertisers. *See Page 73.*

Fortune is getting a real "bang for its buck" out of a campaign promoting the same message to consumers and the advertising trade. *See Page 40.*

Computer literacy will be the key to the marketplace of tomorrow. Use of the computer will change markets and consumers. *See Page 46.*

Frito-Lay has changed one of its namesake products and repositioned another in its effort to keep up with consumer tastes. *See Page 58.*

As technology has improved, the number of consumer product companies using toll-free telephone numbers to answer consumer questions and concerns has increased. *See Page 71.*

Alan Alda remains the "favorite" tv personality in the over-all 1984 Performer Q study by Marketing Evaluations. *See Page 72.*

CORPORATE CLOSEUP

To Beecham Cosmetics' good fortune, musks are in vogue once again. *See Page 4.*

JOVAN
MUSK
FOR MEN

FORUM

Advertising is a business in which some of its best practitioners are better at creating than managing their affairs. Adman Saul Fruchthendler talks about the indelicate topic of money. *See Page 18.*

What will be the next "major mania?" Katherine Kertz Stanton offers a hint—it'll crack you up. *See Page 18.*

INTERNATIONAL

Black & Decker Mfg. Co. plans to market power tools and household appliances globally within a year, a strategy that has never been tried in this category by a U.S. company, according to industry sources. *See Page 52.*

Kerry Packer, Australia's leading media magnate with a fortune of more than $200 million, is embroiled in the biggest and most bizarre political controversy of the year Down Under. *See Page 52.*

The Jornal de Cidade, a twice-monthly publication in Alta Floresta, in the wilds of Brazil's Mato Grosso state, is not like the *New York Times* but it carries almost as much journalist weight in this town. *See Page 54.*

COMING THURSDAY

SPECIAL REPORT

U.S. research companies have been expanding internationally for years, and now British and European researchers are turning the tables—they're invading the U.S.

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General Foods drops options on daytime ads

By VERNE GAY

New York—General Foods will not exercise options it holds for about $5 million in network daytime ads during the first quarter of 1985, a move that partly reflects poor sales performances by several brands.

The decision last week not to exercise its options on time reserved last spring during the upfront daytime market will result in GF's first-quarter '85 daytime budget being cut in half, according to network tv sources. Still, GF is expected to spend as much as $70 million in daytime during 1985, its biggest daytime budget since 1981. It is the first time since 1983 GF has canceled network daytime options (AA, Dec. 6, '82).

Network sources said GF was the only major daytime spender to forego its options. However, the sources reported at least four major daytime advertisers, including Lever Bros., tried to shift first-quarter '85 spending to the second quarter. The networks refused those requests, sources said, because the networks believe daytime, which was the first daypart to sell out in the upfront market, will garner much higher prices on the scatter market. In addition, calendar-year second quarters traditionally are higher-priced than first quarters, thus the tradeoff would have left the networks with greater available scatter inventories in a lower-priced quarter.

The spending cutbacks at GF

(Continued on Page 86)

Two form new company

Landau execs split

By ROBERT RAISSMAN

New York—The two executives responsible for turning Robert Landau Associates into one of the top three sports marketing companies in the world—before it filed for bankruptcy in September—have resigned from RLA to start their own company.

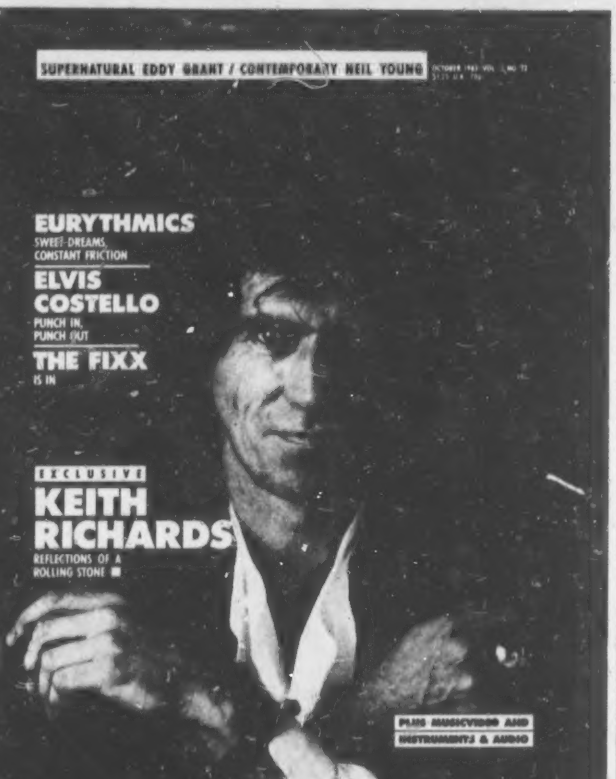
Michael Trager, senior vp at RLA and president of its international division, and Michael Leites, RLA's vp-sports marketing, left the company last week to form Sports Marketing & Television International in Greenwich, Conn.

Their departure leaves RLA virtually without a sports marketing division. Other employes of the division already have been released. In fact, RLA in total has pared down to 12 employes from a high of 250.

The resignations of Messrs. Trager and Leites were not the only bad news for RLA last week. It is already at the center of a $5 million fraud suit filed by Atlanta-based Dittler Bros. against ABC Inc. over a $1.5 million loan to RLA (AA, Oct. 22). In addition, RLA was forced last week to file suit against a small New York production company to prevent the release of embarrassing outtakes from a film on the Ford Big Foot.

Two Plus Two Productions allegedly had threatened to release or "re-edit" footage of the Big Foot, a modified Ford truck with 6-ft.-

(Continued on Page 88)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Source: 1984 Simmons Primary Readership Study, Total Adult Readers.

ADWATCH

Fast-food's favorites fire fast, furious flurries

By SCOTT HUME

An open letter to Keith Reinhard, chairman and chief executive officer, Needham Harper Worldwide:

Are you sure you still want the McDonald's account back?

Why put yourself and your agency through the stress that must come with handling a fast-food assignment? It's such a volatile product category to be creating advertising for.

Consider the September results from ADVERTISING AGE's adWatch survey of consumer advertising awareness. Last month, Wendy's International introduced new advertising featuring Clara Peller and, boom, the top-of-mind-awareness rankings for the fast-food category got rearranged again.

McDonald's still is No. 1. Its advertising came to mind first for 40% of the 1,260 adults surveyed last month. But that represents a drop of 10.3 percentage points from August's 50.3% share of first mentions.

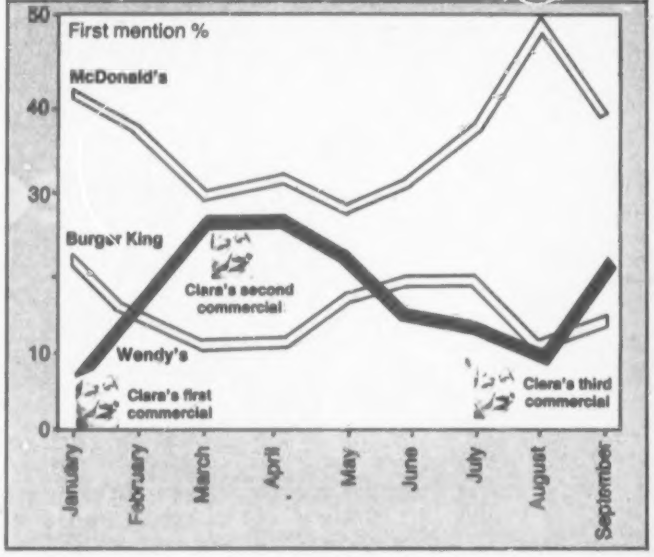
Wouldn't you rather let Leo Burnett USA, Chicago, lose sleep over such roller-coaster results, Mr. Reinhard?

McDonald's loss was Wendy's

(Continued on Page 82)

Clara beefs up Wendy's recall

When Wendy's has run advertising featuring Clara Peller, the percentage of respondents for whom Wendy's ads come to mind first soars. When the chain gave the "Where's the beef?" campaign a rest during the summer and switched to product advertising, Wendy's share of first mentions declined. But Clara's back and Wendy's share is up again.



Warner cutting cable losses

By MAURINE CHRISTOPHER

Determined to continue to trim the losses that hit $99 million in 1983, Warner Amex Cable Communications is expected to intensify the search for investment partners for new franchises in Milwaukee and New York, now that its Pittsburgh system has been sold to Tele-Communications Inc. for $93.4 million.

That sale, at upwards of $1,200 a customer, sets a high price tag for a losing system, but it does not cover the company's $130 million investment in the country's most lavishingly programed and produced system.

Also sold this week, subject to municipal approval: Warner Amex's St. Louis and suburban systems to Cencom Cable Associates, St. Louis.

Drew Lewis, Warner Amex chairman, could not be reached for comment. The key question has become whether he wants to bail out on any of his other financially ailing big-city systems. Warner Amex's stake in Chicago was sold earlier this year.

Since taking over as head of Warner Amex, Mr. Lewis has been methodically trying to renegotiate franchise contracts in cities where Warner executives, in hindsight, realize they overpromised to win the territory. Adjustments already have been made to scale down in Milwaukee and in Dallas. Some changes also are being made in the blueprint for all the new systems to be built soon in New York City. Warner Amex has parts of Brooklyn and Queens.

Some industry observers have the impression Mr. Lewis' instructions from his bosses at Warner Communications are to convert each costly big-city operation to a financially viable setup or get out. WCI had just reported earnings of $24.4 million for the third quarter of 1984 compared with a $122.4 loss in the comparable quarter last year due to red ink from its then subsidiary Atari. Without specifics, the report said cable losses were down.

The sale of an intricately priced and tiered 73,000-subscriber system in Pittsburgh was completed after the mayor and city council agreed to allow TCI to cut the channels from 63 to 44, to discontinue the two-way Qube service and to reduce local access and studio production requirements.

John Sie, TCI senior vp, promised Pittsburgh officials to lower basic rates for subscribers for the slimmed-down schedule. He said Denver-based TCI, the country's largest multiple-systems operator, charges customers from $5.25 to $9.50 a month for basic service compared to Warner Amex's $5.35 to $11.50. Warner Amex, he estimated, has been spending $42.8 million annually to run a $22.4 million-grossing cable company in Pittsburgh.

Mr. Sie said TCI was the only mso to step forward to rescue Pittsburgh from an economically unsound formula devised during the national cable-franchise frenzy of the late '70s when "many cable companies promised anything in order to outdo their competition and satisfy the cities' demands."#

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FTC lifts S&H order on stamps

WASHINGTON—The public's growing aversion to trading stamps during the last 10 years has injured Sperry & Hutchinson enough that it no longer has to offer cash to collectors of its Green Stamps.

That was the gist of a Federal Trade Commission order last week that unanimously lifted an 11-year-old FTC requirement that S&H satisfy consumers who want dollars instead of merchandise for their stamps.

"Conditions have now changed to the extent that consumers can readily avoid both S&H stamps and trading stamps in general in virtually all markets," the commission order said, "and, as a consequence, can avoid injury that might otherwise arguably result from a merchandise-only policy."

In asking for the modification in July, S&H noted the trading-stamp industry's sales in 1983 were only about 20.1% of their 1965 level, measured in constant dollars.#

Alda stays on top of his 'Q'

By JAMES P. FORKAN

Alan Alda remains the "favorite" tv personality in the over-all 1984 Performer Q study released by Marketing Evaluations. Bill Cosby led among the black audience and Clint Eastwood among the Hispanic segment.

Mr. Alda's popularity probably continues to derive from the consistently popular syndicated "M*A*S*H" series, while Mr. Cosby's exposure until this fall owed to guest appearances and commercials for General Foods Corp.'s Jell-O. Mr. Eastwood's popularity can likely be attributed to his theatricals on the tv circuit.

The research was tabulated last spring, well before Mr. Cosby's highly rated NBC-TV comedy series "The Cosby Show" began.

Harry Morgan, another ex-"M*A*S*H" regular who now costars in CBS-TV's "AfterMASH" comedy series, ranked No. 7 out of 1,107 personalities in the latest Q report.

Marketing Evaluations, Port Washington, N.Y., arrives at the Q rating scores by dividing the percentage of the sample who regard a performer as "one of my favorites" by those who are "familiar" with that personality. It also publishes periodic TvQ reports on viewers' "favorite" tv series, which sometimes indicate to tv networks and others whether a program that scores only so-so in the A.C. Nielsen Co. audience ratings might have potential for greater popularity.

This marks the first year that the research company has done an analysis of performers' popularity within the Hispanic community, said Marketing Evaluations president Steven Levitt. That's because previously the company had not been able to identify "a sufficient number of Hispanic respondents to allow for a separate breakout," he explained.

The research company has done breakouts among blacks, however.

Acknowledging that Marketing Evaluations for the past year or so has been under fire in some quarters (for example, from some Los Angeles legislators) for perpetuating discrimination in the casting of Spanish performers in tv programing, Mr. Levitt said that the new study "shows that we're trying" to correct that situation.

Among the Q top-10 performers, Emmanuel Lewis and Daniel Travanti are the newest, the rest qualifying as show business veterans. Emmanuel is in his second season in ABC's "Webster"; Mr. Travanti is in his third year on NBC's "Hill Street Blues."

Another relative newcomer, Eddie Murphy, who just missed the top 12, was a "Saturday Night Live" regular a couple of seasons on NBC before shifting to the big screen. Mr. Murphy scored a 38 Q rating in the general sample, compared with a 55 among blacks and 58 among Hispanics; the latter put him second only to Mr. Eastwood with the Spanish viewers.

Most of the top-10 Performer Q personalities do not star in weekly series but rather are most visible through either theatrical films shown on tv (including Mr. Eastwood, Dustin Hoffman and Paul Newman) or through specials (including George Burns, Carol Burnett and Bob Hope). Lucille Ball, besides appearing periodically on specials, is highly visible via her syndicated "I Love Lucy" and "Here's Lucy" comedy series.

Marketing Evaluations now is gathering data on the performers in this fall's new tv series.#

Top 1984 performer Q ratings

The dozen favorite tv performers, and how they ranked among black and Spanish viewers. The Q ratings are arrived at by dividing the per cent who rank a performer "one of my favorites" by those who are "familiar" with that personality. Note: The all-performer "norm" Q rating is 17 in the total sample, 21 in the black sample, 19 in the Hispanic. The top-ranked stars among the ethnic samples are shown in boldface. *Source: Marketing Evaluations, Port Washington, N.Y.*

Rank	Performer	Q Rating Total sample	Q Rating among Blacks	Q Rating among Hispanics
1.	Alan Alda	50	38	45
2.	Clint Eastwood	45	52	**59**
2.	Bob Hope	45	35	53
4.	Carol Burnett	43	52	55
5.	George Burns	42	37	44
5.	Dustin Hoffman	42	56	54
7.	Lucille Ball	41	44	45
7.	Harry Morgan	41	25	24
7.	Paul Newman	41	45	39
10.	Emmanuel Lewis	40	53	57
10.	Daniel J. Travanti	40	47	44
12.	Bill Cosby	39	**71**	23

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Viewer involvement helps tv ads

By MAURINE CHRISTOPHER

Put tv commercials in a program that targeted customers watch with more than the usual amount of involvement and they will be more likely to stick around during the ad breaks and respond favorably to the commercials.

It may not be a high-profile, well publicized or even a high-rating program, but if would-be customers are wrapped up in it, it's a good choice for an ad.

That advice comes from Elizabeth Roberts, president of Television Audience Assessment, Boston, after TAA's latest qualitative ratings and commercial effectiveness study. TAA so far has spent $2.5 million of the John & Mary Markle Foundation's money trying to find the best method to provide qualitative ratings for a continuing regular service to show not only what programs viewers watch, but how they react. The service, once it begins, also aims to give sponsors data on how many people watched the commercial and how effective it was.

TAA's latest commercial effectiveness study covered 470 young (aged 18 to 49) female heads of household gathered in small laboratory groups last year in Kansas City. The participants were divided into distractions-available and no-distractions-available environments for their tv screening sessions. Distractions meant a living room setting with food, drink and magazines. The no-distraction panelists watched tv on a theater set.

TAA reported that people "involved with the programs" being screened were more likely to remember what the commercial said, to like and believe the commercial and to indicate they might buy that product in both groups. Asked how behavior in such an artificial setting could reflect what a viewer would do at home, Steven Holt, TAA general manager, said this study confirms what they found in earlier diary and phone studies made in the home.

These researchers use four criteria to gauge commercials' effectiveness: Brand name and message recall, over-all evaluation of the commercial, credibility of the message and intent to purchase. For qualitative program ratings, TAA has created two yardsticks—program impact index (based on whether a program touches one's feeling and/or provides information) and program appeal index (rated from zero to 10 for its entertainment value).

Mr. Holt said TAA hopes to begin providing TAA qualitative ratings for programs and effectiveness data for commercials annually during crucial sweeps periods if the company can find a partner to finance the service. Markle is helping with the search. They probably would start using diaries and phone checks and move into electronic data collection later.#

VU/TEXT adds AP, 'Globe'

PHILADELPHIA—Knight-Ridder Newspapers' VU/TEXT, an interactive informational database here, will add the full text of the *Boston Globe* as well as the news reports of the Associated Press in January.

Editions of the *Globe* dating back to 1977 will be included in the database. Each day's newspaper will be available the following day. The AP national and international news reports will be put into the database with a two-day lag.

VU/TEXT carries the full text of the *Allentown* (Pa.) *Morning Call, Lexington* (Ky.) *Herald-Leader, Miami Herald, Philadelphia Inquirer & Daily News, Sacramento Bee, Wall Street Transcript, Washington Post* and *Wichita* (Kan.) *Eagle-Beacon*.

VU/TEXT next year will add the *Chicago Tribune, Detroit Free Press, Gary* (Ind.) *Post-Tribune, San Jose Mercury* and Knight-Ridder's *Journal of Commerce*.

The database can be connected with any personal computer equipped with a telecommunication modem, for charges ranging from $75 to $100 per hour.#

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AdWatch

(Continued from Page 12)

gain. The third "Where's the beef?" commercial and spots promoting a scratch-card game promotion tied to ABC's "Monday Night Football" broke Aug. 27.

For September, Wendy's advertising's share of first mentions was 21.3%, up 9.6 points from 11.7% in August. Dancer Fitzgerald Sample, New York, has to worry about keeping its renewed momentum going, Mr. Reinhard. Do you really want to worry about such things again?

And take a look at Burger King. When new comparative advertising from J. Walter Thompson USA, New York, broke in May, Burger King's advertising awareness jumped nearly seven points. In August it dropped 8.1 points. Last month it was up two points to a 13.8% share, putting it in third place.

The account execs at JWT now have to worry about Wendy's again as well as McDonald's.

I don't want to tell you your business, Mr. Reinhard, but in the past two years, fast-food advertising has emerged as the most changeable, unpredictable category of the nearly two dozen surveyed each month.

Needless to say, it's a jungle out there.

The adWatch survey is a joint project of ADVERTISING AGE and SRI Research Center, Lincoln, Neb. Advertising awareness is measured by asking a nationally projectable sample of consumers to name the advertising that first comes to mind over-all and in 22 product and service categories from all they have seen, heard or read in the previous 30 days.

In September, 1,260 adults were questioned by phone. Under adWatch methodology, an increase or decrease of 2.8 percentage points from the previous month's results is considered statistically significant and attributable to more than sampling variation.

Wendy's also was the most frequently named advertising overall in September, returning the chain to the No. 1 spot it had held from February through May this year.

The top 10 in over-all unaided recall last month were, in descending order, Wendy's, Pepsi, Coke, Miller/Lite, McDonald's, Burger King, Ford, Budweiser/Bud Light, Chevrolet and IBM.

Several advertisers last month lost ground they had gained during the Summer Olympics broadcasts. McDonald's 10.3 percentage-point drop in awareness is undoubtedly due to the termination of its Olympics scratch-card game and Olympics advertising campaign as well as to Clara's return.

Advertisers in other categories also felt the effects of the Olympics' absence:

- Levi Strauss, a major Olympics advertiser whose awareness score jumped nearly 10 points during August, fell back 6.6 points in the **apparel** category last month. But with 13.4% of first mentions it still maintains a solid lead in that category.

Jordache moved from 3.3% in August to 5.9% and the No. 2 spot in the September survey. Calvin Klein, with a new campaign for its underwear line, moved into the No. 3 spot with a 5.2% top-of-mind recall share.

- The Olympics' official airline, United, also lost some of its August gain in September. United's advertising in the **airlines** category came to mind first for 14.9% of those polled, a 5.7 point decline from August's 20.6% share.

American Airlines' advertising, carrying its new "Something special in the air" theme, was a close second with 13.1%, up slightly from the previous month's 11.5%. Eastern Air Lines made an even better showing last month, rising 2.9 points to an 11.9% share in September.

- Kodak and Canon, both Olympics advertisers, each lost awareness as they continued their battle for supremacy in the **cameras and photographic equipment** category. Kodak's advertising came to mind first for 23.7% of the sample, 3.4 points less than in August. Canon claimed 17.3% of first mentions last month, a decline of 5.3 points.

In the No. 3 spot last month for the first time was Minolta, with 6.4% of first mentions. Close behind were Nikon (5.5%) and Polaroid (5.2%).

- Apple lost share to primary competitors IBM and Commodore, but still kept a huge lead in the **computers** category. Apple's 35.4% share of first mentions in September represented a 3.4 point decline but still was nearly three times greater than No. 2 IBM's 13.1% share. Commodore was third with 7.5%.

Even with its aggressive new "Dare to compare" campaign, Texas Instruments' advertising failed to place among the top five in the category for the first time this year.

- "Bingo!" as Miller Lite pitchman Bob Uecker says in one of the brand's most recent and most popular commercials. For the first time, Miller Lite last month ranked second in the **beer** category behind perennial leader Budweiser. Lite ads came to mind first for 9.2% of the sample, compared with 16% for Budweiser. In that No. 2 spot, Lite replaced Miller High Life, which dipped three points to 7.4% and fourth place.

Coors remained No. 3 with 8.4%.

- Now that Procter & Gamble has put the Ivory name on shampoo and conditioner, it's not surprising that the brand's awareness level has jumped. Ivory was recalled first for 11.7% of the sample, up 3.9 points from August. Ivory threatens to become the dominant brand in the **soap and shampoo** category, which had been a fairly closely contested one.

Head & Shoulders remains No. 2 (6.3%), with Prell in the No. 3 spot (5.9%).

- Tide already had an insurmountable lead in the **laundry products** category, but it boosted that lead even further last month. Tide's awareness share rose 3.6 points to 27.9%. Far behind are Cheer (4.8%) and All (4.2%).
- Ford's lead in the **cars and trucks** category was whittled down last month. After picking up 5.2 points in August, Ford's share dropped back 6.5 points to 21.1% in September. Chevrolet was second with 13.9%; Toyota third with 9.8%.

Making a move last month was Datsun/Nissan, which passed Chrysler and Dodge to move into the No. 4 spot with 5.5%. By the way, that share breaks down to 3.2% who said Nissan and 2.3% who said Datsun. The name-change campaign is working.

- Last month's adWatch summary failed to note the strength of the impression advertising for American Home Products' ibuprofen-based pain reliever Advil has made. Advil moved into the No. 2 spot in the **medicine and drugs** category in August with a 7.7% share and a 3.8 point increase. Advil's September score dipped a bit to 6.6%, but it still holds second place behind Tylenol (28.5% last month).#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

"IT'S LIKE HAVING A STAT HOUSE IN THE HALLWAY."

–Alex Stefanishin, President
Anders Advertising, New York City

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